

# ANNUAL REPORT

31 DECEMBER 2024

# PHEIM

---

**Pheim Emerging Companies Balanced Fund**

**Dana Makmur Pheim**

**Pheim Income Fund**

**Pheim Asia-Ex Japan Fund**

**Pheim Asia-Ex Japan Islamic Fund**

---



**PHEIM UNIT TRUSTS BERHAD** 200101010163 (545919-A)  
7th Floor, Menara Hap Seng (Letter Box 12)  
Jalan P. Ramlee,  
50250 Kuala Lumpur, Malaysia.  
Tel No: (603) 2142 8888  
Fax No: (603) 2141 9199

Your **Need**  
is our **Focus**

## **TRUST DIRECTORY**

### **MANAGER**

**Pheim Unit Trusts Berhad** 200101010163 (545919-A)  
Registered Office and Head Office:  
7th Floor, Menara Hap Seng (Letter Box 12)  
Jalan P. Ramlee, 50250 Kuala Lumpur  
Tel:(603) 2142 8888 Fax:(603) 2141 9199

### **BOARD OF DIRECTORS**

Dr. Tan Chong Koay (Non-Independent)  
Teh Song Lai (Alternate Director to Dr. Tan Chong Koay) (Appointed w.e.f. 22 December 2023)  
Hoi Weng Kong (Independent)  
Lee Seng Young (Independent)  
Rosenah binti Faqir Muhammad (Independent) (Appointed w.e.f. 2 October 2023)  
Ahmad Subri Bin Abdullah (Non-Independent) (Resigned w.e.f. 22 December 2023)  
Teh Song Lai (Non-Independent) (Resigned w.e.f. 22 December 2023)

### **INVESTMENT COMMITTEE**

Zarina Binti Omar (Independent)  
Pee Ban Hock (Independent)  
Ho Sen Feek (Independent)  
Mark Wing Kong (Independent)  
Rostam Effendi Bin Abdul Rahim (Independent)

### **EXTERNAL INVESTMENT MANAGER**

**Pheim Asset Management Sdn Bhd** 199301014824 (269564-A)

### **SHARIAH ADVISER**

**Amanie Advisors Sdn Bhd** 2005011007003 (684050-H)

### **TRUSTEE**

**Maybank Trustees Berhad** 196301000109 (5004-P)

### **AUDITORS**

**Folks DFK & Co** (AF0502)

### **TAXATION CONSULTANT**

**Folks Taxation Sdn Bhd** 198901000798 (178104-M)

**CONTENTS**

	<u>Page No</u>
1. Fund Information	1 – 5
2. Fund Performance	6 – 20
3. Manager's Report	21 – 57
4. Trustee's Report, Statement by the Manager, Shariah Adviser's Report and Audited Financial Statements:	
• Pheim Emerging Companies Balanced Fund	58 – 92
• Dana Makmur Pheim	93 – 127
• Pheim Income Fund	128 – 161
• Pheim Asia-Ex Japan Fund	162 – 193
• Pheim Asia-Ex Japan Islamic Fund	194 – 230

**Fund Information**

Dear Valued Unit Holders

We are pleased to present the Manager’s Report and the audited financial statements for the financial year ended 31 December 2024 for the following Funds:

- i. Pheim Emerging Companies Balanced Fund (PECBF)
- ii. Dana Makmur Pheim (DMP)
- iii. Pheim Income Fund (PIF)
- iv. Pheim Asia Ex-Japan Fund (PAXJ)
- v. Pheim Asia Ex-Japan Islamic Fund (PAXJI)

**1 FUND INFORMATION**

**1.1 Fund Category and Type**

<b>Fund</b>	<b>Category and type</b>
<b>PECBF</b>	PECBF is a balanced fund that aims to provide income and some capital growth.
<b>DMP</b>	DMP is an Islamic balanced fund that aims to provide Shariah permissible income and some capital growth.
<b>PIF</b>	PIF is an income fund that aims to provide steady income.
<b>PAXJ</b>	PAXJ is an equity growth fund that aims to achieve capital appreciation in the long term by investing primarily in Asian markets excluding Japan.
<b>PAXJI</b>	PAXJI is an equity growth fund that aims to achieve capital appreciation in the long term by investing primarily in Asian markets excluding Japan through investments that comply with Shariah requirements.

**1.2 Funds’ Investment Objective**

<b>Fund</b>	<b>Investment objective and strategy</b>
<b>PECBF</b>	PECBF aims to provide Unit Holders with steady income and some prospects for capital appreciation (income and growth) in the longer term. PECBF will invest in a balanced portfolio of equities and fixed income instruments subject to a maximum of 60% in equities and a minimum of 40% in fixed income instruments and liquid assets.
<b>DMP</b>	DMP aims to provide Unit Holders with steady income and some prospects for capital appreciation (income and growth) in the longer term. DMP will invest in a balanced portfolio of Shariah-compliant equities and sukuk subject to a maximum of 60% in Shariah-compliant equities and a minimum of 40% in sukuk and Islamic liquid assets. All investments will be made in accordance to Shariah requirements.

## Fund Information

## 1.2 Funds' Investment Objective (Cont'd.)

<b>PIF</b>	<p>PIF aims to provide unit holders with consistent income returns in the medium to longer term. PIF will invest primarily in medium to long-term fixed income instruments subject to a minimum of 70%* in fixed income instruments and liquid assets and a maximum of 30% in equities.</p> <p>*The Fund will invest at least 50% of its NAV in fixed income instruments.</p>
<b>PAXJ</b>	<p>PAXJ aims to achieve capital appreciation in the long term by investing primarily in Asian markets excluding Japan. PAXJ will invest, without restraint, in securities listed on the stock exchanges of the Asia Pacific region excluding Japan with initial focus in ASEAN countries, Hong Kong SAR, China, Taiwan, Korea, Australia, New Zealand and India.</p>
<b>PAXJI</b>	<p>PAXJI aims to achieve capital appreciation in the long term by investing primarily in Asian markets excluding Japan through investments that comply with Shariah requirements. PAXJI will invest in securities listed on the stock exchanges of the Asia Pacific region excluding Japan with initial focus in ASEAN countries, Hong Kong SAR, China, Taiwan, Korea, Australia, New Zealand and India that comply with Shariah requirements.</p>

## 1.3 Duration of the Funds

<b>Fund</b>	<b>Duration of the Fund</b>
<b>PECBF</b>	<p>PECBF was launched on 28 January 2002 and its offer period ended on 15 February 2002. It shall exist for as long as it appears to the Manager and the Trustee that it is in the interest of the Unit Holders for it to continue.</p>
<b>DMP</b>	<p>DMP was launched on 28 January 2002 and its offer period ended on 15 February 2002. It shall exist for as long as it appears to the Manager and the Trustee that it is in the interest of the Unit Holders for it to continue.</p>
<b>PIF</b>	<p>PIF was launched on 28 January 2002 and its offer period ended on 15 February 2002. It shall exist for as long as it appears to the Manager and the Trustee that it is in the interest of the Unit Holders for it to continue.</p>
<b>PAXJ</b>	<p>PAXJ was launched on 30 June 2006 and its offer period ended on 20 July 2006. It shall exist for as long as it appears to the Manager and the Trustee that it is in the interest of the Unit Holders for it to continue.</p>
<b>PAXJI</b>	<p>PAXJI was launched on 1 November 2006 and its offer period ended on 21 November 2006. It shall exist for as long as it appears to the Manager and the Trustee that it is in the interest of the Unit Holders for it to continue.</p>

Fund Information

**1.4 Funds' Performance Benchmark**

The performance benchmarks deemed relevant to assess the performance of the respective Funds are shown in the following table:

Fund	Performance Benchmark	Source
<b>PECBF</b>	Weighted average of: 1. 60% of FTSE Bursa Malaysia EMAS Index return, and 2. 40% of Maybank 1-year fixed deposit rate at the beginning of the financial year.	Bursa Malaysia & Maybank
<b>DMP</b>	Weighted average of: 1. 60% of FTSE Bursa Malaysia EMAS Shariah Index, and 2. 40% of Maybank 1-year General Investment Account (GIA) rate obtained at the beginning of the financial year.	Bursa Malaysia & Maybank
<b>PIF</b>	Maybank 1-year fixed deposit rate at the beginning of the financial year.	Maybank
<b>PAXJ</b>	MSCI AC Asia Ex-Japan Index (With effect from 6 April 2023, the performance benchmark of the Fund changed from 7% growth in NAV per annum to MSCI AC Asia Ex-Japan Index)	MSCI
<b>PAXJI</b>	MSCI AC Asia Islamic Ex-Japan Index (With effect from 6 April 2023, the performance benchmark of the Fund changed from 7% growth in NAV per annum to MSCI AC Islamic Asia Ex-Japan Index)	MSCI

**1.5 Funds' Distribution Policy**

Fund	Distribution Policy
<b>PECBF, DMP&amp; PIF</b>	The Funds intend to distribute income, if any, on an annual basis. The income distribution may be declared at the end of each financial year or any specified period as may be approved by the Trustee.
<b>PAXJ &amp; PAXJI</b>	Distribution by the Funds is incidental.

## Fund Information

## 1.6 Breakdown of Unit Holdings by Size as at 31.12.2024

PECBF	No. of Units Held		No. of Unitholders		
	Size of Holdings	('000)	%	No.	%
	5,000 and below	111	0.54	45	27.44
	5,001 - 10,000	163	0.80	22	13.41
	10,001 - 50,000	1,369	6.68	60	36.59
	50,001 - 500,000	4,612	22.50	28	17.07
	500,001 and above	14,247	69.48	9	5.49
<b>Total</b>		<b>20,502</b>	<b>100.00</b>	<b>164</b>	<b>100.00</b>

DMP	No. of Units Held		No. of Unitholders		
	Size of Holdings	('000)	%	No.	%
	5,000 and below	3,554	1.38	1,319	28.32
	5,001 - 10,000	6,766	2.64	939	20.16
	10,001 - 50,000	40,551	15.80	1,862	39.97
	50,001 - 500,000	55,227	21.52	499	10.71
	500,001 and above	150,578	58.66	39	0.84
<b>Total</b>		<b>256,676</b>	<b>100.00</b>	<b>4,658</b>	<b>100.00</b>

PIF	No. of Units Held		No. of Unitholders		
	Size of Holdings	('000)	%	No.	%
	5,000 and below	37	0.58	19	26.03
	5,001 - 10,000	92	1.45	13	17.81
	10,001 - 50,000	464	7.33	22	30.14
	50,001 - 500,000	2,117	33.44	15	20.54
	500,001 and above	3,620	57.20	4	5.48
<b>Total</b>		<b>6,330</b>	<b>100.00</b>	<b>73</b>	<b>100.00</b>

Fund Information

**1.6 Breakdown of Unit Holdings by Size as at 31.12.2024 (Cont'd.)**

PAXJ	No. of Units Held		No. of Unitholders		
	Size of Holdings	('000)	%	No.	%
	5,000 and below	32	0.50	14	17.95
	5,001 - 10,000	123	1.92	17	21.79
	10,001 - 50,000	664	10.38	30	38.46
	50,001 - 500,000	2,283	35.69	15	19.24
	500,001 and above	3,295	51.51	2	2.56
	<b>Total</b>	<b>6,397</b>	<b>100.00</b>	<b>78</b>	<b>100.00</b>

PAXJI	No. of Units Held		No. of Unitholders		
	Size of Holdings	('000)	%	No.	%
	5,000 and below	447	1.03	153	24.48
	5,001 - 10,000	817	1.89	109	17.44
	10,001 - 50,000	6,130	14.16	257	41.12
	50,001 - 500,000	10,995	25.40	99	15.84
	500,001 and above	24,896	57.52	7	1.12
	<b>Total</b>	<b>43,285</b>	<b>100.00</b>	<b>625</b>	<b>100.00</b>



## Fund Performance

## 2 FUND PERFORMANCE

## 2.1 Pheim Emerging Companies Balanced Fund

## 2.1.1 Portfolio composition

	FYE 31.12.2024 (%)	FYE 31.12.2023 (%)	FYE 31.12.2022 (%)
<b>Industry Sector</b>	<b>(Percentage of Net Asset Value)</b>		
Communications	1.30	0.32	0.76
Consumer Discretionary	6.83	4.40	4.76
Consumer Staples	6.32	8.78	6.43
Energy	2.07	2.97	6.18
Financials	4.01	3.74	7.73
Health Care	2.99	4.53	5.72
Industrials	4.00	5.05	6.34
Materials	7.56	10.94	9.68
Real Estate	5.78	3.85	4.19
Technology	14.07	12.67	5.94
Utilities	-	-	0.73
Unquoted/Quoted Corporate Bonds	7.48	23.90	24.16
Cash and cash equivalents	37.59	18.85	17.38
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## Fund Performance

PECBF

## 2.1.2 Other financial and performance data

	FYE 31.12.2024	FYE 31.12.2023	FYE 31.12.2022
<b>Total NAV (RM'000)</b>	17,477.38	17,328.20	18,165.51
<b>Units in Circulation ('000)</b>	20,502.38	19,318.98	18,979.94
<b>NAV per unit (RM)</b>	0.8525	0.8970	0.9571
<b>Highest NAV</b>	0.9066	0.9956	1.1270
<b>Lowest NAV</b>	0.8258	0.8815	0.9015
<b>Total Returns for the Year (RM'000)</b>			
Capital growth	(1,118.44)	(264.94)	(2,402.21)
Income distribution	1,220.29	213.59	708.48
<b>Income Distribution</b>	<b>On 26.04.2024</b>	<b>On 28.04.2023</b>	<b>On 22.04.2022</b>
Gross distribution per unit (sen)	5.00	6.00	7.00
Net distribution per unit (sen)	5.00	6.00	7.00
<b>Total Expense Ratio (TER) (%)</b>	1.89	1.89	1.87
<b>Portfolio Turnover Ratio (PTR) (times)</b>	0.33	0.21	0.28

Note:

- i) TER is calculated based on total fees and expenses incurred by the Fund divided by average value of the Fund calculated on a daily basis. The TER for the year remain the same mainly due to the absence of significant subscription and redemption of the Fund during the year under review.
- ii) PTR is calculated based on the average of the acquisitions and disposals of investments of the Fund to the average value of the Fund calculated on a daily basis. The PTR for the year further increased as compared to the previous year due to the higher investment trading volume during the year.

## Fund Performance

PECBF

## 2.1.3 Average total return ended 31 December 2024

	(%)
One Year	+0.56
Three Years	-2.84
Five Years	+2.68

## 2.1.4 Annual total return for each of the last five financial years

Financial year ended 31 December:	(%)
2024	+0.56
2023	-0.11
2022	-8.92
2021	+0.30
2020	+23.59

*Note :* All returns above are calculated based on NAV per unit adjusted for income distribution.

*Note:* Average Total return is derived from Total Return against Number of Years under review.

*Data source :* LSEG Lipper.IM

**Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.**

## Fund Performance

## 2.2 Dana Makmur Pheim

## 2.2.1 Portfolio composition

	FYE 31.12.2024 (%)	FYE 31.12.2023 (%)	FYE 31.12.2022 (%)
<b>Industry Sector</b>	<b>(Percentage of Net Asset Value)</b>		
Communications	1.96	0.95	2.40
Consumer Discretionary	4.41	4.46	6.86
Consumer Staples	5.07	7.03	4.87
Energy	0.63	1.93	6.12
Financials	-	0.35	2.20
Health Care	3.20	4.57	5.27
Industrials	10.80	8.74	12.23
Materials	10.71	10.24	7.67
Real Estate	3.70	3.93	1.45
Technology	16.33	11.46	7.41
Utilities	-	0.49	1.00
Sukuk	20.52	26.10	26.82
Cash And Other Assets	22.67	19.75	15.70
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## Fund Performance

DMP

## 2.2.2 Other financial and performance data

	FYE 31.12.2024	FYE 31.12.2023	FYE 31.12.2022
<b>Total NAV (RM'000)</b>	236,426.13	292,227.11	274,308.92
<b>Units in Circulation ('000)</b>	256,675.59	296,395.94	262,785.78
<b>NAV per unit (RM)</b>	0.9211	0.9859	1.0438
<b>Highest NAV</b>	1.0078	1.0812	1.1886
<b>Lowest NAV</b>	0.9088	0.9667	0.9943
<b>Total Returns for the Year (RM'000)</b>			
Capital growth	(27,191.04)	(7,973.79)	(20,377.51)
Income distribution	24,389.44	8,161.13	5,156.58
<b>Income Distribution</b>	<b>On 26.04.2024</b>	<b>On 28.04.2023</b>	<b>On 22.04.2022</b>
Gross distribution per unit (sen)	5.00	6.00	7.00
Net distribution per unit (sen)	5.00	6.00	7.00
<b>Total Expense Ratio (TER) (%)</b>	1.71	1.66	1.67
<b>Portfolio Turnover Ratio (PTR) (times)</b>	0.42	0.36	0.19

Note:

- i) TER is calculated based on total fees and expenses incurred by the Fund divided by average value of the Fund calculated on a daily basis. The TER for the year was slightly increase mainly due to lower average NAV, following an increase in redemption during the year under review.
- ii) PTR is calculated based on the average of the acquisitions and disposals of Shariah-compliant investments of the Fund to the average value of the Fund calculated on a daily basis. The PTR for the year was higher mainly due to the higher investment trading volume amid the volatile market during the year.

Fund Performance

DMP

**2.2.3 Average total return ended 31 December 2024**

	(%)
One Year	-1.62
Three Years	-2.32
Five Years	+1.75

**2.2.4 Annual total return for each of the last five financial years**

Financial year ended 31 December:	(%)
2024	-1.62
2023	+0.39
2022	-5.82
2021	-0.38
2020	+17.34

*Note :* All returns above are calculated based on NAV per unit adjusted for income distribution and unit split.

*Note:* Average Total return is derived from Total Return against Number of Years under review.

*Data source :* Lipper IM

**Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.**

## Fund Performance

## 2.3 Pheim Income Fund

## 2.3.1 Portfolio composition

	FYE 31.12.2024 (%)	FYE 31.12.2023 (%)	FYE 31.12.2022 (%)
<b>Industry Sector</b>	<b>(Percentage of Net Asset Value)</b>		
Communications	-	0.25	0.44
Consumer Discretionary	1.86	2.68	2.40
Consumer Staples	1.34	0.98	0.21
Energy	0.63	4.57	4.65
Financials	0.79	1.94	4.67
Health Care	3.93	3.59	4.04
Industrials	6.57	2.61	6.26
Materials	4.48	4.35	3.60
Real Estate	1.32	1.07	0.60
Technology	7.51	6.05	3.06
Unquoted Corporate Bonds	34.37	47.96	58.43
Cash and Other Assets	37.19	23.95	11.64
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## Fund Performance

PIF

## 2.3.2 Other financial and performance data

	FYE 31.12.2024	FYE 31.12.2023	FYE 31.12.2022
<b>Total NAV (RM'000)</b>	5,967.46	12,450.31	12,802.81
<b>Units in Circulation ('000)</b>	6,330.27	12,624.32	12,780.75
<b>NAV per unit (RM)</b>	0.9427	0.9862	1.0017
<b>Highest NAV</b>	0.9930	1.0277	1.0627
<b>Lowest NAV</b>	0.9294	0.9706	0.9681
<b>Total Returns for the Year (RM'000)</b>			
Capital growth	(73.32)	307.24	(726.85)
Income distribution	(110.83)	(207.86)	452.99
<b>Income Distribution</b>	<b>On 26.04.2024</b>	<b>On 28.04.2023</b>	<b>On 22.04.2022</b>
Gross distribution per unit (sen)	1.00	3.00	3.00
Net distribution per unit (sen)	1.00	3.00	3.00
<b>Total Expense Ratio (TER) (%)</b>	1.63	1.45	1.44
<b>Portfolio Turnover Ratio (PTR) (times)</b>	0.58	0.17	0.33

Note:

- ii) *TER is calculated based on total fees and expenses incurred by the Fund divided by average value of the Fund calculated on a daily basis. The TER for the year was higher mainly due to lower average NAV, following a substantial redemption during the year under review.*
- ii) *PTR is calculated based on the average of the acquisitions and disposals of investments of the Fund to the average value of the Fund calculated on a daily basis. The PTR for the year was increased mainly due to the higher investment trading volume during the year.*



## Fund Performance

PIF

## 2.3.3 Average total return ended 31 December 2024

	(%)
One Year	-3.74
Three Years	-1.63
Five Years	+0.40

## 2.3.4 Annual total return for each of the last five financial years

Financial year ended 31 December:	(%)
2024	-3.74
2023	+1.47
2022	-2.64
2021	+2.17
2020	+5.00

*Note :* All returns above are calculated based on NAV per unit adjusted for income distribution.

*Note:* Average Total return is derived from Total Return against Number of Years under review.

*Data source :* Lipper IM

**Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.**

## Fund Performance

## 2.4 Pheim Asia Ex-Japan Fund

## 2.4.1 Portfolio composition

	FYE 31.12.2024 (%)	FYE 31.12.2023 (%)	FYE 31.12.2022 (%)
<b>Industry Sector</b>	<b>(Percentage of Net Asset Value)</b>		
Communications	4.27	1.09	2.28
Consumer Discretionary	12.84	9.77	12.15
Consumer Staples	5.73	11.39	9.75
Energy	2.95	4.44	6.97
Financials	15.92	10.88	14.46
Health Care	6.30	8.03	10.47
Industrials	7.91	7.88	12.32
Materials	10.36	12.71	11.84
Real Estate	4.41	2.56	3.62
Technology	22.77	20.55	10.10
Utilities	-	0.87	0.67
Cash and cash equivalents	6.54	9.83	5.37
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## Fund Performance

PAXJ

## 2.4.2 Other financial and performance data

	FYE 31.12.2024	FYE 31.12.2023	FYE 31.12.2022
<b>Total NAV (RM'000)</b>	6,210.87	6,348.52	7,331.07
<b>Units in Circulation ('000)</b>	6,397.44	6,411.05	6,999.36
<b>NAV per unit (RM)</b>	0.9708	0.9902	1.0474
<b>Highest NAV</b>	1.0404	1.1182	1.2710
<b>Lowest NAV</b>	0.8768	0.9613	0.9712
<b>Total Returns for the Year (RM'000)</b>			
Capital growth	(118.70)	427.94	(1,670.87)
Income distribution	246.29	(526.78)	319.84
<b>Income Distribution</b>	<b>On 26.04.2024</b>	<b>On 28.04.2023</b>	<b>On 22.04.2022</b>
Gross distribution per unit (sen)	4.00	4.00	5.00
Net distribution per unit (sen)	4.00	4.00	5.00
<b>Total Expense Ratio (TER) (%)</b>	2.78	2.35	2.23
<b>Portfolio Turnover Ratio (PTR) (times)</b>	0.44	0.31	0.42

Note:

- i) *TER is calculated based on total fees and expenses incurred by the Fund divided by average value of the Fund calculated on a daily basis. The TER for the year increased mainly due to lower average NAV during the year under review.*
- ii) *PTR is calculated based on the average of the acquisitions and disposals of investments of the Fund to the average value of the Fund calculated on a daily basis. The PTR for the year was higher mainly due to the higher investment trading volume during the year.*

## Fund Performance

PAXJ

**2.4.3 Average total return ended 31 December 2024**

	(%)
One Year	+1.93
Three Years	-4.39
Five Years	+2.68

**2.4.4 Annual total return for each of the last five financial years**

Financial year ended 31 December :	(%)
2024	+1.93
2023	-1.68
2022	-13.35
2021	+1.83
2020	+28.25

*Note :* All returns above are calculated based on NAV per unit adjusted for income distribution

*Note:* Average Total return is derived from Total Return against Number of Years under review

*Data source :* Lipper IM

**Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.**

## Fund Performance

## 2.5 Pheim Asia Ex-Japan Islamic Fund

## 2.5.1 Portfolio composition

	FYE 31.12.2024 (%)	FYE 31.12.2023 (%)	FYE 31.12.2022 (%)
<b>Industry Sector</b>	<b>(Percentage of Net Asset Value)</b>		
Communications	9.92	5.15	7.67
Consumer Discretionary	15.85	11.14	13.66
Consumer Staples	4.15	10.72	7.95
Energy	1.34	4.44	9.16
Financials	2.12	2.57	2.80
Health Care	3.80	5.34	6.48
Industrials	10.51	10.89	15.18
Materials	10.03	10.84	8.65
Real Estate	6.92	1.37	1.12
Technology	21.76	24.97	15.84
Utilities	-	1.44	1.34
Cash and cash equivalents	13.60	11.13	10.15
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## Fund Performance

PAXJI

## 2.5.2 Other financial and performance data

	FYE 31.12.2024	FYE 31.12.2023	FYE 31.12.2022
<b>Total NAV (RM'000)</b>	21,992.29	25,316.92	25,228.46
<b>Units in Circulation ('000)</b>	43,285.12	45,069.51	42,789.35
<b>NAV per unit (RM)</b>	0.5081	0.5617	0.5896
<b>Highest NAV</b>	0.5734	0.6343	0.7269
<b>Lowest NAV</b>	0.4892	0.5445	0.5546
<b>Total Returns for the Year (RM'000)</b>			
Capital growth	(3,311.08)	68.54	(3,580.47)
Income distribution	2,704.90	342.23	524.23
<b>Income Distribution</b>	<b>On 26.04.2024</b>	<b>On 28.04.2023</b>	<b>On 22.04.2022</b>
Gross distribution per unit (sen)	3.75	3.75	5.00
Net distribution per unit (sen)	3.75	3.75	5.00
<b>Total Expense Ratio (TER) (%)</b>	1.95	1.85	1.89
<b>Portfolio Turnover Ratio (PTR) (times)</b>	0.55	0.19	0.28

Note:

- i) *TER is calculated based on total fees and expenses incurred by the Fund divided by average value of the Fund calculated on a daily basis. The TER for the year was higher mainly due to lower average NAV during the year under review.*
- ii) *PTR is calculated based on the average of the acquisitions and disposals of investments of the Fund to the average value of the Fund calculated on a daily basis. The PTR for the year was higher mainly due to the higher investment trading volume during the year.*

## Fund Performance

PAXJI

## 2.5.3 Average total return ended 31 December 2024

	(%)
One Year	-3.36
Three Years	-4.49
Five Years	+1.50

## 2.5.4 Annual total return for each of the last five financial years

Financial year ended 31 December:	(%)
2024	-3.36
2023	+1.70
2022	-11.95
2021	-3.22
2020	+28.36

*Note :* All returns above are calculated based on NAV per unit adjusted for income distribution and unit split.

*Note:* Average Total return is derived from Total Return against Number of Years under review

*Data source :* LSEG Lipper.IM

**Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.**

## Manager's Report

### 3 MANAGER'S REPORT

#### 3.1 Performance Review

##### 3.1.1 PECBF

The net asset value (NAV) per unit of the Fund stood at 0.8525 as at 31 December 2024. Taking into consideration the effects of income distribution for the year under review, the NAV per unit has expanded by 0.56%, underperforming the benchmark by 23.00%. In the second half of 2024, the Fund underperformed the benchmark by 5.87%. The total NAV increased to approximately RM17.47 million from RM17.33 million.

The Fund has made an income distribution of 5.00 sen per unit (net of tax) on 26 April 2024. After the income distribution, the NAV per unit adjusted to RM0.8319 from RM0.8819.

Performance table since the last review period (6 months):

Total Inception / Fund	Benchmark Return Since	As at 31.12.2024	As at 30.06.2024	Change %
Benchmark of PECBF		142.42%	136.66%	+5.76
PECBF – NAV per unit (RM)		0.8525 <sup>^</sup>	0.8534 <sup>^</sup>	-0.11

Performance table for financial year 2024 (1 year):

Total Inception / Fund	Benchmark Return Since	As at 31.12.2024	As at 31.12.2023	Change %
Benchmark of PECBF		142.42%	118.86%	+23.56
PECBF – NAV per unit (RM) (Adjusted for income distribution)		0.8525 <sup>^</sup>	0.8970	+0.56 <sup>a</sup>

<sup>^</sup> adjusted for income distribution on 26.04.2024

<sup>a</sup> % of change is computed on a like-for-like basis after adjustments to neutralise the effects of the income distribution during the year

##### 3.1.2 DMP

The net asset value (NAV) per unit of the Fund stood at 0.9211 as at 31 December 2024. Taking into consideration the effects of income distribution for the year under review, the NAV per unit has contracted by 1.62%, underperforming the benchmark by 23.02%. In the second half of 2024, the Fund underperformed the benchmark by 6.74%. The total NAV decreased to approximately RM236.43 million from RM292.23 million.

The Fund has made an income distribution of 5.00 sen per unit (net of tax) on 26 April 2024. After the income distribution, the NAV per unit adjusted to RM0.9464 from RM0.9964.



## Manager's Report

### 3.1.2 DMP (Cont'd.)

Performance table since the last review period (6 months):

Total Inception / Fund	Benchmark	Return Since	As at 31.12.2024	As at 30.06.2024	Change %
Benchmark of DMP			137.73%	135.72%	+2.01
DMP – NAV per unit (RM)			0.9211 <sup>^</sup>	0.9685 <sup>^</sup>	-4.73

Performance table for financial year 2024 (1 year):

Total Inception / Fund	Benchmark	Return Since	As at 31.12.2024	As at 31.12.2023	Change %
Benchmark of DMP			137.73%	116.33%	+21.4
DMP – NAV per unit (RM) (Adjusted for income distribution)			0.9211 <sup>^</sup>	0.9859	-1.62 <sup>a</sup>

<sup>^</sup> adjusted for income distribution on 26.04.2024

<sup>a</sup> % of change is computed on a like-for-like basis after adjustments to neutralise the effects of the income distribution during the year

### 3.1.3 PIF

The net asset value (NAV) per unit of the Fund stood at 0.9427 as at 31 December 2024. Taking into consideration the effects of income distribution for the year under review, the NAV per unit would have contracted by 3.74%, underperforming the benchmark by 6.26%. In the second half of 2024, the Fund underperformed the benchmark by 3.00%. The total NAV decreased to approximately RM5.97 million from RM12.45 million.

The Fund has made an income distribution of 1.00 sen per unit (net of tax) on 26 April 2024. After the income distribution, the NAV per unit adjusted to RM0.9632 from RM0.9732.

Performance table since the last review period (6 months):

Total Inception / Fund	Benchmark	Return Since	As at 31.12.2024	As at 30.06.2024	Change %
1-year fixed deposit rate (pro-rated)			72.96%	71.74%	+1.22
PIF – NAV per unit (RM)			0.9427 <sup>^</sup>	0.9598 <sup>^</sup>	-1.78

Performance table for financial year 2024 (1 year):

Total Inception / Fund	Benchmark	Return Since	As at 31.12.2024	As at 31.12.2023	Change %
1-year fixed deposit rate (pro-rated)			72.96%	70.44%	+2.52
PIF – NAV per unit (RM) (Adjusted for income distribution)			0.9427 <sup>^</sup>	0.9862	-3.74 <sup>a</sup>

<sup>^</sup> adjusted for income distribution on 26.04.2024

<sup>a</sup> % of change is computed on a like-for-like basis after adjustments to neutralise the effects of the income distribution during the year

## Manager's Report

### 3.1.4 PAXJ

The net asset value (NAV) per unit of the Fund stood at 0.9708 as at 31 December 2024. Taking into consideration the effects of income distribution for the year under review, the NAV per unit would have expanded by 1.93%, underperforming the benchmark by 13.18%. In the second half of 2024, the Fund has outperformed the benchmark by 13.46%. The total NAV decreased to approximately RM6.21 million from RM6.35 million.

The Fund has made an income distribution of 4.00 sen per unit (net of tax) on 26 April 2024. After the income distribution, the NAV per unit adjusted to RM0.9211 from RM0.9611.

Performance table since the last review period (6 months):

Total Inception / Fund	Benchmark	Return Since	As at 31.12.2024	As at 30.06.2024	Change %
MSCI Asia Ex-Japan Index			136.34%	146.67%	-10.33
PAXJ – NAV per unit (RM)			0.9708 <sup>^</sup>	0.9379 <sup>^</sup>	+3.13

Performance table for financial year 2024 (1 year):

Total Inception / Fund	Benchmark	Return Since	As at 31.12.2024	As at 31.12.2023	Change %
MSCI Asia Ex-Japan Index			136.34%	121.23%	+15.11
PAXJ – NAV per unit (RM) (Adjusted for income distribution)			0.9708 <sup>^</sup>	0.9902	+1.93 <sup>a</sup>

<sup>^</sup>adjusted for income distribution on 26.04.2024

<sup>a</sup> % of change is computed on a like-for-like basis after adjustments to neutralise the effects of the income distribution during the year

### 3.1.5 PAXJI

The net asset value (NAV) per unit of the Fund stood at 0.5081 as at 31 December 2024. Taking into consideration the effects of income distribution for the year under review, the NAV per unit would have contracted by 3.36%, outperforming the benchmark by 12.17%. In the second half of 2024, the Fund outperformed the benchmark by 47.76%. The total NAV decreased to approximately RM21.99 million from RM25.32 million.

The Fund has made an income distribution of 3.75 sen per unit (net of tax) on 26 April 2024. After the income distribution, the NAV per unit adjusted to RM0.5316 from RM0.5691.

## Manager's Report

### 3.1.5 PAXJI (Cont'd.)

Performance table since the last review period (6 months):

Total Inception / Fund	Benchmark	Return Since	As at 31.12.2024	As at 30.06.2024	Change %
MSCI Asia Islamic Ex-Japan Index			108.84%	163.47%	-54.63
PAXJI – NAV per unit (RM)			0.5081 <sup>^</sup>	0.5456 <sup>^</sup>	-6.87

Performance table for financial year 2024 (1 year):

Total Inception / Fund	Benchmark	Return Since	As at 31.12.2024	As at 31.12.2023	Change %
MSCI Asia Islamic Ex-Japan Index			108.84%	124.37%	-15.53
PAXJI – NAV per unit (RM) (Adjusted for income distribution)			0.5081 <sup>^</sup>	0.5617	-3.36 <sup>a</sup>

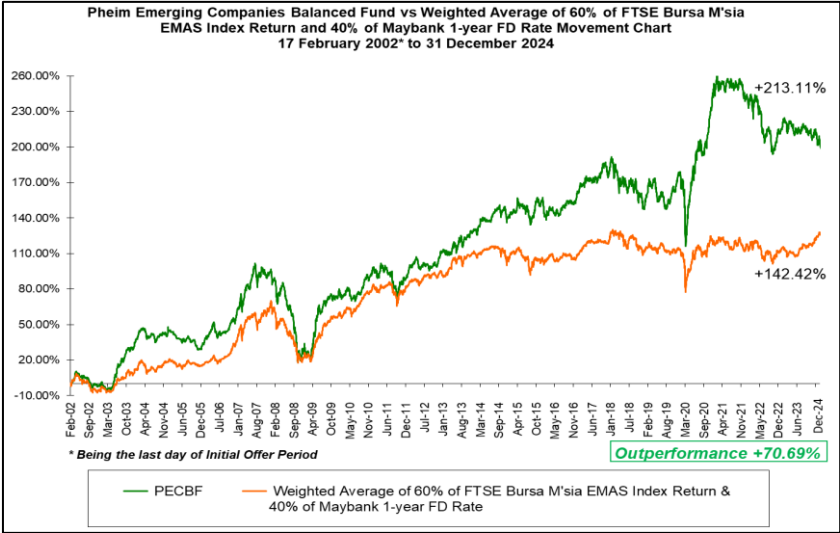
<sup>^</sup>adjusted for income distribution on 26.04.2024

<sup>a</sup> % of change is computed on a like-for-like basis after adjustments to neutralise the effects of the income distribution during the year

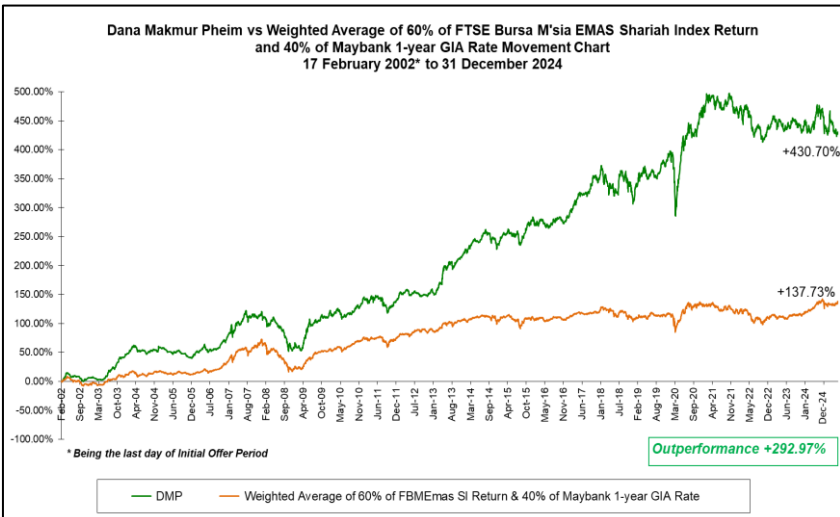
Manager's Report

**3.2 Performance Chart Since Inception**

**3.2.1 PECBF**



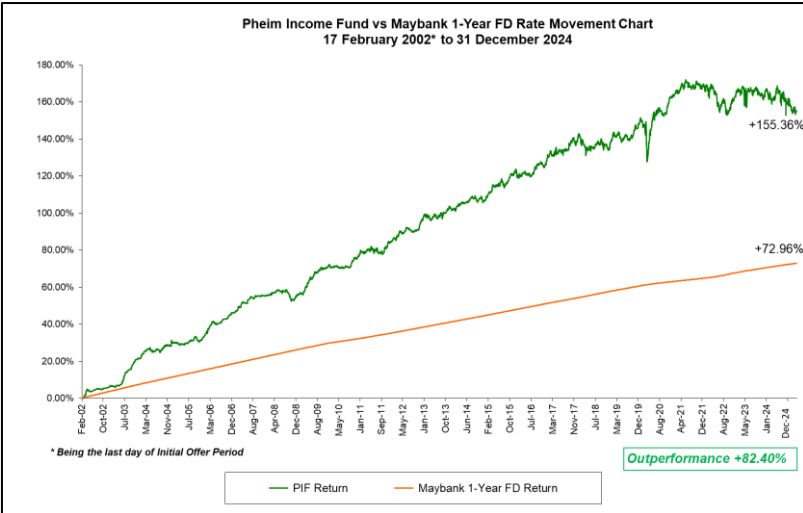
**3.2.2 DMP**



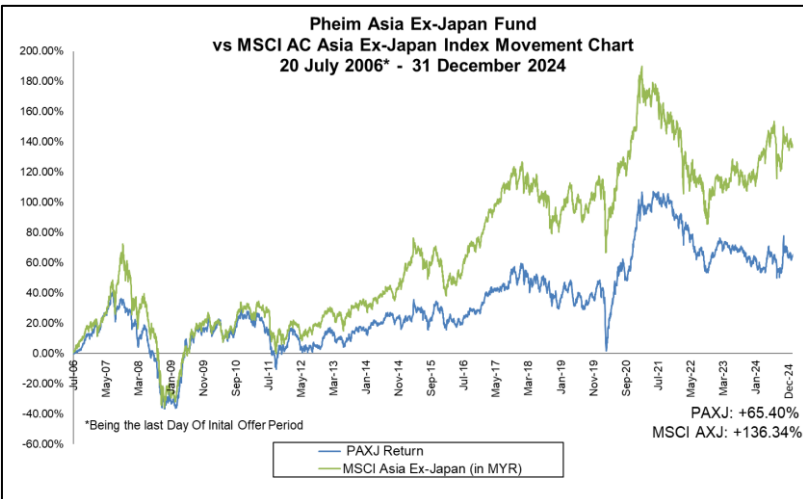
Manager's Report

**3.2 Performance Chart Since Inception (cont'd.)**

**3.2.3 PIF**



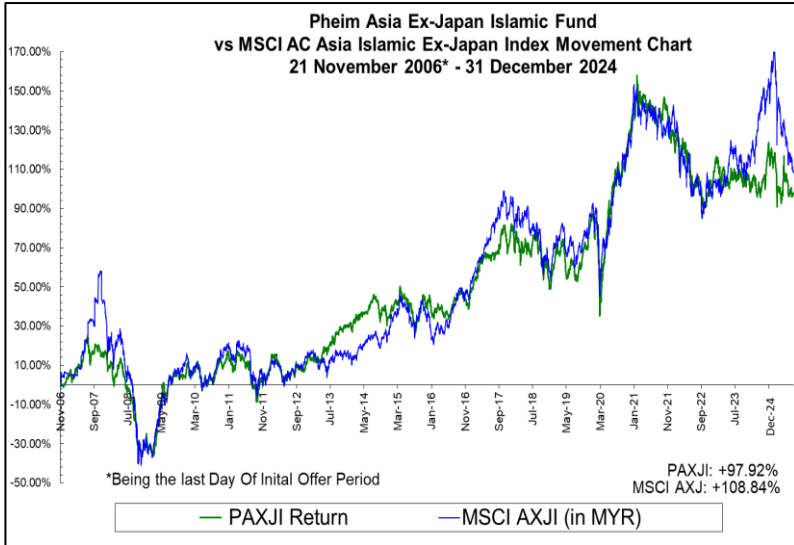
**3.2.4 PAXJ**



Manager's Report

**3.2 Performance Chart Since Inception (cont'd.)**

**3.2.5 PAXJI**



*Note: The data source for all the above performance returns is from LSEG Lipper.IM.*

## Manager's Report

### 3.3 Changes in Asset Allocation since the last review (in percentage)

#### 3.3.1 PECBF

Asset Class	As at 31.12.2024	As at 31.12.2023	Change
Equity Securities – in Malaysia	24.99	29.15	-4.16
Equity Securities – outside Malaysia	29.94	28.10	+1.84
Corporate Bonds	7.48	23.90	-16.42
Cash and cash equivalent	37.59	18.85	+18.74
Total	100.00	100.00	-

#### 3.3.2 DMP

Asset Class	As at 31.12.2024	As at 31.12.2023	Change
Shariah-compliant equity securities – in Malaysia	31.57	34.37	-2.80
Shariah-compliant equity securities – outside Malaysia	25.24	19.78	+5.46
Sukuk	20.52	26.10	-5.58
Cash and cash equivalent	22.67	19.75	+2.92
Total	100.00	100.00	-

#### 3.3.3 PIF

Asset Class	As at 31.12.2024	As at 31.12.2023	Change
Corporate Bonds – in Malaysia	34.37	47.96	-13.59
Money market & cash	37.19	23.97	+13.22
Equity Securities – in Malaysia	11.77	13.25	-1.48
Equity Securities – outside Malaysia	16.67	14.84	+1.83
Total	100.00	100.00	-

## Manager's Report

### 3.3.4 PAXJ

Asset Class	As at 31.12.2024	As at 31.12.2023	Change
Equity Securities – outside Malaysia	67.47	55.08	+12.39
Equity Securities – in Malaysia	25.99	35.09	-9.10
Cash and cash equivalent	6.54	9.83	-3.29
Total	100.00	100.00	-

### 3.3.5 PAXJI

Asset Class	As at 31.12.2024	As at 31.12.2023	Change
Shariah-compliant equity securities – outside Malaysia	51.81	43.88	+7.93
Shariah-compliant equity securities – in Malaysia	34.59	44.99	-10.40
Cash and cash equivalent	13.60	11.13	+2.47
Total	100.00	100.00	-

## 3.4 Funds' Strategies and Policies Employed

### 3.4.1 PECBF

As at end-December 2024, the Fund's asset allocation was 54.93% in equities, 7.48% in fixed income securities and 37.59% in cash. The equity exposure has increased by 0.78% as a result of asset allocation and investing strategy of the portfolio. During the year, the Fund had invested in foreign equities listed in Hong Kong/China, Singapore, Thailand, Indonesia, Australia and Philippines as part of the diversification strategy.

The exposure of fixed income securities of PECBF decreased to 7.50% from 23.90% in the preceding year amid the challenging fixed income outlook.



## Manager's Report

### 3.4.2 DMP

As at end-December 2024, Dana Makmur Pheim's asset allocation was 56.81% in Shariah-compliant equities, 20.52% in Sukuk and 22.67% in cash. The Shariah-compliant equity exposure has increased by 2.66% as a result of the asset allocation and investing strategy of the portfolio. During the year, the Fund had invested in foreign equities listed in Hong Kong/China, Philippines, Thailand, Singapore, Australia and Indonesia as part of the diversification strategy.

During the year, the sukuk exposure of DMP decreased to 20.52% from 26.10% in the preceding year amid the challenging sukuk outlook.

### 3.4.3 PIF

As at end-December 2024, the Fund's asset allocation was 34.37% in corporate bonds, 37.19% in money market/cash and 28.44% in equities. As part of our diversification strategy, the Fund had invested in foreign equities listed in Hong Kong/China, Thailand, Singapore and Australia.

The exposure of fixed income securities decreased by 13.59% amid the challenging fixed income outlook.

### 3.4.4 PAXJ

As at end-December 2024, the Fund's total equity exposure in foreign and domestic equities increased by 3.29%. As at 31 December 2024, PAXJ's total equity exposure was 93.46% whereby 67.47% was invested in foreign equities and the remaining is in domestic equities.

During the year, the PAXJ has invested in foreign equities listed in Hong Kong/China, Philippines, Thailand, Singapore, Australia and Indonesia.

### 3.4.5 PAXJI

As at end-December 2024, the Fund's asset allocation was 86.40% in Shariah-compliant equities and 13.60% in cash. The Shariah-compliant equity exposure has decreased by 2.47% as a result of price depreciation of certain equities held in the portfolio, following the asset allocation and investing strategy of the portfolio.

During the year, the Fund had invested in foreign equities listed in Hong Kong/China, Philippines, Thailand, Singapore, Australia, South Korea and Indonesia as part of the diversification strategy.

## Manager's Report

### 3.5 Market Review, Outlook and Strategy

#### 3.5.1 Malaysian Bond Market

##### 3.5.1.1 Bond Market Review

US monetary policy is still restrictive. The Fed has room but no urgency to ease. The balance of risks tilts more to the upside for interest rate, not ruling out the repricing of terminal rate above 4.0% if data stay strong. The Fed's preferred inflation gauge core PCE has remained sticky in 2.5-3.0%. US faces two major opposing forces: reflation and late cycle. A material shift in politics and expansionary fiscal policy could keep inflation above the Fed's target, while late cycle risks still linger, creating two-sided risks to yield in the next 6-12 months. We assume US Fed to retain its independence but verbal interventions from Trump will likely increase when easing pauses, and the appointment of shadow Chair could complicate the Fed's forward guidance.

##### 3.5.1.2 Bond Market Outlook and Strategy

Ringgit government bond total return is approaching 4.0% in 2024. For 2025, we forecast 3.0-5.0% return on expectation of flat Overnight Policy Rate (OPR) and supportive local supply-demand profiles despite risks from the external markets. Fiscal consolidation would reduce bond supply. Domestic investors should remain as key anchor for long durations given strong contributions received by pension fund and lifers' higher allocation to government-related bonds.

The choppiness of foreign flows could persist but this likely affects Ringgit more than Malaysian Government Securities (MGS). Malaysia's sovereign rating has upside potential although a positive rating action may require stronger institutional profiles and positive fiscal surprise. We maintain neutral on MGS and duration. Key upside risks to yield are hawkish Fed and surprise OPR hike.

Economic activity is projected to stay robust but this hasn't yet translated to a notable rise in issuances thus far despite conducive funding conditions where credit spreads are tight and real-money liquidity appears still ample. Private Debt Securities (PDS) issuance growth has lagged banking industry loan growth YTD. Looking ahead, we expect broadly stable credit conditions and credit spreads barring a sudden jump in supply or external shocks.

#### 3.5.2 Stock Markets Review

##### 3.5.2.1 The Malaysian Stock Market – (Bursa Malaysia)

The KLCI Index gained 12.90% during the FYE Dec 2024 at 1,642.33 points. The main index movers for the year were YTL Power International (+28.12%), YTL Group BHD (+26.54%) and Petronas Chemical Group BHD (10.47%). The RM depreciated 2.76% during the FYE Dec 2024 against the USD, and closed at RM 4.4672 per USD during the financial year.

## Manager's Report

### 3.5.2.1 The Malaysian Stock Market – (Bursa Malaysia) (cont'd.)

Malaysia's Purchasing Managers' Index (PMI) fell to 48.6 in December 2024, indicating a contraction in the manufacturing sector, according to S&P Global. The decline was attributed to weaker production and new orders, prompting manufacturers to scale back purchasing activities and reduce inventories of raw materials and finished goods.

Meanwhile, Malaysia's producer price index (PPI) recorded a 0.4% decline in November 2024, a milder drop compared to the 2.4% fall in October, mainly due to a continued contraction in the mining sector. The mining sector declined by 8.3%, driven by lower crude petroleum prices, while the manufacturing sector saw a 1.8% decrease, led by lower prices in coke and chemical products.

The Industrial Production Index (IPI) grew by 2.1% year-on-year in October, supported by the manufacturing sector's 3.3% expansion and a 2.5% increase in electricity output, although the mining sector contracted by 2.8%. Manufacturing sales rose 3.0% year-on-year to RM161.3 billion, driven by strong performance in the food, beverages, and tobacco sub-sector, which recorded an 11.2% increase.

The wholesale and retail trade sector grew by 5.5% year-on-year, with sales reaching RM150.1 billion. Trade performance remained stable, with total trade increasing by 2.1% year-on-year to RM244.3 billion. Exports rose by 1.6%, while imports grew by 2.6%, indicating continued trade resilience.

Malaysia's labour force expanded by 1.7% to 17.27 million, with employment rising by 1.9% to 16.72 million, bringing the labour force participation rate to 70.5%. Additionally, the leading index climbed 1.5% year-on-year, signalling steady economic momentum heading into the next period.

### Malaysia Corporate News

Sapura Energy Bhd recorded a net loss of RM286.05 million in 3QFY2025, reversing from a net profit of RM31.79 million in the same quarter last year. The loss was primarily due to RM213.06 million in foreign exchange losses and a 19.9% year-on-year increase in finance costs. Despite challenges, Sapura generated RM252 million in free cash flow for 9MFY2025, although borrowings stood at RM10.73 billion. Revenue for 3QFY2025 rose 4.4% year-on-year to RM1.15 billion, driven by the operations and maintenance (O&M) segment (+21.5%) and engineering and construction (E&C) segment (+1.6%), which offset a 14.0% decline in drilling revenue. For 9MFY2025, Sapura's net loss widened to RM342.96 million, while revenue grew 10.6% year-on-year to RM3.54 billion. Chairman Shahin Farouque highlighted ongoing debt restructuring efforts to strengthen financial resilience. The group's order book stood at RM6 billion, with joint ventures contributing an additional RM5.8 billion.

## Manager's Report

### 3.5.2.1 The Malaysian Stock Market – (Bursa Malaysia) (cont'd.)

#### Malaysia Corporate News (cont'd.)

Eco World Development Group Bhd posted a net profit of RM83.42 million for 4QFY2024, a substantial increase from RM3.29 million recorded in the same quarter last year. The strong performance was attributed to a 31.5% rise in home operations profit and lower impairment from its investment in EcoWorld International Bhd (EWI). However, revenue fell 24.4% year-on-year to RM638.45 million, as the prior year's results were boosted by a large industrial land sale. For FY2024, the group's net profit surged 60.3% year-on-year to RM303.54 million, with revenue increasing 1.41% to RM2.26 billion. Malaysian operations achieved a record profit after tax (PAT) of RM343.1 million, supported by improved gross profit margins. The group declared a total dividend of six sen per share for FY2024. Net cash from operations rose 56% year-on-year to RM890 million, while cash balances reached RM1.36 billion. Borrowings amounted to RM2.258 billion, of which RM1.763 billion were long-term debts. Sales under the Eco Rise pillar doubled to RM1.08 billion, while Eco Hubs commercial sales grew 27% year-on-year to RM656 million. Industrial segment sales also rose 6% year-on-year to RM1.11 billion. CEO Datuk Chang Khim Wah indicated plans to expand landbanks to meet rising demand for industrial properties. EcoWorld's share price closed at RM2, valuing the company at RM5.89 billion, with a year-to-date rally of 91%.

Tenaga Nasional Bhd (TNB) has set the base electricity tariff in Peninsular Malaysia at 45.62 sen per kilowatt-hour (kWh) for the 2025 to 2027 regulatory period (RP4), reflecting a 14.2% increase from 39.95 sen per kWh under RP3 (2022 to 2024). The new tariff rate will take effect from 1 July 2025, while rates for the first half of 2025 remain unchanged, with the cost differences covered by the Kumpulan Wang Industri Elektrik (KWIE) fund. TNB's regulated business capital expenditure (capex) for RP4 is set at RM42.82 billion, while operating expenditure (opex) is budgeted at RM20.78 billion, compared to RM20.55 billion and RM17.69 billion, respectively, under RP3. The regulatory rate of return remains at 7.3%. TNB emphasised that fuel prices, particularly gas and coal, continue to be the largest cost component in determining tariffs. Cost variances due to fluctuations in fuel prices will be adjusted through the Imbalance Cost Pass-Through (ICPT) mechanism, subject to government approval. TNB anticipates no financial impact on its operations from the new tariff structure.

Top Glove Corp Bhd reported a net profit of RM5.47 million for 1QFY2025, a turnaround from a net loss of RM57.71 million recorded in the same period last year. The profit recovery was driven by higher sales volumes and foreign exchange gains. Revenue surged 79.5% year-on-year to RM885.89 million, supported by robust glove replenishment orders and increased demand from the United States ahead of a 50% tariff on Chinese glove imports. On a quarter-on-quarter basis, Top Glove swung from a net loss of RM3.57 million in 4QFY2024 to a profit in 1QFY2025, with revenue rising 6.1%. The company's plant utilization rate reached 66%, with average selling price (ASP) increases in August and September, expected to fully reflect in the upcoming quarter's results. Top Glove expects continued benefits from trade diversion caused by US tariffs on Chinese gloves and remains optimistic about the industry's recovery. To mitigate geopolitical risks, the company is diversifying its operations across Malaysia, Thailand, and Vietnam.

## Manager's Report

### 3.5.2.1 The Malaysian Stock Market – (Bursa Malaysia) (cont'd.)

#### Malaysia Corporate News (cont'd.)

Yinson Holdings Bhd reported a 19.4% decline in net profit to RM200 million for 3QFY2025, compared to RM248 million a year earlier, mainly due to lower revenue and higher administrative and finance costs. Quarterly revenue fell 34.1% to RM1.85 billion, while finance costs surged 81.6% year-on-year to RM444 million. Earnings per share dropped to 6.2 sen from 7.3sen in 3QFY2024. Yinson declared a third interim dividend of 1 sen per share, bringing the total dividend for FY2025 to 3 sen per share. For 9MFY2025, the group's net profit decreased 11.7% year-on-year to RM606 million, while revenue contracted 30.6% to RM6.21 billion, largely due to lower contributions from its engineering, procurement, construction, installation, and commissioning (EPCIC) business. The group achieved first oil for FPSO Maria Quitéria in October 2024, while the completion of FPSO Atlanta is expected by the end of FY2025. Despite reduced EPCIC activities, contributions from FPSO Anna Nery, FPSO Maria Quitéria, and lease adjustments for FPSO Abigail Joseph helped offset the decline. Borrowings increased 18.7% year-on-year to RM19.37 billion, with a net gearing ratio of 2.04 times, due to higher project financing. Yinson expects stable contracted income streams from new FPSO projects, particularly FPSO Atlanta and FPSO Agogo, to support long-term growth and remains optimistic about achieving satisfactory results for FY2025.

#### Malaysia Market Outlook and Strategy

Malaysia's economy is projected to grow within the official forecast of 4.5%-5.5% in 2025, driven by consumer spending and private investments, according to MIDF Research, which pegs GDP growth at 4.6%. The labour force participation rate remained high at 70.5% as of October 2024, supporting consumption. However, risks include Middle East tensions and US trade policies under President-elect Donald Trump. Economists expect Bank Negara Malaysia to maintain the overnight policy rate (OPR) at 3% in 2025, while inflation may rise to 2%-3.5%, driven by a RM200 minimum wage hike, tax reforms, and fuel subsidy rationalisation. We remain positive with KLCI driven by strong earnings, foreign fund inflows, and economic momentum. Sectors like construction, utilities, plantation, and banking are expected to benefit from infrastructure projects, renewable energy investments, and stable commodity prices. However, oil and gas risks and geopolitical tensions may pose challenges. Looking ahead, manufacturers remain optimistic about new orders and production growth in 2025, with confidence levels holding steady.

## Manager's Report

### 3.5.2.2 The Singaporean Stock Market - Singapore Stock Exchange (SGX)

The FSSTI Index increased 16.89% during the FYE Dec 2024 at 3,787.60 points. The main index movers for the year were Yangzijiang Shipbuilding Holding (+108.46%), DBS Group (+52.64%) and Hong Kong Land Holdings (36.87%). The SGD depreciated 3.44% during the FYE Dec 2024 against the USD, and closed at SGD 1.366 per USD during the financial year.

The Singaporean economy expanded by 5.4% year-on-year in 3QFY2024, significantly outpacing the official advance estimate of 4.1% published last month and exceeding market expectations of 4.7% growth.

Singapore's seasonally adjusted unemployment rate declined to 1.8% in 3QFY2024, down from 2.0% in the previous quarter, reaching its lowest level since 1QFY2023, according to preliminary estimates.

Singapore's annual inflation rate increased to 1.6% in November 2024 from October's 3.5-year low of 1.4%, though it remained below market expectations of 1.8%. The rise was primarily driven by higher healthcare costs (2.6% vs 2.1% in October), largely due to outpatient services, while transport costs rebounded with a modest 0.5% increase after a 0.9% decline in October. The slower decrease in private transport costs contributed significantly to the overall trend.

### Singapore Corporate News

Singapore Exchange (SGX) operates as a multi-asset exchange offering equity, fixed income, and derivatives markets, alongside clearing, settlement, and data services. November data highlights securities turnover of SGD30.1bn and derivatives volume of 26.1m contracts, reflecting a 51% Year-on-year increase in securities turnover and 17% Year-on-year growth in derivatives volumes. While Month-on-month derivatives activity softened, SGX's YTD FY25 securities turnover and derivatives volumes have risen by 40% and 24%, respectively. Supported by robust financial and industrial sectors, SGX leads as the top-traded cash market in ASEAN. RHB rated SGX as neutral with a target price of SGD12.80. The FY25F P/E stands at 21.63x.

DBS delivered record net profit of S\$3,027m in 3Q24 (+15% Year-on-year), driven by strong growth in wealth management fees (+55% Year-on-year) and market trading income, despite mild net interest margin (NIM) compression (down 3bps Quarter-on-quarter to 2.11%). Operating expenses rose 10% Year-on-year due to the integration of Citi Taiwan, with a solid cost-to-income ratio of 39.1%. Asset quality remained stable, with the NPL ratio falling to 1.0%. DBS initiated a S\$3 billion share buyback program and reaffirmed its commitment to progressive dividend growth. With robust capital adequacy (CET-1 CAR of 17.2%) and plans to deploy surplus capital, UOB Kayhian rated DBS as a "Buy" rating with a target price of S\$46.95.

## Manager's Report

### 3.5.2.2 The Singaporean Stock Market - Singapore Stock Exchange (SGX) (cont'd.)

#### Singapore Corporate News (cont'd.)

UOB, Singapore's third-largest bank, is upgraded to BUY with a target price of SGD40.20 (+10% upside). The target price implies an FY25F P/E of 10.81x. Drivers include a defensive ASEAN-focused portfolio, synergies from the Citi acquisition, and strong loan (+5% Year-on-year) and CASA (+17% Year-on-year) growth. ESG initiatives are commendable, with a net-zero target by 2050 and SGD30bn in sustainable finance by 2025. UOB had guided for higher total income on the back of high single-digit loan growth and double-digit fee growth, CIR at 41-42%, and stable credit cost of 25-30bps. The 2025 PATMI is projected to grow by 6% Year-on-year, with potential upside in dividends and share buybacks. FY25F dividend yield is attractive at 5.4%.

#### Singapore Market Outlook and Strategy

Singapore's GDP is projected to grow by 2.5%-3.0% in 2025, supported by resilient manufacturing and services sectors but facing risks from US protectionist policies, geopolitical tensions, and slower global growth. Hence, we remain our cautious stance on the Singapore market. We will continue to look for opportunities, favouring companies which demonstrate low valuations, low leverage, high growth, robust management and a strong track record.

### 3.5.2.3 The Hong Kong Stock Market – Hong Kong Stock Exchange (HKSE)

The CSI-300 Index gained 14.68% in the year 2024 to close at 3,934.91 points. The top three best performing counters were Cambricon Technologies (+387.55%), Eoptolink Technology Inc. (+134.67%) and Yutong Bus Co Ltd (+114.67%). The Hang Seng Index gained 17.67% in the year 2024 to close at 20,059.95 points. The top three best performing counters were XiaoMi Corp (+121.15%), China Hongqiao Group (+97.56%) and Trip.com Group Ltd (+94.52%).

China's GDP increased 4.6% Year-on-year in 3QFY2024 after expanding 4.7% in 2QFY2024, mildly higher than market expectation. The GDP deflator remained negative in past six quarters, albeit narrowing the decline from -0.6% in 2QFY2024 to -0.5% in 3QFY2024. The nominal GDP growth stabilized at 4% in 3QFY2024, the same as last quarter. In September, the economic growth, particularly domestic demand, gained more momentum. The recovering growth momentum was contributed by the supportive policies as the policy targeted areas such as infrastructure investment, manufacturing investment, and durable goods sales such as the sales of autos and home appliance improved significantly. In the first three quarters of 2024, GDP increased 4.8%. In order to achieve annual economic growths of 5%/4.9%/4.8%, GDP growth in 4QFY2024 should reach 5.3%/4.9%/4.6%. Considering that most of the policy measures were implemented in September, the stimulus effect will continue in 4QFY2024, thereby sustaining the economic growth of 4QFY2024 and supporting to achieve the annual growth target.

## Manager's Report

### 3.5.2.3 The Hong Kong Stock Market – Hong Kong Stock Exchange (HKSE) (cont'd.)

The 12th meeting of the Standing Committee of the 14th National People's Congress concluded in Beijing. The meeting voted to approve the "State Council's Proposal on Increasing the Local Government Debt Limit to Swap Existing Implicit Debts" to raise the local government debt limit by RMB6 trillion for swapping existing implicit debts. Lan Fo'an, the Minister of Finance, said that, starting from this year, RMB800 billion will be arranged from the new local government special bonds for 5 consecutive years to be used exclusively for bond resolution, and the cumulative amount of replaceable hidden debts was RMB4 trillion. Together with the RMB6 trillion debt limit approved by the Standing Committee of the National People's Congress this time, the authorities will directly increase local resources for debt resolution by RMB10 trillion

The Politburo held a meeting on 9 December to set the tone for the economic work in 2025, and more details of the economic work will be unveiled at the upcoming Central Economic Work Conference. (ii) The Politburo meeting addressed that the priority of the economic work in 2025 is to expand domestic demand in all aspects, with the main focus on stabilising the property and stock markets, improving livelihood, and accelerating economic system reform measures. (iii) In order to realise the goal of expanding domestic demand, the stance of macroeconomic policy is set to be more proactive and impactful, which is unusual in the past 15 years. Top policymakers called for unconventional counter-cyclical adjustments and implementing more proactive fiscal policy and moderately loose monetary policy.

### Hong Kong & China Corporate News

Li Auto 3QFY2024, total revenue advanced 35.3% Quarter-on-quarter to RMB42.9bn, largely in line, while operating profit set record high of RMB3.4bn, beating expectation driven by stronger vehicle margin and stricter OPEX control despite additional SBC from CEO rewards. Thanks to battery supplier rebates, higher proportions of high-margin Li AD Max variants and supply chain cost reduction benefits backed by all-time high deliveries scale, 3QFY2024 vehicle margin expanded by 2.2ppts Quarter-on-quarter to 20.9%. The company guided 4QFY2024 deliveries of 160k-170k units, which implied Quarter-on-quarter growth of 5-11%, lower than industry average and Quarter-on-quarter growth of last period. This is within expectation given the near-term capacity bottleneck for L6 model which is still ramping up with short supply versus strong demand. During the earnings call, the management committed to expand the production capacity for L6 model during the Spring Festival Holiday in early 2025, after which we expect L6 set to challenge the position of top-selling model in the price segment of RMB200k and above. To reflect higher sales volume forecasts and better-than-expected vehicle margin, there was adjustment to non-GAAP net profit forecast by 8.0-9.0% to RMB11.0bn/13.6bn. Despite lack of specific information, the company is getting well prepared for coming competitive BEV offerings with wider 5C ultra-fast charging network accessibility and leapfrog improvement in AD techs. For EREV models, the capacity release of L6 in early 2025 and the rollouts of revamped L-series models next year will enable company to enhance its top position in the addressable market.



## Manager's Report

### 3.5.2.3 The Hong Kong Stock Market – Hong Kong Stock Exchange (HKSE) (cont'd.)

#### Hong Kong & China Corporate News (cont'd.)

Xiaomi 3Q results beat, more growth ahead. Price increase to mitigate cost pressures in smartphone. Xiaomi's smartphone segment recorded revenue of RMB47.5bn (+14.0% Year-on-year), driven by a 10.0% Year-on-year increase in Average Selling Price (ASP) and a 3.0% Year-on-year growth in shipment volume. This was largely a result of an improved product mix and the company's ongoing premiumization strategy. For Q3, Xiaomi shipped 43.1mn smartphones, securing the third position in global market share with 13.8%. However, due to higher costs for key components, its gross profit margin dropped 4.9ppts Year-on-year and 0.5ppts Quarter-on-quarter to 11.7%. Xiaomi has successfully raised prices recently to counteract the cost increase. The management indicates that end users have understood and accepted the price adjustments. Further expansion of EV margins. Xiaomi's EV business generated some RMB9.7bn of revenue (+52% Quarter-on-quarter) with a gross profit margin of 17.1% (+1.7ppts Quarter-on-quarter). Growth in EV sales was primarily volume-driven, where a total of 39,790 EVs were shipped in Q3, marking a 46.0% Quarter-on-quarter increase. This achievement is particularly noteworthy, given that Xiaomi only launched its EV lineup this year, becoming the fastest EV startup to reach monthly deliveries exceeding 20,000 units. Its sole product, the Xiaomi SU7, is now the best-selling sedan priced above RMB 200,000 (including both ICE and EVs) in China. The management is optimistic about achieving 130,000 EV sales in 2024, with further margin expansion anticipated through economies of scale.

#### Hong Kong & China Market Outlook and Strategy

We are becoming more optimistic on China's economy given potential policies support to maintain growth and stability. The less severe lockdown measures helped to revive economic activities and investors' confidence. Valuation is also becoming more attraction after weak performance in 2021. We think it is necessary for the Chinese government to address the structure imbalances for a more balance and sustainable recovery. At present, the regulatory environment focuses on social stability over growth. We continue to favour companies with robust fundamentals, low valuations, good management, and low leverage.

### 3.5.2.4 The Indonesian Stock Market – Jakarta Stock Exchange (JSE)

The JCI Index declined 2.65% during the FYE Dec 2024 at 7079.91 points. The main losers index movers for the year were Bank rakyat Indonesia (-57.47%), Telkom Indonesia (-55.78%) and Merdeka copper gold (-13.95%). The Indonesian Rupiah depreciated by 4.83% during the FYE Dec 2024 against the USD, and closed at IDR 16,143 per USD during the financial year.

Indonesia's economy grew by 4.95% year-on-year in 3QFY2024, slightly below market expectations of 5.0% and down from a 5.05% expansion in Q2. This represents the slowest GDP growth since Q3 2023.

On a quarterly basis, Indonesia's economy expanded by 1.5% in 3QFY2024, falling short of the projected 1.6% and following a robust 3.79% increase in Q2, which was the highest quarterly growth in a year.

## Manager's Report

### 3.5.2.4 The Indonesian Stock Market – Jakarta Stock Exchange (JSE) (cont'd.)

Indonesia's annual inflation rate fell to 1.55% in November 2024 from 1.71% in the prior month, marking the lowest level since July 2021 but slightly exceeding market forecasts of 1.5%. The latest result remains within the central bank's target range of 1.5 to 3.5%.

#### Indonesia Corporate News

Aspirasi Hidup Indonesia (AHI), a prominent retail company operating through its ACE Hardware brand, showed strong performance in November 2024 with Same Store Sales Growth (SSSG) of +6.0% Year-on-year and net monthly sales of Rp720bn (+10.9% Year-on-year). The Ex-Java region was a key growth driver, achieving +7.9% SSSG. Year-to-date cumulative net sales reached Rp7.6tn (+13.2% Year-on-year), surpassing revised guidance of  $\geq 8\%$  FY2024 SSSG. This growth was supported by the success of its thematic campaign, store expansions outside Java, and robust category performance in appliances and home solutions. However, a modest slowdown is expected in December due to a high comparative base from the previous year. The company's upgraded guidance of  $\geq 11\%$  FY24 revenue growth is on track. At a current price of Rp795, Mandiri has a target price of Rp1,110, implying an FY2025F P/E of 14.1x, with a recommendation to "BUY."

Bank Syariah Indonesia (BSI) reported robust financial results for 9M2024, with net profit rising 22.0% year-on-year to Rp5.11 trillion, supported by strong loan growth (15.0% Year-on-year) and a 33.0% increase in non-interest income. This performance, which aligns with Mandiri's forecasts, was bolstered by a reduction in credit costs and improvements in asset quality, evidenced by an NPL drop to 2.0% and loan loss coverage rising to 196.1%. Despite a slight contraction in net interest margin (NIM) to 5.1% due to increased funding costs, BSI managed sequential NIM improvement through a strategic shift toward higher-yield loans. With a CASA ratio increase to 61.7%, BSI's deposit growth and improved cost efficiency signal a continued market share expansion. The bank's strategic initiatives, including an insurance partnership to boost fee income, support a projected EPS CAGR of 21% through 2026. Mandiri Sekuritas maintains a "Buy" rating with a target price of Rp3,500 (FY25 P/E of 19x, P/B of 3.14x), implying a 16.3% upside.

GOTO's solid 4QFY2024 performance, marked by a 30.0% Year-on-year growth in pro-forma GTV and a significant adjusted EBITDA improvement to Rp280bn. Looking ahead, 2025F projects double-digit GTV growth, particularly in financial technology, where the loan book may double. However, the Tokopedia-TikTok collaboration could dampen sales, limiting growth to mid-single digits. Profitability is expected to improve, with adjusted EBITDA potentially reaching Rp1.3tr in 2025F, equating to 0.2% of GTV. The stock is rated BUY, with a 12M target price of Rp100, implying a P/GMV multiple of 0.22x, substantially below regional peers.

## Manager's Report

### 3.5.2.4 The Indonesian Stock Market – Jakarta Stock Exchange (JSE) (cont'd.)

#### Indonesia Market Outlook and Strategy

Indonesia's GDP is projected to grow by 5.0% in 2025, aligning with the country's consistent economic expansion in recent years. While President Prabowo Subianto remains optimistic, aiming for an ambitious 8.0% growth within the first year of his term, this would require substantial improvements in exports and investment. The government has set a USD294.5 billion export target for 2025, a 7.1% increase year-on-year from the USD\$274.9 billion baseline in 2024, reflecting its focus on bolstering trade performance. The LQ45 index is trading at a P/E ratio of 11.6x, below its 5-year median of 15x, offering attractive valuations. However, policy uncertainties in both the U.S. (such as potential tariffs under Trump) and Indonesia have heightened market volatility. Thus, we maintain a neutral short-term outlook but are positive on long-term prospects.

### 3.5.2.5 The Thai Stock Market – Stock Exchange of Thailand (SET)

The SET Index declined 1.10% during the FYE Dec 2024 at 1400.21 points. The main index losers for the year were Siam Cement PCL (-120.47%), Energy Absolute PCL (-112.35%) and PTTEP Exploration & Production (-60.38%). The Baht depreciated by 0.32% during the FYE Dec 2024 against the USD, and closed at THB 34.171 per USD during the financial year.

The S&P Global Manufacturing PMI for Thailand increased to 50.2 in November 2024, from 50.0 in October. This improvement was driven by a slight rise in output and employment, although job creation slowed to its weakest level in seven months.

The University of the Thai Chamber of Commerce reported that the consumer confidence index rose to 56.9 in November, up from 56.0 in October. This marked the second consecutive increase and the highest reading in four months, supported by government economic measures and a recovery in tourism.

Thailand's annual inflation rate rose to 0.95% in November, up from 0.83% in October, marking the highest level since May 2024. However, it remained below market expectations of 1.12% and outside the central bank's 1%-3% target range for the sixth consecutive month. Core inflation increased to 0.80%, exceeding forecasts. Thailand's industrial production fell by 3.51% year-on-year in November, deeper than the 0.91% decline recorded in October and worse than the anticipated 0.5% contraction. The Bank of Thailand maintained its key interest rate at 2.25% during its final meeting of 2024. This followed October's unexpected 25 bps rate cut. The decision was made to address rising inflation, support GDP growth, and ensure macro-financial stability.

## Manager's Report

### **3.5.2.5 The Thai Stock Market – Stock Exchange of Thailand (SET) (cont'd.)**

#### **Thailand Corporate News**

Maybank analysts have initiated a "Buy" call on Praram 9 Hospital, identifying it as one of their top picks with a target price of THB32. The stock's share price has surged by 45% since August 2024, with its valuation at 24x FY2025 price-to-earnings (P/E), in line with industry peers. Analysts project a significant improvement in net profit margin (NPM) from 13.3% in FY2023 to 15.5%-17.1% during FY2024-26E, driven by an increasing proportion of foreign patients, expected to contribute 20% of revenue by FY2026E. Foreign patients tend to generate 10%-15% higher billing for the same treatments and often present with more severe conditions, which enhances the hospital's overall case intensity. With major capital expenditure completed in FY2020, PR9 now benefits from strong operating leverage, economies of scale, and sufficient capacity to meet growing demand. The hospital's future capex for FY2024-26E is expected to be THB320-500 million, significantly lower than the THB800-900 million spent in 2019-2020. The current bed occupancy rate stands at ~61%, indicating ample room for growth without the need for further expansion. PR9 is also the only hospital in its group expected to report quarter-on-quarter growth, driven by higher revenue from health check-ups and rising demand from Middle Eastern patients.

Maybank analysts have re-initiated coverage of Land and Houses with a "Hold" rating and a target price of THB5.20, based on a sum-of-the-parts (SOTP) valuation. Analysts forecast FY2025 core profit to grow by 13% year-on-year, driven by a recovery in the residential property market and higher recurring income from its investment properties. However, FY2025 core profit is expected to reach only THB4.7 billion, which remains below the THB7-8 billion core profit achieved during FY2020-22. LH offers a dividend yield of 5.8% and trades at 13.9x FY2025 P/E. While analysts previously anticipated a 27% decline in FY2024 core profit, the Bank of Thailand's forecast of 3% GDP growth in 2025 has improved sentiment. Analysts now expect a broad recovery across all segments of the residential property market, with core profit forecasted to rise by 13% year-on-year in FY2025.

Maybank has also initiated a "Buy" rating for Sky ICT with a target price of THB29.4, supported by robust growth prospects from airport services and government IT projects. Sky ICT provides system integration services, specialising in airport-related technologies and physical security solutions. Analysts project core profit growth of 61% in FY2024E and 56% in FY2025E, driven by rising passenger traffic, increased CUPPS/APPS revenues (Common and Airport Passenger Processing Systems), and higher demand for ground handling services at key airports. In addition, Sky ICT is expected to benefit from a 213% surge in system integration (SI) revenue in FY2025E, along with the launch of biometric scanning services. Key growth drivers include the Suvarnabhumi Airport SAT-1 ground handling project and increased adoption of government cloud solutions. However, the company faces risks from political instability and lower-than-expected passenger flows, which could impact growth.

## Manager's Report

### 3.5.2.5 The Thai Stock Market – Stock Exchange of Thailand (SET) (cont'd.)

#### Thailand Corporate News (cont'd.)

RHB analysts maintain their "Buy" rating for TMBThanachart Bank with a target price of THB2.10, offering a 14% upside and an attractive dividend yield of ~7%. TTB is favoured for its higher-than-sector average dividend yield of 7-8% for FY2024-25F and earnings growth of 13% in FY2024F, compared to peers' average of ~5%. The bank benefits from THB12 billion in tax credits and provisions, which support its risk absorption capacity and asset quality management. Analysts estimate 4Q2024 net profit at THB5 billion, representing a 3% year-on-year increase, although quarter-on-quarter net profit is expected to decline by 4% due to NIM contraction, high operating expenses, and a loan drop of 8% year-on-year. The bank's non-performing loan (NPL) ratio remains below 2.9%, indicating manageable risks. TTB is currently trading below -0.5 standard deviation of its historical mean, making it an attractive investment. However, key risks to the bank's outlook include an economic slowdown, further NIM compression, and a decline in used car prices.

#### Thailand Market Outlook and Strategy

We adopt a positive outlook on Thailand, given that the SET Index's 12-month forward P/E ratio of 14.6x and GDP growth forecast of 2.9% reflecting planned fiscal stimulus measures and picked up in public investment. Political uncertainties is over, we expecting more positive catalysts in FY2025F. The market has demonstrated volatile momentum following the change in prime minister. Government policies are anticipated to remain largely unchanged, with notable focus on the digital e-wallet initiative, the buyback of mass transit electric rail systems, and the development of entertainment complexes. Economic growth is expected to be supported by a robust tourism recovery and resilient private consumption. Although exports continue to face external global headwinds, the decline appears to be moderating, with recovery anticipated in the coming year.

### 3.5.2.6 The Taiwanese Stock Market – Taiwan Stock Exchange (TSE)

The TWSE index closed in the year 2024 at 23,035.10 points, gaining 28.47%. The top three best performing counters were Ezconn Corporation (+842.73%), Acer Pillar Co Ltd (+395.09%) and Hwang Chang General Contract (+373.18%).

Taiwan raised the full-year GDP forecast to 4.27% according to the Directorate General of Budget, Accounting, and Statistics, the GDP forecast was lifted by 0.37% based on better-than-expected export performance and strong private investment. The DGBAS predicted economic growth will fall back next year to 3.29%. With the revised GDP, Taiwan's GDP per capita is US\$33,864 (NT1.1 million). Tsai warned that the global economy is encountering an era of worldwide overcapacity and economic recovery varying in different countries. "Taiwan is lucky to have AI, which has brought about growth in related industrial chains," said Tsai. The DGBAS pointed out the AI wave has driven the export of electronic components and IT products, with exports this year reaching US\$474.5 billion, an annual increase of 9.9%. In terms of private investment, semiconductor manufacturers are actively expanding production capacity and investing in research and development. Another major form of investment is transportation capacity in the transport industry.

## Manager's Report

### 3.5.2.6 The Taiwanese Stock Market – Taiwan Stock Exchange (TSE) (cont'd.)

Confidence in the real estate market fell to a four-year low in September, according to monthly survey data released by the National Central University. The consumer confidence index decreased by 1.57 points to 75.49, according to the survey data. The real estate market confidence index also decreased by 4.28 points to 100.39, the lowest since August 2020. NCU Researcher Wu Dachrahn (吳大任) mentioned that many banks are approaching the legal limits that restrict home loans to no more than 30% of their lending. He said this had pushed interest rates up and lower-income households may be being excluded from the housing market. The survey found the largest decrease in consumer confidence was in the durable consumer goods sub-index, which fell 4.59 points to 103.1. Wu linked this decline to decreasing confidence in the real estate market and said this was the lowest the index had fallen since February 2023. The stock investment confidence sub-index fell 4.41 points to 55.88, which Wu attributed to Donald Trump's victory in the US presidential election. He said if Trump decides to target Taiwan's trade surplus with the US then Taiwan's stock market may decline.

### Taiwan Corporate News

Hu Lane business update. Upbeat 4QFY2024F peak season. 3QFY2024 EPS of NT\$3.05 was 12.0% ahead of forecast on forex gains. Revenue growth was in line with forecast, at 14.0% Year-on-year to NT\$2.14bn, while gross margin of 32.0% fell short by 0.5ppts on higher copper costs. China revenue grew 23.0% Year-on-year in 3QFY2024, to account for an 80.0% sales weighting. October revenue rose 13.0% Month-on-month and 17.0% Year-on-year to a record-high NT\$882mn, achieving 35.8% of our previous 4QFY2024F estimates. Robust growth is driven by Chinese OEM clients, in particular Geely and BYD, which saw YTD revenue growth of greater than 60.0% and 40.0%, to account for 13.0% and 9.0% of consolidated revenue, respectively. The 4QFY2024F revenue increase to NT\$2.66bn, up 24.0% Quarter-on-quarter and 18% Year-on-year, and expect 4QFY2024F gross margin of 34.1% and EPS of NT\$3.67. Revenue growth target of 15%+ in 2025F. The vehicle electrification trend in China has reached an inflection point, as the NEV penetration rate could surpass 50.0% in 2025F, which favours Hu Lane, considering its client portfolio consists of multiple NEV-oriented Chinese brands. The firm foresees ramping shipments of Ethernet products, as well as high-frequency, high-voltage offerings from 2H2024F onwards, and looks to diversify sales exposure to non-China markets in the long run. Management guides non-China markets to deliver over 20% sales growth in 2025F, highlighted by 50.0-60.0% growth in Europe thanks to new project starts from tier-1 customers such as Magna (CA) and Marelli (JP), as China sales growth holds in double digits. We raise 2025F revenue by 6.0% to NT\$9.99bn, up 15.0% Year-on-year, with China revenue up 13.0%, to account for a 77.0% sales weighting. 2025F EPS growth of 11.0% to NT\$14.17. Recent LME copper price volatility has been driven by expectations of China stimulus policies, which proved to be lackluster, offering relief to gross margin pressure on Hu Lane. The firm guides a higher opex ratio of 16% in 2025F on higher R&D costs.

## Manager's Report

### 3.5.2.6 The Taiwanese Stock Market – Taiwan Stock Exchange (TSE) (cont'd.)

#### Taiwan Corporate News (cont'd.)

Lite-On Technology's 3QFY2024 operating income of NT\$3.92bn was in line with forecast. Gross margin of 22.4% was hindered by a bumpy production ramp up of AI server power supply units (PSU) in Vietnam, while EPS of NT\$1.48 missed estimate by 8% on one-off expenses related to the termination of the optical disc drive (ODD) business. Guidance of slight revenue growth Quarter-on-quarter in 4QFY2024F. Management believes the production yield rate for AI server PSU in Vietnam will get back on track this quarter, and guides growth in AI server PSU revenue, on shipments commencement of its 33kW power shelf (6 5.5kW PSU) for Nvidia's (US) GB200 platform. Lite-On guides rising sales growth Quarter-on-quarter for server power, game console, PC and opto-semiconductors (OPS). Demand for consumer applications and EV chargers remains weak. Analysts project 4QFY2024F revenue of NT\$37.6bn, up 2.0% Quarter-on-quarter and Year-on-year, for EPS of NT\$1.65. Expanding AI server offerings; target 10.0% AI server sales weighting in 2025F. Lite-On claims its 600kW in-row CDU has been added to Nvidia's reference vendor list, following its addition for liquid-to-air sidecars, which is scheduled to commence shipments in 4Q24F. AC-DC PSUs are the bulk of Lite-On's AI server sales, and the spec upgrade from 3kW (Hopper) to 5.5kW (Blackwell) will trigger strong revenue growth in 2025F. The firm also looks to penetrate the DC power module market, targeting shipments commencement in 2025F. Market project Lite-On's AI server sales weighting to reach 8% in 2025F, up from 4.0-5.0% in 2024F, but are more cautious on a liquid cooling sales weighting of 2%, while projecting an AI server PSU sales weighting of 6.0%.

#### Taiwan Market Outlook and Strategy

Taiwan remains on our watch list as a potentially attractive investment destination, the depth of the electronics supply chain present opportunities to identify good companies that are less well-owned compared to the semiconductor sector. We are also exploring investment into non-electronics sector that will benefit from global structural trend. We continue to favour companies which demonstrate low valuations, low leverage, high growth, robust management and a strong track record.

### 3.5.2.7 The Philippines Stock Market – The Philippines Stock Exchange (PSE)

The Philippines Stock Exchange Composite Index surged 1.22% in 2024 to close at 6528.79 points. The index's top movers were Converge ICT (+94.63%), International Container Terminal Services (+62.04%) and Metrobank (+51.73%). Meanwhile, the top laggards were Bloomberry Resorts (-53.46%), JG Summit (-45.45%) and Nickel Asia (-34.19%). The Philippine Peso depreciated -4.68% against the USD for the year, and closed at PHP 57.98.

## Manager's Report

### 3.5.2.8 The Philippines Stock Market – The Philippines Stock Exchange (PSE) (cont'd.)

The Philippine GDP expanded by 5.2% year-on-year in the third quarter of 2024, slowing from an upwardly revised 6.4% growth the previous period and coming below market forecasts of 5.7%. This marks the slowest economic expansion since the second quarter of 2023, as growth moderated for government spending (5% vs 11.9% in Q2), and fixed investments (7.5% vs 9.7%). Meanwhile, the rise for household consumption accelerated by 5.1% after a 4.7% increase in the prior quarter. Net trade contributed negatively to the GDP, as exports fell 1% (vs 4.2%), while imports jumped 6.4% (vs 5.3%). On the production side, growth eased for the industry (5% vs 7.9%), and services (6.3% vs 6.8%), while output continued to contract for agriculture, forestry and fishing (-2.8% vs -2.3%). The government targets a growth rate of 6% to 7% for this year.

The Central Bank of the Philippines lowered its benchmark interest rate by 25 basis points to 5.75% during its December 2024 policy meeting, marking the third consecutive rate cut and meeting market expectations. Recent data showed that the country's annual inflation rate rose to a three-month high of 2.5% in November 2024, up from 2.3% in the previous month and in line with market expectations. Inflation is projected to remain within the target range over the policy horizon, with a slight upward revision in the 2025 forecast to 3.4% from 3.3%, while the 2026 estimate remains steady at 3.7%. Meanwhile, domestic demand remained resilient, bolstered by easing inflation and an improving labor market. However, external challenges could weigh on growth prospects. Nevertheless, the Monetary Board emphasized its commitment to a cautious approach to monetary easing, aiming to ensure price stability while fostering sustainable economic growth and employment.

The unemployment rate in the Philippines fell to 3.9% in October 2024, down from 4.2% in the same month last year. The number of unemployed individuals decreased to 1.97 million from 2.09 million in October 2023, while employment rose to 48.16 million, up from 47.79 million. Among broad industry groups, the services sector remained the largest employer, accounting for 61.0% of the total workforce, followed by agriculture at 21.2% and industry at 17.9%. Meanwhile, the labor force participation rate declined to 63.3% in September 2024, compared to 63.5% a year earlier. On average, employed persons worked 41.0 hours per week, slightly lower than the 41.2 hours recorded in October 2023.

The annual inflation rate in the Philippines rose to 2.5% in November 2024, accelerating from 2.3% in October, and surpassing the expected 2.4%. This marks the highest reading in three months, primarily driven by higher food inflation (3.4% vs 2.9% in October), partly due to rising costs of vegetables, tubers, plantains, cooking bananas, and pulses. Additionally, inflation increased for furnishings, household equipment, and routine household maintenance (2.7% vs. 2.4%), alcoholic beverages and tobacco (3.1% vs. 3%), and personal care and miscellaneous goods and services (2.9% vs. 2.8%). In contrast, prices eased further for housing and utilities (1.9% vs. 2.4%), while transportation costs continued to decline (-1.2% vs. -2.1%). Meanwhile, core inflation, which excludes selected food and energy items, rose to 2.5%, up from 2.4% in the prior two periods. On a monthly basis, the CPI grew 0.4%, the most in four periods, and up from a 0.2% increase in October.



## Manager's Report

### 3.5.2.7 The Philippines Stock Market – The Philippines Stock Exchange (PSE) (cont'd.)

#### Philippines Corporate News

JG Summit Holdings Inc. is planning a temporary shutdown of its petrochemical business in the hope of reducing its operational losses. JG Summit Olefins Corporation's (JGSOC) difficulties in the industry "may be more structural than cyclical in nature as naphtha-based crackers are less favored compared to the more cost-efficient ethane crackers."

GT Capital's net income slipped by 6% Year-on-year to PHP21.7B in 9M-2024, in line with, or just 2% above Asiasec's forecast of PHP21.29B. The company came from a higher base in 2023. Excluding non-recurring gains from lot sales from Federal Land NRE Global Inc. (FNG) and incentives from the Comprehensive Automotive Resurgence Strategy (CARS) program in 9M-2023, net income would have increased by 8% Year-on-year. MBT's net income grew 12% Year-on-year to PHP35.73B in 9M-2024, almost equal to the Broker forecast of PHP35.54B. Net income growth was anchored by the 17% Year-on-year increase in interest income to PHP131.91B as loans expanded 17% Year-on-year to PHP1.67T in 9M-2024. Non-interest income also rose 5% Year-on-year to PHP24.09B with the 56% Year-on-year jump in trading and forex gains offsetting lower ROPA sales. Toyota Motor Philippines' (TMP) net income grew by 12% Year-on-year to PHP12.2B in 9M-2024 as revenues rose by 10% Year-on-year to PHP205.7B. Units sold also rose 10% to 159,088 units on the back of strong sales of Vios, Wigo, Hilux, and Innova models. Its 10% Year-on-year revenue growth surpassed the auto industry's 8% Year-on-year growth in 9M-2024.

Universal Robina Corp. has opened a new PHP5.4b flour mill in Sariaya, Quezon, boosting its daily production capacity by over 60% to 3,500 metric tons. The facility, URC's largest, features fully automated milling technology to improve efficiency, reduce costs, and lower its carbon footprint. URC Chairman Lance Gokongwei highlighted the investment as a commitment to food security and the country's economic growth, while CEO Irwin Lee noted it will meet rising demand while maintaining competitive pricing. The plant also adds 150 jobs and reinforces URC's position as the leading flour producer in the Philippines.

Gokongwei-led Cebu Air Inc. is weighing options to integrate AirSWIFT into Cebu Pacific's operations following the latter's successful acquisition of the boutique carrier last October. In a disclosure to the Philippine Stock Exchange (PSE) on Tuesday, Dec. 3, Cebu Air said it was exploring the possibility of merging AirSWIFT into Cebu Pacific, though such plans are not expected to occur in the near future. "While the integration remains a possibility, no definitive plans or timelines have been formulated at this stage. Should there be any developments or material updates on this matter, the Company will ensure timely and transparent disclosure in accordance with applicable regulations," Cebu Air said. Cebu Air officially took over AirSWIFT in October following a share purchase deal with Ayala Land Inc. (ALI) for a total of P1.75 billion. The acquisition involved the sale of 9.1 million shares in AirSWIFT at a price of P13.10 apiece. AirSWIFT is a boutique airline operating flights from Manila and Clark to El Nido, and from El Nido to other major tourist destinations in the country, including Cebu, Boracay, Coron, and Bohol.

## Manager's Report

### 3.5.2.7 The Philippines Stock Market – The Philippines Stock Exchange (PSE) (cont'd.)

#### Philippines Market Outlook and Strategy

We reckon that the underlying fundamentals of the Philippine economy are improving. Market expects GDP to grow 6% in 2025F from 5.8% in 2024E, fueled by a recovery in personal consumption. Meanwhile, inflation is expected to remain downtrend at 2.9% for 2025F from 3.2% in 2024E. The improving macro and strong consumption is supportive of the consumer and banking sectors. Benign inflation and a stable outlook for raw food input prices should be positive for consumption growth and the consumer sector's GPM outlook. Meanwhile, an expected further 50-100bps cut in the policy interest rate for next year shall be a catalyst for property market recovery. The public-private partnership (PPP) pipeline now includes 172 projects worth PHP2.54t, with 7 new additions focused on renewable energy, waste-to-energy facilities and laboratory upgrades. Furthermore, President Marcos Jr. signed laws extending the Rice Competitiveness Enhancement Fund (RCEF) until 2031 with PHP30b annually and establishing a VAT Refund System for foreign tourists to boost tourism spending.

### 3.5.2.8 The South Korean Stock Market – Korean Stock Exchanges (KSE)

The KOSPI index closed in the year 2024 at 2,399.49 points, declining 9.63%. The top three best performing counters were HD Hyundai Electric Co Ltd (+366.25%), Samyang Foods Co Ltd (+255.23%) and SNT Energy Co Ltd (+230.22%).

The Asian Development Bank (ADB) has lowered its growth forecast for South Korea in 2025 to 2.0%, reflecting concerns about a slowdown in the global economy and the semiconductor industry. This revised projection is 0.3 percentage points lower than the bank's previous estimate, as reported by Yonhap. The ADB's forecast aligns with the International Monetary Fund's projection but is slightly more optimistic than the Bank of Korea's 1.9% outlook. However, it trails the estimates of the Organization for Economic Cooperation and Development (OECD) and the South Korean government. The bank expects that lower interest rates and government stimulus measures will help boost domestic demand in South Korea. However, the slowdown in the global semiconductor industry, particularly the decline in demand for AI chips, is expected to weigh on export growth. The ADB's forecast does not account for recent political developments in South Korea, including the short-lived declaration of martial law and the subsequent impeachment efforts against President Yoon. These events could potentially introduce additional uncertainty and volatility into the South Korean economy. For the broader Asian region, the ADB has also lowered its growth forecast for 2024 to 4.8%. This downward revision reflects weaker-than-expected domestic spending in East Asia and South Asia. The bank highlighted several risks to the region's economic outlook, including potential US tariff hikes, geopolitical tensions, and China's ongoing real estate slump.

## Manager's Report

### 3.5.2.8 The South Korean Stock Market – Korean Stock Exchanges (KSE) (cont'd.)

Latest industrial output in South Korea was down a seasonally adjusted 0.7 percent on month in November, according to the Statistics Korea, missing forecasts for a fall of 0.4 percent following the flat reading in October. On a yearly basis, industrial output was up 0.1 percent shy of expectations for a gain of 0.4 percent following the 6.3 percent increase in the previous month. The Manufacturing Production Index shed 0.7 percent on month but rose 0.3 percent on year. The Manufacturing Shipment Index fell 0.4 percent on month and 3.0 percent on year. The Manufacturing Inventory Index lost 0.8 percent on month and 4.5 percent on year. The Production Capacity Index eased 0.2 percent on month but added 0.6 percent on year. The Index of Capacity Utilization Rate was down 0.8 percent on month and 2.0 percent on year. The Manufacturing Average Capacity Utilization Rate in November was 71.8 percent, which decreased by 0.5 percentage points from the previous month. The Index of Services in November eased 0.2 percent on month but rose 1.0 percent on year.

The growth of household loans extended by South Korean banks markedly slowed down in November due mainly to tight lending rules, data showed. But household borrowing from the non-banking sector soared by the largest margin in more than three years last month due to a balloon effect, according to the data compiled by the Bank of Korea (BOK) and the Financial Services Commission (FSC). Banks' outstanding household loans stood at 1,141.4 trillion won (US\$797.96 billion) as of end-November, up 1.9 trillion won from a month earlier. The amount of fresh loans rose for an eighth consecutive month in November, but it logged the slowest growth since March.

### South Korea Corporate News

KAI posted 2QFY2024 earnings surprise with sales W891.8bn (+21.6% year-on-year, +20.5% quarter-on-quarter) and operating profit (OP) W74.3bn (+785.8% year-on-year, +54.8% quarter-on-quarter), the latter beating consensus by 42.0%. They attribute the stronger than expected earnings to change in accounting method on Malaysia project sales recognition from delivery to percentage completion which led +182% increase in finished aircraft export volume along with reduction in various one-offs. However, the company still booked W15bn provisions in regard to Iraq reconstruction project. The major reason for the share underperformance is owed to different timing expectations of securing overseas order. The projects are not going through a structural delay and therefore expect order momentum to be strong especially from the European region. The share price performance is expected to catch-up to its peers. In 2HFY2024, the company still maintains strong earnings & order momentum given: 3Q - UAE KUH-1 W0.6tn / 4Q Iraq KUH-1 W1.1tn / Uzbekistan FA-50 W1.2tn.

## Manager's Report

### 3.5.2.8 The South Korean Stock Market – Korean Stock Exchanges (KSE) (cont'd.)

#### South Korea Corporate News (cont'd.)

SK Hynix 3QFY2024: Sales W19.2tn and operating profit (OP) W6.9tn, in-line with the consensus. - DRAM & NAND ASP: up 19.0% and 8.0% quarter-on-quarter respectively. 4QFY2024: OP W8tn level thanks to additional product mix improvement. 1) NET CASH - SK Hynix's net debt stands at W11tn as of 3QFY2024, down by W9.5tn from W20.5tn in 3QFY2023. Thereby, its net debt ratio fell from 42.0% to 17.0%. According to the company, it plans to achieve net cash position as of late 2025. On the supply side, SK Hynix's early timing of supply is a positive in the short term, however a negative in the longer term. If market share target is aggressively revised up, it may temporarily seem like the growth loss is greater, while decline in demand or resolving production disruptions will result in a bigger impact from a down-cycle. If all players in the industry aim to maximize profit, limited supply should make the Supply/Demand environment healthier. SK Hynix will rather focus on satisfying the high-end products that are needed now, rather than chasing after unknown additional demand. Thereby, supply and demand dynamics of the industry should become healthy. The timely product launch - SK Hynix emphasized that the key to success in AI semiconductor is about timely delivery of next generation products based on the speed of technology development, which is extremely challenging. This also leads to a question whether to align new product launch according to DRAM process technology, or client's product schedule. It seems that SK Hynix has chosen stability by responding HBM4 with 1b DRAM.

#### South Korea Market Outlook and Strategy

Korea remains on our watch list as a potentially attractive investment destination. The focus will remain on stock selection. We continue to look for opportunities in the region, favouring companies which demonstrate low valuations, low leverage, high growth, robust management and a strong track record.

## Manager's Report

### 3.5.2.9 The Vietnam Stock Market – Ho Chi Minh Stock Exchange (HSX)

The Vietnam Ho Chi Minh Index soared 12.11% in 2024 to close at 1,266.78 points. The index's top performing stocks were FPT (+85.03%), Techcombank (+59.86%) and Vietcombank (+13.57%). Meanwhile, the index's laggards for the year were Vingroup (-9.08%), Vincom Retail (-26.39%) and Vinhomes (-7.41%). The Vietnamese Dong depreciated by -5.01% against the USD for the year, and closed at 25,485.

Vietnam's GDP expanded by 7.40% year-on-year in Q3 of 2024, accelerating from an upwardly revised 7.09% growth in Q2 and marking the steepest increase since Q3 of 2022, flash data showed. The latest result also represented the 12th consecutive quarter of yearly growth, despite the impact of the worst typhoon in seven decades, which struck the country in September and halted many business operations. Final consumption, which accounts for almost 60% of the overall growth rate, stayed strong in Q3, rising by 7.02%. At the same time, foreign sales were resilient, marked by a 15.68% surge in exports. By sector, services activity quickened (7.51% vs. 7.10% in Q2), as did industry and construction (9.11% vs. 8.60%). Meanwhile, agricultural output eased (2.58% vs. 3.64%). During the first three quarters of the year, the economy advanced by 6.82%, compared with 6.42% in H1. The government targets GDP growth of around 6.8 to 7.0% this year but remains alert to persistent global headwinds.

Retail sales in Vietnam increased by 8.8% year-on-year in November, following a one-year low of 7.1% rise in the previous month. This marked the 36th consecutive month of growth in retail activity and the strongest since July, as sales accelerated for all components: goods (8.3% vs 7.4%), accommodation & food services (12.9% vs. 6.5%), tourism activity (12.5% vs. -1.9%), and other services (7.7% vs 6.8%). Considering the January to November period, retail trade advanced by 8.8%.

The annual inflation rate in Vietnam fell to 2.77% in November 2024, down from 2.89% in the previous month. This easing was mainly attributed to softer inflation for food and catering services (4.12% vs. 4.45% in October), particularly for grain foods and foodstuffs. Additionally, prices moderated for medicaments and health services (5.28% vs. 8.28%), and costs continued to decline for transport (-3.30% vs. -3.25%). In contrast, prices primarily accelerated for housing and construction materials (5.06% vs. 4.21%). Meanwhile, the annual core inflation rate, which excludes volatile items, rose to a seven-month high of 2.77%, up from 2.68% in October. On a monthly basis, consumer prices edged higher by 0.13%, easing from a 0.33% increase in the previous period.

Vietnam's industrial production increased by 8.9% year-on-year in November 2024, accelerating from a marginally revised 7.1% expansion in the previous month. This marked the ninth consecutive month of growth in industrial output and the fastest pace since July, as the impact of a severe typhoon in some parts of the country in September diminished. Manufacturing production sharply quickened (11.2% vs 8.6% in October). At the same time, activity related to supply and waste management slowed sharply (6.7% vs 11.8%), amid a slight moderation in electricity and gas supply (5.5% vs 5.7%). Meanwhile, mining and quarrying output declined at a steeper rate (-9.2% vs -8.7%). For the first eleven months of the year, industrial production rose by 8.4%.

## Manager's Report

### 3.5.2.9 The Vietnam Stock Market – Ho Chi Minh Stock Exchange (HSX) (cont'd.)

#### Vietnam Corporate News

Viettel Post (VTP) successfully held the grand opening ceremony for its 1st logistics park, located in the Dong Dang - Lang Son Economic Zone. Its project is to (1) provide one-stop/end-to-end logistics services, (2) employ modern facilities to promote trading activities via shortened customs inspection time and costs, and (3) enhance Vietnam's mission to become the logistics hub of ASEAN region. VTP's expansion into logistics parks is seen as a bold move; success would lift the company's position in the logistics industry and drive long-term growth.

SBI's cooperation with FPT, including an investment in up to 35% (to be finalized in Jan.) in a new AI-focused FPT-led vehicle in Japan, would mark a significant milestone in the expansion of FPT's capabilities in that country. Through this cooperation, FPT aims to leverage SBI's expertise and network to expand its client base and accelerate strategic initiatives in Japan's Finance and Tech. sectors. FPT may secure another investor for its Smart Cloud company in Japan in the coming months.

Gemadep's October volumes remained strong. Nam Dinh Vu port (NDV, 60% owned) handled 136,804 TEUs (up 64% year-on-year, 22% m/m). Gemalink (GIL, 65% owned) received 140,000 TEUs (up 37% year-on-year, down 3% m/m). With high volumes in Oct, NDV and GIL's 10M24 volumes came to 1.05mn TEUs (up 47% year-on-year) and 1.4mn TEUs (up 89% year-on-year) respectively. The volumes were strong and in-line with expectations. HSC Research maintains its FY24-26 earnings estimates, calling for FY24 core PBT growth of VND1.7tn (up 36% year-on-year) on significant volumes growth thanks to demand recovery and new weekly services at its key ports. For FY25 and FY26, it expects core PBT growth of 21% and 13% to VND2.1tn and VND2.4tn respectively. The FY25-26 earnings growth will be driven by NDV phase 3 (adding 600,000 TEUs, up 17% from the current capacity of 3.6mn TEUs/annum) and GIL phase 2A (adding 600,000 TEUs per annum). The NDV phase 3 will have three berths, which will gradually commence operations in FY25. Meanwhile, GIL phase 2A will begin construction in 1Q25 and commence operations from 2H26.

HD Bank's 3QFY2024 earnings were strong, with consolidated PBT at VND4.5tn, up 43.0% year-on-year, and 9M2024 PBT at VND12,654bn, a 46.6% year-on-year increase, exceeding our expectations. In addition to impressive balance sheet and earnings growth, HSC Research also observes some improvement in asset quality. HDB has delivered consistent balance sheet and earnings growth over recent years, a trend we expect to continue in the next 2-3 years. It revises its FY2024-2026 net profit forecasts upward by an average of 5.0%, driven by higher NIM and lower provisions, which offset lower non-interest income (non-NII). HSC Research updated estimates project net profit growth of 31.8%/19.4%/15.8% for FY24/25/26, respectively.

## Manager's Report

### **3.5.2.9 The Vietnam Stock Market – Ho Chi Minh Stock Exchange (HSX) (cont'd.)**

#### **Vietnam Market Outlook and Strategy**

Vietnam's stock market made a strong rally last year, as positive market sentiment from potential market upgrade by FTSE Russell outweighed concerns of FX pressure and interbank rates returning to stressed levels. While external factors have large uncertainties for 2025, we think key vehicles for growth include: (i) consumption, which is supported by extension of VAT cut, wealth effect from a better real estate market and expected continuing tame inflation; and (ii) infrastructure spending with large construction plans for highways and airports. Market forecasts GDP growth of +6.5% in 2025F, a shade lower than +6.7% in 2024E. Moderate inflation (2025F: 3.5% vs 2024E: 3.7%) and a stable dong will allow the SBV to prioritise growth and maintain policy rates in 2025. Export growth will likely cool in 2025 from the double-digit upturn in 2024, as higher Trump 2.0 tariffs on China could have a knock-on impact on Asian manufacturing supply chains. Consumption is expected to firm, given an improving labor market and cooling inflation. Supportive government policies will play a part, such as the extension of 2% VAT cut till June 2025. Real estate will recover as smoother project licensing approvals increase new supply. A stronger property market is positive for household sentiments. Infrastructure spending is set to be a major growth driver, with the planned construction of another 1,000km of highways and national airports. The government is ramping up infrastructure investment to boost FDI competitiveness and domestic demand.

## Manager's Report

## 3.5.3 Market Review

INDEX	Current	Index Return, Local Curr		Index Return, US\$		PERX		10-yr PER X (positive EPS only)		
	LEVEL	Yearly	Year to Date	Yearly	Year to Date	FY 2024	FY 2025F	-1 std dev	10Y mean	+1 std dev
CSI 300 INDEX	78,139.01	8.17%	8.17%	5.19%	5.19%	24.68	22.87	19.6	22.6	25.7
FTSE Bursa Malaysia KLCI	1,642.33	12.90%	12.90%	15.85%	15.85%	14.23	15.33	14.1	15.9	17.7
Straits Times Index STI	3,787.60	16.89%	16.89%	12.79%	12.79%	10.13	12.13	9.7	11.9	14.1
SHANGHAI SE COMPOSITE	3,351.76	12.67%	12.67%	9.61%	9.61%	11.25	12.60	11.2	13.0	14.9
CSI 300 INDEX	3,934.91	14.68%	14.68%	11.57%	11.57%	11.30	14.23	11.7	13.5	15.2
HANG SENG CHINA AFF.CRP	3,780.97	12.85%	12.85%	13.47%	13.47%	5.17	6.89	5.3	5.7	6.2
HANG SENG CHINA ENT INDX	7,289.89	26.37%	26.37%	27.07%	27.07%	7.57	9.19	7.1	8.0	9.0
HANG SENG INDEX	20,059.95	17.67%	17.67%	18.32%	18.32%	8.57	10.01	9.3	10.9	12.5
JAKARTA COMPOSITE INDEX	7,079.91	-2.65%	-2.65%	-7.45%	-7.45%	12.57	12.49	12.9	15.5	18.1
KOSPI INDEX	2,399.49	-9.63%	-9.63%	-20.99%	-20.99%	11.43	9.30	8.4	11.1	13.8
PSEI - PHILIPPINE SE IDX	6,528.79	1.22%	1.22%	-3.20%	-3.20%	10.47	11.13	12.2	15.4	18.7
STOCK EXCH OF THAI INDEX	1,400.21	-1.10%	-1.10%	-1.19%	-1.19%	13.97	15.16	13.6	15.3	17.0
HO CHI MINH STOCK INDEX	1,266.78	12.11%	12.11%	6.77%	6.77%	12.08	11.57	11.6	13.8	16.0
TAIWAN TAIEX INDEX	23,035.10	28.47%	28.47%	19.80%	19.80%	18.03	18.07	11.8	14.7	17.6
S&P ASX 200 INDEX	8,159.14	7.49%	7.49%	-2.73%	-2.73%	16.53	18.96	17.14	20.32	23.49
DOW JONES INDUS. AVG	42,544.22	12.88%	12.88%	12.88%	12.88%	23.91	24.06	17.2	20.4	23.6
S&P 500 INDEX	5,881.63	23.31%	23.31%	23.31%	23.31%	23.45	26.77	21.65	26.41	31.16
NASDAQ COMPOSITE	19,310.79	28.64%	28.64%	28.64%	28.64%	30.44	31.97	21.7	26.5	31.3
MSCI WORLD	3,707.84	17.00%	17.00%	17.00%	17.00%	19.79	22.77	14.71	18.59	22.47
STXE 600 (EUR) Pr	507.62	5.98%	5.98%	-0.87%	-0.87%	12.89	15.25	0.00	0.00	0.00
NIKKEI 225	39,894.54	19.22%	19.22%	6.84%	6.84%	20.66	19.65	14.7	18.6	22.5

Source: Bloomberg

Globally, most markets saw gains in 2024. The MSCI Far East ex-Japan Index rose 9.62%, significantly underperforming the MSCI World Index which returned gained 17.00%. The weak performance in Korean stocks and selective ASEAN index contributed to the MSCI Far East ex-Japan Index's under performance. The MSCI World Index's performance was underpinned by stellar performance of the US and Japan markets.

The best performing markets in the region were China's H shares (+26.37% in RM term), Taiwan (+28.47 %) and Hong Kong (+17.67 %). The worst performing markets were Korea (-9.63 %), Indonesia (-2.65%) and Thailand (1.10%). Regional currencies' performance against the USD were weak except Malaysia Ringgit. The best performing currencies were Malaysia Ringgit (+2.71%) and Thai Baht (-0.27%), while the weakest currency was Korean Won (-12.69%) and Taiwan NT (-6.75%).

The Dow Jones Industrial Average Index (DJIA), S&P 500 index and Nasdaq Composite Index gained 12.88%, 23.31% and 28.64% respectively in 2024. Risk assets continued to head higher on buoyant corporate earnings announcement amid conducive operating environment supported by strong economy. The technology sector fared even better, driven by the Generative AI theme especially in the semiconductor sub-sector. The Fed started to cut interest in September. For the year, Fed fund rate was reduced by 75 bps in two rate cuts as inflation rate stabilised. On the economic front, the US Composite Purchasing Managers' Index (PMI) expanded to 56.6 in December compared to 54.9 in November, suggesting overall activity continued to expand. The Manufacturing PMI remained stable at 49.4 from 49.7 a month ago, though still reflecting contracting factory activity.



## Manager's Report

### 3.5.3 Market Review (cont'd.)

The Stoxx Europe 600 Index gained 5.98% in 2024. In the eurozone, economic data continued to point to weakness. The Composite Purchasing Managers' Index (PMI) fell to a 10-month low of 48.3, with both the services and manufacturing sectors showing contraction. The ECB announced a third 25 bps rate cut of the year, taking the deposit facility rate down to 3.25%.

The CSI-300 Index, Chinese H-Shares and Hang Seng Index were up 14.68%, 26.37% and 17.67% respectively. Policies stance was expansionary to boost economic activities. The 12th meeting of the Standing Committee of the 14th National People's Congress concluded in Beijing. The meeting voted to approve the "State Council's Proposal on Increasing the Local Government Debt Limit to Swap Existing Implicit Debts" to raise the local government debt limit by RMB6 trillion to improve liquidity and spur economic activities. Additional confidence building message was announced following the Politburo's meeting on 9 December to set the tone for the economic work in 2025.

South Korea's KOSPI Index declined 9.63% on weak domestic economy and political turmoil. The outlook for South Korea's economic growth turned less optimistic after the central bank reported GDP grew just 0.1% in the third quarter from the previous three-month period, as exports weakened. The Bank of Korea's monetary policy board trimmed the base rate by 25 basis points, bringing it down to 3%. The Asian Development Bank (ADB) has lowered its growth forecast for South Korea in 2025 to 2%, reflecting concerns about a slowdown in the global economy and the semiconductor industry.

The TWSE Index gained 28.47%, benefiting from strength in the global technology sector. Taiwan's economy maintained a solid pace of growth even as demand wavered at home and external risks rose. GDP expanded 3.97% in the July-to-September quarter from a year earlier, advance estimates showed. Taiwan raised the full-year GDP forecast to 4.27% according to the Directorate General of Budget, Accounting, and Statistics (DGBAS). The GDP forecast was lifted by 0.37% based on better-than-expected export performance and strong private investment.

Singapore's STI gained 16.89%. Singapore's economic growth exceeded expectation. Singapore's economy expanded by 4.1% Year-on-year in the third quarter of 2024, accelerating from a 2.9% growth in the second quarter, an advance reading showed. GDP growth was primarily driven by a 6.6% gain in goods producing industries, with the manufacturing and construction sectors rising 7.5% and 3.1%, respectively. The latest trade data showed Singapore's non-oil domestic exports (NODX) rose by 3.4% in November, reversing a revised 4.7 per cent contraction in October.

Malaysia's KLCI was up 12.90% on strong foreign funds buying and positive domestic investors' sentiment. Malaysia's economy expanded faster than expected in the third quarter of 2024 on gains in the services and manufacturing sectors, putting the nation on track to meet the government's revised annual growth forecast. GDP grew 5.3% in the July-September period from a year ago, according to advanced estimates from Malaysia's Department of Statistics. At its November meeting, the Monetary Policy Committee of Bank Negara Malaysia (BNM) maintained the Overnight Policy Rate (OPR) at 3.00%, marking the ninth consecutive hold. The decision matched market expectations.

## Manager's Report

### 3.5.3 Market Review (cont'd.)

Thailand's SET index declined 1.10%, despite having chalked up a 26.55% gain in 3QFY2024, on the back of weak economy outlook. The Bank of Thailand cut its key interest rate by 25 basis points to 2.25% in October, the first reduction since 2020. This move, supported by the government, aims to address a weak economy. Exports increased 8.2% from a year earlier to USD 25.61 billion, the fifth consecutive month of expansion, easing sharply from the fastest pace in three months in October of 14.6%. External demand provided relief from the weak domestic consumption.

The Jakarta Composite Index declined 2.65 % after two years of good performance. Indonesia's economy advanced by 4.95% Year-on-year in Q3 2024, compared with market estimates of 5.0% and after a 5.05% expansion in Q2. This marked the slowest GDP growth since Q3 2023, highlighting a challenging road ahead for new President Prabowo Subianto. The Bank of Indonesia maintained its benchmark interest rate at 6% during its December meeting, in line with market expectations.

The Philippines PSEi Index gained 1.22%. The Central Bank of the Philippines trimmed its benchmark interest rate by 25 basis points to 6% during its October 2024 policy meeting, marking the second consecutive rate cut and in line with market expectations. The Philippine GDP expanded by 5.2% Year-on-year in the third quarter of 2024, slowing from an upwardly revised 6.4% growth for the previous period and coming below market forecasts of 5.7%.

Vietnam's VN-Index gained 12.11% on policy initiatives to strengthen investors' confidence. The Ministry of Finance issued Circular 68 to remove the prefunding requirement for foreign institutional investors with an effective date of 2 November. The new development improved the market visibility among foreign investors. Domestic economy remained strong. Vietnam's retail sales grew 8.1 % Year-on-year in November 2024, compared with a 7.8 % increase in the previous month. This marked the 36th consecutive month of growth in retail turnover.

## Manager's Report

### 3.5.4 Market Outlook

The market optimism over the election of Donald Trump as the new US President on expectations that his policies would be positive for the US sparked a recalibration of macro variables and asset allocation decision. However, as a result of concern about inflation, interest rate outlook turned less dovish and USD strengthened. Uncertainty about actual policies implementation can create large variances against expectations and bring higher trading volatility.

So far, resilient US economic data and the prospect of US rate cuts, as well as better than expected corporate earnings reports, have boosted investor sentiments and pushed the US stock market higher, breaching new historical highs. This is despite the US market's already elevated valuation and continuing geo-political tensions. During his Presidential election campaign, Donald Trump had pitched that he would bring about a quick cessation to the Russia-Ukraine war should he be elected. Any adverse change in the US economic growth trajectory and its consequent effect on corporate earnings would have significant impact on the market. Escalation of geo-political conflicts and tensions could also have major adverse impact on the markets. It remains to be seen whether the incoming Trump Administration will provide the catalyst to a cessation of the war in Ukraine, and how it would change the face of the conflict in the Middle East, and elsewhere.

We are watchful of geo-political developments as well as policy directions in the major economies, in particular US under a Trump Administration and in China. US economic, labour market and inflation data and interest rate policy responses will affect market sentiments and liquidity. In Asia, the focus is on the pace of China's economic recovery which has been weaker than expected. The Chinese property sector continues to face severe challenges, and any sign of stabilization and growth will have positive catalyst for China's economy and risk assets. The Chinese government continues to bring forth various measures to help the economy. In further moves to address the economic situation, the Chinese government announced in September a slew of monetary, fiscal and policy measures to stimulate investment, enhance liquidity and restore confidence in the property and financial markets. While the move has boosted market sentiments, the longer-term effectiveness remains to be seen and will be closely watched. It may take time for the initiatives to bear fruits. Market observers believe that more stimulus measures could be expected down the road.

While interest rates have started to be eased, there remains headwind for risk assets, including the impact of the still high interest rate on business and economic activities, uncertainties in the US policies post the US Presidential election, the historically high market valuations in the US, the continuing geo-political tension in Europe, Middle East and in East Asia, and the still slower than expected economic growth in China. However, in the investment space we are in, we believe there is room for cautious optimism. After years of prolonged sell down, China equities' depressed valuation offer potential upside, particularly following the recent rounds of significant policy change initiatives.

## Manager's Report

### **3.5.4 Market Outlook (cont'd.)**

We continue to apply our strategy of focusing on identifying fundamentally healthy companies with low valuations, low leverage, high growth, robust management and a strong track record, and adherence to our investment philosophy of "Never Fully Invest at All Times" which has served us well over the years. We are also in the midst of developing a robust ESG investment framework to meet the increasingly socially-aware demands of investors, as well as other stakeholders.

We thank you once again for your continued faith in us, and hope to remain good stewards in our endeavour to protect and grow your capital.

### **3.6 State of Affairs**

There has been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unitholders during the financial year under review.

### **3.7 Cross Trade**

There were no cross trades undertaken during the financial year under review.

### **3.8 Policy On Rebates and Soft Commission**

It is our policy to pay all rebates from stockbrokers to the respective Funds. However, soft commissions from stockbrokers (if any) will be retained by the Manager only if the goods and services are of demonstrable benefit to the unit holders such as research materials, data quotation services and computer software incidental to the management of the Funds.

During the year, the Manager has not received any soft commissions from stockbrokers.

## **TRUSTEE'S REPORT TO THE UNIT HOLDERS OF PHEIM EMERGING COMPANIES BALANCED FUND ("Fund")**

We have acted as Trustee of the Fund for the financial year ended 31 December 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Pheim Unit Trusts Berhad has operated and managed the Fund during the financial year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

We are of the opinion that the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For **Maybank Trustees Berhad**  
[Company No. : 196301000109 (5004-P)]

**NORHAZLIANA BINTI MOHAMMED HASHIM**  
Head, Unit Trust & Corporate Operations

Kuala Lumpur, Malaysia

**Date : 19 February 2025**

## **STATEMENT BY MANAGER TO THE UNITHOLDERS OF PHEIM EMERGING COMPANIES BALANCED FUND**

We, Teh Song Lai and Hoi Weng Kong, being two of the directors (alternate director and director respectively) of Pheim Unit Trusts Berhad, do hereby state that, in the opinion of the Manager, the accompanying financial statements of Pheim Emerging Companies Balanced Fund are drawn up in accordance with the Deed, Malaysian Financial Reporting Standards, International Financial Reporting Standards and Securities Commission Malaysia's Guidelines on Unit Trust Funds so as to give a true and fair view of the financial position of Pheim Emerging Companies Balanced Fund as at 31 December 2024 and of its financial performance and cash flows for the financial year then ended.

On behalf of the Manager,  
**PHEIM UNIT TRUSTS BERHAD**

**TEH SONG LAI**

Alternate Director to Dr. Tan Chong Koay

**HOI WENG KONG**

Director

Kuala Lumpur, Malaysia

**Date : 19 February 2025**

# **INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF PHEIM EMERGING COMPANIES BALANCED FUND**

## **Report on the Audit of the Financial Statements**

### ***Opinion***

We have audited the financial statements of PHEIM EMERGING COMPANIES BALANCED FUND ("the Fund"), which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in net asset value attributable to unitholders and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 63 to 92

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Securities Commission Malaysia's *Guidelines on Unit Trust Funds*.

### ***Basis for Opinion***

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Independence and Other Ethical Responsibilities***

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### ***Information Other than the Financial Statements and Auditors' Report Thereon***

The Manager of the Fund, PHEIM UNIT TRUSTS BERHAD, is responsible for the other information. The other information comprises the information on the Fund together with the Manager's Report included in the Annual Report for the Fund managed by the Manager but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### ***Responsibilities of the Manager and Trustee for the Financial Statements***

The Manager of the Fund is responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Securities Commission Malaysia's *Guidelines on Unit Trust Funds*. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Trustee is responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable the preparation of financial statements.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also :-

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.



***Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd.)***

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also :-

- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

***Other Matters***

This report is made solely to the unitholders of the Fund, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**FOLKS DFK & CO.**

NO. : AF 0502

CHARTERED ACCOUNTANTS

Kuala Lumpur

**LEONG KOK TONG**

NO. : 02973/11/2025 J

CHARTERED ACCOUNTANT

Date : 19 February 2025

**PHEIM EMERGING COMPANIES BALANCED FUND  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Note	2024 RM	2023 RM
<b>INVESTMENT INCOME</b>			
Gross dividend income		270,433	208,682
Interest income from :			
- financial assets at amortised cost		132,261	53,146
- financial assets at fair value through other comprehensive income ("FVTOCI")		144,448	256,936
Net loss on financial assets at fair value through profit or loss ("FVTPL")	7(c)	(49,840)	(137,359)
Net realised loss on disposals of financial assets at FVTOCI		(55,948)	-
Reclassification adjustment from other comprehensive income on derecognition of financial assets at FVTOCI upon maturity		(4,691)	(25,405)
Amortisation of premiums, net of accretion of discounts on financial assets at FVTOCI	8	(6,351)	(50,279)
Net realised loss on foreign exchange		(4,000)	(3,265)
		<u>426,312</u>	<u>302,456</u>
<b>EXPENSES</b>			
Manager's fee	4	261,740	271,259
Trustee's fee	5	15,000	15,000
Auditors' remuneration		8,500	8,500
Tax agent's fee		5,300	3,000
Brokerage fees and other transaction costs		12,347	12,972
Administrative expenses		26,754	30,879
		<u>329,641</u>	<u>341,610</u>
<b>Net income/(loss) before taxation</b>		96,671	(39,154)
Taxation	6	5,180	(12,192)
Net income/(loss) after taxation		<u>101,851</u>	<u>(51,346)</u>
<b>Other comprehensive income</b>			
<i>Item that will be reclassified subsequently to profit or loss</i>			
Net (loss)/gain on changes in fair value of financial assets at FVTOCI	8	(28,188)	11,487
Reclassification adjustment to profit or loss on derecognition of financial assets at FVTOCI	8	60,639	25,405
Total other comprehensive income for the financial year	8	<u>32,451</u>	<u>36,892</u>
<b>Total comprehensive income/(loss) for the financial year</b>		<u>134,302</u>	<u>(14,454)</u>
<b>Net income/(loss) after taxation is made up of the following :</b>			
Net realised income		1,220,291	213,591
Net unrealised loss		(1,118,440)	(264,937)
		<u>101,851</u>	<u>(51,346)</u>
<b>Distribution for the financial year :</b>			
Net distribution	11	973,502	1,140,420
Net distribution per unit (sen)	11	5.00	6.00
Gross distribution per unit (sen)	11	<u>5.00</u>	<u>6.00</u>

The accompanying notes form an integral part of the financial statements.

**PHEIM EMERGING COMPANIES BALANCED FUND  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2024**

	Note	2024 RM	2023 RM
<b>ASSETS</b>			
Investments	7	10,910,017	14,061,667
Deposits with licensed financial institutions	9	6,026,531	2,921,421
Amount due from Manager	10	10,000	10,000
Amount due from brokers		-	29,694
Other receivables		12,671	66,387
Cash at bank		494,263	251,186
Tax recoverable		75,325	42,573
<b>TOTAL ASSETS</b>		<u>17,528,807</u>	<u>17,382,928</u>
<b>LIABILITIES</b>			
Amount due to Manager	10	31,613	32,837
Amount due to Trustee		1,283	1,410
Other payables and accruals		18,528	20,475
<b>TOTAL LIABILITIES</b>		<u>51,424</u>	<u>54,722</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>17,477,383</u>	<u>17,328,206</u>
<b>EQUITY</b>			
Unitholders' capital	12(a)	15,612,703	14,624,326
Retained earnings	12	1,861,163	2,732,814
FVTOCI reserve	12	3,517	(28,934)
<b>NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNITHOLDERS</b>	12	<u>17,477,383</u>	<u>17,328,206</u>
<b>UNITS IN CIRCULATION</b>	12(a)	<u>20,502,384</u>	<u>19,318,980</u>
<b>NET ASSET VALUE PER UNIT</b>	13	<u>0.8525</u>	<u>0.8970</u>

The accompanying notes form an integral part of the financial statements.

**PHEIM EMERGING COMPANIES BALANCED FUND**  
**STATEMENT OF CHANGES IN NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	<b>Unitholders' capital RM</b>	<b>Retained earnings RM</b>	<b>FVTOCI reserve RM</b>	<b>Total equity RM</b>
Balance at 1 January 2023	14,306,756	3,924,580	(65,826)	18,165,510
Net loss for the financial year	-	(51,346)	-	(51,346)
Other comprehensive income :				
- Net gain on changes in fair value of financial assets at FVTOCI	-	-	11,487	11,487
- Reclassification adjustments on derecognition of financial assets at FVTOCI	-	-	25,405	25,405
Total comprehensive (loss)/income for the financial year	-	(51,346)	36,892	(14,454)
Creation of units	1,360,669	-	-	1,360,669
Cancellation of units	(857,025)	-	-	(857,025)
Distribution equalisation	(186,074)	-	-	(186,074)
Income distribution (Note 11)	-	(1,140,420)	-	(1,140,420)
Total transactions with unitholders	317,570	(1,140,420)	-	(822,850)
Balance at 31 December 2023	14,624,326	2,732,814	(28,934)	17,328,206
Net income for the financial year	-	101,851	-	101,851
Other comprehensive (loss)/income :				
- Net loss on changes in fair value of financial assets at FVTOCI	-	-	(28,188)	(28,188)
- Reclassification adjustments on derecognition of financial assets at FVTOCI	-	-	60,639	60,639
Total comprehensive income for the financial year	-	101,851	32,451	134,302
Creation of units	1,234,727	-	-	1,234,727
Cancellation of units	(248,931)	-	-	(248,931)
Distribution equalisation	2,581	-	-	2,581
Income distribution (Note 11)	-	(973,502)	-	(973,502)
Total transactions with unitholders	988,377	(973,502)	-	14,875
Balance at 31 December 2024	15,612,703	1,861,163	3,517	17,477,383

The accompanying notes form an integral part of the financial statements.

**PHEIM EMERGING COMPANIES BALANCED FUND  
STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	5,061,542	3,863,501
Purchase of investments	(4,777,658)	(3,370,101)
Proceeds from sale of bonds	1,800,000	-
Purchase of bonds	-	(304,816)
Dividends received	272,528	192,714
Interest received	317,516	321,645
Proceeds received from bonds on maturity	1,000,000	534,625
Management fee paid	(262,964)	(271,824)
Trustee's fee paid	(15,126)	(15,000)
Payment for other fees and expenses	(41,767)	(34,532)
Income distribution paid	(811)	(974)
Tax paid	<u>(22,349)</u>	<u>(37,662)</u>
Net cash from operating and investing activities	<u>3,330,911</u>	<u>877,576</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	339,205	292,042
Payment for cancellation of units	<u>(321,929)</u>	<u>(1,113,532)</u>
Net cash from/(used in) financing activities	<u>17,276</u>	<u>(821,490)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	3,348,187	56,086
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	3,172,607	3,116,521
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<u>6,520,794</u>	<u>3,172,607</u>
Cash and cash equivalents comprise the following :		
Deposits with licensed financial institutions (Note 9)	6,026,531	2,921,421
Cash at bank	<u>494,263</u>	<u>251,186</u>
	<u>6,520,794</u>	<u>3,172,607</u>

The accompanying notes form an integral part of the financial statements.

**PHEIM EMERGING COMPANIES BALANCED FUND  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES**

Pheim Emerging Companies Balanced Fund ("the Fund") was established pursuant to a Master Deed dated 11 January 2002 as amended and modified and supplemented by a Supplemental Master Deed dated 3 November 2008 made between HSBC Trustee (Malaysia) Berhad and Pheim Unit Trusts Berhad ("the Manager"), a Second Supplemental Master Deed dated 29 April 2013, Third Supplemental Master Deed dated 30 April 2015 and the Fourth Supplemental Master Deed dated 10 January 2023 (collectively referred to as "the Deeds") made between the Manager and Maybank Trustees Berhad ("the Trustee").

The objective of the Fund is to provide its unitholders with steady income and some prospect of capital appreciation in longer term by investing in a balanced portfolio of equities and fixed income instruments. The Fund is to invest in "Permitted Investments" in accordance with the Deeds comprising :

- (a) Securities of Malaysian companies listed on approved Stock Exchange(s);
- (b) Securities and liquid assets in foreign markets that are permitted by Securities Commission;
- (c) Loan stocks and corporate bonds;
- (d) Unlisted securities whether or not approved for listing and quotation under the rules of an eligible market, which are offered directly to the Fund by the issuer;
- (e) Malaysian government securities, treasury bills, Bank Negara Malaysia certificates, government investment certificates, and Cagamas bonds;
- (f) Units or shares of other collective investments schemes;
- (g) Cash, deposits and money market instruments with financial institutions licenced or approved to accept deposits;
- (h) Derivatives traded on an exchange or over-the-counter (for hedging purposes only);
- (i) Structured products by an eligible issuer (for structured products issued in Malaysia) or an issuer regulated by the relevant regulatory authority (for structured products issued outside Malaysia);
- (j) Any other form of investments as may be agreed upon by the Manager and the Trustee from time to time; and
- (k) Any other form of investments as may be permitted by the SC from time to time.

The Fund commenced operations on 28 January 2002 and will continue its operations until terminated by the Trustee as provided under Part 12 of the Master Deed.

The Manager, Pheim Unit Trusts Berhad, is a public limited company incorporated in Malaysia. It is a wholly owned subsidiary of Pheim Asset Management Sdn Bhd, a private company incorporated in Malaysia. Its principal activity is the management of unit trust funds. Pheim Asset Management Sdn Bhd has been appointed by the Manager as the External Investment Manager of the Fund with responsibility for providing investment management services to the Fund.

The principal place of business of the Fund is located at 7th Floor, Menara Hap Seng, Jalan P. Ramlee, 50250 Kuala Lumpur.

The financial statements are presented in Ringgit Malaysia (RM).

The financial statements were authorised for issue by the Board of Directors of the Manager in accordance with the resolution of the directors on 19 February 2025.

## 2. BASIS OF PREPARATION

### 2.1 Statement of Compliance

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the Securities Commission Malaysia's *Guidelines on Unit Trust Funds*.

### 2.2 Basis of Measurement

The financial statements of the Fund are prepared under the historical cost convention except for debt and equity financial assets that have been measured at fair value.

### 2.3 Application of Amendments to MFRSs

During the financial year, the Fund has applied the amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") which became effective for annual accounting period beginning on 1 January 2024. The initial application of those amendments to MFRSs has no impact on the financial statements of the Fund.

### 2.4 New MFRSs and Amendments to MFRSs That Are In Issue But Not Yet Effective and Have Not Been Early Adopted

The Fund has not early adopted those new MFRSs and amendments to MFRSs issued by the MASB that are effective for annual accounting periods commencing on or after 1 January 2024. Other than as explained below, none of them is expected to have material effect on the financial statements of the Fund in the period of initial application.

#### **MFRS 18 Presentation and Disclosure in Financial Statements**

The new MFRS 18 becomes effective for annual accounting period commencing on or after 1 January 2027 and will replace MFRS 101 Presentation of Financial Statements while retaining many of the requirements in MFRS 101 with limited changes. MFRS 18 introduces new specified categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures that are reported outside an entity's financial statements in the notes to the financial statements, and enhanced principles on aggregation and disaggregation of information in the financial statements.

The new standard will redefine financial performance reporting by an entity through a new structure of the statement of profit or loss and additional disclosures for performance measures but it will not impact the recognition and measurement of items in the financial statements of the entity.

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

### 3.1 Financial Assets

Financial assets are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instruments. Regular way of purchase and sale of investments in financial instruments are recognised on trade dates, i.e. the date on which the Fund commits to purchase or sell the investments. When financial assets are recognised initially, they are measured at fair value, plus directly attributable transaction costs, for investments not at fair value through profit or loss. Transaction costs for investments carried at fair value through profit or loss are charged to profit or loss.

Subsequent to initial recognition, financial assets are measured in accordance with their classification on initial recognition.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or the Fund has transferred substantially all risks and rewards of ownership of the assets.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

#### 3.1 Financial Assets (Cont'd.)

The Fund determines the classification of its financial assets at initial recognition into the following categories for subsequent measurement depending on both its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

##### (a) Financial assets at amortised cost

Financial assets which are debt instruments are measured at amortised cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and their contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Fund's financial assets at amortised cost comprised amounts due from brokers and the Manager, other receivables, deposits with licensed financial institutions and cash at bank.

Subsequent to initial recognition, the debt instruments are subsequently measured at amortised cost using the effective interest method less any allowance for impairment. Gains or losses are recognised in profit or loss when the debt instruments are derecognised or impaired, and through the amortisation process.

##### (b) Financial assets at fair value through other comprehensive income ("FVTOCI")

Debt instruments are measured at FVTOCI if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, and their contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Fund's FVTOCI financial assets consist of unquoted fixed income securities as disclosed in Note 8.

Subsequent to initial recognition, gains or losses from changes in fair value of the debt instruments are recognised in other comprehensive income, except for impairment gains or losses, foreign exchange gains and losses, and interest calculated using effective interest method which are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the debt instrument is derecognised.

##### (c) Financial assets at fair value through profit or loss ("FVTPL")

The Fund's financial assets at FVTPL comprised equity investments and debt instruments which are held under a business model to manage and evaluate their performance on a fair value basis.

Subsequent to initial recognition, financial assets at FVTPL are measured at fair value with changes in fair value recognised in profit or loss and presented as "Net gain or loss on financial assets at FVTPL". Interest and dividend earned from such instruments are recognised and presented separately as "Interest income" and "Gross dividend income", respectively in profit or loss. Foreign exchange differences on financial assets at FVTPL are not recognised separately in profit and loss but included in net gains or net losses on changes in fair value of financial assets at FVTPL.

#### 3.2 Impairment of Financial Assets

The Fund assesses financial assets at FVTOCI and at amortised cost for expected credit losses ("ECLs") and account for the ECLs and changes in those ECLs at each reporting date to reflect changes in their credit risk since initial recognition. ECLs represent a probability-weighted estimate of the difference between present value of contractual cash flows attributable to a financial asset and present value of cash flows the Fund expects to receive over the remaining life of the financial asset. When a financial asset is credit-impaired, the ECLs shall be measured as the difference between the gross carrying amount of the asset and the present value of the estimated future cash flows. A financial asset is written off when the Fund has no reasonable expectations of recovering the contractual cash flows.



### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

#### 3.2 Impairment of Financial Assets (Cont'd.)

##### (a) Financial assets at FVTOCI

The Fund recognises an allowance for ECLs on debt instruments at FVTOCI to reflect their credit exposures at the reporting date. If the credit risk on the debt instruments has increased significantly since initial recognition, a loss allowance which equal to the lifetime ECLs is recognised, irrespective of the timing of default events that are possible. If there has not been a significant increase in the credit risk since initial recognition, a loss allowance which equal to 12-month ECLs is recognised for the effect of default events that are possible within the next 12 months. The cumulative loss allowance does not reduce the carrying amount of debt instruments at FVTOCI and is recognised in other comprehensive income. An impairment loss or gain is recognised in profit or loss as the amount of expected credit losses (or reversals) that is required to arrive at the cumulative loss allowance.

##### (b) Financial assets at amortised cost

For short-term amounts due from brokers and Manager and other receivables carried at amortised cost and with maturities of less than 12 months, ECLs are measured using the simplified approach for ECLs under MFRS 9 for trade receivables with no financing component. Under this approach, the Fund does not track changes in credit risk of the receivables and recognises a loss allowance based on their lifetime ECLs at the reporting date. The amount of expected credit losses (or reversals) required to arrive at the loss allowance is recognised as an impairment loss or gain in profit or loss. The cumulative loss allowance recognised is set off against the gross carrying amount of the receivables at the reporting date.

#### 3.3 Classification of Realised and Unrealised Gain and Losses

Unrealised gain and losses comprise changes in fair value of financial instruments for the period from reversal of prior period's unrealised gain and losses for financial instruments which were realised (i.e. sold, redeemed or matured) during the reporting period.

Realised gains and losses on disposals of financial instruments classified as part of "at fair value through profit or loss" are calculated using weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount, or cash payment or receipts made of derivative contracts (excluding payments or receipts on collateral margin accounts for such investments).

#### 3.4 Financial Liabilities

Financial liabilities are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value, minus directly attributable transaction costs in the case of financial liabilities not at FVTPL.

Financial liabilities are classified at initial recognition according to the substance of the contractual arrangements entered into and the definition of a financial liability.

The Fund's financial liabilities which include amounts due to Trustee and Manager, other payables and accruals are classified as subsequently measured at amortised cost using the effective interest method. The Fund does not have financial liabilities classified as at FVTPL.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

#### 3.5 Fair Value Measurement

For financial assets at FVTOCI and FVTPL that require fair value measurement, the Fund establishes a fair value measurement hierarchy that gives the highest priority to quoted prices (unadjusted) in active markets and the lowest priority to unobservable inputs.

A fair value measurement of an item is estimated using a quoted price in an active market if that price is observable. The active market is the principal market for the asset or, in the absence of a principal market, the most advantageous market for the asset; and for which the Fund can enter into a transaction for the asset at the price in that market at the measurement date.

In the absence of an active market price, the fair value of an item is estimated by an established valuation technique using inputs from the marketplace that are observable for substantially the full term of the asset.

In the absence of both market price and observable inputs, a fair value measurement of an item is estimated by an established valuation technique using unobservable inputs, including internally developed assumptions that are reasonable and supportable.

#### 3.6 Foreign Currencies

The financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates ("the functional currency"). The financial statements are presented in Ringgit Malaysia (RM), which is also the Fund's functional currency.

In preparing the financial statements, transactions in currencies other than the Fund's functional currency (foreign currencies) are recorded in the functional currency using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, foreign currency monetary assets and liabilities are translated at exchange rates prevailing at the end of the reporting period. Non-monetary items that are measured at fair value in a foreign currency are translated using exchange rates at the date when the fair value was determined.

Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are recognised in profit or loss.

Exchange differences arising from the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains or losses are recognised directly in equity. Exchange differences arising from such non-monetary items are recognised directly to equity.

#### 3.7 Unitholders' Capital

The unitholders' contributions to the Fund meet the definition of puttable instruments classified as equity instruments under MFRS 132.

Distribution equalisation represents the average distributable amount included in the creation and cancellation prices of units. This amount is either refunded to unitholders by way of distribution and/or adjusted accordingly when units are cancelled.

#### 3.8 Income Distribution

Income distributions are at the discretion of the Manager. Income distribution to the Fund's unitholders is accounted for as a deduction from realised reserves except where distribution is sourced out of distribution equalisation which is accounted for as deduction from unitholders' capital.

#### 3.9 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and deposits with licensed financial institutions which have insignificant risk of changes in value.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

#### 3.10 Income Recognition

Income is recognised to the extent that is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at fair value of consideration received or receivable.

Dividend income is recognised when the Fund's right to receive payment is established.

Interest income, which includes the accretion of discount and amortisation of premium on fixed income securities, is recognised using effective interest method.

#### 3.11 Income Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

No deferred tax is recognised as there are no material temporary differences.

#### 3.12 Segment Reporting

For management purposes, the Fund is managed under 2 main portfolios, namely (1) equity securities and (2) fixed income instruments. Each segment engages in separate business activities and the operating results are regularly reviewed by the Manager, External Investment Manager and the Fund's Investment Committee. The External Investment Manager and the Fund Investment Committee jointly assumes the role of chief operation decision maker, for performance assessment purposes and to make decision about resources allocated to each investment segment.

#### 3.13 Significant Accounting Estimates and Judgements

The preparation of financial statements in accordance with MFRS and IFRS requires the use of certain accounting estimates and exercise of judgements. Estimates and judgements are continually evaluated and are based on past experience, reasonable expectations of future events and other factors.

No major judgements have been made by the Manager in applying the Fund's accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 4. MANAGER'S FEE

The Manager is entitled to an annual management fee of 1.50% (2023 : 1.50%) per annum of the NAV of the Fund (before deducting manager's and trustee's fees for the day) calculated and accrued on a daily basis.

### 5. TRUSTEE'S FEE

The Trustee is entitled to a fee of 0.055% (2023 : 0.055%) per annum of the NAV of the Fund (before deducting the Manager's and Trustee's fee for the day) calculated and accrued on a daily basis, subject to a minimum of RM15,000 (2023 : RM15,000) per annum.

**6. TAXATION**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Tax (income)/expense for the financial year comprised :-		
Malaysian income tax	-	15,000
Taxation over provided in prior financial year	<u>(10,402)</u>	<u>(14,431)</u>
	(10,402)	569
Foreign withholding tax	<u>5,222</u>	<u>11,623</u>
Tax (income)/expense	<u>(5,180)</u>	<u>12,192</u>

In accordance with Schedule 6 of Income Tax Act 1967 ("ITA 1967"), dividend income and profit income earned by the Fund is exempted from tax. With effect from 1 January 2022, income derived from sources outside Malaysia and received by the Fund in Malaysia will be subject to the Malaysian income tax pursuant to the ITA 1967. However, based on P.U. (A) 250 of the ITA 1967 on 19 September 2024, the income derived from sources outside Malaysia is exempted from tax for year of assessment from 1 January 2024 to 31 December 2026, in accordance to conditions imposed by the Director General under Section 134A of the ITA.

A reconciliation of tax expense applicable to the net income/(loss) before taxation at the statutory tax rate to tax expense at the effective tax rate of the Fund is as follows :

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Net income/(loss) before taxation	<u>96,671</u>	<u>(39,154)</u>
Taxation at the Malaysian statutory rate of 24% (2023 : 24%)	23,201	(9,397)
<b>Tax effects in respect of :</b>		
Income not subject to tax	(387,778)	(134,027)
Loss disregarded for tax purposes	285,463	82,533
Expenses not deductible for tax purposes	79,114	15,146
Restriction on tax deductible expenses for unit trust funds	-	60,745
Over provision in prior financial year	<u>(10,402)</u>	<u>(14,431)</u>
	(10,402)	569
Foreign withholding tax	<u>5,222</u>	<u>11,623</u>
Tax (income)/expense	<u>(5,180)</u>	<u>12,192</u>

**7. INVESTMENTS**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Financial assets at fair value through profit or loss ("FVTPL")</b>		
Quoted equities :		
- in Malaysia	4,367,795	5,050,421
- outside Malaysia	<u>5,234,733</u>	<u>4,430,976</u>
	9,602,528	9,481,397
Unquoted convertible loan stock outside Malaysia	-	438,241
	<u>9,602,528</u>	<u>9,919,638</u>
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Financial assets at fair value through other comprehensive income ("FVTOCI") (Note 8)</b>		
- Unquoted fixed income securities in Malaysia	<u>1,307,489</u>	<u>4,142,029</u>
Total investments	<u>10,910,017</u>	<u>14,061,667</u>

## 7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows :-

<b>2024</b>	<b>Quantity held</b>	<b>Cost RM</b>	<b>Fair value RM</b>	<b>Fair value as a percentage of NAV</b>
<b>QUOTED EQUITIES IN MALAYSIA</b>				
<b>Main Market / ACE Market</b>				
<b>Plantation</b>				
MKH Oil Palm (East Kalimantan) Berhad	11,502	-	7,591	0.04%
Sarawak Oil Palms Berhad	49,735	192,927	158,157	0.90%
Ta Ann Holdings Berhad	13,500	52,180	57,780	0.33%
	<u>74,737</u>	<u>245,107</u>	<u>223,528</u>	<u>1.27%</u>
<b>Construction</b>				
Econpile Holdings Berhad	83,000	42,745	38,595	0.22%
Gabungan AQRS Berhad	283,200	181,290	84,960	0.49%
Gadang Holdings Berhad	250,000	78,337	83,750	0.48%
Muhibbah Engineering (M) Berhad	136,150	128,697	109,601	0.63%
	<u>752,350</u>	<u>431,069</u>	<u>316,906</u>	<u>1.82%</u>
<b>Energy</b>				
Hibiscus Petroleum Berhad	106,006	90,941	207,772	1.19%
<b>Consumer Products and Services</b>				
DXN Holdings Berhad	691,000	483,700	355,865	2.04%
Leong Hup International Berhad	84,000	76,031	50,820	0.29%
NTPM Holdings Berhad	133,000	79,544	39,235	0.22%
Senheng New Retails Berhad	453,300	420,164	131,457	0.75%
	<u>1,361,300</u>	<u>1,059,439</u>	<u>577,377</u>	<u>3.30%</u>
<b>Financial Services</b>				
Hong Leong Capital Berhad	35,000	175,000	141,750	0.81%
<b>Healthcare</b>				
Supercomnet Technologies Berhad	135,800	219,996	184,688	1.06%
<b>Industrial Products</b>				
Cahaya Mata Sarawak Bhd	290,000	491,327	348,000	1.99%
Cropmate Berhad	421,700	85,251	84,340	0.48%
Evergreen Fibreboard Berhad	479,000	211,795	131,725	0.75%
Globaltec Formation Berhad	170,000	99,338	78,200	0.45%
Lotte Chemical Titan Holding Bhd	84,400	225,475	54,016	0.31%
Mega Fortris Berhad	110,000	74,496	69,300	0.40%
	<u>1,555,100</u>	<u>1,187,682</u>	<u>765,581</u>	<u>4.38%</u>

## 7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows :- (Cont'd.)

2024 (Cont'd.)	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES IN MALAYSIA (CONT'D.)</b>				
<b>Main Market / ACE Market (Cont'd.)</b>				
<b>Properties</b>				
Hua Yang Berhad	277,500	92,343	80,475	0.46%
Land & General Bhd	547,800	165,063	65,736	0.38%
MKH Berhad	80,520	224,679	90,988	0.52%
Skyworld Development Berhad	165,900	132,720	93,734	0.54%
Tambun Indah Land Berhad	112,000	177,414	101,360	0.58%
	1,183,720	792,219	432,293	2.48%
<b>Technology</b>				
Greatech Technology Bhd	28,400	99,400	65,604	0.38%
Globetronics Technology Berhad	159,000	322,468	93,015	0.53%
Kronologi Asia Berhad	1,303,800	723,710	378,102	2.16%
Kronologi Asia Berhad - Warrant	217,300	-	19,557	0.11%
MI Technovation Berhad	17,800	69,420	40,228	0.23%
N2N Connect Berhad	1,242,400	543,735	559,080	3.20%
Omesti Berhad	139,000	83,566	19,460	0.11%
Omesti Berhad - Redeemable Preference Shares	27,800	27,800	9,591	0.05%
Omesti Berhad - Warrants	64,866	-	973	0.01%
SFP Tech Holdings Berhad	253,000	177,100	184,690	1.06%
Securemetric Berhad	738,000	184,500	147,600	0.84%
	4,191,366	2,231,699	1,517,900	8.68%
<b>TOTAL QUOTED EQUITIES IN MALAYSIA</b>	9,395,379	6,433,152	4,367,795	24.99%
<b>QUOTED EQUITIES OUTSIDE MALAYSIA</b>				
<b>Australia Stock Exchange ("ASX")</b>				
EQ Resources Limited	3,180,851	571,953	371,543	2.13%
NuEnergy Gas Limited	3,011,035	287,920	150,732	0.86%
	6,191,886	859,873	522,275	2.99%
<b>Jakarta Stock Exchange ("JKSE")</b>				
PT Erajaya Swasembada Tbk	1,244,100	201,532	139,325	0.80%
PT Bukalapak.com Tbk	6,000,000	223,759	207,900	1.19%
PT Solusi Sinergi Digital Tbk	2,000,000	375,630	227,304	1.30%
PT Wir Asia Tbk	3,950,000	193,467	91,975	0.53%
PT Wijaya Karya Bangunan Gedung Tbk	600,000	36,485	10,644	0.06%
	13,794,100	1,030,873	677,148	3.88%
<b>Philippines Stock Exchange ("PSE")</b>				
Ayala Land Inc	60,900	184,339	123,019	0.70%
Haus Talk Inc	1,037,000	93,081	83,950	0.48%
Global Ferronickel Holdings Inc	1,387,600	313,885	111,263	0.64%
PureGold Price Club Inc	52,700	186,598	125,349	0.72%
	2,538,200	777,903	443,581	2.54%

## 7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows :- (Cont'd.)

	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>2024 (Cont'd.)</b>				
<b>QUOTED EQUITIES</b>				
<b>OUTSIDE MALAYSIA (CONT'D.)</b>				
<b>Hong Kong Stock Exchange ("HKEX")</b>				
Alibaba Group Holding Ltd	1,500	174,191	71,181	0.41%
A-Living Smart City Services Co Ltd	20,750	190,827	34,057	0.19%
AAC Technologies Holdings Inc	12,000	227,603	259,155	1.48%
Asia Cement (China) Holdings Corporation	22,000	60,514	29,901	0.17%
Bank Of China Ltd	47,000	89,186	107,457	0.61%
China Merchant Bank	4,000	88,744	92,144	0.53%
China Construction Bank Corporation	30,000	95,223	111,955	0.64%
China Modern Dairy Holdings Ltd	442,000	260,237	234,184	1.34%
China Yuhua Education Corporation Ltd	102,000	199,256	21,734	0.12%
China Taiping Insurance Holdings Co Limited	11,000	116,337	73,612	0.42%
Ever Sunshine Services Group Ltd.	147,000	134,212	165,082	0.94%
Essex Bio-Technology Ltd	155,300	423,981	262,946	1.50%
Geely Automobile Holdings Ltd	27,000	177,210	230,441	1.32%
Hua Han Health Industry Holdings Limited (Note i)	958,000	739,489	-	-
Metasurface Technologies Holdings Limited	88,000	129,920	50,679	0.29%
Nameson Holdings Ltd	420,000	170,157	203,178	1.16%
New China Life Insurance Co Ltd	8,000	119,299	108,730	0.62%
Sunac Services Holding Ltd	171,000	183,513	163,475	0.94%
Tongda Group Holdings Ltd	5,960,000	376,986	278,021	1.59%
	<u>8,626,550</u>	<u>3,956,885</u>	<u>2,497,932</u>	<u>14.27%</u>
<b>Thailand Stock Exchange ("SET")</b>				
TBN Corporation Public Company Limited	128,400	173,343	129,588	0.74%
<b>Singapore Stock Exchange ("SGX")</b>				
Alpina Holding Limited	182,000	177,071	110,626	0.63%
Ayondo Limited (Note ii)	1,250,000	972,238	-	-
CSE Global Limited	59,900	85,733	81,675	0.47%
Fibrechem Technologies Ltd (Note iii)	188,000	-	-	-
Fortress Minerals Ltd	157,300	203,465	124,038	0.71%
Grand Venture Technology Limited	85,100	297,171	208,305	1.19%
iX Biopharma Ltd	490,000	508,435	40,249	0.23%
Mooreast Holdings Limited	318,000	216,771	114,930	0.66%
Q & M Dental Group Singapore Ltd	47,120	80,709	43,349	0.25%
Singapore Institute of Advanced Medicine Holdings Pte. Ltd. (Note iv)	975,610	604,113	176,301	1.01%
Trans China Automotive Holding Limited	378,900	270,522	64,736	0.37%
	<u>4,131,930</u>	<u>3,416,228</u>	<u>964,209</u>	<u>5.52%</u>

## 7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows :- (Cont'd.)

2024 (Cont'd.)	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES OUTSIDE MALAYSIA (CONT'D.)</b>				
<b>TOTAL QUOTED EQUITIES OUTSIDE MALAYSIA</b>	35,411,066	10,215,105	5,234,733	29.94%
<b>TOTAL FINANCIAL ASSETS AT FVTPL</b>	44,806,445	16,648,257	9,602,528	54.93%
<b>SHORTFALL OF FAIR VALUE OVER COST</b>			<b>(7,045,729)</b>	
<b>2023</b>				
<b>QUOTED EQUITIES IN MALAYSIA</b>				
<b>Main Market / ACE Market</b>				
<b>Consumer Products and Services</b>				
DXN Holdings Berhad	691,000	483,700	438,785	2.53%
Guan Chong Berhad	130,000	336,200	237,900	1.37%
Leong Hup International Bhd	84,000	76,031	47,460	0.27%
NTPM Holdings Berhad	133,000	79,544	50,540	0.29%
SENHENG New Retails Berhad	453,300	420,164	149,589	0.86%
Teo Seng Capital Bhd	81,600	126,557	130,560	0.75%
	<u>1,572,900</u>	<u>1,522,196</u>	<u>1,054,834</u>	<u>6.07%</u>
<b>Construction</b>				
Econpile Holding Berhad	165,000	84,975	50,325	0.29%
Gabungan AQRS Berhad	283,200	181,290	93,456	0.54%
Muhibbah Engineering (M) Berhad	210,150	198,646	162,866	0.94%
	<u>658,350</u>	<u>464,911</u>	<u>306,647</u>	<u>1.77%</u>
<b>Industrial Products</b>				
Cahaya Mata Sarawak Bhd	362,000	613,312	390,960	2.26%
CB Industrial Product Holding	156,800	199,947	210,112	1.21%
Evergreen Fibreboard Berhad	479,000	211,795	146,095	0.84%
Globaltec Formation Berhad	170,000	99,338	102,000	0.59%
Lotte Chemical Titan Holding Bhd	84,400	225,475	113,940	0.66%
PESTECH International Berhad	189,600	120,157	61,620	0.36%
Seng Fong Holdings Berhad	85,100	63,825	64,251	0.37%
PESTECH International Berhad - Warrants	12,210	-	1,648	0.01%
	<u>1,539,110</u>	<u>1,533,849</u>	<u>1,090,626</u>	<u>6.30%</u>
<b>Properties</b>				
Land & General Bhd	547,800	165,063	65,736	0.38%
MKH Berhad	80,520	224,679	115,144	0.66%
Skyworld Development Berhad	165,900	132,720	91,245	0.53%
Tambun Indah Land Berhad	112,000	177,414	95,200	0.55%
	<u>906,220</u>	<u>699,876</u>	<u>367,325</u>	<u>2.12%</u>



## 7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows :- (Cont'd.)

2023 (Cont'd.)	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES IN MALAYSIA (CONT'D.)</b>				
<b>Main Market / ACE Market (Cont'd.)</b>				
<b>Technology</b>				
Greatech Technology Bhd	14,200	99,400	68,160	0.40%
Globetronics Technology Berhad	159,000	322,468	257,580	1.49%
Inari Amertron Bhd	15,500	45,260	46,655	0.27%
Kronologi Asia Berhad	1,303,800	723,710	515,001	2.97%
Kronologi Asia Berhad - Warrants	217,300	-	33,682	0.19%
MI Technovation Berhad	17,800	69,420	32,930	0.19%
Omesti Berhad	139,000	83,566	40,310	0.24%
Omesti Berhad - Redeemable Preference Shares	27,800	27,800	23,991	0.14%
Omesti Berhad - Warrants	64,866	-	3,243	0.02%
SNS Network Technology Berhad	1,160,000	303,416	272,600	1.57%
Securemetric Berhad	738,000	184,500	107,010	0.62%
	<u>3,857,266</u>	<u>1,859,540</u>	<u>1,401,162</u>	<u>8.10%</u>
<b>Plantations</b>				
Sarawak Oil Palms Berhad	49,735	192,927	128,814	0.74%
Ta Ann Holdings Berhad	21,000	81,169	76,860	0.44%
	<u>70,735</u>	<u>274,096</u>	<u>205,674</u>	<u>1.18%</u>
<b>Healthcare</b>				
Supercomnet Technologies Berhad	135,800	219,996	165,676	0.96%
<b>Financial Services</b>				
Hong Leong Capital Berhad	35,000	175,000	159,250	0.92%
<b>Energy</b>				
Hibiscus Petroleum Berhad	117,806	101,065	299,227	1.73%
<b>TOTAL QUOTED EQUITIES IN MALAYSIA</b>	<u>8,893,187</u>	<u>6,850,529</u>	<u>5,050,421</u>	<u>29.15%</u>
<b>QUOTED EQUITIES OUTSIDE MALAYSIA</b>				
<b>Australia Stock Exchange ("ASX")</b>				
EQ Resources Limited	3,180,851	571,953	566,770	3.27%
NuEnergy Gas Limited	2,360,000	287,920	243,453	1.40%
	<u>5,540,851</u>	<u>859,873</u>	<u>810,223</u>	<u>4.67%</u>

## 7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows :- (Cont'd.)

	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>2023 (Cont'd.)</b>				
<b>Hong Kong Stock Exchange ("HKEX")</b>				
Alibaba Group Holding Ltd	1,500	174,191	66,691	0.38%
A-Living Smart City Services Co Ltd	20,750	190,827	43,687	0.25%
AAC Technologies Holdings Inc.	12,000	227,603	163,727	0.94%
Asia Cement China	22,000	60,514	31,569	0.18%
Bank Of China Ltd	47,000	89,186	82,369	0.48%
China Merchant Bank	4,000	88,744	63,985	0.37%
China Construction Bank Corp	30,000	95,223	82,040	0.47%
China Modern Dairy Holdings Ltd	442,000	260,237	192,356	1.11%
China Yuhua Education Corporation Ltd	102,000	199,255	32,992	0.19%
China Taiping Insurance Holdings Co Limited	11,000	116,337	43,472	0.26%
Essex Bio-Technology Ltd	155,300	423,981	227,417	1.31%
Geely Automobile Holdings Ltd	27,000	177,210	136,398	0.79%
Hua Han Health Industry Holdings Limited (Note i)	958,000	739,488	-	-
New China LiFe Insurance Co Ltd	8,000	119,299	71,607	0.41%
Tongda Group Holdings Ltd	1,350,000	106,315	81,775	0.47%
Xiomi Corporation	27,000	193,214	247,708	1.43%
	<u>3,217,550</u>	<u>3,261,624</u>	<u>1,567,793</u>	<u>9.04%</u>
<b>Jakarta Stock Exchange ("JKSE")</b>				
PT Erajaya Swasembada Tbk	1,244,100	201,532	158,148	0.91%
PT Solusi Sinergi Digital Tbk	1,200,000	313,992	55,144	0.32%
PT Wir Asia Tbk	3,950,000	193,467	127,298	0.73%
PT Wijaya Karya Bangunan Gedung Tbk	600,000	36,485	14,323	0.08%
	<u>6,994,100</u>	<u>745,476</u>	<u>354,913</u>	<u>2.04%</u>
<b>Philippines Stock Exchange ("PSE")</b>				
Ayala Land Inc	60,900	184,339	174,134	1.00%
Haus Talk Inc	1,037,000	93,081	81,767	0.48%
Global Ferronickel Holdings Inc	1,387,600	313,885	237,252	1.37%
PureGold Price Club Inc	52,700	186,598	117,663	0.68%
	<u>2,538,200</u>	<u>777,903</u>	<u>610,816</u>	<u>3.53%</u>
<b>Singapore Stock Exchange ("SGX")</b>				
Alpina Holding Limited	182,000	177,071	115,842	0.68%
Ayondo Limited (Note ii)	1,250,000	972,238	-	-
Best World International Limited	16,800	93,072	100,503	0.58%
Fibrechem Technologies Ltd (Note iii)	188,000	-	-	-
Fortress Minerals Ltd	157,300	203,465	166,867	0.96%
Grand Venture Technology	85,100	297,171	161,313	0.94%
iX Biopharma Ltd	490,000	508,435	76,692	0.44%
Q & M Dental Group Singapore Ltd	47,120	80,709	41,792	0.24%
Trans-China Automotive Holding	378,900	270,522	144,964	0.84%
Mooreast Holdings Limited	318,000	216,771	165,905	0.96%
	<u>3,113,220</u>	<u>2,819,454</u>	<u>973,878</u>	<u>5.64%</u>

7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows :- (Cont'd.)

2023 (Cont'd.)	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES</b>				
<b>OUTSIDE MALAYSIA (CONT'D)</b>				
<b>Thailand Stock Exchange ("SET")</b>				
TBN Corporation Public Company Limited	60,000	105,010	113,353	0.65%
<b>TOTAL QUOTED EQUITIES OUTSIDE MALAYSIA</b>	<b>21,463,921</b>	<b>8,569,340</b>	<b>4,430,976</b>	<b>25.57%</b>
<b>UNQUOTED CONVERTIBLE LOAN STOCK OUTSIDE MALAYSIA</b>				
Singapore Institute of Advanced Medicine Holdings Pte. Ltd. (Note iv)	126,000	404,712	438,241	2.53%
<b>TOTAL FINANCIAL ASSETS AT FVTPL</b>	<b>30,483,108</b>	<b>15,824,581</b>	<b>9,919,638</b>	<b>57.25%</b>
<b>SHORTFALL OF FAIR VALUE OVER COST</b>			<b>(5,904,943)</b>	

(i) **Hua Han Health Industry Holdings Limited**

*These securities has been suspended since 27 September 2016 and subsequently delisted on 16 December 2020. There is no fair value for the said securities.*

(ii) **Ayondo Limited**

*These securities has been suspended since 1 February 2019 and subsequently delisted on 24 December 2021. There is no fair value for the said securities.*

(iii) **Fibrechem Technologies Ltd**

*These securities has been suspended since 25 February 2009 and subsequently delisted on 1 November 2018. There is no fair value for the said securities.*

(iv) **Singapore Institute of Advanced Medicine Holdings Ltd (formerly known as Singapore Institute of Advanced Medicine Holdings Pte. Ltd.)**

*The investment in unquoted convertible loan made by the Fund with Singapore Institute of Advanced Medicine Holdings Pte. Ltd. ("SIAMH") is convertible into ordinary shares upon the issuance of new ordinary shares pursuant to SIAMH's proposed initial public offering and listing on the Catalyst Board of Singapore Stock Exchange Securities Trading Limited ("the Proposed Listing"). The Proposed Listing exercise has been completed and SIAMH was listed on 16 February 2024.*

(b) The currency exposure profile of financial assets at FVTPL are as follows :

	2024 RM	2023 RM
Ringgit Malaysia	4,367,795	5,050,421
Hong Kong Dollar	2,497,932	1,567,793
Indonesian Rupiah	677,148	354,913
Philippines Peso	443,581	610,816
Singapore Dollar	964,209	1,412,119
Thai Baht	129,588	113,353
Australian Dollar	522,275	810,223
	<b>9,602,528</b>	<b>9,919,638</b>

**7. INVESTMENTS (CONT'D.)**

(c) Net loss on financial assets at FVTPL for the financial year comprised the following :

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Realised gain on disposals	1,068,600	127,578
Unrealised loss on changes in fair values	<u>(1,118,440)</u>	<u>(264,937)</u>
As presented on the statement of comprehensive income	<u>(49,840)</u>	<u>(137,359)</u>

**8. FINANCIAL ASSETS AT FVTOCI**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Unquoted fixed income securities (Note 7)	<u>1,307,489</u>	<u>4,142,029</u>
Amortisation of premiums, net of accretion of discounts on financial assets at FVTOCI	<u>(6,351)</u>	<u>(50,279)</u>
Unrealised (loss)/gain on changes in fair value of financial assets at FVTOCI	<u>(28,188)</u>	<u>11,487</u>
Reclassification adjustment to profit or loss on derecognition of financial assets at FVTOCI	<u>60,639</u>	<u>25,405</u>
Total other comprehensive income for the financial year	<u>32,451</u>	<u>36,892</u>

Details of financial assets at FVTOCI at the end of the reporting period are as follows :-

**2024**

	<b>Nominal Amount</b>	<b>Cost *</b>	<b>Fair value</b>	<b>Fair value as a percentage of NAV</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	
<b>UNQUOTED FIXED INCOME SECURITIES</b>				
AIBB IMTN3 SENIOR SUKUK MURABAHAH 4.55% -16.12.2025 "AA3"	1,000,000	1,003,918	1,007,420	5.76%
PLUS BERHAD IMTN 4.64% -10.01.2025 "AAA"	300,000	300,054	300,069	1.72%
	<u>1,300,000</u>	<u>1,303,972</u>	<u>1,307,489</u>	<u>7.48%</u>
<b>EXCESS OF FAIR VALUE OVER COST (Note 12)</b>			<u><b>3,517</b></u>	

**2023**

<b>UNQUOTED FIXED INCOME SECURITIES</b>				
MAYBANK IMTN 4.08% -22.02.2117 "AA3"	1,000,000	1,026,350	1,000,460	5.77%
ECO CAPITAL MTN 6.10% -13.8.2024 (Unrated)	1,000,000	1,004,691	1,024,700	5.91%
ALLIANCE IMTN 5.95% -29.03.2119 "BBB1"	250,000	261,137	250,873	1.45%
CIMB 4.880% -25.05.2116 "A1"	550,000	568,461	552,321	3.19%
AIBB IMTN3 SENIOR SUKUK MURABAHAH 4.55% -16.12.2025 "AA3"	1,000,000	1,008,049	1,011,020	5.83%
PLUS BERHAD IMTN 4.64% -10.01.2025 "AAA"	300,000	302,275	302,655	1.75%
	<u>4,100,000</u>	<u>4,170,963</u>	<u>4,142,029</u>	<u>23.90%</u>
<b>SHORTFALL OF FAIR VALUE OVER COST (Note 12)</b>			<u><b>(28,934)</b></u>	

\* Cost of fixed income securities include accretion of discount and/or amortisation of premium.

**9. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Short-term deposits	6,026,531	2,921,421

The weighted average effective interest rate of the Fund's short-term deposits as at 31 December 2024 was 3.17% (2023 : 3.37%) per annum and had an original maturity period ranging from 13 to 14 days (2023 : 8 to 368 days).

**10. AMOUNT DUE FROM/(TO) MANAGER**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Amount due from Manager arising from creation of units	10,000	10,000
Amount due to Manager for management fee payable	<u>(31,613)</u>	<u>(32,837)</u>
	<u>(21,613)</u>	<u>(22,837)</u>

**11. INCOME DISTRIBUTION**

Distributions to unitholders are from the following sources :

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Dividend income	26,381	39,801
Interest income from corporate bond	28,433	30,259
Interest income from deposit with financial institution	8,770	4,638
Net realised gain from sales of investments	5,671	57,211
	<u>69,255</u>	<u>131,909</u>
Less :		
Expenses	47,396	40,979
Realised income for current period	21,859	90,930
Realised income from prior period	951,643	1,049,490
Total distribution for the financial year	<u>973,502</u>	<u>1,140,420</u>
Units in circulation at book closing date	19,469,865	19,007,002
Gross distribution per unit (sen)	5.00	6.00
Net distribution per unit (sen)	5.00	6.00
Date of distribution	26.04.2024	28.04.2023

**12. NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNITHOLDERS**

	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>RM</b>	<b>RM</b>
Unitholders' capital	(a)	15,612,703	14,624,326
Retained earnings			
- Realised earnings	(b)	8,949,774	8,702,985
- Unrealised losses	(c)	(7,088,611)	(5,970,171)
		1,861,163	2,732,814
FVTOCI reserve		3,517	(28,934)
Net asset value		<u>17,477,383</u>	<u>17,328,206</u>

**(a) Unitholders' Capital**

	<b>2024</b>		<b>2023</b>	
	<b>Number of units</b>	<b>RM</b>	<b>Number of units</b>	<b>RM</b>
Balance at beginning of the financial year	19,318,980	14,624,326	18,979,941	14,306,756
Add : Creation of units	1,555,445	1,234,727	1,556,672	1,360,669
Less : Cancellation of units	(372,041)	(248,931)	(1,217,633)	(857,025)
Distribution equalisation	-	2,581	-	(186,074)
Balance at end of the financial year	<u>20,502,384</u>	<u>15,612,703</u>	<u>19,318,980</u>	<u>14,624,326</u>

**12. NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNITHOLDERS (CONT'D.)****(b) Realised - Distributable**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Balance at the beginning of the financial year	8,702,985	9,629,814
Net income/(loss) after taxation	101,851	(51,346)
Net unrealised loss attributable to investments held transferred to unrealised reserve	1,118,440	264,937
Distribution out of realised reserve	<u>(973,502)</u>	<u>(1,140,420)</u>
Balance at end of the financial year	<u>8,949,774</u>	<u>8,702,985</u>

**(c) Unrealised - Non-distributable**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Balance at the beginning of the financial year	(5,970,171)	(5,705,234)
Net unrealised loss attributable to investments held transferred from realised reserve	<u>(1,118,440)</u>	<u>(264,937)</u>
Balance at end of the financial year	<u>(7,088,611)</u>	<u>(5,970,171)</u>

**13. NET ASSET VALUE PER UNIT**

Net asset value attributable to unitholders is classified as equity in the statement of financial position.

For the purpose of calculation of net asset value attributable to unitholders per unit, quoted financial assets in the financial statements are stated at the last done market price consistent with that used for issuance and redemption of units in accordance with the Deed.

**14. UNITS HELD BY RELATED PARTIES**

	<b>2024</b>		<b>2023</b>	
	<b>Number of units</b>	<b>Valued at NAV RM</b>	<b>Number of units</b>	<b>Valued at NAV RM</b>
Directors of the Manager #	<u>1,602,485</u>	<u>1,366,048</u>	<u>9,729</u>	<u>8,727</u>

# *The Directors are a legal and beneficial owner of the units*

**15. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTIONS**

<b>2024</b>	<b>Value of trade RM</b>	<b>Percentage of total trade</b>	<b>Brokerage Fees RM</b>	<b>Percentage of total brokerage fee</b>
Phillip Capital	1,347,004	12.61%	3,045	17.88%
Kenanga Investment Bank Berhad	1,180,347	11.05%	679	3.99%
CLSA Securities Malaysia Sdn Bhd	664,396	6.22%	2,133	12.52%
Maybank Investment Bank Berhad	628,981	5.89%	1,153	6.77%
CGS International Securities Malaysia	613,296	5.74%	920	5.40%
CCB International Securities Limited	573,199	5.36%	1,433	8.41%
JF Apex Securities Bhd	476,000	4.45%	714	4.19%
CIMB Investment Bank Bhd	450,632	4.22%	511	3.00%
RHB Investment Bank Berhad	422,064	3.95%	274	1.61%
Hong Leong Investment Bank	392,429	3.67%	471	2.77%
Others	<u>3,937,154</u>	<u>36.84%</u>	<u>5,698</u>	<u>33.46%</u>
	<u>10,685,502</u>	<u>100.00%</u>	<u>17,031</u>	<u>100.00%</u>

**15. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTIONS (CONT'D.)**

<b>2023</b>	<b>Value of trade RM</b>	<b>Percentage of total trade</b>	<b>Brokerage Fees RM</b>	<b>Percentage of total brokerage fee</b>
Phillip Capital	699,410	10.32%	1,437	8.20%
CLSA Securities Malaysia Sdn Bhd	590,812	8.72%	5,105	29.12%
CCB International Securities Limited	542,827	8.01%	1,357	7.74%
CIMB Investment Bank Bhd	490,036	7.23%	773	4.41%
Asiasec Equities, Inc	420,255	6.20%	1,051	6.00%
OUB Kay Hian Securities (M) Sdn Bhd	372,148	5.49%	776	4.43%
RHB Investment Bank Berhad	337,727	4.98%	760	4.34%
Bri Danareksa Sekuritas	327,611	4.83%	590	3.37%
Maybank Investment Bank Berhad	313,560	4.63%	627	3.58%
Maybank Atr Kim Eng Securities Inc	301,256	4.45%	753	4.30%
Others	2,380,893	35.14%	4,301	24.51%
	<u>6,776,535</u>	<u>100.00%</u>	<u>17,530</u>	<u>100.00%</u>

**16. TOTAL EXPENSE RATIO**

This is the ratio of the sum of the fees (inclusive of the manager, trustee, audit and other professional fees) and other administrative expenses of the Fund to the average NAV of the Fund calculated on a daily basis. The average NAV of the Fund for the financial year ended 31 December 2024 was RM17,448,584 (2023 : RM18,083,922).

	<b>2024</b>	<b>2023</b>
Total expense ratio	<u>1.89%</u>	<u>1.89%</u>

**17. PORTFOLIO TURNOVER RATIO**

This is the ratio of average acquisitions and disposals of the Fund for the financial year to the average NAV of the Fund calculated on a daily basis.

	<b>2024</b>	<b>2023</b>
Portfolio turnover (times)	<u>0.33</u>	<u>0.21</u>

**18. SEGMENT INFORMATION**

The Manager and Investment Committee of the Fund are responsible for allocating resources available to the Fund in accordance with the overall investment strategies as set out in the investment Guidelines of the Fund. The Fund is managed by two segments:

- \* A portfolio of equity instruments
- \* A portfolio of fixed income portfolio, including debt securities and deposits with financial institutions

The investment objective of each segment is to achieve consistent returns from the investments in each segment while safeguarding capital by investing in diversified portfolios. There have been no changes in reportable segments in the current financial year. The segment information provided is presented to the Manager, the External Investment Manager and Investment Committee of the Fund.

## 18. SEGMENT INFORMATION (CONT'D.)

	Equity Portfolio RM	Fixed Income Portfolio RM	Total RM
<b>2024</b>			
Gross dividend income	270,433	-	270,433
Interest income	-	276,709	276,709
Net loss on financial assets at FVTPL	(49,840)	-	(49,840)
Amortisation of premiums, net of accretion of discounts on financial assets at FVTOCI	-	(6,351)	(6,351)
Net realised loss on disposals of financial assets at FVTOCI	-	(55,948)	(55,948)
Reclassification adjustment from other comprehensive income on derecognition of financial assets at FVTOCI upon maturity	-	(4,691)	(4,691)
Net realised loss on foreign exchange	(4,000)	-	(4,000)
Total segment operating income for the financial year	<u>216,593</u>	<u>209,719</u>	<u>426,312</u>
Deposits with licensed financial institutions	-	6,026,531	6,026,531
Financial assets at FVTPL	9,602,528	-	9,602,528
Financial assets at FVTOCI	-	1,307,489	1,307,489
Other assets	-	12,671	12,671
Total segment assets	<u>9,602,528</u>	<u>7,346,691</u>	<u>16,949,219</u>
Total segment liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b>2023</b>			
Gross dividend income	208,682	-	208,682
Interest income	-	310,082	310,082
Net loss on financial assets at FVTPL	(137,359)	-	(137,359)
Amortisation of premiums, net of accretion of discounts on financial assets at FVTOCI	-	(50,279)	(50,279)
Reclassification adjustment from other comprehensive income on derecognition of financial assets at FVTOCI upon maturity	-	(25,405)	(25,405)
Net realised loss on foreign exchange	(3,265)	-	(3,265)
Total segment operating income for the financial year	<u>68,058</u>	<u>234,398</u>	<u>302,456</u>
Deposits with licensed financial institutions	-	2,921,421	2,921,421
Financial assets at FVTPL	9,919,638	-	9,919,638
Financial assets at FVTOCI	-	4,142,029	4,142,029
Other assets	42,602	53,479	96,081
Total segment assets	<u>9,962,240</u>	<u>7,116,929</u>	<u>17,079,169</u>
Total segment liabilities	<u>-</u>	<u>-</u>	<u>-</u>

During the financial year, there were no transactions between operating segments.



**18. SEGMENT INFORMATION (CONT'D.)**

Expenses of the Fund are not considered part of the performance of any operating segment. The following table provides a reconciliation between reportable segment income and operating income/(loss) :

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Net reportable segment operating income	426,312	302,456
Expenses	<u>(329,641)</u>	<u>(341,610)</u>
Net income/(loss) before taxation	96,671	(39,154)
Taxation	<u>5,180</u>	<u>(12,192)</u>
Net income/(loss) after taxation	<u>101,851</u>	<u>(51,346)</u>

In addition, certain assets and liabilities are not considered to be part of the assets or liabilities of an individual segment. The following table provides reconciliation between the total reportable segment assets and liabilities and total assets and liabilities of the Fund.

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Total segment assets	16,949,219	17,079,169
Amount due from Manager	10,000	10,000
Tax recoverable	75,325	42,573
Cash at bank	<u>494,263</u>	<u>251,186</u>
Total assets of the Fund	<u>17,528,807</u>	<u>17,382,928</u>
Amount due to Manager	31,613	32,837
Amount due to Trustee	1,283	1,410
Other payables and accruals	<u>18,528</u>	<u>20,475</u>
Total liabilities of the Fund	<u>51,424</u>	<u>54,722</u>

**19. FINANCIAL INSTRUMENTS****(a) Classification of Financial Instruments**

The Fund's financial assets and financial liabilities are measured on an ongoing basis at either fair value or at amortised cost based on their respective classification. The significant accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses are recognised. The following table analyses the financial assets and liabilities of the Fund in the statement of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

	<b>Financial assets at FVTPL</b>	<b>Financial assets at FVTOCI</b>	<b>Financial assets at amortised cost</b>	<b>Financial liabilities at amortised cost</b>	<b>Total</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>2024</b>					
<b>Financial Assets</b>					
Investments	9,602,528	1,307,489	-	-	10,910,017
Deposits with licensed financial institutions	-	-	6,026,531	-	6,026,531
Amount due from Manager	-	-	10,000	-	10,000
Other receivables	-	-	12,671	-	12,671
Cash at bank	-	-	<u>494,263</u>	-	<u>494,263</u>
Total financial assets	<u>9,602,528</u>	<u>1,307,489</u>	<u>6,543,465</u>	<u>-</u>	<u>17,453,482</u>

## 19. FINANCIAL INSTRUMENTS (CONT'D.)

## (a) Classification of financial instruments (Cont'd.)

	Financial assets at FVTPL RM	Financial assets at FVTOCI RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
<b>2024 (Cont'd.)</b>					
<b>Financial Liabilities</b>					
Amount due to Manager	-	-	-	31,613	31,613
Amount due to Trustee	-	-	-	1,283	1,283
Other payables and accruals	-	-	-	18,528	18,528
Total financial liabilities	-	-	-	51,424	51,424
<b>2023</b>					
<b>Financial Assets</b>					
Investments	9,919,638	4,142,029	-	-	14,061,667
Deposits with licensed financial institutions	-	-	2,921,421	-	2,921,421
Amount due from Manager	-	-	10,000	-	10,000
Amount due from brokers	-	-	29,694	-	29,694
Other receivables	-	-	66,387	-	66,387
Cash at bank	-	-	251,186	-	251,186
Total financial assets	9,919,638	4,142,029	3,278,688	-	17,340,355
<b>Financial Liabilities</b>					
Amount due to Manager	-	-	-	32,837	32,837
Amount due to Trustee	-	-	-	1,410	1,410
Other payables and accruals	-	-	-	20,475	20,475
Total financial liabilities	-	-	-	54,722	54,722

## (b) Fair Value

## (i) Financial instruments that are carried at fair value

The Fund uses the following level of fair value hierarchy for determining and disclosing the fair value of financial instruments carried at fair value in the statement of financial position :

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data.

The Fund's financial assets at FVTPL and financial assets at FVTOCI are carried at fair value. The fair values of these financial assets were determined using prices in active markets for identical assets.

Quoted equity instruments

Fair value of quoted equity instruments is determined directly by reference to their published market prices on the relevant stock exchanges at the reporting date. The fair value of quoted equity instruments which have lost active trading market due to suspension in their trading, is determined by reference to their published net tangible assets.

## 19. FINANCIAL INSTRUMENTS (CONT'D.)

### (b) Fair Value (Cont'd.)

#### (i) Financial instruments that are carried at fair value (Cont'd.)

##### Unquoted fixed income securities

The published market prices for RM-denominated unquoted bonds are based on information provided by Bond Pricing Agency Malaysia Sdn Bhd.

The Fund held the following financial instruments carried at fair value on the statement of financial position as at the end of the financial year :

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
<b>2024</b>				
Financial assets at FVTPL				
- Quoted equities	9,602,528	-	-	9,602,528
Financial assets at FVTOCI				
- Unquoted fixed income securities	-	1,307,489	-	1,307,489
	9,602,528	1,307,489	-	10,910,017
<b>2023</b>				
Financial assets at FVTPL				
- Quoted equities	9,481,397	-	-	9,481,397
- Unquoted convertible loan stock	-	-	438,241	438,241
Financial assets at FVTOCI				
- Unquoted fixed income securities	-	4,142,029	-	4,142,029
	9,481,397	4,142,029	438,241	14,061,667

The fair value of the Fund's investment in unquoted convertible loan stock in the previous financial year was classified within Level 3 of the fair value hierarchy. The convertible loan stock was not traded in an active market and was of short-term in-nature pending the completion of the proposed initial public offering and listing exercise as explained in Note 7(a)(iv), the fair value of the unquoted convertible loan was estimated to be equivalent to the cost of the Fund's investment.

#### (ii) Financial instruments not carried at fair value

Financial instruments not carried at fair value comprise financial assets and financial liabilities subsequently measured at amortised cost. The carrying amount of these financial instruments at the end of the financial year approximated their fair values due to their short-term to maturity.

## 20. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES

The Fund maintains investment portfolios in a variety of quoted and unquoted financial instruments as dictated by its Deeds and investment management strategy.

The Fund is exposed to a variety of risks including market risk (which includes interest rate risk, equity price risk and currency risk), credit risk, and liquidity risk. Whilst these are the most important types of financial risks inherent in each type of financial instruments, the Manager and the Trustee would like to highlight that this list does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Fund.

The Fund's objective in managing risk is the creation and protection of unitholders' value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring of risks. Financial risk management is also carried out through sound internal control systems and adherence to the investment restrictions as stipulated in the Trust Deed, the Securities Commission Malaysia's *Guidelines on Unit Trust Funds* and the Capital Markets and Services Act, 2007.

## 20. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

### (a) Market Risk

The Fund's principal exposure to market risk arises primarily due to changes or developments in the market environment and typically includes changes in regulations, politics and the economy of the country. Market risk is also influenced by global economics and geopolitical developments. The Fund seeks to diversify away some of this risk by investing into different sectors to mitigate risk exposure to any single asset class.

The Fund's market risk is affected primarily due to changes in market prices, interest rates and foreign currency exchange rates.

#### (i) Equity Price Risk

Equity price risk is the risk of unfavourable changes in the fair value of equities as the result of changes in the levels of equity indices and the value of individual shares. The equity price risk exposure arises from the Fund's investments in equity securities.

The table below demonstrates the sensitivity of the Fund's net income/(loss) after taxation and NAV to a reasonably possible change in equity prices, as at the end of the financial year, with all other variables held constant :

	2024		2023	
	Impact on net income after taxation		Impact on net loss after taxation	
	Higher / RM	(Lower) RM	Lower / RM	(Higher) RM
Change in equity price by +6%/-6%	576,152	(576,152)	568,884	(568,884)

	2024		2023	
	Impact on NAV		Impact on NAV	
	Decrease / RM	(Increase) RM	Increase / RM	(Decrease) RM
Change in equity price by +6%/-6%	576,152	(576,152)	568,884	(568,884)

#### (ii) Interest Rate Risk

This risk refers to the effect of interest rate changes on the valuation of fixed income securities. In the event of rising interest rates, the return on deposits with licensed financial institutions will rise while valuation of bond will decrease and vice versa, thus affecting the net asset value of the Fund. This risk will be minimised via the management of the duration structure of the portfolio of fixed income securities.

The following table demonstrates the sensitivity of the Fund's NAV to a reasonably possible change in interest rate on fixed income securities as at the end of the financial year, with all other variables held constant :

	2024		2023	
	Impact on NAV		Impact on NAV	
	(Decrease) / RM	Increase RM	(Decrease) / RM	Increase RM
Change in interest rate by +25bps/-25bps *	(3,269) /	3,269	(10,355) /	10,355

\* *bps = basis points*

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

## 20. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

### (a) Market Risk (Cont'd.)

#### (iii) Currency risk

The Fund is exposed to currency risk primarily through its investments in overseas securities that are denominated in foreign currencies. The Fund's foreign currency exposure profile of its investments in overseas securities is disclosed under Note 7(b).

The table below demonstrates the sensitivity of the Fund's net income/(loss) after taxation and NAV to +/- 10% change in foreign currency exchange rates as at the end of the financial year, with all other variables held constant :

	2024		2023	
	Impact on net income after taxation		Impact on net loss after taxation	
	Higher / RM	(Lower) RM	Lower / RM	(Higher) RM
-Singapore Dollar	96,421	(96,421)	141,212	(141,212)
-Thai Baht	12,959	(12,959)	11,335	(11,335)
-Philippines Peso	44,358	(44,358)	61,082	(61,082)
-Indonesian Rupiah	67,715	(67,715)	35,491	(35,491)
-Hong Kong Dollar	249,793	(249,793)	156,779	(156,779)
-Australian Dollar	52,228	(52,228)	81,022	(81,022)
	523,474	(523,474)	486,921	(486,921)

### (b) Credit Risk

The Fund's principal exposure to credit risk arises primarily due to changes in the financial conditions of companies issuing debt securities and stockbroking companies, which may affect their creditworthiness. This in turn may lead to default in the payment. Such events can lead to loss of capital or delayed or reduced income for the Fund resulting in a reduction in the Fund's asset value and thus unit price. This risk is mitigated by vigorous credit analysis and diversification of the bond portfolio of the Fund and to engage different stockbroking companies with good reputation. Bond rating of the Fund's portfolio is disclosed in Note 8.

The Fund's investments in debt securities, deposits with licensed financial institutions and bank balances are of high credit ratings while short-term receivables including amounts due from Manager and brokers are of short maturities; hence probability of their default on contractual obligations is deemed negligible. Accordingly, no allowance is required for their expected credit losses in accordance with the accounting policies as disclosed in Note 3.2. The carrying amount of the financial assets represents the maximum credit risk exposure for the Fund.

### (c) Liquidity Risk

This risk occurs in thinly traded or illiquid equity securities. Should the Fund need to sell a relatively large amount of such securities, the act itself may significantly depress the selling price. As the Fund is exposed to daily redemption of units, the risk is minimized by placing a prudent level of funds in short-term deposits and by investing in stocks whose liquidity is adjudged to be commensurate with the expected exposure level of the Funds.

## 20. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

## (c) Liquidity Risk (Cont'd.)

The following table summarises the maturity profile of the Fund's financial assets and financial liabilities in order to meet commitments associated with the Fund's contractual commitments and liquidity.

	Up to 1 year RM	Above 1 year to 5 years RM	Above 5 years RM	Total RM
<b>2024</b>				
<b>Assets</b>				
Financial assets at FVTPL	9,602,528	-	-	9,602,528
Financial assets at FVTOCI	1,307,489	-	-	1,307,489
Deposits with licensed financial institutions	6,026,531	-	-	6,026,531
Other assets	516,934	-	-	516,934
Non-financial assets	75,325	-	-	75,325
	<u>17,528,807</u>	<u>-</u>	<u>-</u>	<u>17,528,807</u>
<b>Liabilities</b>				
Other liabilities	<u>51,424</u>	<u>-</u>	<u>-</u>	<u>51,424</u>
Unitholders' NAV	<u>17,477,383</u>	<u>-</u>	<u>-</u>	<u>17,477,383</u>
Liquidity gap	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Up to 1 year RM	Above 1 year to 5 years RM	Above 5 years RM	Total RM
<b>2023</b>				
<b>Assets</b>				
Financial assets at FVTPL	9,919,638	-	-	9,919,638
Financial assets at FVTOCI	-	2,338,375	1,803,654	4,142,029
Deposits with licensed financial institutions	2,921,421	-	-	2,921,421
Other assets	357,267	-	-	357,267
Non-financial assets	42,573	-	-	42,573
	<u>13,240,899</u>	<u>2,338,375</u>	<u>1,803,654</u>	<u>17,382,928</u>
<b>Liabilities</b>				
Other liabilities	<u>54,722</u>	<u>-</u>	<u>-</u>	<u>54,722</u>
Unitholders' NAV	<u>13,186,177</u>	<u>2,338,375</u>	<u>1,803,654</u>	<u>17,328,206</u>
Liquidity gap	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**20. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)****(d) Stock Specific Risk**

The Fund is exposed to the individual risk of the respective companies issuing securities which includes changes to the business performance of the company, consumer tastes and demand, lawsuits and management practices. This risk is minimised through the well diversified nature of the Fund.

**(e) Single Issuer Risk**

The Fund's exposure to securities issued by any issuer is limited to not more than a certain percentage of its net asset value. Under such restriction, the risk exposure to the securities of any issuer is minimised.

**(f) Capital Management**

The capital is represented by unitholders' subscription to the Fund. The amount of capital can change significantly on a daily basis as the Fund is subject to daily redemption and subscription at the discretion of unitholders. The Manager manages the Fund's capital with the objective of maximising unitholders' value, while maintaining sufficient liquidity to meet unitholders' redemption as explained in Note 20(c) above.

## **TRUSTEE'S REPORT TO THE UNIT HOLDERS OF DANA MAKMUR PHEIM ("Fund")**

We have acted as Trustee of the Fund for the financial year ended 31 December 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Pheim Unit Trusts Berhad has operated and managed the Fund during the financial year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

We are of the opinion that the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For **Maybank Trustees Berhad**  
[Company No. : 196301000109 (5004-P)]

**NORHAZLIANA BINTI MOHAMMED HASHIM**  
Head, Unit Trust & Corporate Operations

Kuala Lumpur, Malaysia

Date : 19 February 2025



**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF  
DANA MAKMUR PHEIM**

We, Teh Song Lai and Hoi Weng Kong, being two of the Directors (alternate Director and Director respectively) of Pheim Unit Trusts Berhad, do hereby state that, in the opinion of the Manager, the accompanying financial statements of Dana Makmur Pheim are drawn up in accordance with the Deeds, Malaysian Financial Reporting Standards, International Financial Reporting Standards and Securities Commission Malaysia's *Guidelines on Unit Trust Funds* so as to give a true and fair view of the financial position of Dana Makmur Pheim as at 31 December 2024 and of its financial performance and cash flows for the financial year then ended.

On behalf of the Manager,  
**PHEIM UNIT TRUSTS BERHAD**

**TEH SONG LAI**  
Alternate Director to Dr. Tan Chong Koay

**HOI WENG KONG**  
Director

Kuala Lumpur, Malaysia

Date : 19 February 2025

## **SHARIAH ADVISER'S REPORT TO THE UNIT HOLDERS OF DANA MAKMUR PHEIM**

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Pheim Unit Trusts Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The asset of the Fund comprises of instruments that have been classified as Shariah compliant except for Natural Food International Holdings Ltd, Tungsten Mining NL and Ramayana Lestari Sentosa Tbk PT securities, which have been reclassified as Shariah non-compliant by the Shariah Adviser.
3. We also confirm that the investment portfolio of the Fund comprises securities which have been classified as Shariah compliant by the Shariah Advisory Council of the SC ("SACSC") except for Advancecon Holdings Bhd, which have been reclassified as Shariah non-compliant.
4. These reclassified Shariah non-compliant instruments shall be disposed in accordance with the Fund's Shariah investment guidelines as provided in the Fund's deed and disclosed in the Fund's prospectus.

**For Amanie Advisors Sdn Bhd**

**TAN SRI DR. MOHD DAUD BAKAR**

Executive Chairman

Kuala Lumpur, Malaysia

Date : 19 February 2025

# **INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF DANA MAKMUR PHEIM**

## **Report on the Audit of the Financial Statements**

### ***Opinion***

We have audited the financial statements of DANA MAKMUR PHEIM ("the Fund"), which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in net asset value attributable to unitholders and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 99 to 127.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Securities Commission Malaysia's *Guidelines on Unit Trust Funds*.

### ***Basis for Opinion***

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Independence and Other Ethical Responsibilities***

We are independent of the Fund in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### ***Information Other than the Financial Statements and Auditors' Report Thereon***

The Manager of the Fund, PHEIM UNIT TRUSTS BERHAD, is responsible for the other information. The other information comprises the information on the Fund together with the Manager's Report included in the Annual Report of the Funds managed by the Manager but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

### ***Information Other than the Financial Statements and Auditors' Report Thereon (Cont'd.)***

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### ***Responsibilities of the Manager and Trustee for the Financial Statements***

The Manager of the Fund is responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Securities Commission Malaysia's *Guidelines on Unit Trust Funds*. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Trustee is responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable the preparation of financial statements that are true and fair.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also :-

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

### ***Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd.)***

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also :-

- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### ***Other Matters***

This report is made solely to the unitholders of the Fund, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**FOLKS DFK & CO.**  
NO. : AF 0502  
CHARTERED ACCOUNTANTS

**LEONG KOK TONG**  
NO. : 02973/11/2025 J  
CHARTERED ACCOUNTANT

Kuala Lumpur

Date : 19 February 2025

**DANA MAKMUR PHEIM**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Note	2024 RM	2023 RM
<b>INVESTMENT INCOME/(LOSS)</b>			
Gross dividend income		4,006,685	3,275,527
Profit from investments :			
- financial assets at amortised cost		1,737,990	909,829
- financial assets at fair value through other comprehensive income ("FVTOCI")		3,060,200	4,023,724
Net loss on financial assets at fair value through profit or loss ("FVTPL")	7(c)	(6,380,848)	(1,845,966)
Reclassification adjustment from other comprehensive income on derecognition of financial assets at FVTOCI upon maturity		(26,772)	(25,936)
Net realised loss on disposals of financial assets at FVTOCI		(226,076)	(414,160)
Amortisation of premiums, net of accretion of discounts on financial assets at FVTOCI	8	(135,476)	(834,461)
Net realised loss on foreign exchange		(32,751)	(17,609)
		<u>2,002,952</u>	<u>5,070,948</u>
<b>EXPENSES</b>			
Manager's fee	4	4,162,051	4,311,939
Trustee's fee	5	152,609	158,104
Auditors' remuneration		10,000	10,000
Tax agent's fee		3,300	3,000
Brokerage fees and other transaction costs		318,015	241,027
Administrative expenses		105,155	54,569
		<u>4,751,130</u>	<u>4,778,639</u>
<b>Net (loss)/income before taxation</b>		(2,748,178)	292,309
Taxation	6	(53,420)	(104,971)
<b>Net (loss)/income after taxation</b>		<u>(2,801,598)</u>	<u>187,338</u>
<b>Other comprehensive income</b>			
<i>Item that will be reclassified subsequently to profit or loss</i>			
Net (loss)/gain on changes in fair value of financial assets at FVTOCI	8	(134,514)	245,921
Reclassification adjustment to profit or loss on derecognition of financial assets at FVTOCI	8	252,848	427,846
Total other comprehensive income for the financial year		<u>118,334</u>	<u>673,767</u>
<b>Total comprehensive (loss)/income for the financial year</b>		<u>(2,683,264)</u>	<u>861,105</u>
<b>Net (loss)/income after taxation is made up of the following :</b>			
Net realised income		24,389,437	8,161,126
Net unrealised loss		(27,191,035)	(7,973,788)
		<u>(2,801,598)</u>	<u>187,338</u>
<b>Distribution for the financial year :</b>			
Net distribution (RM)	12	14,793,577	16,598,901
Net distribution per unit (sen)	12	5.00	6.00
Gross distribution per unit (sen)	12	5.00	6.00

The accompanying notes form an integral part of the financial statements.

**DANA MAKMUR PHEIM**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2024**

	Note	2024 RM	2023 RM
<b>ASSETS</b>			
Investments	7	182,800,297	234,529,623
Shariah-based deposits with licensed financial institutions	9	50,339,903	45,041,777
Other receivables		722,522	1,213,943
Cash at bank		2,985,970	11,599,750
Tax recoverable		182,618	135,618
<b>TOTAL ASSETS</b>		<u>237,031,310</u>	<u>292,520,711</u>
<b>LIABILITIES</b>			
Amount due to Manager	11	540,255	189,485
Amount due to Trustee		11,056	13,653
Amount due to brokers		-	40,180
Other payables and accruals		53,871	50,284
<b>TOTAL LIABILITIES</b>		<u>605,182</u>	<u>293,602</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>236,426,128</u>	<u>292,227,109</u>
<b>EQUITY</b>			
Unitholders' capital	13(a)	285,744,098	324,068,238
Accumulated losses	13	(49,250,698)	(31,655,523)
FVTOCI reserve	13	(67,272)	(185,606)
<b>NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNITHOLDERS</b>	13	<u>236,426,128</u>	<u>292,227,109</u>
<b>UNITS IN CIRCULATION</b>	13(a)	<u>256,675,593</u>	<u>296,395,940</u>
<b>NET ASSET VALUE PER UNIT</b>	14	<u>0.9211</u>	<u>0.9859</u>

The accompanying notes form an integral part of the financial statements.

**DANA MAKMUR PHEIM**  
**STATEMENT OF CHANGES IN NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Unitholders' capital RM	Accumulated losses RM	FVTOCI reserve RM	Total equity RM
Balance at 1 January 2023	290,412,251	(15,243,960)	(859,373)	274,308,918
Net income for the financial year	-	187,338	-	187,338
Other comprehensive income :				
- Net income on changes in fair value of financial assets at FVTOCI	-	-	245,921	245,921
- Reclassification adjustment to profit or loss on derecognition of financial assets at FVTOCI	-	-	427,846	427,846
Total comprehensive income for the financial year	-	187,338	673,767	861,105
Creation of units	53,319,507	-	-	53,319,507
Cancellation of units	(19,455,349)	-	-	(19,455,349)
Distribution equalisation	(208,171)	-	-	(208,171)
Income distribution (Note 12)	-	(16,598,901)	-	(16,598,901)
Total transactions with unitholders	33,655,987	(16,598,901)	-	17,057,086
Balance at 31 December 2023	324,068,238	(31,655,523)	(185,606)	292,227,109
Net loss for the financial year	-	(2,801,598)	-	(2,801,598)
Other comprehensive (loss)/income :				
- Net loss on changes in fair value of financial assets at FVTOCI	-	-	(134,514)	(134,514)
- Reclassification adjustment to profit or loss on derecognition of financial assets at FVTOCI	-	-	252,848	252,848
Total comprehensive (loss)/income for the financial year	-	(2,801,598)	118,334	(2,683,264)
Creation of units	43,024,435	-	-	43,024,435
Cancellation of units	(83,035,725)	-	-	(83,035,725)
Distribution equalisation	1,687,150	-	-	1,687,150
Income distribution (Note 12)	-	(14,793,577)	-	(14,793,577)
Total transactions with unitholders	(38,324,140)	(14,793,577)	-	(53,117,717)
Balance at 31 December 2024	285,744,098	(49,250,698)	(67,272)	236,426,128

The accompanying notes form an integral part of the financial statements.



**DANA MAKMUR PHEIM**  
**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	123,118,249	76,141,804
Purchase of investments	(105,858,082)	(71,955,234)
Dividends received	4,167,835	3,184,512
Purchase of Sukuk	-	(45,502,630)
Proceeds from sale of Sukuk	5,000,000	10,535,518
Proceeds received from Sukuk on maturity	22,500,000	21,950,000
Profit received from Islamic deposits with licensed financial institutions and Sukuk	4,995,290	5,017,646
Management fee paid	(4,232,853)	(4,291,803)
Trustee's fee paid	(155,206)	(157,366)
Payments for other fees and expenses	(101,770)	(58,518)
Tax paid	-	(98,431)
Net cash from/(used in) operating and investing activities	<u>49,433,463</u>	<u>(5,234,502)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	27,270,285	38,349,882
Payment for cancellation of units	(79,964,436)	(19,218,531)
Income distribution paid	(54,966)	(66,797)
Net cash (used in)/from financing activities	<u>(52,749,117)</u>	<u>19,064,554</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(3,315,654)	13,830,052
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<u>56,641,527</u>	<u>42,811,475</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<u>53,325,873</u>	<u>56,641,527</u>
Cash and cash equivalents comprise the following :		
Shariah-based deposits with licensed financial institutions (Note 9)	50,339,903	45,041,777
Cash at bank	2,985,970	11,599,750
	<u>53,325,873</u>	<u>56,641,527</u>

The accompanying notes form an integral part of the financial statements.

**DANA MAKMUR PHEIM****NOTES TO THE FINANCIAL STATEMENTS ENDED 31 DECEMBER 2024****1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES**

Dana Makmur Pheim ("the Fund") was established pursuant to a Master Deed dated 11 January 2002 as amended and modified and supplemented by a Supplemental Master Deed dated 3 November 2008 made between HSBC Trustee (Malaysia) Berhad and Pheim Unit Trusts Berhad ("the Manager"), a Second Supplemental Master Deed dated 29 April 2013, Third Supplemental Master Deed dated 30 April 2015 and the Fourth Supplemental Master Deed dated 10 January 2023 (collectively referred to as "the Deeds") made between the Manager and Maybank Trustees Berhad ("the Trustee").

The objective of the Fund is to provide Unit Holders with steady income and some prospects for capital appreciation in the longer term by investing in a balanced portfolio of equities and fixed income instruments which strictly comply with the principles of the Shariah. The Fund is to invest in "Permitted Investments" in accordance with Part 7 of the Deed comprising :

- (a) Shariah-compliant securities certified by the SACSC. For securities not certified by the SACSC, the Shariah-compliant status of the securities has been determined in accordance with the ruling issued by the Shariah Adviser;
- (b) Shariah-compliant securities of Malaysian companies listed on approved stock exchange(s);
- (c) Shariah-compliant securities listed in foreign markets that are permitted by the SC and are approved/verified by the Shariah Adviser;
- (d) Sukuk generally in the form of corporate sukuk or Islamic commercial papers;
- (e) Unlisted Shariah-compliant securities whether or not approved for listing and quotation under the rules of an eligible market, which are offered directly to the Fund by the issuer;
- (f) Government Investment Issues (GII), Islamic accepted bills, Bank Negara Monetary Notes-i, Cagamas sukuk and any other government approved/guaranteed Islamic issues;
- (g) Units or shares of other Islamic collective investments schemes;
- (h) Islamic investment accounts and Islamic money market instruments with financial institutions;
- (i) Islamic derivatives traded on an exchange or over-the-counter and as approved by the SACSC and/or the Shariah Adviser (for hedging purposes only);
- (j) Islamic structured products by an eligible issuer (for Islamic structured products issued in Malaysia) or an issuer regulated by the relevant regulatory authority (for Islamic structured products issued outside Malaysia);
- (k) Any other form of Shariah-compliant investments as may be agreed upon by the Manager and the Trustee from time to time; and
- (l) Any other form of Shariah-compliant investments as may be permitted by the SC from time to time.

The Manager, Pheim Unit Trusts Berhad, is a public limited company incorporated in Malaysia. It is a wholly owned subsidiary of Pheim Asset Management Sdn Bhd, a private company incorporated in Malaysia. Its principal activity is the management of unit trust funds. Pheim Asset Management Sdn Bhd has been appointed by the Manager as the External Investment Manager of the Fund with the responsibility for providing investment management services to the Fund.

The principal place of business of the Fund is located at 7th Floor, Menara Hap Seng, Jalan P. Ramlee, 50250 Kuala Lumpur.

The financial statements are presented in Ringgit Malaysia (RM).

The financial statements were authorised for issue by the Board of Directors of the Manager in accordance with the resolution of the directors on 19 February 2025

## 2. BASIS OF PREPARATION

### 2.1 Statement of Compliance

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the Securities Commission Malaysia's *Guidelines on Unit Trust Funds*.

### 2.2 Basis of Measurement

The financial statements of the Fund are prepared under the historical cost convention except for debt and equity financial assets that have been measured at fair value.

### 2.3 Application of Amendments to MFRSs

During the financial year, the Fund has applied the amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") which became effective for annual accounting periods beginning on or after 1 January 2024 and applicable to the fund. The initial application of those amendments to MFRSs has no impact on the financial statements of the Fund.

### 2.4 New MFRSs and Amendments to MFRSs That Are In Issue But Not Yet Effective and Have Not Been Early Adopted

The Fund has not early adopted those new MFRSs and amendments to MFRSs issued by the MASB that are effective for annual accounting periods commencing on or after 1 January 2024. Other than as explained below, none of them is expected to have material effect on the financial statements of the Fund in the period of initial application.

#### **MFRS 18 Presentation and Disclosure in Financial Statements**

The new MFRS 18 become effective for annual accounting period commencing on or after 1 January 2027 and will replace MFRS 101 Presentation of Financial Statements while retaining many of the requirements in MFRS 101 with limited changes. MFRS 18 introduces new specified categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures that are reported outside an entity's financial statements in the notes to the financial statements, and enhanced principles on aggregation and disaggregation of information in the financial statements.

The new standard will redefine financial performance reporting by an entity through a new structure of the statement of profit or loss and additional disclosures for performance measures but it will not impact the recognition and measurement of items in the financial statements of the entity.

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below are consistent with those applied by the Fund in the previous financial year.

### 3.1 Financial Assets

Financial assets are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instruments. Regular way of purchase and sale of investments in financial instruments are recognised on trade dates, i.e. the date on which the Fund commits to purchase or sell the investments. When financial assets are recognised initially, they are measured at fair value, plus directly attributable transaction costs, for investments not at fair value through profit or loss. Transaction costs for investments carried at fair value through profit or loss are charged to profit or loss.

Subsequent to initial recognition, financial assets are measured in accordance with their classification on initial recognition.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or the Fund has transferred substantially all risks and rewards of ownership of the assets.

The Fund determines the classification of its financial assets at initial recognition into the following categories for subsequent measurement depending on the basis of both its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 3.1 Financial Assets (Cont'd.)

(a) Financial assets at amortised cost

Financial assets which are Shariah-compliant debt instruments are measured at amortised cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and their contractual terms give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding. The Fund's financial assets at amortised cost comprised other receivables, Shariah-based deposits with licensed financial institutions and cash at bank.

Subsequent to initial recognition, the Shariah-compliant debt instruments are subsequently measured at amortised cost using the effective profit method less any allowance for impairment. Gains or losses are recognised in profit or loss when the debt instruments are derecognised or impaired, and through the amortisation process.

(b) Financial assets at fair value through other comprehensive income ("FVTOCI")

Shariah-compliant debt instruments are measured at FVTOCI if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, and their contractual terms give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding. The Fund's FVTOCI financial assets consist of unquoted Sukuk as disclosed in Note 8.

Subsequent to initial recognition, the gains or losses from changes in fair value of the Shariah-compliant debt instruments are recognised in other comprehensive income, except for impairment gains or losses, foreign exchange gains and losses, and profit calculated using effective profit method which are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the debt instrument is derecognised.

(c) Financial assets at fair value through profit or loss ("FVTPL")

The Fund's financial assets at FVTPL comprised Shariah-compliant equity investments and debt instruments which are held under a business model to manage and evaluate their performance on a fair value basis.

Subsequent to initial recognition, financial assets at FVTPL are measured at fair value with changes in fair value recognised in profit or loss and presented as "Net gain or loss on financial assets at FVTPL". Profit and dividend earned from such instruments are recognised and presented separately as "Profit income" and "Gross dividend income", respectively in profit or loss. Foreign exchange differences on financial assets at FVTPL are not recognised separately in profit or loss but included in net gains or net losses on changes in fair value of financial assets at FVTPL.

#### 3.2 Impairment of Financial Assets

The Fund assesses financial assets at FVTOCI and at amortised cost for expected credit losses ("ECLs") and account for the ECLs and changes in those ECLs at each reporting date to reflect changes in their credit risk since initial recognition. ECLs represent a probability-weighted estimate of the difference between present value of contractual cash flows attributable to a financial asset and present value of cash flows the Fund expects to receive over the remaining life of the financial asset. When a financial asset is credit-impaired, the ECLs shall be measured as the difference between the gross carrying amount of the asset and the present value of the estimated future cash flows. A financial asset is written off when the Fund has no reasonable expectations of recovering the contractual cash flows.

(a) Financial assets at FVTOCI

The Fund recognises an allowance for ECLs on Shariah-compliant debt instruments at FVTOCI to reflect their credit exposures at the reporting date. If the credit risk on the debt instruments has increased significantly since initial recognition, a loss allowance which equal to the lifetime ECLs is recognised, irrespective of the timing of default events that are possible. If there has not been a significant increase in the credit risk since initial recognition, a loss allowance which equal to 12-month ECLs is recognised for the effect of default events that are possible within the next 12 months. The cumulative loss allowance does not reduce the carrying amount of debt instruments at FVTOCI and is recognised in other comprehensive income. An impairment loss or gain is recognised in profit or loss as the amount of expected credit losses (or reversals) that is required to arrive at the cumulative loss allowance.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 3.2 Impairment of Financial Assets (Cont'd.)

(b) Financial assets at amortised cost

For other receivables carried at amortised cost and with maturities of less than 12 months, ECL is recognised using the simplified approach for ECL under MFRS 9 for trade receivables with no financing component. Under this approach, the Fund does not track changes in credit risk of the receivables and recognises a loss allowance based on their lifetime ECL at the reporting date. The amount of expected credit losses (or reversals) required to arrive at the loss allowance is recognised as an impairment loss or gain in profit or loss. The cumulative loss allowance recognised is set off against the gross carrying amount

#### 3.3 Classification of Realised and Unrealised Gain and Losses

Unrealised gains and losses comprise changes in fair value of financial instruments for the period from reversal of prior period's unrealised gains and losses for financial instruments which were realised (i.e. sold, redeemed or matured) during the reporting period.

Realised gains and losses on disposals of financial instruments classified as part of "at fair value through profit or loss" are calculated using weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount, or cash payment or receipts made of Shariah-compliant derivative contracts (excluding payments or receipts on collateral margin accounts for such investments).

#### 3.4 Financial Liabilities

Financial liabilities are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value, minus directly attributable transaction costs in the case of financial liabilities not at FVTPL.

Financial liabilities are classified at initial recognition according to the substance of the contractual arrangements entered into and the definition of a financial liability.

The Fund's financial liabilities which include amounts due to Manager, Trustee, brokers, other payables and accruals are classified as subsequently measured at amortised cost using the effective profit method. The Fund does not have financial liabilities classified as at FVTPL.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

#### 3.5 Fair Value Measurement

For financial assets at FVTOCI and FVTPL that require fair value measurement, the Fund establishes a fair value measurement hierarchy that gives the highest priority to quoted prices (unadjusted) in active markets and the lowest priority to unobservable inputs.

A fair value measurement of an item is estimated using a quoted price in an active market if that price is observable. The active market is the principal market for the asset or, in the absence of a principal market, the most advantageous market for the asset; and for which the Fund can enter into a transaction for the asset at the price in that market at the measurement date.

In the absence of an active market price, the fair value of an item is estimated by an established valuation technique using inputs from the marketplace that are observable for substantially the full term of the asset.

In the absence of both market price and observable inputs, a fair value measurement of an item is estimated by an established valuation technique using unobservable inputs, including internally developed assumptions that are reasonable and supportable.

#### 3.6 Foreign Currencies

The financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates ("the functional currency"). The financial statements are presented in Ringgit Malaysia (RM), which is also the Fund's functional currency.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 3.6 Foreign Currencies (Cont'd.)

In preparing the financial statements, transactions in currencies other than the Fund's functional currency (foreign currencies) are recorded in the functional currency using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, foreign currency monetary assets and liabilities are translated at exchange rates prevailing at the end of the reporting period. Non-monetary items that are measured at fair value in a foreign currency are translated using exchange rates at the date when the fair value was determined.

Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are recognised in profit or loss.

Exchange differences arising from the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains or losses are recognised directly in equity. Exchange differences arising from such non-monetary items are recognised directly to equity.

#### 3.7 Unitholders' Capital

The unitholders' contributions to the Fund meet the definition of puttable instruments classified as equity instruments under MFRS 132.

Distribution equalisation represents the average distributable amount included in the creation and cancellation prices of units. This amount is either refunded to unitholders by way of distribution and/or adjusted accordingly when units are cancelled.

#### 3.8 Income Distribution

Income distributions are at the discretion of the Manager. Income distribution to the Fund's unitholders is accounted for as a deduction from realised reserves except where distribution is sourced out of distribution equalisation which is accounted for as deduction from unitholders' capital.

#### 3.9 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and Shariah-based deposits with licensed financial institutions which have insignificant risk of changes in value.

#### 3.10 Income Recognition

Income is recognised to the extent that is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at fair value of consideration received or receivable.

Dividend income is recognised when the Fund's right to receive payment is established.

Profit income, which includes the accretion of discount and amortisation of premium on sukuk, is recognised using effective profit method.

#### 3.11 Income Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

No deferred tax is recognised as there are no material temporary differences.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 3.12 Segment Reporting

For management purposes, the Fund is managed under 2 main portfolios, namely (1) Shariah-compliant equity securities; and (2) Shariah-compliant fixed income instruments. Each segment engages in separate business activities and the operating results are regularly reviewed by the Manager, External Investment Manager and the Fund's Investment Committee. The External Investment Manager and the Fund Investment Committee jointly assumes the role of chief operation decision maker, for performance assessment purposes and to make decision about resources allocated to each investment segment.

#### 3.13 Significant Accounting Estimates and Judgements

The preparation of financial statements in accordance with MFRS and IFRS requires the use of certain accounting estimates and exercise of judgements. Estimates and judgements are continually evaluated and are based on past experience, reasonable expectations of future events and other factors.

No major judgements have been made by the Manager in applying the Fund's accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next year.

### 4. MANAGER'S FEE

The Manager is entitled to an annual management fee of 1.50% (2023 : 1.50%) per annum of the NAV of the Fund (before deducting the Manager's and Trustee's fees for the day) calculated and accrued on a daily basis.

### 5. TRUSTEE'S FEE

The Trustee is entitled to a fee of 0.055% (2023 : 0.055%) per annum of the NAV of the Fund (before deducting the Manager's and Trustee's fees for the day) calculated and accrued on a daily basis, subject to a minimum of RM15,000 (2023 : RM15,000) per annum.

## 6. TAXATION

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Tax expense for the financial year comprised :-		
Malaysian income tax	-	47,000
Taxation over provided in prior financial year	<u>(47,000)</u>	<u>(12,821)</u>
	(47,000)	34,179
Foreign income tax	<u>100,420</u>	<u>70,792</u>
	<u>53,420</u>	<u>104,971</u>

In accordance with Schedule 6 of Income Tax Act 1967 ("ITA 1967"), dividend income and profit income earned by the Fund is exempted from tax. With effect from 1 January 2022, income derived from sources outside Malaysia and received by the Fund in Malaysia will be subject to the Malaysian income tax pursuant to the ITA 1967. However, based on P.U. (A) 250 of the ITA 1967 on 19 September 2024, the income derived from sources outside Malaysia is exempted from tax for year of assessment from 1 January 2024 to 31 December 2026, in accordance to conditions imposed by the Director General under Section 134A of the ITA.

A reconciliation to income tax expense applicable to net (loss)/income before taxation at the Malaysian statutory income tax rate applicable to the Fund is as follows :

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Net (loss)/income before taxation	<u>(2,748,178)</u>	<u>292,309</u>
Taxation at the Malaysian statutory rate of 24% (2023 : 24%)	(659,563)	70,154
<b>Tax effects in respect of :</b>		
Income not subject to tax	(7,136,015)	(3,290,470)
Loss disregarded for tax purposes	6,655,307	2,223,829
Expenses not deductible for tax purposes	137,960	108,490
Restriction on tax deductible expenses for unit trust funds	1,002,311	934,997
Income tax over provided in prior financial year	<u>(47,000)</u>	<u>(12,821)</u>
	(47,000)	34,179
Foreign withholding tax	<u>100,420</u>	<u>70,792</u>
Tax expense	<u>53,420</u>	<u>104,971</u>

## 7. INVESTMENTS

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Financial assets at fair value through profit or loss ("FVTPL")</b>		
Quoted equities :		
- in Malaysia	74,675,257	100,448,068
- outside Malaysia	<u>59,607,356</u>	<u>51,764,682</u>
	134,282,613	152,212,750
Unquoted Islamic convertible loan stock outside Malaysia	<u>-</u>	<u>6,029,199</u>
	<u>134,282,613</u>	<u>158,241,949</u>
<b>Financial assets at fair value through other comprehensive income ("FVTOCI") (Note 8)</b>		
- Unquoted fixed income securities in Malaysia ("Sukuk")	<u>48,517,684</u>	<u>76,287,674</u>
Total investments	<u>182,800,297</u>	<u>234,529,623</u>



## 7. INVESTMENTS (CONT'D.)

- (a) The financial assets at FVTPL at the end of the reporting period are Shariah-compliant equities unless stated otherwise, details are as follows :-

2024	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES IN MALAYSIA</b>				
<b>Main Market / ACE Market</b>				
<b>Construction</b>				
Ame Elite Consortium Berhad	1,369,800	2,186,248	2,328,660	0.98%
Econpile Holdings Berhad	2,016,300	997,100	937,580	0.40%
Gadang Holdings Berhad	6,112,200	2,364,996	2,047,587	0.87%
Gabungan AQRS Berhad	11,871,000	6,661,796	3,561,300	1.51%
Muhibbah Engineering (M) Berhad	1,499,400	1,305,463	1,207,017	0.51%
TRC Synergy Berhad ( <i>Note i</i> )	6,691,200	3,149,195	2,442,288	1.03%
	<u>29,559,900</u>	<u>16,664,798</u>	<u>12,524,432</u>	<u>5.30%</u>
<b>Consumer Product and Services</b>				
DXN Holdings Berhad	10,861,600	7,603,120	5,593,724	2.37%
Kawan Food Berhad	1,293,100	2,716,869	2,107,753	0.89%
Latitude Tree Holdings Berhad	408,184	619,927	497,984	0.21%
Malayan Flour Mills Berhad	2,670,000	2,211,494	1,388,400	0.59%
Senheng New Retail Berhad	6,281,300	5,808,727	1,821,577	0.77%
	<u>21,514,184</u>	<u>18,960,137</u>	<u>11,409,438</u>	<u>4.83%</u>
<b>Healthcare</b>				
Supercomnet Technologies Berhad	2,010,900	3,245,789	2,734,824	1.16%
<b>Industrial Products</b>				
Cahaya Mata Sarawak Bhd	5,716,200	8,715,843	6,859,440	2.90%
Cropmate Berhad	5,246,300	1,060,592	1,049,260	0.44%
EITA Resources Berhad	906,000	786,342	616,080	0.26%
Evergreen Fibreboard Berhad	10,177,600	4,244,310	2,798,840	1.18%
Globaltec Formation Berhad	3,000,000	1,560,000	1,380,000	0.58%
HIL Industries Berhad	4,050,300	4,050,300	3,625,019	1.53%
Lotte Chemical Titan Holding Bhd	800,000	1,494,706	512,000	0.22%
PESTECH International Bhd	2,505,550	1,595,069	526,165	0.22%
SKP Resources Berhad	3,465,900	4,478,556	4,124,421	1.74%
	<u>35,867,850</u>	<u>27,985,718</u>	<u>21,491,225</u>	<u>9.07%</u>
<b>Plantation</b>				
MKH Oil Palm (East Kalimantan) Berhad	35,564	-	23,472	0.01%
TSH Resources Berhad	477,900	561,800	597,375	0.25%
	<u>513,464</u>	<u>561,800</u>	<u>620,847</u>	<u>0.26%</u>
<b>Properties</b>				
Hua Yang Berhad	3,474,700	1,005,854	1,007,663	0.43%
MKH Berhad	248,950	633,944	281,313	0.12%
Skyworld Development Berhad	5,176,500	3,492,440	2,924,723	1.24%
Tambun Indah Land Berhad	251,300	430,397	227,426	0.10%
	<u>9,151,450</u>	<u>5,562,635</u>	<u>4,441,125</u>	<u>1.89%</u>

## 7. INVESTMENTS (CONT'D.)

- (a) The financial assets at FVTPL at the end of the reporting period are Shariah-compliant equities unless stated otherwise, details are as follows :- (Cont'd.)

2024 (Cont'd.)	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES IN MALAYSIA (CONT'D.)</b>				
<b>Technology</b>				
Agmo Holdings Berhad	19,898	120	10,247	0.00%
Globetronics Technology Berhad	3,149,300	6,709,487	1,842,341	0.78%
Greatech Technology Bhd	471,800	1,759,954	1,089,858	0.46%
Kronologi Asia Berhad	20,796,600	10,992,489	6,031,014	2.55%
MI Technovation Berhad	147,600	575,640	333,576	0.14%
MY E.G. Services Bhd	1,500,000	1,361,100	1,440,000	0.61%
N2N Connect Berhad	14,137,000	6,251,888	6,361,650	2.69%
Omesti Berhad	2,406,500	1,347,391	336,910	0.14%
Securemetric Berhad (Note ii)	2,924,000	731,000	584,800	0.25%
SFP Tech Holdings Berhad	4,689,000	3,282,300	3,422,970	1.45%
	<u>50,241,698</u>	<u>33,011,369</u>	<u>21,453,366</u>	<u>9.07%</u>
<b>TOTAL QUOTED EQUITIES IN MALAYSIA</b>	<u>148,859,446</u>	<u>105,992,246</u>	<u>74,675,257</u>	<u>31.57%</u>
<b>QUOTED EQUITIES OUTSIDE MALAYSIA</b>				
<b>Australia Stock Exchange ("ASX")</b>				
EQ Resources Limited	50,107,215	8,074,086	5,852,833	2.48%
NuEnergy Gas Limited	59,787,536	5,208,885	2,992,952	1.27%
Tungsten Mining NL (Note iii)	237,536	244,710	62,097	0.03%
	<u>110,132,287</u>	<u>13,527,681</u>	<u>8,907,882</u>	<u>3.78%</u>
<b>Hong Kong Stock Exchange ("HKEX")</b>				
Alibaba Group Holding Ltd (Note iv)	23,400	2,950,796	1,110,427	0.47%
Essex Bio-Technology Ltd	2,985,000	7,576,954	5,054,041	2.14%
Ever Sunshine Services Group Ltd	3,807,000	4,132,868	4,275,280	1.81%
Metasurface Technologies Holdings Limited	1,862,000	2,748,684	1,072,326	0.45%
Nameson Holdings Ltd	1,254,000	573,892	606,630	0.26%
Natural Food International Holdings Ltd (Note v)	409,000	180,062	120,127	0.05%
Tongda Group Holdings Ltd	95,050,000	6,612,422	4,433,883	1.88%
Sino-Ocean Service Holding Ltd	11,669,500	3,775,768	4,032,279	1.71%
Sunac Services Holding Ltd	6,250,000	7,031,115	5,974,962	2.53%
Sunny Optical Technology Ltd	47,300	2,758,672	1,875,479	0.79%
Tencent Holdings Ltd (Note vi)	8,900	2,639,726	2,137,338	0.90%
Xinyi Solar Holdings Ltd	306,000	2,269,891	553,348	0.23%
	<u>123,672,100</u>	<u>43,250,850</u>	<u>31,246,120</u>	<u>13.22%</u>
<b>Thailand Stock Exchange ("SET")</b>				
TBN Corporation Public Company Ltd	825,600	1,655,698	833,238	0.35%
<b>Singapore Stock Exchange ("SGX")</b>				
Fortress Minerals Ltd	2,422,600	3,133,599	1,910,327	0.81%
Singapore Institute of Advanced Medicine Holdings Ltd (Note viii)	13,963,922	8,748,960	2,523,393	1.07%
	<u>16,386,522</u>	<u>11,882,559</u>	<u>4,433,720</u>	<u>1.88%</u>

## 7. INVESTMENTS (CONT'D.)

- (a) The financial assets at FVTPL at the end of the reporting period are Shariah-compliant equities unless stated otherwise, details are as follows :- (Cont'd.)

2024 (Cont'd.)	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES</b>				
<b>OUTSIDE MALAYSIA (CONT'D.)</b>				
<b>Jakarta Stock Exchange ("JKSE")</b>				
PT Erajaya Swasembada Tbk	17,624,800	2,855,044	1,973,780	0.83%
PT Semen Indonesia (Persero) Tbk	1,500,000	2,857,894	1,367,982	0.58%
PT Astra International Tbk	1,850,000	2,915,011	2,512,818	1.06%
PZA Sarimelati Kencana Tbk	8,846,400	2,061,005	277,101	0.12%
PT Wir Asia Tbk	119,700,700	5,343,047	2,787,207	1.18%
PT Ramayana Lestari				
Sentosa Tbk (Note vii)	2,538,200	954,955	258,921	0.11%
	<u>152,060,100</u>	<u>16,986,956</u>	<u>9,177,809</u>	<u>3.88%</u>
<b>Philippine Stock Exchange ("PSE")</b>				
Converge Information and Communications Technology Solutions, Inc				
	850,000	1,375,316	1,057,735	0.45%
Global Ferronickel Holdings Inc	18,723,400	4,437,846	1,501,317	0.64%
Nickel Asia Corporation	4,463,000	1,228,587	1,200,900	0.51%
Universal Robina Corporation	205,000	1,532,624	1,248,635	0.53%
	<u>24,241,400</u>	<u>8,574,373</u>	<u>5,008,587</u>	<u>2.13%</u>
<b>TOTAL QUOTED EQUITIES OUTSIDE MALAYSIA</b>	<u>427,318,009</u>	<u>95,878,117</u>	<u>59,607,356</u>	<u>25.24%</u>
<b>TOTAL FINANCIAL ASSETS AT FVTPL</b>	<u>576,177,455</u>	<u>201,870,363</u>	<u>134,282,613</u>	<u>56.81%</u>
<b>SHORTFALL OF FAIR VALUE OVER COST</b>			<u><b>(67,587,750)</b></u>	
<b>2023</b>				
<b>Name of counter</b>				
<b>QUOTED EQUITIES IN MALAYSIA</b>				
<b>Main Market / ACE Market</b>				
<b>Construction</b>				
Advancecon Holdings Berhad (Note ix)	5,622,800	2,235,428	1,602,498	0.55%
Ame Elite Consortium Berhad	1,840,000	2,364,800	3,072,800	1.05%
Econpile Holdings Berhad	3,463,900	1,783,909	1,056,490	0.36%
Gadang Holdings Berhad	576,000	452,186	192,960	0.07%
Gabungan AQRS Berhad	5,275,200	4,282,468	1,740,817	0.60%
IJM Corporation Berhad	283,000	527,739	532,040	0.18%
Kimlun Corporation Berhad	2,404,075	2,486,696	1,875,179	0.64%
Kerjaya Prospek Group Berhad	1,489,200	1,685,019	2,308,260	0.79%
Muhibbah Engineering (M) Berhad	5,511,850	4,924,523	4,271,684	1.46%
TRC Synergy Berhad (Note i)	1,937,800	930,037	716,986	0.25%
	<u>28,403,825</u>	<u>21,672,805</u>	<u>17,369,714</u>	<u>5.95%</u>
<b>Consumer Product and Services</b>				
DXN Holdings Berhad	12,561,600	8,793,120	7,976,616	2.73%
Guan Chong Berhad	2,169,200	5,621,731	3,969,636	1.36%
Able Global Berhad	2,004,300	2,467,333	3,006,450	1.03%
Kawan Food Berhad	1,293,100	2,716,869	2,327,580	0.80%
Latitude Tree Holdings Berhad	408,184	619,927	502,066	0.17%
Malayan Flour Mills Berhad	2,670,000	2,211,494	1,708,800	0.58%
Senheng New Retail Berhad	6,281,300	5,808,727	2,072,829	0.71%
	<u>27,387,684</u>	<u>28,239,201</u>	<u>21,563,977</u>	<u>7.38%</u>

## 7. INVESTMENTS (CONT'D.)

- (a) The financial assets at FVTPL at the end of the reporting period are Shariah-compliant equities unless stated otherwise, details are as follows :- (Cont'd.)

	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>2023</b>				
<b>Energy</b>				
Deleum Berhad	1,122,000	1,119,647	1,071,510	0.37%
Hibiscus Petroleum Berhad	1,057,146	684,377	2,685,151	0.92%
	<u>2,179,146</u>	<u>1,804,024</u>	<u>3,756,661</u>	<u>1.29%</u>
<b>Healthcare</b>				
Supercomnet Technologies Berhad	2,010,900	3,245,789	2,453,298	0.84%
<b>Industrial Products</b>				
Cahaya Mata Sarawak Bhd	4,116,200	6,682,696	4,445,496	1.52%
Evergreen Fibreboard Berhad	10,177,600	4,244,310	3,104,168	1.06%
Globaltec Formation Berhad	3,000,000	1,560,000	1,800,000	0.62%
HIL Industries Berhad	4,050,300	4,050,300	3,847,785	1.32%
L&P Global Berhad	56,000	16,800	24,080	0.01%
Lotte Chemical Titan Holding Bhd	800,000	1,494,706	1,080,000	0.37%
PIE Industrial Bhd	403,800	1,388,545	1,312,350	0.45%
PESTECH International Bhd	3,553,950	2,262,495	1,155,034	0.40%
PESTECH International Bhd - Warrants	288,812	-	38,990	0.01%
Rohas Tecnic Bhd	775,000	489,793	205,375	0.07%
Seng Fong Holdings Berhad	893,600	670,200	674,668	0.23%
SKP Resources Berhad	3,465,900	4,478,556	2,738,061	0.94%
Superlon Holdings Berhad	192,600	419,209	166,599	0.06%
	<u>31,773,762</u>	<u>27,757,610</u>	<u>20,592,606</u>	<u>7.06%</u>
<b>Plantation</b>				
Sarawak Oil Palms Berhad	147,000	565,287	380,730	0.13%
TSH Resources Berhad	1,190,400	1,399,386	1,160,640	0.40%
	<u>1,337,400</u>	<u>1,964,673</u>	<u>1,541,370</u>	<u>0.53%</u>
<b>Properties</b>				
Eastern & Oriental Bhd	1,572,750	512,999	904,331	0.31%
Hua Yang Berhad	2,479,400	657,294	694,232	0.24%
KSL Holdings Berhad	1,237,013	979,196	1,373,084	0.47%
Matrix Concepts Holdings Berhad	1,013,373	1,418,956	1,672,065	0.57%
MKH Berhad	248,950	633,944	355,999	0.12%
Skyworld Development Berhad	5,176,500	3,492,440	2,847,075	0.97%
SP Setia Bhd Group	4,293,500	3,466,860	3,434,800	1.18%
Tambun Indah Land Berhad	251,300	430,398	213,605	0.07%
	<u>16,272,786</u>	<u>11,592,087</u>	<u>11,495,191</u>	<u>3.93%</u>
<b>Technology</b>				
Agmo Holdings Berhad	19,898	120	10,446	0.00%
Globetronics Technology Berhad	3,149,300	6,709,487	5,101,866	1.75%
Greatech Technology Bhd	235,900	1,071,531	1,132,320	0.39%
Inari Amertron Berhad	270,000	793,053	812,700	0.28%
Kronologi Asia Berhad	20,796,600	10,992,489	8,214,657	2.81%
Kronologi Asia Berhad - Warrants	2,773,100	-	429,831	0.15%
MI Technovation Berhad	147,600	575,640	273,060	0.09%
Omesti Berhad	2,406,500	1,347,391	697,885	0.24%
Securemetric Berhad (Note ii)	2,924,000	731,000	423,980	0.15%
SNS Network Technology Berhad	13,400,000	3,347,635	3,149,000	1.08%
	<u>46,122,898</u>	<u>25,568,346</u>	<u>20,245,745</u>	<u>6.94%</u>
<b>Utilities</b>				
Mega First Corporation Berhad	387,400	1,137,594	1,429,506	0.49%
<b>TOTAL QUOTED EQUITIES IN MALAYSIA</b>				
	<u>155,875,801</u>	<u>122,982,129</u>	<u>100,448,068</u>	<u>34.41%</u>

## 7. INVESTMENTS (CONT'D.)

- (a) The financial assets at FVTPL at the end of the reporting period are Shariah-compliant equities unless stated otherwise, details are as follows :- (Cont'd.)

2023 (Cont'd.)	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES</b>				
<b>OUTSIDE MALAYSIA</b>				
<b>Australia Stock Exchange ("ASX")</b>				
EQ Resources Ltd	42,474,415	6,981,317	7,568,176	2.59%
NuEnergy Gas Limited	46,860,501	5,208,750	4,834,036	1.65%
Tungsten Mining NL ( <i>Note iii</i> )	237,536	244,710	52,720	0.02%
	<u>89,572,452</u>	<u>12,434,777</u>	<u>12,454,932</u>	<u>4.26%</u>
<b>Hong Kong Stock Exchange ("HKEX")</b>				
Alibaba Group Holding Ltd ( <i>Note iv</i> )	23,400	2,950,796	1,040,372	0.36%
Modern Dental Group	1,180,000	2,816,573	2,984,019	1.02%
Essex Bio-Technology Ltd	2,985,000	7,576,954	4,371,141	1.50%
Geely Automobiles Holdings Limited	400,000	2,765,770	2,020,712	0.69%
Natural Food International Holdings Ltd ( <i>Note v</i> )	409,000	180,062	109,442	0.04%
Tongda Group Holdings	43,200,000	3,767,378	2,616,810	0.90%
Sunny Optical Technology Ltd	47,300	2,758,672	1,970,844	0.67%
Tencent Holdings Ltd ( <i>Note vi</i> )	8,900	2,639,726	1,536,729	0.53%
Xinyi Solar Holdings Ltd	306,000	2,269,891	820,611	0.28%
Xiaomi Corporation	208,200	1,490,332	1,910,102	0.65%
	<u>48,767,800</u>	<u>29,216,154</u>	<u>19,380,782</u>	<u>6.64%</u>
<b>Jakarta Stock Exchange ("JKSE")</b>				
PT Erajaya Swasembada Tbk	17,624,800	2,855,044	2,240,436	0.77%
PT Semen Indonesia (Persero) Tbk	1,500,000	2,857,894	2,864,640	0.98%
PT Bank Syariah Indonesia Tbk	1,957,800	703,184	1,016,521	0.35%
PT Sarimelati Kencana Tbk	8,846,400	2,061,005	976,713	0.33%
PT Wir Asia Tbk	119,700,700	5,343,047	3,857,618	1.32%
PT Ramayana Lestari Sentosa Tbk ( <i>Note vii</i> )	2,538,200	954,955	390,060	0.13%
	<u>152,167,900</u>	<u>14,775,129</u>	<u>11,345,988</u>	<u>3.88%</u>
<b>Philippine Stock Exchange ("PSE")</b>				
Converge Information and Technology Solutions, Inc	1,800,000	2,912,435	1,251,972	0.43%
Global Ferronickel Holdings Inc	18,723,400	4,437,846	3,201,327	1.10%
	<u>20,523,400</u>	<u>7,350,281</u>	<u>4,453,299</u>	<u>1.53%</u>
<b>Thailand Stock Exchange ("SET")</b>				
TBN Corporation Public Company Ltd	825,600	1,655,698	1,559,737	0.53%
<b>Singapore Stock Exchange ("SGX")</b>				
Fortress Minerals Ltd	2,422,600	3,133,599	2,569,944	0.88%
<b>TOTAL QUOTED EQUITIES</b>				
<b>OUTSIDE MALAYSIA</b>	<u>314,279,752</u>	<u>68,565,638</u>	<u>51,764,682</u>	<u>17.72%</u>
<b>UNQUOTED ISLAMIC CONVERTIBLE LOAN</b>				
<b>STOCK OUTSIDE MALAYSIA</b>				
Singapore Institute of Advanced Medicine Holdings Pte. Ltd. ( <i>Note viii</i> )	1,733,475	5,596,886	6,029,199	2.06%
<b>TOTAL FINANCIAL ASSETS AT FVTPL</b>				
	<u>471,889,028</u>	<u>197,144,653</u>	<u>158,241,949</u>	<u>54.14%</u>
<b>SHORTFALL OF FAIR VALUE OVER COST</b>			<b><u>(38,902,704)</u></b>	

## 7. INVESTMENTS (CONT'D.)

- (a) The financial assets at FVTPL at the end of the reporting period are Shariah-compliant equities unless stated otherwise, which details are as follows :- (Cont'd.)

**(i) TRC Synergy Berhad**

*These securities has been classified as Shariah non-compliant based on list of Shariah-compliant securities by Shariah Advisory Council of the Securities Commission Malaysia dated 29 November 2024.*

**(ii) Securemetric Berhad**

*These securities has been classified as Shariah non-compliant based on list of Shariah-compliant securities by Shariah Advisory Council of the Securities Commission Malaysia dated 29 November 2024.*

**(iii) Tungsten Mining NL**

*These securities have been classified as Shariah non-compliant based on list of Annual Shariah Approval For Foreign Stocks by Amanie Advisors Sdn Bhd effective from 20 May 2021.*

**(iv) Alibaba Group Holdings Ltd**

*These securities have been classified as Shariah non-compliant based on list of Annual Shariah Approval For Foreign Stocks by Amanie Advisors Sdn Bhd effective from 15 November 2021.*

**(v) Natural Food International Holdings Ltd**

*These securities have been classified as Shariah non-compliant based on list of Annual Shariah Approval For Foreign Stocks by Amanie Advisors Sdn Bhd effective from 22 March 2021.*

**(vi) Tencent Holdings Ltd**

*These securities have been classified as Shariah non-compliant based on list of Annual Shariah Approval For Foreign Stocks by Amanie Advisors Sdn Bhd effective from 15 November 2024.*

**(vii) PT Ramayana Lestari Sentosa Tbk**

*These securities have been classified as Shariah non-compliant based on list of Annual Shariah Approval For Foreign Stocks by Amanie Advisors Sdn Bhd effective from 24 August 2021.*

**(viii) Singapore Institute of Advanced Medicine Holdings Ltd (formerly known as Singapore Institute of Advanced Medicine Holdings Pte. Ltd.)**

*The investment in unquoted Islamic convertible loan stock made by the Fund with Singapore Institute of Advanced Medicine Holdings Ltd ("SIAMH") in the previous financial year was convertible into ordinary shares upon the issuance new ordinary shares pursuant to SIAMH's proposed initial public offering and listing on the Catalist Board of Singapore Stock Exchange Securities Trading Limited ("the Proposed Listing"). The Proposed Listing exercise has been completed and SIAMH was listed on 16 February 2024.*

**(ix) Advancecon Holdings Berhad**

*These securities have been classified as Shariah non-compliant based on the list of Shariah-compliant securities by Shariah Advisory Council of the Securities Commission Malaysia effective from 24 November 2023.*

- (b) The currency exposure profile of financial assets at FVTPL are as follows :

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Ringgit Malaysia	74,675,257	100,448,068
Australian Dollar	8,907,882	12,454,932
Hong Kong Dollar	31,246,120	19,380,782
Indonesian Rupiah	9,177,809	11,345,988
Philippine Peso	5,008,587	4,453,299
Singapore Dollar	4,433,720	8,599,143
Thai Baht	833,238	1,559,737
	<u>134,282,613</u>	<u>158,241,949</u>

**7. INVESTMENTS (CONT'D.)**

(c) Net loss on financial assets at FVTPL for the financial year comprised the following :

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Realised gain on disposals	20,810,187	6,127,822
Unrealised loss on changes in fair value	<u>(27,191,035)</u>	<u>(7,973,788)</u>
As presented on the statement of comprehensive income	<u>(6,380,848)</u>	<u>(1,845,966)</u>

**8. FINANCIAL ASSETS AT FVTOCI**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Unquoted Sukuk (Note 7)	<u>48,517,684</u>	<u>76,287,674</u>
Amortisation of premiums, net of accretion of discounts on financial assets at FVTOCI	<u>(135,476)</u>	<u>(834,461)</u>
Unrealised (loss)/gain on changes in fair value of financial assets at FVTOCI	(134,514)	245,921
Reclassification adjustment to profit or loss on derecognition of financial assets at FVTOCI	<u>252,848</u>	<u>427,846</u>
Total other comprehensive income for the financial year	<u>118,334</u>	<u>673,767</u>

Details of unquoted fixed income securities at the end of the reporting period are as follows :-

<b>2024</b>	<b>Nominal Amount RM</b>	<b>Cost * RM</b>	<b>Fair value RM</b>	<b>Fair value as a percentage of NAV</b>
<b>UNQUOTED SUKUK</b>				
MBSBBANK IMTN 5.250% 19.12.2031 "A3"	3,600,000	3,655,364	3,679,956	1.56%
PKNS IMTN 4.220% 22.02.2025 "AA3"	5,000,000	4,998,285	5,003,550	2.12%
TM TECHNOLOGY SERVICES IMTN 4.88% 28.11.2025 "AAA"	1,300,000	1,310,245	1,314,742	0.56%
DIGI IMTN 4.660% 02.12.2025 - T 6 "AAA"	5,000,000	5,032,670	5,046,300	2.13%
FPSB IMTN 5.050% 05.09.2025 "AA IS"	10,000,000	10,050,696	10,082,700	4.26%
PLUS BERHAD IMTN 4.640% 10.01.2025 -Sukuk PLUS T3 "AAA IS (S)"	3,200,000	3,200,579	3,200,736	1.35%
SDPLANTATION IMTN 5.650% 24.03.2116 "AA IS"	10,000,000	10,395,555	10,188,200	4.31%
ISLAM IMTN (SUB) 3.75% 26.03.2030 - T 2 "A1"	10,000,000	9,941,562	10,001,500	4.23%
	<u>48,100,000</u>	<u>48,584,956</u>	<u>48,517,684</u>	<u>20.52%</u>
<b>SHORTFALL OF FAIR VALUE OVER COST (Note 13)</b>			<u><b>(67,272)</b></u>	

## 8. FINANCIAL ASSETS AT FVTOCI (CONT'D.)

2023

UNQUOTED SUKUK	Amount RM	Cost * RM	Fair value RM	percentage of NAV
DRB-HICOM IMTN 4.550% 12.12.2024 "A+ IS"	4,000,000	4,017,482	4,014,520	1.37%
MAYBANK IMTN 4.630% 31.01.2029 "AA1"	5,000,000	5,133,853	5,003,650	1.71%
MAYBANK IMTN 4.080% PERPETUAL "AA3"	3,500,000	3,592,223	3,501,610	1.20%
PRESS METAL IMTN 4.100% 17.10.2024 "AA2"	10,000,000	10,010,694	10,021,300	3.43%
STSSB IMTN Series 4 3.550% 10.09.2024 "AA- IS (CG)"	5,000,000	4,998,596	4,983,050	1.71%
MBSBBANK IMTN 5.250% 19.12.2031 "A3"	3,600,000	3,663,376	3,662,460	1.25%
PKNS IMTN 4.220% 21.02.2025 "AA3"	5,000,000	4,986,145	5,001,800	1.71%
TM TECHNOLOGY SERVICES IMTN 4.88% 28.11.2025 "AAA"	1,300,000	1,321,636	1,328,314	0.45%
DIGI IMTN 4.660% 02.12.2025 - T 6 "AAA"	5,000,000	5,068,559	5,086,050	1.74%
FPSB IMTN 5.050% 05.09.2025 "AA IS"	10,000,000	10,126,226	10,155,200	3.48%
PLUS BERHAD IMTN 4.640% 10.01.2025 -Sukuk PLUS T3 "AAA IS (S)"	3,200,000	3,224,263	3,228,320	1.10%
SDPLANTATION IMTN 5.650% 24.03.2116 "AA IS"	10,000,000	10,399,924	10,336,600	3.54%
	<u>10,000,000</u>	<u>9,930,303</u>	<u>9,964,800</u>	<u>3.41%</u>
	<u>75,600,000</u>	<u>76,473,280</u>	<u>76,287,674</u>	<u>26.10%</u>

SHORTFALL OF FAIR VALUE OVER COST (Note 13)

(185,606)

\* Cost of Sukuk includes accretion of discount and/or amortisation of premium.

## 9. SHARIAH-BASED DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

	2024 RM	2023 RM
Short-term deposits	<u>50,339,903</u>	<u>45,041,777</u>

The weighted average effective profit rate of the Fund's short-term deposits as at 31 December 2024 was 3.27% (2023 : 3.51%) per annum and had an original maturity period ranging from 15 to 184 days (2023 : 7 to 368 days).

## 10. SHARIAH INFORMATION OF THE FUND

Other than those indicated as Shariah non-compliant in Note 7, the Shariah Advisers confirmed that the investments portfolio of the Fund is Shariah-compliant, which comprises :

- (i) Equity securities listed on Bursa Malaysia which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission Malaysia;
- (ii) Equities securities listed in foreign markets which have been classified as Shariah-compliant by the Amanie Advisors Sdn Bhd;
- (iii) Sukuk as per the list of sukuk available at Bond Info Hub and Fully Automated System For Issuing/Tendering of Bank Negara Malaysia; and
- (iv) Liquid assets in local market, which are placed in Shariah-compliant investments and/or instruments.



**11. AMOUNT DUE TO MANAGER**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Amount due (to)/from Manager arising from release of units	(238,987)	182,585
Amount due to Manager for management fee payable	<u>(301,268)</u>	<u>(372,070)</u>
	<u>(540,255)</u>	<u>(189,485)</u>

**12. INCOME DISTRIBUTION**

Distribution to unitholders are from the following sources :

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Dividend from local quoted equities	3,557,328	2,664,400
Profit from corporate Sukuk	1,341,433	2,626,223
Profit from Shariah-based deposits with licensed financial institutions	4,680,003	836,031
Net realised gain from sale of investments	<u>13,430,343</u>	<u>7,706,040</u>
	23,009,107	13,832,694
Less :		
Expenses	<u>(5,717,679)</u>	<u>(3,261,131)</u>
Realised income for current period	17,291,428	10,571,563
Realised (loss)/income from prior period	<u>(2,497,851)</u>	<u>6,027,338</u>
Total distribution for the financial year	<u>14,793,577</u>	<u>16,598,901</u>
Units in circulation at book closing date	295,870,184	276,648,347
Gross distribution per unit (sen)	5.00	6.00
Net distribution per unit (sen)	5.00	6.00
Date of distribution	<u>26.04.2024</u>	<u>28.04.2023</u>

**13. NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNITHOLDERS**

	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>RM</b>	<b>RM</b>
Unitholders' capital	(a)	285,744,098	324,068,238
Accumulated losses			
- Realised earnings	(b)	15,301,724	5,705,864
- Unrealised loss	(c)	<u>(64,552,422)</u>	<u>(37,361,387)</u>
		(49,250,698)	(31,655,523)
FVTOCI reserve		<u>(67,272)</u>	<u>(185,606)</u>
Net asset value		<u>236,426,128</u>	<u>292,227,109</u>

**(a) Unitholders' Capital**

	<b>2024</b>		<b>2023</b>	
	<b>Number of units</b>	<b>RM</b>	<b>Number of units</b>	<b>RM</b>
Balance at beginning of the financial year	296,395,940	324,068,238	262,785,774	290,412,251
Add: Creation of units	43,584,031	43,024,435	52,044,877	53,319,507
Less: Cancellation of units	(83,304,378)	(83,035,725)	(18,434,711)	(19,455,349)
Distribution equalisation	-	1,687,150	-	(208,171)
Balance at end of the financial year	<u>256,675,593</u>	<u>285,744,098</u>	<u>296,395,940</u>	<u>324,068,238</u>

## 13. NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNITHOLDERS (CONT'D.)

## (b) Realised - Distributable

	2024 RM	2023 RM
Balance at beginning of the financial year	5,705,864	14,143,639
Net (loss)/income after taxation	(2,801,598)	187,338
Net unrealised loss attributable to investments held transferred to unrealised reserve	27,191,035	7,973,788
Distribution out of realised reserve	<u>(14,793,577)</u>	<u>(16,598,901)</u>
Balance at end of the financial year	<u>15,301,724</u>	<u>5,705,864</u>

## (c) Unrealised - Non-distributable

Balance at beginning of the financial year	(37,361,387)	(29,387,599)
Net unrealised loss attributable to investments held transferred from realised reserve	<u>(27,191,035)</u>	<u>(7,973,788)</u>
Balance at end of the financial year	<u>(64,552,422)</u>	<u>(37,361,387)</u>

## 14. NET ASSET VALUE PER UNIT

Net asset value attributable to unitholders is classified as equity in the statement of financial position.

For the purpose of calculation of net asset value attributable to unitholders per unit, quoted financial assets in the financial statements are stated at the last done market price consistent with that used for issuance and redemption of units in accordance with the Deeds.

## 15. UNITS HELD BY RELATED PARTIES

	2024		2023	
	Number of units	Valued at NAV RM	Number of units	Valued at NAV RM
Directors of the Manager #	1,287,639	1,186,044	1,165,018	1,148,591
Person connected to a Director of the Manager #	54,119	49,849	84,647	83,453
	<u>1,341,758</u>	<u>1,235,893</u>	<u>1,249,665</u>	<u>1,232,044</u>

# The Directors and person connected to the Director of the Manager are legal and beneficial owner of the units.

## 16. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTIONS

2024	Value of trade RM	Percentage of total trade	Brokerage fees RM	Percentage of total brokerage fees
Phillip Capital	28,527,932	11.84%	64,196	13.81%
CGSInternational Securities Malaysia	17,606,279	7.31%	26,409	5.68%
Maybank Investment Bank Berhad	17,547,847	7.28%	34,989	7.53%
CLSA Securities Malaysia Sdn Bhd	16,764,046	6.96%	49,590	10.67%
CCB International Securities Limited	16,349,188	6.78%	40,873	8.79%
RHB Investment Bank Berhad	12,832,970	5.33%	25,821	5.56%
DBS Vicker Securities (HK) Pte Ltd.	11,630,041	4.83%	29,075	6.26%
Kenanga Investment Bank Berhad	11,574,197	4.80%	18,810	4.05%
CGS International Securities Malaysia	10,386,086	4.31%	15,591	3.35%
Hong Leong Investment Bank	10,143,532	4.21%	13,652	2.94%
Others	<u>87,631,028</u>	<u>36.35%</u>	<u>145,796</u>	<u>31.36%</u>
	<u>240,993,146</u>	<u>100.00%</u>	<u>464,802</u>	<u>100.00%</u>

**16. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTIONS (CONT'D.)**

<b>2023</b>	<b>Value of trade RM</b>	<b>Percentage of total trade</b>	<b>Brokerage fees RM</b>	<b>Percentage of total brokerage fees</b>
Phillip Capital	25,561,984	20.13%	53,310	16.58%
CLSA Securities Malaysia Sdn Bhd	10,223,828	8.05%	91,508	28.46%
CIMB-GK Securities Indonesia	9,983,588	7.86%	29,951	9.31%
Kenanga Investment Bank Berhad	8,727,437	6.87%	13,193	4.10%
Maybank Investment Bank Berhad	8,341,181	6.57%	16,713	5.20%
UOB Kay Hian Securities (M) Sdn Bhd	7,500,335	5.91%	12,888	4.01%
CCB International Securities Limited	7,232,922	5.69%	18,082	5.62%
CIMB Investment Bank Berhad	5,621,338	4.43%	8,432	2.62%
BRI Danareksa Sekuritas	5,461,823	4.30%	9,831	3.06%
Affin Hwang Capital Investment Bank	5,340,226	4.20%	10,680	3.32%
Others	<u>33,012,780</u>	<u>25.99%</u>	<u>56,971</u>	<u>17.72%</u>
	<u>127,007,442</u>	<u>100.00%</u>	<u>321,559</u>	<u>100.00%</u>

**17. TOTAL EXPENSE RATIO**

This is the ratio of the sum of the fees (inclusive of manager, trustee, audit and other professional fees) and other administrative expenses of the Fund to the average NAV of the Fund calculated on a daily basis. The average NAV of the Fund for the financial year ended 31 December 2024 was RM277,030,401 (2023 : RM287,462,617).

	<b>2024</b>	<b>2023</b>
Total expense ratio	<u>1.71%</u>	<u>1.66%</u>

**18. PORTFOLIO TURNOVER RATIO**

This is the ratio of the average of acquisitions and disposals of investments for the financial year to average NAV of the Fund for the financial year calculated on daily basis.

	<b>2024</b>	<b>2023</b>
Portfolio turnover (times)	<u>0.42</u>	<u>0.36</u>

**19. SEGMENT INFORMATION**

The Manager, the appointed External Investment Manager and Investment Committee of the Fund are responsible for allocating resources available to the Fund in accordance with the overall investment strategies as set out in the investment Guidelines of the Fund. The Fund is managed by two segments :

- A portfolio of equity instruments
- A portfolio of Sukuk and Shariah-based deposits with financial institutions

The investment objective of each segment is to achieve consistent returns from the investments in each segment while safeguarding capital by investing in diversified portfolios. There have been no changes in reportable segments in the current financial year. The segment information provided is presented to the Manager, the appointed External Investment Manager and Investment Committee of the Fund.

## 19. SEGMENT INFORMATION (CONT'D.)

	Equity Portfolio RM	Shariah- Based Deposits and Sukuk Portfolio RM	Total RM
<b>2024</b>			
Gross dividend income	4,006,685	-	4,006,685
Profit from Shariah-based deposits with licensed financial institutions and Sukuk	-	4,798,190	4,798,190
Net loss on financial assets at FVTPL	(6,380,848)	-	(6,380,848)
Reclassification adjustment from other comprehensive income on derecognition of financial assets at FVTOCI upon maturity	-	(26,772)	(26,772)
Amortisation of premiums, net of accretion of discounts on financial assets at FVTOCI	-	(135,476)	(135,476)
Net realised loss on disposal of financial assets at FVTOCI	-	(226,076)	(226,076)
Net realised loss on foreign exchange	(32,751)	-	(32,751)
Total segment operating (loss)/income for the financial year	<u>(2,406,914)</u>	<u>4,409,866</u>	<u>2,002,952</u>
Shariah-based deposits with licensed financial institutions	-	50,339,903	50,339,903
Financial assets at FVTPL	134,282,613	-	134,282,613
Financial assets at FVTOCI	-	48,517,684	48,517,684
Other assets	-	722,522	722,522
Total segment assets	<u>134,282,613</u>	<u>99,580,109</u>	<u>233,862,722</u>
Total segment liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b>2023</b>			
Gross dividend income	3,275,527	-	3,275,527
Profit from Shariah-based deposits with licensed financial institutions and Sukuk	-	4,933,553	4,933,553
Net loss on financial assets at FVTPL	(1,845,966)	-	(1,845,966)
Reclassification adjustment from other comprehensive income on derecognition of financial assets at FVTOCI upon maturity	-	(25,936)	(25,936)
Amortisation of premiums, net of accretion of discounts on financial assets at FVTOCI	-	(834,461)	(834,461)
Net realised loss on disposal of financial assets at FVTOCI	-	(414,160)	(414,160)
Net realised gain on foreign exchange	(17,609)	-	(17,609)
Total segment operating income for the financial year	<u>1,411,952</u>	<u>3,658,996</u>	<u>5,070,948</u>
Shariah-based deposits with licensed financial institutions	-	45,041,777	45,041,777
Financial assets at FVTPL	158,241,949	-	158,241,949
Financial assets at FVTOCI	-	76,287,674	76,287,674
Other assets	203,072	1,010,871	1,213,943
Total segment assets	<u>158,445,021</u>	<u>122,340,322</u>	<u>280,785,343</u>
Amount due to Brokers	<u>40,180</u>	<u>-</u>	<u>40,180</u>
Total segment liabilities	<u>40,180</u>	<u>-</u>	<u>40,180</u>

Expenses of the Fund are not considered part of the performance of any operating segment. The following table provides a reconciliation between the net reportable segment income and operating (loss)/income.

## 19. SEGMENT INFORMATION (CONT'D.)

	2024 RM	2023 RM
Net reportable segment operating income	2,002,952	5,070,948
Expenses	<u>(4,751,130)</u>	<u>(4,778,639)</u>
Net (loss)/income before taxation	(2,748,178)	292,309
Taxation	<u>(53,420)</u>	<u>(104,971)</u>
Net (loss)/income after taxation	<u>(2,801,598)</u>	<u>187,338</u>

In addition, certain assets and liabilities are not considered to be part of the assets or liabilities of an individual segment. The following table provides a reconciliation between the total reportable segment assets and liabilities and total assets and liabilities of the Fund.

	2024 RM	2023 RM
Total segment assets	233,862,722	280,785,343
Cash at bank	2,985,970	11,599,750
Tax recoverable	<u>182,618</u>	<u>135,618</u>
Total assets of the Fund	<u>237,031,310</u>	<u>292,520,711</u>
Total segment liabilities	-	40,180
Amount due to Manager	540,255	189,485
Amount due to Trustee	11,056	13,653
Other payables and accruals	<u>53,871</u>	<u>50,284</u>
Total liabilities of the Fund	<u>605,182</u>	<u>293,602</u>

## 20. FINANCIAL INSTRUMENTS

## (a) Classification of Financial Instruments

The Fund's financial assets and financial liabilities are measured on an ongoing basis at either fair value or at amortised cost based on their respective classification. The significant accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities of the Fund in the statement of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

	Financial assets at FVTPL RM	Financial assets at FVTOCI RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
<b>2024</b>					
<b>Financial assets</b>					
Investments	134,282,613	48,517,684	-	-	182,800,297
Shariah-based deposits with licensed financial institutions	-	-	50,339,903	-	50,339,903
Other receivables	-	-	722,522	-	722,522
Cash at bank	-	-	<u>2,985,970</u>	-	<u>2,985,970</u>
Total financial assets	<u>134,282,613</u>	<u>48,517,684</u>	<u>54,048,395</u>	<u>-</u>	<u>236,848,692</u>
<b>Financial liabilities</b>					
Amount due to Manager	-	-	-	540,255	540,255
Amount due to Trustee	-	-	-	11,056	11,056
Other payables and accruals	-	-	-	<u>53,871</u>	<u>53,871</u>
Total financial liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>605,182</u>	<u>605,182</u>

## 20. FINANCIAL INSTRUMENTS (CONT'D.)

## (a) Classification of Financial Instruments (Cont'd.)

	Financial assets at FVTPL RM	Financial assets at FVTOCI RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
<b>2023</b>					
<b>Financial assets</b>					
Investments	158,241,949	76,287,674	-	-	234,529,623
Shariah-based deposits with licensed financial institutions	-	-	45,041,777	-	45,041,777
Other receivables	-	-	1,213,943	-	1,213,943
Cash at bank	-	-	11,599,750	-	11,599,750
<b>Total financial assets</b>	<b>158,241,949</b>	<b>76,287,674</b>	<b>57,855,470</b>	<b>-</b>	<b>292,385,093</b>
<b>Financial liabilities</b>					
Amount due to Manager	-	-	-	189,485	189,485
Amount due to Trustee	-	-	-	13,653	13,653
Amount due to brokers	-	-	-	40,180	40,180
Other payables and accruals	-	-	-	50,284	50,284
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>293,602</b>	<b>293,602</b>

## (b) Fair Value

## (i) Financial instruments that are carried at fair value

The Fund uses the following level of fair value hierarchy for determining and disclosing the fair value of financial instruments carried at fair value in the statement of financial position :

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly

Level 3: Inputs for the asset or liability that are not based on observable market data

The Fund's financial assets at FVTPL and financial assets at FVTOCI are carried at fair value. The fair values of these financial assets were determined using prices in active markets for identical assets.

Quoted equity instruments

Fair value of quoted equity instruments is determined directly by reference to their published market prices on the relevant stock exchanges at the reporting date. The fair value of quoted equity instruments which have lost active trading market due to suspension in their trading, is determined by reference to their published net tangible assets.

Unquoted Sukuk

The published market prices for RM-denominated unquoted Sukuk are based on information provided by Bond Pricing Agency Malaysia Sdn Bhd.

The Fund held the following financial instruments carried at fair value on the statement of financial position as at the end of the financial year :

## 20. FINANCIAL INSTRUMENTS (CONT'D.)

### (b) Fair Value (Cont'd.)

#### (i) Financial instruments that are carried at fair value (Cont'd.)

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
<b>2024</b>				
Financial assets at FVTPL				
- Quoted equities	134,282,613	-	-	134,282,613
Financial assets at FVTOCI				
- Sukuk	-	48,517,684	-	48,517,684
	<u>134,282,613</u>	<u>48,517,684</u>	<u>-</u>	<u>182,800,297</u>
<b>2023</b>				
Financial assets at FVTPL				
- Quoted equities	152,212,750	-	-	152,212,750
- Unquoted convertible loan stock	-	-	6,029,199	6,029,199
Financial assets at FVTOCI				
- Sukuk	-	76,287,674	-	76,287,674
	<u>152,212,750</u>	<u>76,287,674</u>	<u>6,029,199</u>	<u>234,529,623</u>

The fair value of the Fund's investment in unquoted Islamic convertible loan stock in the previous year was classified within Level 3 of the fair value hierarchy. The convertible loan stock was not traded in an active market and was of short-term in-nature pending the completion of the proposed initial public offering and listing exercise as explained in Note 7(a)(viii), the fair value of the unquoted Islamic convertible loan stock was estimated to be equivalent to the cost of the Fund's investment.

#### (ii) Financial instruments not carried at fair value

Financial instruments not carried at fair value comprise financial assets and financial liabilities subsequently measured at amortised cost. The carrying amount of these financial instruments at the end of the financial year approximated their fair values due to their short-term to maturity.

## 21. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES

The Fund maintains investment portfolios in a variety of quoted and unquoted financial instruments as dictated by its Deeds and investment management strategy.

The Fund is exposed to a variety of risks including market risk (which includes profit rate risk, equity price risk and currency risk), credit risk, liquidity risk and reclassification of Shariah status risk. Whilst these are the most important types of financial risks inherent in each type of financial instruments, the Manager and the Trustee would like to highlight that this list does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Fund.

The Fund's objective in managing risk is the creation and protection of unitholders' value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring of risks. Financial risk management is also carried out through sound internal control systems and adherence to the investment restrictions as stipulated in the Deeds, the Securities Commission Malaysia's Guidelines on *Unit Trust Funds* and the Capital Markets and Services Act, 2007.

### (a) Market Risk

The Fund's principal exposure to market risk arises primarily due to changes or developments in the market environment and typically includes changes in regulations, politics and the economy of the country. Market risk is also influenced by global economics and geopolitical developments. The Fund seeks to diversify away some of this risk by investing into different sectors to mitigate risk exposure to any single asset class.

The Fund's market risk is affected primarily due to changes in market prices, profit rates and foreign currency exchange rates.

## 21. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

### (a) Market Risk (Cont'd.)

#### (i) Equity Price Risk

Equity price risk is the adverse changes in the fair value of equities as a result of changes in the levels of equity indices and the value of individual shares. The equity price risk exposure arises from the Fund's investments in quoted equity securities.

The table below demonstrates the sensitivity of the Fund's net (loss)/income after taxation and NAV to a reasonably possible change in equity prices, as at the end of the financial year, with all other variables held constant :

	2024		2023	
	Impact on net loss after taxation		Impact on net income after taxation	
	Lower / RM	(Higher) RM	Higher / RM	(Lower) RM
Change in equity price by +6%/-6%	8,056,957 /	(8,056,957)	(9,132,765) /	9,132,765

	2024		2023	
	Impact on NAV		Impact on NAV	
	Increase / RM	(Decrease) RM	Decrease / RM	(Increase) RM
Change in equity price by +6%/-6%	8,056,957 /	(8,056,957)	9,132,765 /	(9,132,765)

#### (ii) Profit Rate Risk

This risk refers to the effect of profit rate changes on the valuation of Sukuk. In the event of rising profit rates, the return on Shariah-based deposits with financial institutions will rise while valuation of Sukuk will decrease and vice versa, thus affecting the net asset value of the Fund. This risk will be minimised via the management of the duration structure of the portfolio of Sukuk.

Profit rate is a general economic indicator that will have an impact on the management of fund regardless of whether it is a Shariah-compliant fund or otherwise. It does not in any way suggest that this Fund will invest in conventional financial instruments. All investments carried out for this Fund are in accordance with requirement of the Shariah.

The following table demonstrates the sensitivity of the Fund's NAV to a reasonably possible change in profit rate on Sukuk as at the end of the financial year, with all other variables held constant :

	2024		2023	
	Impact on NAV		Impact on NAV	
	(Decrease) / RM	Increase RM	(Decrease) / RM	Increase RM
Change in profit rate by +25bps/-25bps *	(121,294) /	121,294	(190,719) /	190,719

\* bps = basis points

The assumed movement in basis points for profit rate sensitivity analysis is based on the currently observable market environment.



## 21. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

### (a) Market Risk (Cont'd.)

#### (iii) Currency Risk

The Fund is exposed to currency risk primarily through its investment in overseas equities that are denominated in foreign currencies. The Fund's foreign currency exposure profile of its investment in equities is disclosed in Note 7(b). The currency risk is minimised by proper portfolio allocation and to avoid concentration in a single country.

The table below demonstrates the sensitivity of the Fund's net (loss)/income after taxation and NAV to +/- 10% change in foreign currency exchange rates as at the end of the financial year, with all other variables held constant :

	2024		2023	
	Impact on net loss after taxation		Impact on net income after taxation	
	Lower / RM	(Higher) RM	Higher / RM	(Lower) RM
- Australian Dollar	890,788	(890,788)	(1,245,493)	1,245,493
- Hong Kong Dollar	3,124,612	(3,124,612)	(1,938,078)	1,938,078
- Indonesian Rupiah	917,781	(917,781)	(1,134,599)	1,134,599
- Philippines Peso	500,859	(500,859)	(445,330)	445,330
- Singapore Dollar	443,372	(443,372)	(859,914)	859,914
-Thai Baht	83,324	(83,324)	(155,974)	155,974
	<u>5,960,736</u>	<u>(5,960,736)</u>	<u>(5,779,388)</u>	<u>5,779,388</u>

### (b) Credit Risk

The Fund's principal exposure to credit risk arises primarily due to changes in the financial conditions of companies issuing Sukuk, which may affect their creditworthiness. This in turn may lead to default in the payment of principal and profit. Such events can lead to loss of capital or delayed or reduced income for the Fund resulting in a reduction in the Fund's asset value and thus unit price. This risk is mitigated by vigorous credit analysis and diversification of the Sukuk portfolio of the Fund. The Fund only invested in a relatively stable Sukuk.

The Fund's investments in Shariah-based deposits with licensed financial institutions and bank balances are of high credit ratings while short-term receivables are of short maturities; hence probability of their default on contractual obligations is deemed negligible. Accordingly, no allowance is required for their expected credit losses in accordance with the accounting policies as disclosed in Note 3.2. The carrying amount of the financial assets represents the maximum credit risk exposure for the Fund.

### (c) Liquidity Risk

This risk occurs in thinly traded or illiquid equities. Should the Fund need to sell a relatively large amount of such equities, the act itself may significantly depress the selling price. As the Fund is exposed to daily redemption of units, the risk is minimised by placing a prudent level of funds in short-term Islamic deposits and by investing in equities whose liquidity is adjudged to be commensurate with the expected exposure level of the Fund.

The following table summarises the maturity profile of the Fund's financial assets and financial liabilities in order to meet commitments associated with the Fund's contractual commitments and liquidity.

## 21. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

## (c) Liquidity Risk (Cont'd.)

	Up to 1 year RM	Above 1 year to 5 years RM	Above 5 years RM	Total RM
<b>2024</b>				
<b>Assets</b>				
Financial assets at FVTPL	134,282,613	-	-	134,282,613
Financial assets at FVTOCI	-	24,648,028	23,869,656	48,517,684
Shariah-based deposits with licensed financial institutions	50,339,903	-	-	50,339,903
Other assets	3,708,492	-	-	3,708,492
Non-Financial Assets	182,618	-	-	182,618
	<u>188,513,626</u>	<u>24,648,028</u>	<u>23,869,656</u>	<u>237,031,310</u>
<b>Liabilities</b>				
Other liabilities	605,182	-	-	605,182
Unitholders' NAV	<u>187,908,444</u>	<u>24,648,028</u>	<u>23,869,656</u>	<u>236,426,128</u>
Liquidity gap	-	-	-	-
<b>2023</b>				
<b>Assets</b>				
Financial assets at FVTPL	158,241,949	-	-	158,241,949
Financial assets at FVTOCI	-	54,155,154	22,132,520	76,287,674
Shariah-based deposits with licensed financial institutions	45,041,777	-	-	45,041,777
Other assets	12,813,693	-	-	12,813,693
Non-Financial Assets	135,618	-	-	135,618
	<u>216,233,037</u>	<u>54,155,154</u>	<u>22,132,520</u>	<u>292,520,711</u>
<b>Liabilities</b>				
Other liabilities	293,602	-	-	293,602
Unitholders' NAV	<u>215,939,435</u>	<u>54,155,154</u>	<u>22,132,520</u>	<u>292,227,109</u>
Liquidity gap	-	-	-	-

## (d) Stock Specific Risk

The Fund is exposed to the individual risk of the respective companies issuing equities which includes changes to the business performance of the company, consumer tastes and demand, lawsuits and management practices. This risk is minimised through the well diversified nature of the Fund.

## (e) Single Issuer Risk

The Fund's exposure to equities issued by any issuer is limited to not more than a certain percentage of its net asset value. Under such restriction, the risk exposure to the equities of any issuer is minimised.

## (f) Reclassification of Shariah Status Risk

This risk refers to the risk that the currently held Shariah-compliant equities in the portfolio of Shariah-compliant funds may be reclassified to be Shariah non-compliant upon review of the securities by the Shariah Advisory Council of the Securities Commission Malaysia ("SACSC") performed twice yearly and by Amanie Advisors Sdn Bhd performed once yearly. If this occurs, the Manager will take the necessary steps to dispose of such equities.

There may be opportunity loss to the Fund due to the Fund not being allowed to retain the excess capital gains derived from the disposal of the Shariah non-compliant equities. The value of the Fund may also be adversely affected in the event of a disposal of Shariah non-compliant equities at a price lower than the investment cost.

## (g) Capital Management

The capital is represented by unitholders' subscription to the Fund. The amount of capital can change significantly on a daily basis as the Fund is subject to daily redemption and subscription at the discretion of unitholders. The Manager manages the Fund's capital with the objective of maximising unitholders' value, while maintaining sufficient liquidity to meet unitholders' redemption as explained in Note 21(c) above.

## **TRUSTEE'S REPORT TO THE UNIT HOLDERS OF PHEIM INCOME FUND (“Fund”)**

We have acted as Trustee of the Fund for the financial year ended 31 December 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Pheim Unit Trusts Berhad has operated and managed the Fund during the financial year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

We are of the opinion that the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For **Maybank Trustees Berhad**  
[Company No. : 196301000109 (5004-P)]

**NORHAZLIANA BINTI MOHAMMED HASHIM**  
Head, Unit Trust and Corporate Operations

Kuala Lumpur, Malaysia

Date : 19 February 2025

## **STATEMENT BY MANAGER TO THE UNITHOLDERS OF PHEIM INCOME FUND**

We, Teh Song Lai and Hoi Weng Kong, being two of the Directors (alternate Director and Director respectively) of Pheim Unit Trusts Berhad, do hereby state that, in the opinion of the Manager, the accompanying financial statements of Pheim Income Fund are drawn up in accordance with the Deed, Malaysian Financial Reporting Standards, International Financial Reporting Standards and Securities Commission Malaysia's *Guidelines on Unit Trust Funds* so as to give a true and fair view of the financial position of Pheim Income Fund as at 31 December 2024 and of its financial performance and cash flows for the financial year then ended.

On behalf of the Manager,  
**PHEIM UNIT TRUSTS BERHAD**

**TEH SONG LAI**  
Alternate Director to Dr. Tan Chong Koay

**HOI WENG KONG**  
Director

Kuala Lumpur, Malaysia

Date : 19 February 2025

# **INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF PHEIM INCOME FUND**

## **Report on the Audit of the Financial Statements**

### ***Opinion***

We have audited the financial statements of PHEIM INCOME FUND ("the Fund"), which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in net asset value attributable to unitholders and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 133-161.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Securities Commission Malaysia's *Guidelines on Unit Trust Funds*.

### ***Basis for Opinion***

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Independence and Other Ethical Responsibilities***

We are independent of the Fund in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### ***Information Other than the Financial Statements and Auditors' Report Thereon***

The Manager of the Fund, PHEIM UNIT TRUSTS BERHAD, is responsible for the other information. The other information comprises the information on the Fund together with the Manager's Report included in the Annual Report of the Funds managed by the Manager but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

### ***Information Other than the Financial Statements and Auditors' Report Thereon (Cont'd.)***

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### ***Responsibilities of the Manager and Trustee for the Financial Statements***

The Manager of the Fund is responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Securities Commission Malaysia's *Guidelines on Unit Trust Funds*. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Trustee is responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable the presentation of financial statements that are true and fair.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :-

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

### ***Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd.)***

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also :-

- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### ***Other Matters***

This report is made solely to the unitholders of the Fund, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**FOLKS DFK & CO.**  
NO. : AF 0502  
CHARTERED ACCOUNTANTS

**LEONG KOK TONG**  
NO. : 02973/11/2025 J  
CHARTERED ACCOUNTANT

Kuala Lumpur

**Date : 19 February 2025**

**PHEIM INCOME FUND**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Note	2024 RM	2023 RM
<b>INVESTMENT (LOSS)/INCOME</b>			
Gross dividend income		38,143	73,615
Interest income from :			
- financial assets at amortised cost		49,570	46,409
- financial assets at fair value through other comprehensive income ("FVTOCI")		210,567	363,472
Net loss on financial assets at fair value through profit or loss ("FVTPL")	7(c)	(302,789)	(80,826)
Reclassification adjustment from other comprehensive income on derecognition of financial assets at FVTOCI upon maturity		(13,438)	-
Net realised loss on disposals of financial assets at FVTOCI		(17,807)	(72,109)
Amortisation of premiums, net of accretion of discounts on financial assets at FVTOCI	8	(10,321)	(40,865)
Net realised loss on foreign exchange		(1,113)	(2,402)
		<u>(47,188)</u>	<u>287,294</u>
<b>EXPENSES</b>			
Manager's fee	4	85,543	127,076
Trustee's fee	5	15,000	15,000
Auditors' remuneration		8,500	8,500
Tax agent's fee		3,300	3,000
Brokerage fee and transaction costs		2,139	5,641
Administrative expenses		24,762	24,739
		<u>139,244</u>	<u>183,956</u>
<b>Net (loss)/income before taxation</b>		(186,432)	103,338
Taxation	6	2,284	(3,955)
<b>Net (loss)/income after taxation</b>		<u>(184,148)</u>	<u>99,383</u>
<b>Other comprehensive income</b>			
<i>Item that will be reclassified subsequently to profit or loss</i>			
Net (loss)/gain on changes in fair value of financial assets at FVTOCI	8	(63,081)	53,527
Reclassification adjustment to profit or loss on derecognition of financial assets at FVTOCI	8	40,445	28,534
Total other comprehensive (loss)/income for the financial year		<u>(22,636)</u>	<u>82,061</u>
<b>Total comprehensive (loss)/income for the financial year</b>		<u>(206,784)</u>	<u>181,444</u>
<b>Net (loss)/income after taxation is made up of the following :</b>			
Net realised loss		(110,828)	(207,855)
Net unrealised (loss)/income		(73,320)	307,238
		<u>(184,148)</u>	<u>99,383</u>
<b>Distribution for the financial year :</b>			
Net distribution	11	125,847	383,097
Net distribution per unit (sen)	11	1.00	3.00
Gross distribution per unit (sen)	11	1.00	3.00

The accompanying notes form an integral part of the financial statements.



**PHEIM INCOME FUND  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2024**

	Note	2024 RM	2023 RM
<b>ASSETS</b>			
Investments	7	3,749,265	9,466,598
Deposits with licensed financial institutions	9	1,675,248	2,584,548
Other receivables		16,691	110,514
Tax recoverable		26,379	15,472
Cash at bank		521,496	303,589
<b>TOTAL ASSETS</b>		<u>5,989,079</u>	<u>12,480,721</u>
<b>LIABILITIES</b>			
Amount due to Manager	10	3,961	10,069
Amount due to Trustee		1,150	1,317
Other payables and accruals		16,505	19,024
<b>TOTAL LIABILITIES</b>		<u>21,616</u>	<u>30,410</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>5,967,463</u>	<u>12,450,311</u>
<b>EQUITY</b>			
Unitholders' capital	12(a)	7,088,131	13,238,348
Accumulated losses	12	(1,110,596)	(800,601)
FVTOCI reserve	12	(10,072)	12,564
<b>NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNITHOLDERS</b>	12	<u>5,967,463</u>	<u>12,450,311</u>
<b>UNITS IN CIRCULATION</b>	12 (a)	<u>6,330,272</u>	<u>12,624,317</u>
<b>NET ASSET VALUE PER UNIT</b>	13	<u>0.9427</u>	<u>0.9862</u>

The accompanying notes form an integral part of the financial statements.

**PHEIM INCOME FUND**  
**STATEMENT OF CHANGES IN NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Unitholders' capital RM	Accumulated losses RM	FVTOCI reserve RM	Total equity RM
Balance at 1 January 2023	13,389,196	(516,887)	(69,497)	12,802,812
Net income for the financial year	-	99,383	-	99,383
Other comprehensive income :				
Net gain on changes in fair value of financial assets at FVTOCI	-	-	53,527	53,527
- Reclassification adjustment to profit or loss on derecognition of financial assets at FVTOCI	-	-	28,534	28,534
Total comprehensive loss for the financial year	-	99,383	82,061	181,444
Creation of units	500,443	-	-	500,443
Cancellation of units	(662,042)	-	-	(662,042)
Distribution equalisation	10,751	-	-	10,751
Income distribution (Note 11)	-	(383,097)	-	(383,097)
Total transactions with unitholders	(150,848)	(383,097)	-	(533,945)
Balance at 31 December 2023	13,238,348	(800,601)	12,564	12,450,311
Net loss for the financial year	-	(184,148)	-	(184,148)
Other comprehensive (loss)/income :				
Net loss on changes in fair value of financial assets at FVTOCI	-	-	(63,081)	(63,081)
- Reclassification adjustment to profit or loss on derecognition of financial assets at FVTOCI	-	-	40,445	40,445
Total comprehensive loss for the financial year	-	(184,148)	(22,636)	(206,784)
Creation of units	439,814	-	-	439,814
Cancellation of units	(6,872,445)	-	-	(6,872,445)
Distribution equalisation	282,414	-	-	282,414
Income distribution (Note 11)	-	(125,847)	-	(125,847)
Total transactions with unitholders	(6,150,217)	(125,847)	-	(6,276,064)
Balance at 31 December 2024	7,088,131	(1,110,596)	(10,072)	5,967,463

The accompanying notes form an integral part of the financial statements.

**PHEIM INCOME FUND  
STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	3,298,546	2,769,501
Purchase of investments	(1,807,040)	(1,523,744)
Proceed from sales of bond	3,255,648	-
Purchase of bonds	(1,568,253)	-
Proceeds received from bonds on maturity	2,200,000	500,000
Dividends received	45,253	67,138
Interest received	313,046	403,481
Management fee paid	(91,650)	(127,081)
Trustee's fee paid	(15,085)	(15,000)
Payment for other fees and expenses	(46,348)	(30,042)
Tax paid	-	(15,545)
Net cash from operating and investing activities	<u>5,584,117</u>	<u>2,028,708</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	307,929	94,330
Payment for cancellation of units	(6,583,414)	(630,527)
Distribution paid	(25)	(76)
Net cash used in financing activities	<u>(6,275,510)</u>	<u>(536,273)</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(691,393)	1,492,435
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<u>2,888,137</u>	<u>1,395,702</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<u>2,196,744</u>	<u>2,888,137</u>
Cash and cash equivalents comprise the following :		
Deposits with licensed financial institutions (Note 9)	1,675,248	2,584,548
Cash at bank	521,496	303,589
	<u>2,196,744</u>	<u>2,888,137</u>

The accompanying notes form an integral part of the financial statements.

**PHEIM INCOME FUND  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES**

Pheim Income Fund ("the Fund") was established pursuant to a Master Deed dated 11 January 2002 as amended and modified and supplemented by a Supplemental Master Deed dated 03 November 2008 made between HSBC Trustee (Malaysia) and Pheim Unit Trusts Berhad ("the Manager"), a Second Supplemental Master Deed dated 29 April 2013, Third Supplemental Master Deed dated 30 April 2015 and the Fourth Supplemental Master Deed dated 10 January 2023 made between the Manager and Maybank Trustees Berhad ("the Trustee").

The objective of the fund is to provide unitholders with consistent income returns in the medium to longer term by investing primarily in medium to long-term fixed income instruments and also equities other high yielding instruments. The Fund is to invest in "Permitted Investments" in accordance with the Deeds comprising :

- (a) Securities of Malaysian companies listed on approved stock exchange(s);
- (b) Securities and liquid assets in foreign markets that are permitted by the SC;
- (c) Loan stocks and corporate bonds;
- (d) Unlisted securities whether or not approved for listing and quotation under the rules of an eligible market, which are offered directly to the Fund by the issuer;
- (e) Malaysian government securities, treasury bills, Bank Negara Malaysia certificates, government investment certificates and Cagamas bonds;
- (f) Units or shares of other collective investments schemes;
- (g) Cash, deposits and money market instruments with financial institutions licenced or approved to accept deposits;
- (h) Derivatives traded on an exchange or over-the-counter (for hedging purposes only);
- (i) Structured products by an eligible issuer (for structured products issued in Malaysia) or an issuer regulated by the relevant regulatory authority (for structured products issued outside Malaysia);
- (j) Any other form of investments as may be agreed upon by the Manager and the Trustee from time to time; and
- (k) Any other form of investments as may be permitted by the SC from time to time.

The Manager, Pheim Unit Trusts Berhad, is a public company incorporated in Malaysia. It is a wholly owned subsidiary of Pheim Asset Management Sdn Bhd, a private company incorporated in Malaysia. Its principal activity is the management of unit trust funds. Pheim Asset Management Sdn Bhd has been appointed by the Manager as the External Investment Manager of the Fund with the responsibility for providing investment management services to the Fund.

The principal place of business of the Fund is located at 7th Floor, Menara Hap Seng, Jalan P. Ramlee, 50250 Kuala Lumpur.

The financial statements are presented in Ringgit Malaysia (RM).

The financial statements were authorised for issue by the Board of Directors of the Manager in accordance with the resolution of the directors on 19 February 2025.

## 2. BASIS OF PREPARATION

### 2.1 Statement of Compliance

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the Securities Commission Malaysia's *Guidelines on Unit Trust Funds*.

### 2.2 Basis of Measurement

The financial statements of the Fund are prepared under the historical cost convention except for debt and equity financial assets that have been measured at fair value.

### 2.3 Application of Amendments to MFRSs

During the financial year, the Fund has applied the amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") which became effective for annual accounting period beginning on 1 January 2024. The initial application of those amendments to MFRSs has no impact on the financial statements of the Fund.

### 2.4 New MFRSs and Amendments to MFRSs That Are In Issue But Not Yet Effective and Have Not Been Early Adopted

The Fund has not early adopted those new MFRSs and amendments to MFRSs issued by the MASB that are effective for annual accounting periods commencing on or after 1 January 2024. Other than as explained below, none of them is expected to have material effect on the financial statements of the Fund in the period of initial application.

#### **MFRS 18 Presentation and Disclosure in Financial Statements**

The new MFRS 18 become effective for annual accounting period commencing on or after 1 January 2027 and will replace MFRS 101 Presentation of Financial Statements while retaining many of the requirements in MFRS 101 with limited changes. MFRS 18 introduces new specified categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures that are reported outside an entity's financial statements in the notes to the financial statements, and enhanced principles on aggregation and disaggregation of information in the financial statements.

The new standard will redefine financial performance reporting by an entity through a new structure of the statement of profit or loss and additional disclosures for performance measures but it will not impact the recognition and measurement of items in the financial statements of the entity.

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below are consistent with those applied by the Fund in the previous financial year.

### 3.1 Financial Assets

Financial assets are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instruments. Regular way of purchase and sale of investments in financial instruments are recognised on trade dates, i.e. the date on which the Fund commits to purchase or sell the investments. When financial assets are recognised initially, they are measured at fair value, plus directly attributable transaction costs, for investments not at fair value through profit or loss. Transaction costs for investments carried at fair value through profit or loss are charged to profit or loss.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

#### 3.1 Financial Assets (Cont'd.)

Subsequent to initial recognition, financial assets are measured in accordance with their classification on initial recognition.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or the Fund has transferred substantially all risks and rewards of ownership of the assets.

The Fund determines the classification of its financial assets at initial recognition into the following categories for subsequent measurement depending on both its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

##### (a) Financial assets at amortised cost

Financial assets which are debt instruments are measured at amortised cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and their contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Fund's financial assets at amortised cost comprised other receivables, deposits with licensed financial institutions and cash at bank.

Subsequent to initial recognition, the debt instruments are measured at amortised cost using the effective interest method less any allowance for impairment. Gains or losses are recognised in profit or loss when the debt instruments are derecognised or impaired, and through the amortisation process.

##### (b) Financial assets at fair value through other comprehensive income ("FVTOCI")

Debt instruments are measured at FVTOCI if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, and their contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Fund's FVTOCI financial assets consist of unquoted fixed income securities as disclosed in Note 8.

Subsequent to initial recognition, gains or losses from changes in fair value of the debt instruments are recognised in other comprehensive income, except for impairment gains or losses, foreign exchange gains and losses, and interest calculated using effective interest method which are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the debt instrument is derecognised.

##### (c) Financial assets at fair value through profit or loss ("FVTPL")

The Fund's financial assets at FVTPL comprised equity investments and debt instruments which are held under a business model to manage and evaluate their performance on a fair value basis.

Subsequent to initial recognition, financial assets at FVTPL are measured at fair value with changes in fair value recognised in profit or loss and presented as "Net gain or loss on financial assets at FVTPL". Interest and dividend earned from such instruments are recognised and presented separately as "Interest income" and "Gross dividend income", respectively in profit or loss. Foreign exchange differences on financial assets at FVTPL are not recognised separately in profit and loss but included in net gains or net losses on changes in fair value of financial assets at FVTPL.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

#### 3.2 Impairment of Financial Assets

The Fund assesses financial assets at FVTOCI and at amortised cost for expected credit losses ("ECLs") and account for the ECLs and changes in those ECLs at each reporting date to reflect changes in their credit risk since initial recognition. ECLs represent a probability-weighted estimate of the difference between present value of contractual cash flows attributable to a financial asset and present value of cash flows the Fund expects to receive over the remaining life of the financial asset. When a financial asset is credit-impaired, the ECLs shall be measured as the difference between the gross carrying amount of the asset and the present value of the estimated future cash flows. A financial asset is written off when the Fund has no reasonable expectations of recovering the contractual cash flows.

##### (a) Financial assets at FVTOCI

The Fund recognises an allowance for ECLs on debt instruments at FVTOCI to reflect their credit exposures at the reporting date. If the credit risk on the debt instruments has increased significantly since initial recognition, a loss allowance which equal to the lifetime ECLs is recognised, irrespective of the timing of default events that are possible. If there has not been a significant increase in the credit risk since initial recognition, a loss allowance which equal to 12-month ECLs is recognised for the effect of default events that are possible within the next 12 months. The cumulative loss allowance does not reduce the carrying amount of debt instruments at FVTOCI and is recognised in other comprehensive income. An impairment loss or gain is recognised in profit or loss as the amount of expected credit losses (or reversals) that is required to arrive at the cumulative loss allowance.

##### (b) Financial assets at amortised cost

For short-term amount due from other receivables carried at amortised cost and with maturities of less than 12 months, ECLs are measured using the simplified approach for ECL under MFRS 9 for trade receivables with no financing component. Under this approach, the Fund does not track changes in credit risk of the receivables and recognises a loss allowance based on their lifetime ECL at the reporting date. The amount of expected credit losses (or reversals) required to arrive at the loss allowance is recognised as an impairment loss or gain in profit or loss. The cumulative loss allowance recognised is set off against the gross carrying amount of the receivables at the reporting date.

#### 3.3 Classification of Realised and Unrealised Gain and Losses

Unrealised gain and losses comprise changes in fair value of financial instruments for the period from reversal of prior period's unrealised gain and losses for financial instruments which were realised (i.e. sold, redeemed or matured) during the reporting period.

Realised gains and losses on disposals of financial instruments classified as part of "at fair value through profit or loss" are calculated using weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount, or cash payment or receipts made of derivative contracts (excluding payments or receipts on collateral margin accounts for such investments).

#### 3.4 Financial Liabilities

Financial liabilities are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value, minus directly attributable transaction costs in the case of financial liabilities not at FVTPL.

Financial liabilities are classified at initial recognition according to the substance of the contractual arrangements entered into and the definition of a financial liability.

The Fund's financial liabilities which include amounts due to Trustee and Manager, other payables and accruals are classified as subsequently measured at amortised cost using the effective interest method. The Fund does not have financial liabilities classified as at FVTPL.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

#### 3.4 Financial Liabilities (Cont'd.)

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

#### 3.5 Fair Value Measurement

For financial assets at FVTOCI and FVTPL that require fair value measurement, the Fund establishes a fair value measurement hierarchy that gives the highest priority to quoted prices (unadjusted) in active markets and the lowest priority to unobservable inputs.

A fair value measurement of an item is estimated using a quoted price in an active market if that price is observable. The active market is the principal market for the asset or, in the absence of a principal market, the most advantageous market for the asset; and for which the Fund can enter into a transaction for the asset at the price in that market at the measurement date.

In the absence of an active market price, the fair value of an item is estimated by an established valuation technique using inputs from the marketplace that are observable for substantially the full term of the asset.

In the absence of both market price and observable inputs, a fair value measurement of an item is estimated by an established valuation technique using unobservable inputs, including internally developed assumptions that are reasonable and supportable.

#### 3.6 Foreign Currencies

The financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates ("the functional currency"). The financial statements are presented in Ringgit Malaysia (RM), which is also the Fund's functional currency.

In preparing the financial statements, transactions in currencies other than the Fund's functional currency (foreign currencies) are recorded in the functional currency using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, foreign currency monetary assets and liabilities are translated at exchange rates prevailing at the end of the reporting period. Non-monetary items that are measured at fair value in a foreign currency are translated using exchange rates at the date when the fair value was determined.

Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are recognised in profit or loss.

Exchange differences arising from the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains or losses are recognised directly in equity. Exchange differences arising from such non-monetary items are recognised directly to equity.

#### 3.7 Unitholders' Capital

The unitholders' contributions to the Fund meet the definition of puttable instruments classified as equity instruments under MFRS 132.

Distribution equalisation represents the average distributable amount included in the creation and cancellation prices of units. This amount is either refunded to unitholders by way of distribution and/or adjusted accordingly when units are cancelled.

#### 3.8 Income Distribution

Income distributions are at the discretion of the Manager. Income distribution to the Fund's unitholders is accounted for as a deduction from realised reserves except where distribution is sourced out of distribution equalisation which is accounted for as deduction from unitholders' capital.



### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

#### 3.9 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and deposits with licensed financial institutions which have insignificant risk of changes in value.

#### 3.10 Income Recognition

Income is recognised to the extent that is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at fair value of consideration received or receivable.

Dividend income is recognised when the Fund's right to receive payment is established.

Interest income, which includes the accretion of discount and amortisation of premium on fixed income securities, is recognised using effective interest method.

#### 3.11 Income Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

No deferred tax is recognised as there are no material temporary differences.

#### 3.12 Segment Reporting

For management purposes, the Fund is managed under 2 main portfolios, namely (1) equity securities; and (2) fixed income instruments. Each segment engages in separate business activities and the operating results are regularly reviewed by the Manager, External Investment Manager and the Fund's Investment Committee. The External Investment Manager and the Fund Investment Committee jointly assumes the role of chief operation decision maker, for performance assessment purposes and to make decision about resources allocated to each investment segment.

#### 3.13 Significant Accounting Estimates and Judgements

The preparation of financial statements in accordance with MFRS and IFRS requires the use of certain accounting estimates and exercise of judgements. Estimates and judgements are continually evaluated and are based on past experience, reasonable expectations of future events and other factors.

No major judgements have been made by the Manager in applying the Fund's accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next year.

### 4. MANAGER'S FEE

The Manager is entitled to an annual management fee of 1.00% (2023 : 1.00%) per annum of the NAV of the Fund (before deducting Manager's and Trustee's fees for the day) calculated and accrued on a daily basis.

### 5. TRUSTEE' S FEE

The Trustee is entitled to a fee of 0.055% (2023 : 0.055%) per annum based on the NAV of the Fund (before deducting Manager's and Trustee's fees for the day) calculated and accrued on a daily basis subject to a minimum of RM15,000 (2023 : RM15,000) per annum.

**6. TAXATION**

	<b>2024</b> <b>RM</b>	<b>2023</b> <b>RM</b>
Tax (income)/expense for the financial year comprised :-		
Malaysian income tax	-	6,500
Taxation over provided in prior financial year	<u>(3,150)</u>	<u>(5,405)</u>
	(3,150)	1,095
Foreign withholding tax	<u>866</u>	<u>2,860</u>
	<u>(2,284)</u>	<u>3,955</u>

In accordance with Schedule 6 of Income Tax Act 1967 ("ITA 1967"), dividend income and profit income earned by the Fund is exempted from tax. With effect from 1 January 2022, income derived from sources outside Malaysia and received by the Fund in Malaysia will be subject to the Malaysian income tax pursuant to the ITA 1967. However, based on P.U. (A) 250 of the ITA 1967 on 19 September 2024, the income derived from sources outside Malaysia is exempted from tax for year of assessment from 1 January 2024 to 31 December 2026, in accordance to conditions imposed by the Director General under Section 134A of the ITA.

The Malaysian taxation charge for the current financial year is calculated at the applicable statutory tax rate on taxable income received from outside Malaysia after 31 December 2021, net of applicable allowable expenses and deduction of credit allowed under section 132 or 133 of the ITA, if any.

	<b>2024</b> <b>RM</b>	<b>2023</b> <b>RM</b>
Net (loss)/income before taxation	<u>(186,432)</u>	<u>103,338</u>
Taxation at the Malaysian statutory rate of 24 % (2023 : 24%)	(44,744)	24,801
Tax effects in respect of :		
Income not subject to tax	(115,096)	(214,957)
Loss disregarded for tax purposes	126,421	155,596
Expenses not deductible for tax purposes	10,805	11,708
Restriction on tax deductible expenses for unit trust funds	22,614	29,352
Income tax over provided in prior financial year	<u>(3,150)</u>	<u>(5,405)</u>
	(3,150)	1,095
Foreign withholding tax	<u>866</u>	<u>2,860</u>
Tax (income)/expense	<u>(2,284)</u>	<u>3,955</u>

**7. INVESTMENTS**

	<b>2024</b> <b>RM</b>	<b>2023</b> <b>RM</b>
<b>Financial assets at fair value through profit or loss ("FVTPL")</b>		
Quoted equities :		
- in Malaysia	702,987	1,648,068
- outside Malaysia	<u>994,725</u>	<u>1,540,576</u>
	1,697,712	3,188,644
Unquoted convertible loan stock outside Malaysia	<u>-</u>	<u>306,073</u>
	1,697,712	3,494,717
<b>Financial assets at fair value through other comprehensive income ("FVTOCI") (Note 8)</b>		
- Unquoted fixed income securities in Malaysia	2,051,553	5,971,881
Total investments	<u>3,749,265</u>	<u>9,466,598</u>

## 7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows :

2024

	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES IN MALAYSIA</b>				
<b>Main Market / ACE Market</b>				
<b>Agriculture</b>				
Cropmate Berhad	143,700	29,050	28,740	0.48%
<b>Healthcare</b>				
Supercomnet Technologies Berhad	69,100	111,942	93,976	1.57%
<b>Consumer Products and Services</b>				
DXN Holdings Berhad	100,000	70,000	51,500	0.86%
Senheng New Retail Berhad	196,800	190,176	57,072	0.96%
	296,800	260,176	108,572	1.82%
<b>Construction</b>				
Gadang Holdings Berhad	100,000	31,335	33,500	0.56%
Gabungan AQRS Berhad	113,900	73,050	34,170	0.57%
	213,900	104,385	67,670	1.13%
<b>Property</b>				
Skyworld Development Berhad	63,100	50,480	35,652	0.60%
<b>Industrial Product</b>				
Mega Fortris Berhad	40,000	27,089	25,200	0.42%
<b>Technology</b>				
Datasonic	31,400	12,560	12,874	0.22%
Greatech Technology Bhd	19,400	67,900	44,814	0.75%
Kronologi Asia Berhad	190,840	110,092	55,344	0.93%
N2N Connect Berhad	414,100	181,721	186,345	3.12%
SFP Tech Holdings Berhad	60,000	42,000	43,800	0.73%
	715,740	414,273	343,177	5.75%
<b>TOTAL QUOTED EQUITIES IN MALAYSIA</b>	<b>1,542,340</b>	<b>997,395</b>	<b>702,987</b>	<b>11.77%</b>
<b>QUOTED EQUITIES OUTSIDE MALAYSIA</b>				
<b>Australia Stock Exchange ("ASX")</b>				
EQ Resources Limited	647,638	112,910	75,648	1.27%
NuEnergy Gas Limited	2,073,276	198,250	103,788	1.74%
	2,720,914	311,160	179,436	3.01%

## 7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows : (Cont'd)

## 2024 (Cont'd.)

	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES OUTSIDE MALAYSIA (CONT'D.)</b>				
<b>Hong Kong Stock Exchange ("HKEX")</b>				
Essex Bio-Technology Ltd	66,000	185,992	111,748	1.87%
Metasurface Technologies Holdings Limited	27,000	39,874	15,549	0.26%
Sino-Ocean Service Holding Ltd	420,000	157,900	145,127	2.43%
Tongda Group Holdings	940,000	70,329	43,849	0.73%
	<u>1,453,000</u>	<u>454,095</u>	<u>316,273</u>	<u>5.29%</u>
<b>Singapore Stock Exchange ("SGX")</b>				
Alpina Holding Limited	89,000	86,590	54,097	0.91%
Singapore Institute of Advanced Medicine Holdings Ltd ( <i>Note i</i> )	680,583	421,313	122,987	2.06%
Grand Venture Technology	28,700	100,216	70,251	1.18%
Fortress Minerals Ltd	111,400	117,683	87,844	1.47%
Mooreast Holding Limited	104,000	70,894	37,587	0.63%
	<u>1,013,683</u>	<u>796,696</u>	<u>372,766</u>	<u>6.25%</u>
<b>Stock Exchange of Thailand ("SET")</b>				
L.P.N Development Public Company Ltd	130,000	131,024	43,339	0.73%
TBN Corporation Public Company Limited	35,700	72,237	36,030	0.60%
CIMB Thai Bank	800,000	57,123	46,881	0.79%
	<u>965,700</u>	<u>260,384</u>	<u>126,250</u>	<u>2.12%</u>
<b>TOTAL QUOTED EQUITIES OUTSIDE MALAYSIA</b>	<u>6,153,297</u>	<u>1,822,335</u>	<u>994,725</u>	<u>16.67%</u>
<b>TOTAL FINANCIAL ASSETS AT FVTPL</b>	<u>7,695,637</u>	<u>2,819,730</u>	<u>1,697,712</u>	<u>28.44%</u>
<b>SHORTFALL OF FAIR VALUE OVER COST</b>			<u>(1,122,018)</u>	

## 2023

	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES IN MALAYSIA</b>				
<b>Main Market / ACE Market</b>				
<b>Construction</b>				
Gabungan AQRS Berhad	228,900	146,806	75,537	0.61%
<b>Consumer products</b>				
Senheng New Retail Berhad	196,800	190,176	64,944	0.52%
DXN Holdings Berhad	190,900	133,630	121,222	0.97%
	<u>387,700</u>	<u>323,806</u>	<u>186,166</u>	<u>1.49%</u>

## 7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows : (Cont'd)

<b>2023 (Cont'd.)</b>	<b>Quantity held</b>	<b>Cost RM</b>	<b>Fair value RM</b>	<b>Fair value as a percentage of NAV</b>
<b>QUOTED EQUITIES IN MALAYSIA (CONT'D)</b>				
<b>Energy</b>				
Hibiscus Petroleum Berhad	180,880	213,014	459,435	3.69%
<b>Healthcare</b>				
Hartalega Holdings Bhd	22,900	223,468	61,830	0.50%
Supercomnet Technologies Berhad	115,100	186,462	140,422	1.13%
	<u>138,000</u>	<u>409,930</u>	<u>202,252</u>	<u>1.63%</u>
<b>Industrial Products</b>				
Evergreen Fibreboard Berhad	191,000	80,712	58,255	0.47%
Globaltec Formation Berhad	78,500	48,607	47,100	0.38%
	<u>269,500</u>	<u>129,319</u>	<u>105,355</u>	<u>0.85%</u>
<b>Financial services</b>				
Hong Leong Capital	15,000	75,000	68,250	0.55%
<b>Properties</b>				
Skyworld Development Berhad	117,100	93,680	64,405	0.52%
<b>Technology</b>				
Greatech Technology Bhd	9,700	67,900	46,560	0.37%
Kronologi Asia Berhad	990,840	571,599	391,381	3.14%
Kronologi Asia Berhad - Warrants	165,140	-	25,597	0.21%
Omesti Berhad	50,000	30,000	14,500	0.12%
Omesti Berhad - Redeemable Preference Shares	10,000	10,000	8,630	0.07%
	<u>1,225,680</u>	<u>679,499</u>	<u>486,668</u>	<u>3.91%</u>
<b>TOTAL QUOTED EQUITIES IN MALAYSIA</b>	<u>2,562,760</u>	<u>2,071,054</u>	<u>1,648,068</u>	<u>13.25%</u>
<b>QUOTED EQUITIES OUTSIDE MALAYSIA</b>				
<b>Australia Stock Exchange ("ASX")</b>				
EQ Resources Limited	897,638	156,496	159,943	1.28%
NuEnergy Gas Limited	1,625,000	198,250	167,632	1.35%
	<u>2,522,638</u>	<u>354,746</u>	<u>327,575</u>	<u>2.63%</u>

## 7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows : (Cont'd)

2023 (Cont'd.)	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES OUTSIDE MALAYSIA (CONT'D.)</b>				
<b>Hong Kong Stock Exchange ("HKEX")</b>				
Asia Cement Holdings Corporation	26,000	71,517	37,309	0.30%
China Merchant Bank	3,000	66,558	47,988	0.39%
Essex Bio-Technology Ltd	96,000	270,533	140,579	1.13%
China Constructions Bank Corp	46,000	153,356	125,795	1.01%
Nameson Holdings Ltd	94,000	51,547	27,641	0.22%
Tongda Group Holdings	940,000	70,329	56,940	0.46%
	<u>1,205,000</u>	<u>683,840</u>	<u>436,252</u>	<u>3.51%</u>
<b>Jakarta Stock Exchange ("JKSE")</b>				
PT Erajaya Swasembada Tbk	881,200	142,746	112,017	0.90%
PT Wir Asia Tbk	2,400,000	105,871	77,345	0.62%
	<u>3,281,200</u>	<u>248,617</u>	<u>189,362</u>	<u>1.52%</u>
<b>Phillipine Stock Exchange ("PSE")</b>				
Converge Information and Communications Technology Solutions, Inc	45,000	72,653	31,299	0.25%
<b>Singapore Stock Exchange ("SGX")</b>				
Alpina Holding Limited	127,000	123,561	80,835	0.65%
Grand Venture Technology	58,700	204,972	111,270	0.89%
Fortress Minerals Ltd	111,400	117,683	118,175	0.95%
Mooreast Holding Limited	209,000	142,469	109,038	0.88%
	<u>506,100</u>	<u>588,685</u>	<u>419,318</u>	<u>3.37%</u>
<b>Stock Exchange of Thailand ("SET")</b>				
L.P.N Development Public Company Ltd	130,000	131,024	69,325	0.56%
TBN Corporation Public Company Limited	35,700	72,237	67,445	0.54%
	<u>165,700</u>	<u>203,261</u>	<u>136,770</u>	<u>1.10%</u>
<b>TOTAL QUOTED EQUITIES OUTSIDE MALAYSIA</b>	<u>7,725,638</u>	<u>2,151,802</u>	<u>1,540,576</u>	<u>12.38%</u>
<b>UNQUOTED CONVERTIBLE LOAN STOCK OUTSIDE MALAYSIA</b>				
Singapore Institute of Advanced Medicine Holdings Pte. Ltd. (Note i)	88,000	282,656	306,073	2.46%
<b>TOTAL FINANCIAL ASSETS AT FVTPL</b>	<u>10,376,398</u>	<u>4,505,512</u>	<u>3,494,717</u>	<u>28.09%</u>
<b>SHORTFALL OF FAIR VALUE OVER COST</b>			<u><b>(1,010,795)</b></u>	

## 7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows : (Cont'd)

(i) **Singapore Institute of Advanced Medicine Holdings Ltd (formerly known as Singapore Institute of Advanced Medicine Holdings Pte. Ltd.)**

*The investment in unquoted convertible loan stock made by the Fund with Singapore Institute of Advanced Medicine Holdings Ltd ("SIAMH") in the previous financial year was convertible into ordinary shares upon the issuance new ordinary shares pursuant to SIAMH's proposed initial public offering and listing on the Catalist Board of Singapore Stock Exchange Securities Trading Limited ("the Proposed Listing"). The Proposed Listing exercise has been completed and SIAMH was listed on 16 February 2024.*

(b) The currency exposure profile of financial assets at FVTPL are as follows :

	<b>2024 RM</b>	<b>2023 RM</b>
Ringgit Malaysia	702,987	1,648,068
Australian Dollar	179,436	327,575
Hong Kong Dollar	316,273	436,252
Indonesian Rupiah	-	189,362
Philippine Peso	-	31,299
Singapore Dollar	372,766	725,391
Thai Baht	126,250	136,770
	<u>1,697,712</u>	<u>3,494,717</u>

(c) Net loss on financial assets at FVTPL for the financial year comprised the following :

	<b>2024 RM</b>	<b>2023 RM</b>
Realised loss on disposals	(229,469)	(388,064)
Unrealised (loss)/gain on changes in fair value	(73,320)	307,238
As presented on the statement of comprehensive income	<u>(302,789)</u>	<u>(80,826)</u>

## 8. FINANCIAL ASSETS AT FVTOCI

	<b>2024 RM</b>	<b>2023 RM</b>
Unquoted fixed income securities (Note 7)	<u>2,051,553</u>	<u>5,971,881</u>
Amortisation of premiums, net of accretion of discounts on financial assets at FVTOCI	<u>(10,321)</u>	<u>(40,865)</u>
Unrealised (loss)/gain on changes in fair value of financial assets at FVTOCI	(63,081)	53,527
Reclassification adjustments on derecognition of financial assets at FVTOCI	<u>40,445</u>	<u>28,534</u>
Total other comprehensive (loss)/income	<u>(22,636)</u>	<u>82,061</u>

## 8. FINANCIAL ASSETS AT FVTOCI (CONT'D.)

Details of financial assets at the end of the reporting period are as follows :-

2024	Nominal Amount RM	Cost * RM	Fair value RM	Fair value as a percentage of NAV
<b><u>UNQUOTED FIXED INCOME SECURITIES</u></b>				
AIBB IMTN5 PERPETUAL AT1 SUKUK WAKALAH -10.10.2118 "A3"	250,000	257,299	254,635	4.27%
MNRB HLDGS IMTN -22.03.2034 "A1"	250,000	254,014	253,520	4.25%
YTL POWER IMTN 5.050% -03.05.2027 "AA1"	250,000	254,303	256,750	4.30%
S P SETIA IMTN 4.560% -21.06.2030 "AA"	500,000	516,673	512,635	8.59%
UMWH PERPETUAL SUKUK MUSHARAKAH 6.35% MUSHARAKAH 6.35% - Tranche 1 -20.04.2118 "AA - IS"	250,000	268,560	265,825	4.45%
MCIS INS 5.300% -29.12.2031 "A2"	250,000	256,563	254,368	4.26%
SABAHDEV MTN 2557D -24.4.2026 "AA1"	250,000	254,213	253,820	4.25%
	<u>2,000,000</u>	<u>2,061,625</u>	<u>2,051,553</u>	<u>34.37%</u>
<b>SHORTFALL OF FAIR VALUE OVER COST (Note 12)</b>			<b><u>(10,072)</u></b>	

2023	Nominal Amount RM	Cost * RM	Fair value RM	Fair value as a percentage of NAV
<b><u>UNQUOTED FIXED INCOME SECURITIES</u></b>				
DRB-HICOM IMTN 4.550% -12.12.2024 "A+"	1,000,000	1,004,372	1,003,630	8.06%
ECO CAPITAL MTN 6.10% -13.8.2024 (Unrated)	2,000,000	2,006,465	2,035,000	16.34%
ECO CAPITAL MTN 6.10% -13.8.2024 (Unrated)	800,000	802,601	814,000	6.54%
MAYBANK IMTN 4.080% -22.02.2117 "AA3"	200,000	205,270	200,092	1.61%
IJM LAND 5.730% PERPETUAL SUKUK MUSHARAKAH -S1 T2 -17.3.2119 "A2 (s)"	400,000	421,737	409,496	3.29%
MCIS INS 5.300% -29.12.2031 "A2"	250,000	257,510	254,005	2.04%



**8. FINANCIAL ASSETS AT FVTOCI (CONT'D.)**

Details of financial assets at the end of the reporting period are as follows :-

<b>2023 (Cont'd.)</b>	<b>Nominal Amount RM</b>	<b>Cost * RM</b>	<b>Fair value RM</b>	<b>Fair value as a percentage of NAV</b>
<b><u>UNQUOTED FIXED INCOME SECURITIES (CONT'D.)</u></b>				
SABAHDEV MTN 2557D -24.4.2026 "AA1"	250,000	257,457	255,498	2.05%
SABAHDEV MTN 1096D -30.7.2024 "AA1"	1,000,000	1,003,905	1,000,160	8.03%
	<u>5,900,000</u>	<u>5,959,317</u>	<u>5,971,881</u>	<u>47.96%</u>
<b>EXCESS OF FAIR VALUE OVER COST (Note 12)</b>			<u><b>12,564</b></u>	

\* Cost of fixed income securities includes accretion of discount and/or amortisation of premium.

**9. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS**

	<b>2024 RM</b>	<b>2023 RM</b>
Short-term deposits	<u>1,675,248</u>	<u>2,584,548</u>

The weighted average effective interest rate of the Fund's short-term deposits as at 31 December 2024 is 3.21% (2023 : 3.57%) per annum and had an original maturity period ranging from 13 to 15 days (2023 : 7 to 368 days).

**10. AMOUNT DUE TO MANAGER**

	<b>2024 RM</b>	<b>2023 RM</b>
Amount due to Manager for management fee payable	<u>3,961</u>	<u>10,069</u>

## 11. INCOME DISTRIBUTION

Distribution to unitholders are from the following sources :

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Dividend income	42,802	72,840
Interest income	236,865	208,954
Net realised (loss)/gain from sale of investment	<u>(179,015)</u>	<u>96,924</u>
	100,652	378,718
Less:		
Expenses	118,177	107,267
Realised (loss)/income for current period	<u>(17,525)</u>	<u>271,451</u>
Realised income from prior period	<u>143,372</u>	<u>111,646</u>
Total distribution for the financial year	<u>125,847</u>	<u>383,097</u>
Units in circulation at book closing date	12,583,785	12,769,904
Gross distribution per unit (sen)	1.00	3.00
Net distribution per unit (sen)	1.00	3.00
Date of distribution	<u>26.04.2024</u>	<u>28.04.2023</u>

## 12. NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNITHOLDERS

	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>RM</b>	<b>RM</b>
Unitholders' capital	(a)	7,088,131	13,238,348
Accumulated losses			
- Realised earnings	(b)	(157,068)	79,607
- Unrealised losses	(c)	<u>(953,528)</u>	<u>(880,208)</u>
		(1,110,596)	(800,601)
FVTOCI reserve		<u>(10,072)</u>	12,564
Net asset value		<u>5,967,463</u>	<u>12,450,311</u>

### (a) Unitholders' Capital

	<b>2024</b>		<b>2023</b>	
	<b>Number of units</b>	<b>Value RM</b>	<b>Number of units</b>	<b>Value RM</b>
Balance at beginning of the financial year	12,624,317	13,238,348	12,780,751	13,389,196
Add : Creation of units	446,365	439,814	479,432	500,443
Less : Cancellation of units	(6,740,410)	(6,872,445)	(635,866)	(662,042)
Distribution equalisation	-	282,414	-	10,751
Balance at end of the financial year	<u>6,330,272</u>	<u>7,088,131</u>	<u>12,624,317</u>	<u>13,238,348</u>

### (b) Realised - Distributable

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Balance at the beginning of the financial year	79,607	670,559
Net (loss)/income after taxation	(184,148)	99,383
Net unrealised loss/(gain) attributable to investments held transferred to unrealised reserve	73,320	(307,238)
Distribution out of realised reserve	<u>(125,847)</u>	<u>(383,097)</u>
Balance at the end of the financial year	<u>(157,068)</u>	<u>79,607</u>

**12. NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNITHOLDERS (CONT'D.)****(c) Unrealised - Non-distributable**

	<b>2024 RM</b>	<b>2023 RM</b>
Balance at the beginning of the financial year	(880,208)	(1,187,446)
Net unrealised (loss)/gain attributable to investments held transferred from realised reserve	<u>(73,320)</u>	<u>307,238</u>
Balance at the end of the financial year	<u>(953,528)</u>	<u>(880,208)</u>

**13. NET ASSET VALUE PER UNIT**

Net asset value attributable to unitholders is classified as equity in the statement of financial position.

For the purpose of calculation of net asset value attributable to unitholders per unit, quoted financial assets in the financial statements are stated at the last done market price consistent with that used for issuance and redemption of units in accordance with the Deeds.

**14. UNITS HELD BY RELATED PARTIES**

	<b>2024</b>		<b>2023</b>	
	<b>Number of units</b>	<b>Valued at NAV RM</b>	<b>Number of units</b>	<b>Valued at NAV RM</b>
Director of the Manager #	<u>261,896</u>	<u>246,886</u>	<u>259,205</u>	<u>255,628</u>

# *The Director is a legal and beneficial owner of the units.*

**15. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTIONS**

<b>2024</b>	<b>Value of trade RM</b>	<b>Percentage of total trade</b>	<b>Brokerage Fees RM</b>	<b>Percentage of total brokerage fees</b>
Phillip Capital	1,012,005	17.64%	2,277	23.82%
Kenanga Investment Bank Berhad	709,381	12.36%	866	9.06%
CCB International Securities Limited	460,395	8.02%	1,151	12.04%
DBS Vicker Securities (HK) Pte Ltd	351,617	6.13%	879	9.19%
Maybank Investment Bank Berhad	319,838	5.57%	585	6.12%
RHB Investment Bank Berhad	261,027	4.55%	135	1.41%
CLSA Securities Malaysia Sdn Bhd	191,621	3.34%	643	6.73%
Maybank ATR Kim Eng Securities Inc	173,309	3.02%	433	4.53%
JF Apex Secuties Bhd	171,360	2.99%	257	2.69%
CGS International Securities Malaysia	121,203	2.11%	216	2.26%
Others	1,966,184	34.27%	2,118	22.15%
	<u>5,737,940</u>	<u>100.00%</u>	<u>9,560</u>	<u>100.00%</u>

**15. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTIONS ( CONT'D.)**

<b>2023 (Cont'd.)</b>	<b>Value of trade RM</b>	<b>Percentage of total trade</b>	<b>Brokerage fees RM</b>	<b>Percentage of total brokerage fees</b>
Phillip Capital	382,795	13.15%	864	10.77%
CCB International Securities Limited	304,741	10.47%	762	9.50%
Kenanga Investment Bank Berhad	270,829	9.31%	319	3.98%
CLSA Securities Malaysia Sdn Bhd	259,630	8.92%	2,596	32.35%
BOCI Securities Limited	228,032	7.84%	570	7.10%
K&N	198,621	6.83%	298	3.71%
RHB Investment Bank Berhad	156,429	5.38%	352	4.39%
JF Apex Securities Bhd	129,913	4.46%	292	3.64%
MIDF Amanah Investment Bank Berhad	120,010	4.12%	188	2.34%
CIMB-GK Securities Indonesia	116,215	3.99%	349	4.35%
Others	742,676	25.53%	1,435	17.87%
	<u>2,909,891</u>	<u>100.00%</u>	<u>8,025</u>	<u>100.00%</u>

**16. TOTAL EXPENSE RATIO**

This is the ratio of the sum of the fees (inclusive of the manager, trustee, audit and other professional fees) and other administrative expenses of the Fund to the average NAV of the Fund calculated on a daily basis. The average NAV of the Fund for the financial year ended 31 December 2024 was RM8,528,667 (2023 : RM12,707,550).

	<b>2024</b>	<b>2023</b>
Total expense ratio	<u>1.63%</u>	<u>1.45%</u>

**17. PORTFOLIO TURNOVER RATIO**

This is the ratio of the average of acquisitions and disposals of the Fund for the financial year to average NAV of the Fund for the financial year calculated on daily basis.

	<b>2024</b>	<b>2023</b>
Portfolio turnover (times)	<u>0.58</u>	<u>0.17</u>

**18. SEGMENT INFORMATION**

The Manager, the appointed External Investment Manager and Investment Committee of the Fund are responsible for allocating resources available to the Fund in accordance with the overall investment strategies as set out in the investment Guidelines of the Fund. The Fund is managed by two segments:

- \* A portfolio of equity instruments
- \* A portfolio of fixed income portfolio, including debt securities and deposits with financial institutions

The investment objective of each segment is to achieve consistent returns from the investments in each segment while safeguarding capital by investing in diversified portfolios. There have been no changes in reportable segments in the current financial year. The segment information provided is presented to the Manager, the appointed External Investment Manager and Investment Committee of the Fund.

## 18. SEGMENT INFORMATION (CONT'D.)

	Equity Portfolio RM	Fixed Income Portfolio RM	Total RM
<b>2024</b>			
Gross dividend income	38,143	-	38,143
Interest income	-	260,137	260,137
Net loss on financial assets at FVTPL	(302,789)	-	(302,789)
Reclassification adjustment from other comprehensive income on derecognition of financial assets at FVTOCI upon maturity	-	(13,438)	(13,438)
Net realised gain on disposals of financial assets at FVTOCI	-	(17,807)	(17,807)
Amortisation of premiums, net of accretion of discounts on financial assets at FVTOCI	-	(10,321)	(10,321)
Net realised loss on foreign exchange	(1,113)	-	(1,113)
Total segment operating (loss)/income for the financial year	<u>(265,759)</u>	<u>218,571</u>	<u>(47,188)</u>
Deposits with licensed financial institutions	-	1,675,248	1,675,248
Financial assets at FVTPL	1,697,712	-	1,697,712
Financial assets at FVTOCI	-	2,051,553	2,051,553
Other assets	-	16,691	16,691
Total segment assets	<u>1,697,712</u>	<u>3,743,492</u>	<u>5,441,204</u>
Total segment liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b>2023</b>			
Gross dividend income	73,615	-	73,615
Interest income	-	409,881	409,881
Net loss on financial assets at FVTPL	(80,826)	-	(80,826)
Net realised loss on disposals of financial assets at FVTOCI	-	(72,109)	(72,109)
Amortisation of premiums, net of accretion of discounts on financial assets at FVTOCI	-	(40,865)	(40,865)
Net realised loss on foreign exchange	(2,402)	-	(2,402)
Total segment operating (loss)/income for the financial year	<u>(9,613)</u>	<u>296,907</u>	<u>287,294</u>
Deposits with licensed financial institutions	-	2,584,548	2,584,548
Financial assets at FVTPL	3,494,717	-	3,494,717
Financial assets at FVTOCI	-	5,971,881	5,971,881
Other assets	3,992	106,522	110,514
Total segment assets	<u>3,498,709</u>	<u>8,662,951</u>	<u>12,161,660</u>
Total segment liabilities	<u>-</u>	<u>-</u>	<u>-</u>

During the financial year, there were no transactions between operating segments.

**18. SEGMENT INFORMATION (CONT'D.)**

Expenses of the Fund are not considered part of the performance of any operating segment. The following table provides a reconciliation between reportable segment income/(loss) and operating income/(loss) :

	<b>2024</b> <b>RM</b>	<b>2023</b> <b>RM</b>
Net reportable segment operating (loss)/income	(47,188)	287,294
Expenses	<u>(139,244)</u>	<u>(183,956)</u>
Net (loss)/income before taxation	(186,432)	103,338
Taxation	<u>2,284</u>	<u>(3,955)</u>
Net (loss)/income after taxation	<u>(184,148)</u>	<u>99,383</u>

In addition, certain assets and liabilities are not considered to be part of the assets and liabilities of an individual segment. The following table provides reconciliation between total reportable segment assets and liabilities and total assets and liabilities of the Fund.

	<b>2024</b> <b>RM</b>	<b>2023</b> <b>RM</b>
Total segment assets	5,441,204	12,161,660
Tax recoverable	26,379	15,472
Cash at bank	<u>521,496</u>	<u>303,589</u>
Total assets of the Fund	<u>5,989,079</u>	<u>12,480,721</u>
Amount due to Manager	3,961	10,069
Amount due to Trustee	1,150	1,317
Other payables and accruals	<u>16,505</u>	<u>19,024</u>
Total liabilities of the Fund	<u>21,616</u>	<u>30,410</u>

**19. FINANCIAL INSTRUMENTS****(a) Classification of Financial Instruments**

The Fund's financial assets and financial liabilities are measured on an ongoing basis at either fair value or at amortised cost based on their respective classification. The accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses are recognised. The following table analyses the financial assets and liabilities of the Fund in the statement of financial position, by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

	<b>Financial assets at FVTPL RM</b>	<b>Financial assets at FVTOCI RM</b>	<b>Financial assets at amortised cost RM</b>	<b>Financial liabilities at amortised cost RM</b>	<b>Total RM</b>
<b>2024</b>					
<b>Financial assets</b>					
Investments	1,697,712	2,051,553	-	-	3,749,265
Deposits with licensed financial institutions	-	-	1,675,248	-	1,675,248
Other receivables	-	-	16,691	-	16,691
Cash at bank	-	-	<u>521,496</u>	-	<u>521,496</u>
Total financial assets	<u>1,697,712</u>	<u>2,051,553</u>	<u>2,213,435</u>	-	<u>5,962,700</u>

## 19. FINANCIAL INSTRUMENTS (CONT'D.)

## (a) Classification of Financial Instruments (Cont'd)

	Financial assets at FVTPL RM	Financial assets at FVTOCI RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
<b>2024</b>					
<b>Financial liabilities</b>					
Amount due to Manager	-	-	-	3,961	3,961
Amount due to Trustee	-	-	-	1,150	1,150
Other payables and accruals	-	-	-	16,505	16,505
Total financial liabilities	-	-	-	21,616	21,616
<b>2023</b>					
<b>Financial assets</b>					
Investments	3,494,717	5,971,881	-	-	9,466,598
Deposits with licensed financial institutions	-	-	2,584,548	-	2,584,548
Other receivables	-	-	110,514	-	110,514
Cash at bank	-	-	303,589	-	303,589
Total financial assets	3,494,717	5,971,881	2,998,651	-	12,465,249
<b>Financial liabilities</b>					
Amount due to Manager	-	-	-	10,069	10,069
Amount due to Trustee	-	-	-	1,317	1,317
Other payables and accruals	-	-	-	19,024	19,024
Total financial liabilities	-	-	-	30,410	30,410

## (b) Fair value

## (i) Financial instruments that are carried at fair value

The Fund uses the following level of fair value hierarchy for determining and disclosing the fair value of financial instruments carried at fair value in the statement of financial position :

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly.

Level 3 : Inputs for the asset or liability that are not based on observable market data.

The Fund's financial assets at FVTPL and financial assets at FVTOCI are carried at fair value. The fair values of these financial assets were determined using prices in active markets for identical assets.

## 19. FINANCIAL INSTRUMENTS (CONT'D.)

### (b) Fair value (Cont'd.)

#### (i) Financial instruments that are carried at fair value (Cont'd.)

##### Quoted equity instruments

Fair value of quoted equity instruments is determined directly by reference to their published market prices on the relevant stock exchanges at the reporting date. The fair value of quoted equity instruments which have lost active trading market due to suspension in their trading, is determined by reference to their published net tangible assets.

##### Unquoted fixed income securities

The published market prices for RM-denominated unquoted bonds are based on information provided by Bond Pricing Agency Malaysia Sdn Bhd.

The Fund held the following financial instruments carried at fair value on the statement of financial position as at the end of the financial year :

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>2024</b>				
Financial assets at FVTPL				
- Quoted equities	1,697,712	-	-	1,697,712
Financial assets at FVTOCI				
- Fixed income securities	-	2,051,553	-	2,051,553
	<u>1,697,712</u>	<u>2,051,553</u>	<u>-</u>	<u>3,749,265</u>
<b>2023</b>				
Financial assets at FVTPL				
- Quoted equities	3,188,644	-	-	3,188,644
- Unquoted convertible loan stock	-	-	306,073	306,073
Financial assets at FVTOCI				
- Fixed income securities	-	5,971,881	-	5,971,881
	<u>3,188,644</u>	<u>5,971,881</u>	<u>306,073</u>	<u>9,466,598</u>

The fair value of the Fund's investment in unquoted convertible loan stock in the previous year was classified within Level 3 of the fair value hierarchy. The convertible loan stock was not traded in an active market and was of short-term in-nature pending the completion of the proposed initial public offering and listing exercise as explained in Note 7(a)(i), the fair value of the unquoted convertible loan stock was estimated to be equivalent to the cost of the Fund's investment.

#### (ii) Financial instruments not carried at fair value

Financial instruments not carried at fair value comprise financial assets and financial liabilities subsequently measured at amortised cost. The carrying amount of these financial instruments at the end of the financial year approximated their fair values due to their short-term to maturity.

## 20. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES

The Fund maintains investment portfolios in a variety of quoted and unquoted financial instruments as dictated by its Trust Deed and investment management strategy.



## 20. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

The Fund is exposed to a variety of risks including market risk (which includes interest rate risk, equity price risk and currency risk), credit risk, and liquidity risk. Whilst these are the most important types of financial risks inherent in each type of financial instruments, the Manager and the Trustee would like to highlight that this list does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Fund.

The Fund's objective in managing risk is the creation and protection of unitholders' value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring of risks. Financial risk management is also carried out through sound internal control systems and adherence to the investment restrictions as stipulated in the Trust Deeds, the Securities Commission Malaysia's *Guidelines on Unit Trust Funds* and the Capital Markets and Services Act, 2007.

### (a) Market Risk

The Fund's principal exposure to market risk arises primarily due to changes or developments in the market environment and typically includes changes in regulations, politics and the economy of the country. Market risk is also influenced by global economics and geopolitical developments. The Fund seeks to diversify away some of this risk by investing into different sectors to mitigate risk exposure to any single asset class.

The Fund's market risk is affected primarily due to changes in market prices, interest rates and foreign currency exchange rates.

#### (i) Equity Price Risk

Equity price risk is the adverse changes in the fair value of equities as a result of changes in the levels of equity indices and the value of individual shares. The equity price risk exposure arises from the Fund's investments in quoted equity securities.

The table below demonstrates the sensitivity from the Fund's net (loss)/income after taxation and NAV to a reasonably possible change in equity prices on investments in quoted equity securities, as at the end of the financial year with all other variables held constant:

	2024		2023	
	Impact on net loss after taxation		Impact on net income after taxation	
	Lower / RM	(Higher) RM	Higher / RM	(Lower) RM
Change in equity price by +6%/-6%	101,863 /	(101,863)	191,319 /	(191,319)

	2024		2023	
	Impact on NAV		Impact on NAV	
	Increase / RM	(Decrease) RM	Decrease / RM	(Increase) RM
Change in equity price by +6%/-6%	101,863 /	(101,863)	191,319 /	(191,319)

#### (ii) Interest Rate Risk

This risk refers to the effect of interest rate changes on the valuation for fixed income securities. In the event of rising interest rates, the return on deposits with financial institutions will rise while valuation for fixed income securities will decrease and vice versa, thus affecting the net asset value of the Fund. This risk will be minimised via the management of the duration structure of the portfolio of fixed income securities.

## 20. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

### (a) Market Risk (Cont'd.)

#### (ii) Interest Rate Risk ( Cont'd.)

The following table demonstrates the sensitivity of the Fund's NAV to a reasonably possible change in interest rate on fixed income securities as at the end of the financial year, with all other variables held constant :

	2024		2023	
	Impact on NAV		Impact on NAV	
	(Decrease) / RM	Increase RM	(Decrease) / RM	Increase RM
Change in interest rate by +25bps/-25bps *	(5,129) /	5,129	(14,930) /	14,930

\* *bps = basis points*

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

#### (iii) Currency Risk

The Fund is exposed to currency risk primarily through its investments in overseas quoted equities securities that are denominated in foreign currencies. The Fund's foreign currency exposure profile of its investments in overseas securities is disclosed under Note 8.

The table below demonstrates the sensitivity of the Fund's net (loss)/income after taxation and NAV to +/- 10% change in foreign currency exchange rates as at the end of the financial year, with all other variables held constant :

	2024		2023	
	Impact on net loss after taxation		Impact on net income after taxation	
	Lower / RM	(Higher) RM	Higher / RM	(Lower) RM
Change in foreign currency exchange rates by +10%/-10%				
Australia Dollar	17,944	(17,944)	32,758	(32,758)
Hong Kong Dollar	31,627	(31,627)	43,625	(43,625)
Indonesian Rupiah	-	-	18,936	(18,936)
Phillipine Peso	-	-	3,130	(3,130)
Singapore Dollar	37,277	(37,277)	72,539	(72,539)
Thai Baht	12,625	(12,625)	13,677	(13,677)
	99,473	(99,473)	184,665	(184,665)

## 20. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

### (b) Credit Risk

The Fund's principal exposure to credit risk arises primarily due to changes in the financial conditions of companies issuing debt securities and stockbroking companies, which may affect their creditworthiness. This in turn may lead to default in the payment. Such events can lead to loss of capital or delayed or reduced income for the Fund resulting in a reduction in the Fund's asset value and thus unit price. This risk is mitigated by vigorous credit analyses and diversification of the bond portfolio of the Fund and to engage different stockbroking companies with good reputation. Bond rating of the Fund's portfolio has been disclosed in Note 8.

The Fund's investments in debt securities, deposits with licensed financial institutions and bank balances are of high credit ratings while short term receivables are of short maturities; hence probability of their default on contractual obligations is deemed negligible. Accordingly, no allowance is required for their expected credit losses in accordance with the accounting policies as disclosed in Note 3.2. The carrying amount of the financial assets represents the maximum credit risk exposure for the Fund.

### (c) Liquidity Risk

This risk occurs in thinly traded or illiquid equity securities. Should the Fund need to sell a relatively large amount of such securities, the act itself may significantly depress the selling price. As the Fund is exposed to daily redemption of units, the risk is minimised by placing a prudent level of funds in short-term deposits and by investing in stocks whose liquidity is adjudged to be commensurate with the expected exposure level of the Fund.

The following table summarises the maturity profile of the Fund's financial assets and financial liabilities in order to meet commitments associated with the Fund's contractual commitments and liquidity.

	Up to 1 year RM	Above 1 year to 5 years RM	Above 5 years RM	Total RM
<b>2024</b>				
<b>Assets</b>				
Financial assets at FVTPL	1,697,712	-	-	1,697,712
Financial assets at FVTOCI	-	510,570	1,540,983	2,051,553
Deposits with licensed financial institution	1,675,248	-	-	1,675,248
Other assets	538,187	-	-	538,187
Non-financial assets	26,379	-	-	26,379
	<u>3,937,526</u>	<u>510,570</u>	<u>1,540,983</u>	<u>5,989,079</u>
<b>Liabilities</b>				
Other liabilities	<u>21,616</u>	<u>-</u>	<u>-</u>	<u>21,616</u>
Unitholders' NAV	<u>3,915,910</u>	<u>510,570</u>	<u>1,540,983</u>	<u>5,967,463</u>
Liquidity gap	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**20. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)****(c) Liquidity Risk (Cont'd)**

	Up to 1 year RM	Above 1 year to 5 years RM	Above 5 years RM	Total RM
<b>2023</b>				
<b>Assets</b>				
Financial assets at FVTPL	3,494,717	-	-	3,494,717
Financial assets at FVTOCI	-	5,108,288	863,593	5,971,881
Deposits with licensed financial institution	2,584,548	-	-	2,584,548
Other assets	414,103	-	-	414,103
Non-financial asset	15,472	-	-	15,472
	6,508,840	5,108,288	863,593	12,480,721
<b>Liabilities</b>				
Other liabilities	30,410	-	-	30,410
Unitholders' NAV	6,478,430	5,108,288	863,593	12,450,311
Liquidity gap	-	-	-	-

**(d) Stock Specific Risk**

The Fund is exposed to the individual risk of the respective companies issuing securities which includes changes to the business performance of the company, consumer tastes and demand, lawsuits and management practices. This risk is minimised through the well diversified nature of the Fund.

**(e) Single Issuer Risk**

The Fund's exposure to securities issued by any issuer is limited to not more than a certain percentage of its net asset value. Under such restriction, the risk exposure to the securities of any issuer is minimised.

**(f) Capital Management**

The capital is represented by unitholders' subscription to the Fund. The amount of capital can change significantly on a daily basis as the Fund is subject to a daily redemption and subscription at the discretion of unitholders. The Manager manages the Fund's capital with the objective of maximising unitholders' value, while maintaining sufficient liquidity to meet unitholders' redemption as explained in Note 20(c) above.

## **TRUSTEE'S REPORT TO THE UNIT HOLDERS OF PHEIM ASIA EX-JAPAN FUND ("Fund")**

We have acted as Trustee of the Fund for the financial year ended 31 December 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Pheim Unit Trusts Berhad has operated and managed the Fund during the financial year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

We are of the opinion that the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For **Maybank Trustees Berhad**  
[Company No. : 196301000109 (5004-P)]

**NORHAZLIANA BINTI MOHAMMED HASHIM**  
Head, Unit Trust and Corporate Operations

Kuala Lumpur, Malaysia

Date : 19 February 2025

## **STATEMENT BY MANAGER TO THE UNITHOLDERS OF PHEIM ASIA EX-JAPAN FUND**

We, Teh Song Lai and Hoi Weng Kong, being two of the Directors (alternate Director and Director respectively) of Pheim Unit Trusts Berhad, do hereby state that, in the opinion of the Manager, the accompanying financial statements of Pheim Asia Ex-Japan Fund are drawn up in accordance with the Deeds, Malaysian Financial Reporting Standards, International Financial Reporting Standards and Securities Commission Malaysia's *Guidelines on Unit Trust Funds* so as to give a true and fair view of the financial position of Pheim Asia Ex-Japan Fund as at 31 December 2024 and of its financial performance and cash flows for the financial year then ended.

On behalf of the Manager,  
**PHEIM UNIT TRUSTS BERHAD**

**TEH SONG LAI**  
Alternate Director to Dr. Tan Chong Koay

**HOI WENG KONG**  
Director

Kuala Lumpur, Malaysia

Date : 19 February 2025

# **INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF PHEIM ASIA EX-JAPAN FUND**

## **Report on the Audit of the Financial Statements**

### ***Opinion***

We have audited the financial statements of PHEIM ASIA EX-JAPAN FUND ("the Fund"), which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in net asset value attributable to unitholders and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 168 to 193.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Securities Commission Malaysia's *Guidelines on Unit Trust Funds*.

### ***Basis for Opinion***

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Independence and Other Ethical Responsibilities***

We are independent of the Fund in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### ***Information Other than the Financial Statements and Auditors' Report Thereon***

The Manager of the Fund, PHEIM UNIT TRUSTS BERHAD, is responsible for the other information. The other information comprises the information on the Fund together with the Manager's Report included in the Annual Report of the Fund but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### ***Responsibilities of the Manager and Trustee for the Financial Statements***

The Manager of the Fund is responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Securities Commission Malaysia's *Guidelines on Unit Trust Funds*. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Trustee is responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable the preparation of financial statements that are true and fair.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also :-

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.



### ***Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd.)***

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also :-

- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### ***Other Matters***

This report is made solely to the unitholders of the Fund, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**FOLKS DFK & CO.**  
NO. : AF 0502  
CHARTERED ACCOUNTANTS

**LEONG KOK TONG**  
NO. : 02973/11/2025 J  
CHARTERED ACCOUNTANT

Kuala Lumpur

Date : 19 February 2025

**PHEIM ASIA EX-JAPAN FUND  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	<b>Note</b>	<b>2024 RM</b>	<b>2023 RM</b>
<b>INVESTMENT INCOME/(LOSS)</b>			
Gross dividend income		154,480	167,011
Interest income from deposits with a licensed financial institution		7,759	6,073
Net gain(loss) on financial assets at fair value through profit or loss ("FVTPL")	7(c)	136,199	(73,967)
Net realised loss on foreign exchange		(2,721)	(2,117)
		<u>295,717</u>	<u>97,000</u>
<b>EXPENSES</b>			
Manager's fee	4	93,796	107,773
Trustee's fee	5	15,000	15,000
Auditors' remuneration		8,500	8,500
Tax agent's fee		4,100	3,000
Brokerage fee and transaction costs		7,053	6,462
Administrative expenses		45,208	28,274
		<u>173,657</u>	<u>169,009</u>
<b>Net income/(loss) before taxation</b>		122,060	(72,009)
Taxation	6	5,537	(26,827)
<b>Net income/(loss) after taxation, representing total comprehensive income/(loss) for the financial year</b>		<u>127,597</u>	<u>(98,836)</u>
<b>Net income/(loss) after taxation is made up of the following :</b>			
Net realised income/(loss)		246,293	(526,779)
Net unrealised (loss)/income		(118,696)	427,943
		<u>127,597</u>	<u>(98,836)</u>
<b>Distribution for the financial year :</b>			
Net distribution	10	248,075	279,824
Net distribution per unit (sen)	10	4.00	4.00
Gross distribution per unit (sen)	10	4.00	4.00

The accompanying notes form an integral part of the financial statements.

**PHEIM ASIA EX-JAPAN FUND**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2024**

	Note	2024 RM	2023 RM
<b>ASSETS</b>			
Investments	7	5,807,499	5,724,580
Deposit with a licensed financial institution	8	-	300,370
Amount due from brokers		-	18,505
Other receivables		-	12,131
Tax recoverable		60,765	22,161
Cash at bank		367,447	298,002
<b>TOTAL ASSETS</b>		<u>6,235,710</u>	<u>6,375,749</u>
<b>LIABILITIES</b>			
Amount due to Manager	9	8,766	9,259
Amount due to Trustee		1,719	1,804
Other payables and accruals		14,360	16,168
<b>TOTAL LIABILITIES</b>		<u>24,845</u>	<u>27,231</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>6,210,865</u>	<u>6,348,518</u>
<b>EQUITY</b>			
Unitholders' capital	11(a)	6,392,386	6,409,561
Accumulated losses	11	(181,521)	(61,043)
<b>NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNITHOLDERS</b>	11	<u>6,210,865</u>	<u>6,348,518</u>
<b>UNITS IN CIRCULATION</b>	11(a)	<u>6,397,442</u>	<u>6,411,053</u>
<b>NET ASSET VALUE PER UNIT</b>	12	<u>0.9708</u>	<u>0.9902</u>

The accompanying notes form an integral part of the financial statements.

**PHEIM ASIA EX-JAPAN FUND**  
**STATEMENT OF CHANGES IN NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Unitholders' capital RM	Retained earnings/ Accumulated losses RM	Total equity RM
Balance at 1 January 2023	7,013,454	317,617	7,331,071
Net loss for the financial year representing total comprehensive loss for the financial year	-	(98,836)	(98,836)
Creation of units	471,330	-	471,330
Cancellation of units	(1,067,572)	-	(1,067,572)
Distribution equalisation	(7,651)	-	(7,651)
Income distribution (Note 10)	-	(279,824)	(279,824)
Total transactions with unitholders	(603,893)	(279,824)	(883,717)
Balance at 31 December 2023	6,409,561	(61,043)	6,348,518
Net income for the financial year representing total comprehensive income for the financial year	-	127,597	127,597
Creation of units	748,335	-	748,335
Cancellation of units	(740,507)	-	(740,507)
Distribution equalisation	(25,003)	-	(25,003)
Income distribution (Note 10)	-	(248,075)	(248,075)
Total transactions with unitholders	(17,175)	(248,075)	(265,250)
Balance at 31 December 2024	6,392,386	(181,521)	6,210,865

The accompanying notes form an integral part of the financial statements.

**PHEIM ASIA EX-JAPAN FUND**  
**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	2,747,863	2,801,862
Purchase of investments	(2,702,127)	(1,659,584)
Dividends received	154,197	152,075
Interest received	7,783	93,970
Management fee paid	(94,288)	(108,823)
Trustee's fee paid	(15,085)	(15,000)
Payment for other fees and expenses	(42,599)	(34,520)
Tax paid	(26,699)	(40,898)
Net cash from operating and investing activities	<u>29,045</u>	<u>1,189,082</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	526,676	194,857
Payment for cancellation of units	(782,486)	(1,170,470)
Distribution paid	<u>(4,160)</u>	<u>(4,160)</u>
Net cash used in financing activities	<u>(259,970)</u>	<u>(979,773)</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(230,925)	209,309
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<u>598,372</u>	<u>389,063</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<u>367,447</u>	<u>598,372</u>
Cash and cash equivalents comprise the following :		
Deposits with a licensed financial institution (Note 8)	-	300,370
Cash at bank	<u>367,447</u>	<u>298,002</u>
	<u>367,447</u>	<u>598,372</u>

The accompanying notes form an integral part of the financial statements.

**PHEIM ASIA EX-JAPAN FUND  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES**

Pheim Asia Ex-Japan Fund ("the Fund") was constituted pursuant to a Deed dated 26 May 2006 as amended by the Supplemental Deed dated 3 December 2008, a Second Supplemental Master Deed dated 30 April 2015 and the Third Supplemental Master Deed dated 10 January 2023 (collectively referred to as "the Deeds") made between Pheim Unit Trusts Berhad ("the Manager") and Maybank Trustees Berhad ("the Trustee").

The objective of the Fund is to achieve capital appreciation over a long-term period by investing primarily in Asian markets excluding Japan. The Fund is to invest in "Permitted Investments" in accordance with the Deeds comprising :

- (a) Securities in Malaysia and countries in the Asia Pacific region excluding Japan;
- (b) Securities and liquid assets in foreign markets that are permitted by the SC;
- (c) Corporate bonds and bonds, which include foreign debt securities traded on eligible markets and approved stock exchanges;
- (d) Unlisted securities which are offered directly to the Fund;
- (e) Malaysian government securities, treasury bills, Bank Negara Malaysia bills, Cagamas notes/ bonds, commercial papers, medium term notes;
- (f) Bankers' acceptances, negotiable certificates of deposits and other tradable money market instruments in the money market, both local and foreign;
- (g) Deposits and placement of money at call, both local and foreign, with financial institutions and/or other institutions licenced or approved to accept deposits;
- (h) Units or shares of other collective investments schemes both local and foreign;
- (i) Foreign exchange spot, forward and other financial derivatives (for hedging purposes only) including future contracts but excluding futures options, both local and foreign.
- (j) Convertible loan stocks and exchangeable bonds traded on eligible market, both local and foreign;
- (k) Any other form of investments as may be agreed upon by the Manager and the Trustee from time to time; and
- (l) Any other form of investments as may be permitted by the SC from time to time.

The Fund commenced operations on 30 June 2006 and will continue its operations until terminated by the Trustee as provided under Part 12 of the Deed.

The Manager, Pheim Unit Trusts Berhad, is a public limited company incorporated in Malaysia. It is a wholly owned subsidiary of Pheim Asset Management Sdn Bhd, a private company incorporated in Malaysia. Its principal activity is the management of unit trust funds. Pheim Asset Management Sdn Bhd has been appointed by the Manager as the External Investment Manager of the Fund with the responsibility for providing investment management services to the Fund.

The principal place of business of the Fund is located at 7th Floor, Menara Hap Seng, Jalan P. Ramlee, 50250 Kuala Lumpur.

The financial statements are presented in Ringgit Malaysia (RM).

The financial statements were authorised for issue by the Board of Directors of the Manager in accordance with the resolution of the directors on 19 February 2025

## 2. BASIS OF PREPARATION

### 2.1 Statement of Compliance

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the Securities Commission *Malaysia's Guidelines on Unit Trust Funds*.

### 2.2 Basis of Measurement

The financial statements of the Fund are prepared under the historical cost convention except for equity financial assets that have been measured at fair value.

### 2.3 Application of Amendments to MFRSs

During the financial year, the Fund has applied the amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") which became effective for annual accounting periods beginning on or after 1 January 2024 and applicable to the fund. The initial application of those amendments to MFRSs has no impact on the financial statements of the Fund.

### 2.4 New MFRSs and Amendments to MFRSs That Are In Issue But Not Yet Effective and Have Not Been Early Adopted

The Fund has not early adopted those new MFRSs and amendments to MFRSs issued by the MASB that are effective for annual accounting periods commencing on or after 1 January 2024. Other than as explained below, none of them is expected to have material effect on the financial statements of the Fund in the period of initial application.

#### **MFRS 18 Presentation and Disclosure in Financial Statements**

The new MFRS 18 become effective for annual accounting period commencing on or after 1 January 2027 and will replace MFRS 101 Presentation of Financial Statements while retaining many of the requirements in MFRS 101 with limited changes. MFRS 18 introduces new specified categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures that are reported outside an entity's financial statements in the notes to the financial statements, and enhanced principles on aggregation and disaggregation of information in the financial statements.

The new standard will redefine financial performance reporting by an entity through a new structure of the statement of profit or loss and additional disclosures for performance measures but it will not impact the recognition and measurement of items in the financial statements of the entity.

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below are consistent with those applied by the Fund in the previous financial year.

### 3.1 Financial Assets

Financial assets are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instruments. Regular way of purchase and sale of investments in financial instruments are recognised on trade dates, i.e. the date on which the Fund commits to purchase or sell the investments. When financial assets are recognised initially, they are measured at fair value, plus directly attributable transaction costs, for investments not at fair value through profit or loss. Transaction costs for investments carried at fair value through profit or loss are charged to profit or loss.

Subsequent to initial recognition, financial assets are measured in accordance with their classification on initial recognition.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or the Fund has transferred substantially all risks and rewards of ownership of the assets.

The Fund determines the classification of its financial assets at initial recognition into the following categories for subsequent measurement depending on both its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

#### 3.1 Financial Assets (Cont'd.)

##### (a) Financial assets at amortised cost

Financial assets which are debt instruments are measured at amortised cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and their contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Fund's financial assets at amortised cost comprised amounts due from brokers, other receivables, deposit with a licensed financial institution and cash at bank.

Subsequent to initial recognition, the debt instruments are measured at amortised cost using the effective interest method less any allowance for impairment. Gains or losses are recognised in profit or loss when the debt instruments are derecognised or impaired, and through the amortisation process.

##### (b) Financial assets at fair value through profit or loss ("FVTPL")

The Fund's financial assets at FVTPL comprised equity investments and debt instruments which are held under a business model to manage and evaluate their performance on a fair value basis.

Subsequent to initial recognition, financial assets at FVTPL are measured at fair value with changes in fair value recognised in profit or loss and presented as "Net gain or loss on financial assets at FVTPL". Interest and dividend earned from such instruments are recognised and presented separately as "Interest income" and "Gross dividend income", respectively in profit or loss. Foreign exchange differences on financial assets at FVTPL are not recognised separately in profit and loss but included in net gains or net losses on changes in fair value of financial assets at FVTPL.

#### 3.2 Impairment of Financial Assets at Amortised Cost

Expected credit losses ("ECLs") on financial assets of this category and with maturities of less than 12 months are measured using the simplified approach under MFRS 9 for trade receivables with no financing component. Under this approach, the Fund does not track changes in credit risk of the receivables and recognises a loss allowance based on their lifetime ECLs at the reporting date. The amount of expected credit losses (or reversals) required to arrive at the loss allowance is recognised as an impairment loss or gain in profit or loss. The cumulative loss allowance recognised is set off against the gross carrying amount of the financial assets at the reporting date.

#### 3.3 Classification of Realised and Unrealised Gain and Losses

Unrealised gains and losses comprise changes in fair value of financial instruments for the period from reversal of prior period's unrealised gains and losses for financial instruments which were realised (i.e. sold, redeemed or matured) during the reporting period.

Realised gains and losses on disposals of financial instruments classified as part of "at fair value through profit or loss" are calculated using weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount, or cash payment or receipts made of Shariah-compliant derivative contracts (excluding payments or receipts on collateral margin accounts for such investments).

#### 3.4 Financial Liabilities

Financial liabilities are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value, minus directly attributable transaction costs in the case of financial liabilities not at FVTPL.

Financial liabilities are classified at initial recognition according to the substance of the contractual arrangements entered into and the definition of a financial liability.

The Fund's financial liabilities which include amounts due to Trustee, Manager, other payables and accruals are classified as subsequently measured at amortised cost using the effective interest method. The Fund does not have financial liabilities classified as at FVTPL.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.



### **3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)**

#### **3.5 Fair Value Measurement**

For financial assets at FVTPL that require fair value measurement, the Fund establishes a fair value measurement hierarchy that gives the highest priority to quoted prices (unadjusted) in active markets and the lowest priority to unobservable inputs.

A fair value measurement of an item is estimated using a quoted price in an active market if that price is observable. The active market is the principal market for the asset or, in the absence of a principal market, the most advantageous market for the asset; and for which the Fund can enter into a transaction for the asset at the price in that market at the measurement date.

In the absence of an active market price, the fair value of an item is estimated by an established valuation technique using inputs from the marketplace that are observable for substantially the full term of the asset.

In the absence of both market price and observable inputs, a fair value measurement of an item is estimated by an established valuation technique using unobservable inputs, including internally developed assumptions that are reasonable and supportable.

#### **3.6 Foreign Currencies**

The financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates ("the functional currency"). The financial statements are presented in Ringgit Malaysia (RM), which is also the Fund's functional currency.

In preparing the financial statements, transactions in currencies other than the Fund's functional currency (foreign currencies) are recorded in the functional currency using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, foreign currency monetary assets and liabilities are translated at exchange rates prevailing at the end of the reporting period. Non-monetary items that are measured at fair value in a foreign currency are translated using exchange rates at the date when the fair value was determined.

Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are recognised in profit or loss.

Exchange differences arising from the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains or losses are recognised directly in equity. Exchange differences arising from such non-monetary items are recognised directly to equity.

#### **3.7 Unitholders' Capital**

The unitholders' contributions to the Fund meet the definition of puttable instruments classified as equity instruments under MFRS 132.

Distribution equalisation represents the average distributable amount included in the creation and cancellation prices of units. This amount is either refunded to unitholders by way of distribution and/or adjusted accordingly when units are cancelled.

#### **3.8 Income Distribution**

Income distributions are at the discretion of the Manager. Income distribution to the Fund's unitholders is accounted for as a deduction from realised reserves except where distribution is sourced out of distribution equalisation which is accounted for as deduction from unitholders' capital.

#### **3.9 Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and deposit with a financial institution which has insignificant risk of changes in value.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

#### 3.10 Income Recognition

Income is recognised to the extent that is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at fair value of consideration received or receivable.

Dividend income is recognised when the Fund's right to receive payment is established.

Interest income is recognised using effective interest method.

#### 3.11 Income Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

No deferred tax is recognised as there are no material temporary differences.

#### 3.12 Segment Reporting

For management purposes, the Fund is managed under 2 main portfolios, namely (1) equity securities; and (2) fixed income instruments. Each segment engages in separate business activities and the operating results are regularly reviewed by the Manager, External Investment Manager and the Fund's Investment Committee. The External Investment Manager and the Fund Investment Committee jointly assumes the role of chief operation decision maker, for performance assessment purposes and to make decision about resources allocated to each investment segment.

#### 3.13 Significant Accounting Estimates and Judgements

The preparation of financial statements in accordance with MFRS and IFRS requires the use of certain accounting estimates and exercise of judgements. Estimates and judgements are continually evaluated and are based on past experience, reasonable expectations of future events and other factors.

No major judgements have been made by the Manager in applying the Fund's accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 4. MANAGER'S FEE

The Manager is entitled to an annual management fee of 1.50% (2023 : 1.50%) per annum of the NAV of the Fund (before deducting the Manager's and Trustee's fees for the day) calculated and accrued on a daily basis.

### 5. TRUSTEE'S FEE

The Trustee is entitled to a fee of 0.055% (2023 : 0.055%) per annum of the NAV of the Fund (before deducting the Manager's and Trustee's fees for the day) calculated and accrued on a daily basis, subject to a minimum of RM15,000 (2023 : RM15,000) per annum.

## 6. TAXATION

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Tax (income)/expense for the financial year comprised :-		
Malaysian income tax	-	26,000
Taxation over provided in prior financial year	(11,905)	(9,798)
	<u>(11,905)</u>	<u>16,202</u>
Foreign withholding tax	6,368	10,625
	<u>(5,537)</u>	<u>26,827</u>

In accordance with Schedule 6 of Income Tax Act 1967 ("ITA 1967"), dividend income and profit income earned by the Fund is exempted from tax. With effect from 1 January 2022, income derived from sources outside Malaysia and received by the Fund in Malaysia will be subject to the Malaysian income tax pursuant to the ITA 1967. However, based on P.U. (A) 250 of the ITA 1967 on 19 September 2024, the income derived from sources outside Malaysia is exempted from tax for year of assessment from 1 January 2024 to 31 December 2026, in accordance to conditions imposed by the Director General under Section 134A of the ITA.

A reconciliation to income tax expense applicable to net income/(loss) before taxation at the Malaysian statutory income tax rate applicable to the Fund is as follows :

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Net income/(loss) before taxation	122,060	(72,009)
Taxation at the Malaysian statutory rate of 24% (2023 : 24%)	29,294	(17,282)
<b>Tax effects in respect of :</b>		
Income not subject to tax	(100,112)	(116,007)
Loss disregarded for tax purposes	29,140	120,967
Expenses not deductible for tax purposes	17,105	13,168
Restriction on tax deductible expenses for unit trust funds	24,573	25,154
Taxation over provided in prior financial year	(11,905)	(9,798)
	<u>(11,905)</u>	<u>16,202</u>
Foreign withholding tax	6,368	10,625
Tax (income)/expense	<u>(5,537)</u>	<u>26,827</u>

## 7. INVESTMENTS

	<b>RM</b>	<b>RM</b>
<b>Financial assets at fair value through profit or loss ("FVTPL")</b>		
Quoted equities :		
- in Malaysia	1,615,291	2,228,645
- outside Malaysia	4,192,208	3,287,249
	<u>5,807,499</u>	<u>5,515,894</u>
Unquoted convertible loan stock outside Malaysia	-	208,686
	<u>5,807,499</u>	<u>5,724,580</u>

## 7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows :-

2024	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES IN MALAYSIA</b>				
<b>Main Market / ACE Market</b>				
<b>Construction</b>				
Gadang Holdings Berhad	262,000	172,207	87,770	1.41%
Gabungan AQRS Berhad	166,900	107,774	50,070	0.81%
Muhibbah Engineering (M) Berhad	69,150	74,464	55,666	0.90%
	<u>498,050</u>	<u>354,445</u>	<u>193,506</u>	<u>3.12%</u>
<b>Consumer Products and Services</b>				
Kawan Food Berhad	43,500	89,085	70,905	1.14%
NTPM Holdings Berhad	122,800	91,891	36,226	0.58%
Senheng New Retail Berhad	152,800	147,696	44,312	0.71%
	<u>319,100</u>	<u>328,672</u>	<u>151,443</u>	<u>2.43%</u>
<b>Energy</b>				
Hibiscus Petroleum Berhad	48,133	46,621	94,341	1.52%
<b>Financial Services</b>				
Hong Leong Capital Berhad	15,000	75,000	60,750	0.98%
<b>Healthcare</b>				
Supercomnet Technologies Berhad	58,000	90,404	78,880	1.27%
<b>Industrial Products</b>				
Cahaya Mata Sarawak Bhd	169,700	361,319	203,640	3.28%
Cropmate Berhad	155,200	31,375	31,040	0.50%
HIL Industries Berhad	86,300	86,300	77,239	1.24%
Lotte Chemical Titan Holding Bhd	53,400	144,343	34,176	0.55%
SKP Resources Berhad	49,100	73,545	58,429	0.94%
Mega Fortris Berhad	40,000	27,089	25,200	0.41%
	<u>553,700</u>	<u>723,971</u>	<u>429,724</u>	<u>6.92%</u>
<b>Properties</b>				
Hua Yang Berhad	91,000	29,120	26,390	0.42%
Skyworld Development Berhad	68,400	54,720	38,646	0.62%
	<u>159,400</u>	<u>83,840</u>	<u>65,036</u>	<u>1.04%</u>
<b>Technology</b>				
Greatech Technology Bhd	15,400	53,900	35,574	0.57%
Kronologi Asia Berhad	668,280	386,412	193,801	3.12%
Kronologi Asia Berhad - Warrants	111,380	-	10,024	0.16%
MYEG Services Berhad	33,200	26,062	31,872	0.51%
N2N Connect Berhad	458,000	201,018	206,100	3.32%
SFP Tech Holdings Berhad	88,000	61,600	64,240	1.03%
	<u>1,374,260</u>	<u>728,992</u>	<u>541,611</u>	<u>8.71%</u>

## 7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows :- (Cont'd.)

2024 (Cont'd.)	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES IN MALAYSIA (CONT'D.)</b>				
<b>Main Market / ACE Market (Cont'd.)</b>				
<b>TOTAL QUOTED EQUITIES IN MALAYSIA</b>				
	3,025,643	2,431,945	1,615,291	25.99%
<b>QUOTED EQUITIES OUTSIDE MALAYSIA</b>				
<b>Australia Stock Exchange ("ASX")</b>				
EQ Resources Limited	1,608,000	290,141	187,824	3.02%
NuEnergy Gas Limited	1,525,177	143,044	76,350	1.23%
	3,133,177	433,185	264,174	4.25%
<b>Jakarta Stock Exchange ("JKSE")</b>				
PT Erajaya Swasembada Tbk	673,900	109,155	75,469	1.22%
PT Surya Pertiwi Tbk	26	8	5	0.00%
PT Surya Toto Indonesia Tbk	470,000	63,563	28,662	0.46%
PT Solusi Sinergi Digital Tbk	1,500,000	254,031	170,478	2.74%
PT Wijaya Karya Bangunan Gedung Tbk	1,800,000	101,606	31,933	0.51%
PT Wir Asia Tbk	3,219,000	141,205	74,954	1.21%
PT Ramayana Lestari Sentosa Tbk	207,900	53,137	21,208	0.34%
	7,870,826	722,705	402,709	6.48%
<b>Philippines Stock Exchange ("PSE")</b>				
Converge Information and Communications Technology Solutions, Inc				
	49,000	79,108	60,975	0.98%
Global Ferronickel Holdings Inc	469,100	106,509	37,614	0.61%
Security Bank Corporation	19,700	175,503	132,142	2.13%
PureGold Price Club Inc	30,600	108,347	72,783	1.17%
	568,400	469,467	303,514	4.89%
<b>Hong Kong Stock Exchange ("HKEX")</b>				
Alibaba Group Holding Ltd	1,300	92,761	61,690	1.00%
AIA Group Limited	1,600	62,187	51,877	0.84%
A-Living Smart City Services Co Ltd	11,250	103,338	18,465	0.30%
AAC Technologies Holdings Inc	7,000	126,143	151,174	2.43%
Asia Cement (China) Holdings Corporation	23,000	83,937	31,260	0.50%
Bank Of China Ltd	27,000	19,903	61,731	0.99%
China Construction Bank Corporation	22,000	71,853	82,100	1.32%
ANTA Sports Products Limited	1,200	55,290	53,801	0.87%
China Merchants Bank	3,000	59,094	69,108	1.11%
China Modern Dairy Holdings Ltd	278,900	186,282	147,769	2.38%
China Taiping Insurance Holdings	16,000	152,437	107,071	1.72%
China Yuhua Education Corporation Ltd	56,000	108,575	11,933	0.19%
Essex Bio-Technology Ltd	74,900	201,736	126,817	2.04%
Ever Sunshine Services Group Ltd	97,000	103,375	108,931	1.75%

## 7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows :- (Cont'd.)

### 2024 (Cont'd.)

	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES OUTSIDE MALAYSIA (CONT'D.)</b>				
<b>Hong Kong Stock Exchange ("HKEX") (Cont'd.)</b>				
Geely Automobile Holdings Ltd	18,000	115,299	153,627	2.47%
Guangdong Kanghua Healthcare Co Ltd	40,400	120,999	56,770	0.91%
Hua Han Health Industry Holdings Limited	584,000	444,770	-	0.00%
Hong Kong Exchanges & Clearing Limited	400	59,828	67,910	1.09%
JD.com, Inc.	619	84,956	48,482	0.78%
Meituan-Dianping	20	-	1,747	0.03%
Nameson Holdings Ltd	537,000	255,295	259,777	4.18%
New China Life Insurance Co Ltd	7,000	121,953	95,139	1.53%
Metasurface Technologies Holdings Limited	42,000	62,000	24,188	0.39%
Ping An Insurance	3,000	63,745	79,561	1.28%
Prudential Plc	2,500	122,289	89,049	1.43%
Real Gold Mining Ltd	191,000	-	-	0.00%
Semiconductor Manufacturing International Corporation	13,000	124,598	238,077	3.83%
Sunac Services Holding Ltd	85,000	89,622	81,259	1.31%
Tongda Group Holdings Ltd	2,160,000	142,150	100,759	1.62%
UMP Healthcare Holdings Ltd	175,322	160,080	41,397	0.67%
Xinyi Solar Holdings Ltd	15,000	111,269	27,125	0.44%
	<u>4,494,411</u>	<u>3,505,764</u>	<u>2,448,594</u>	<u>39.40%</u>
<b>Singapore Stock Exchange ("SGX")</b>				
Ayondo Limited (Note iii)	550,000	427,785	-	0.00%
CSE Global Limited	57,400	82,172	78,266	1.26%
Fibrechem Technologies Ltd (Note iv)	522,000	-	-	0.00%
Fortress Minerals Ltd	64,800	60,483	51,098	0.82%
Alpina Holding Limited	98,000	95,302	59,568	0.96%
Grand Venture Technology Limited	45,800	159,936	112,108	1.81%
IWOW Technology Limited	52,000	40,619	31,778	0.51%
Q & M Dental Group (Singapore) Ltd.	94,500	149,417	86,937	1.40%
Sino Techfibre Ltd. (Note v)	834,000	-	-	0.00%
Serial System Ltd.	364,400	145,199	57,469	0.93%
Trans-China Automotive Holdings Limited	199,300	142,330	34,051	0.55%
Mooreast Holding Ltd	171,000	116,697	61,802	1.00%
Singapore Institute of Advanced Medicine Holdings Ltd (Note vi)	440,670	268,175	79,632	1.28%
	<u>3,493,870</u>	<u>1,688,115</u>	<u>652,709</u>	<u>10.52%</u>

## 7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows :- (Cont'd.)

### 2024 (Cont'd.)

	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES OUTSIDE MALAYSIA (CONT'D.)</b>				
<b>Stock Exchange of Thailand ("SET")</b>				
CIMB Thai Bank	1,000,000	70,406	58,602	0.94%
Sino Thai Engineering & Construction Public Company Limited	25,000	65,345	25,068	0.40%
TBN Corporation Public Company Limited	36,500	58,145	36,838	0.59%
	<u>1,061,500</u>	<u>193,896</u>	<u>120,508</u>	<u>1.93%</u>
<b>TOTAL QUOTED EQUITIES OUTSIDE MALAYSIA</b>	<u>20,622,184</u>	<u>7,013,132</u>	<u>4,192,208</u>	<u>67.47%</u>
<b>TOTAL FINANCIAL ASSETS AT FVTPL</b>	<u>23,647,827</u>	<u>9,445,077</u>	<u>5,807,499</u>	<u>93.46%</u>
<b>SHORTFALL OF FAIR VALUE OVER COST</b>			<u><b>(3,637,578)</b></u>	

### 2023

#### QUOTED EQUITIES IN MALAYSIA

##### Main Market / ACE Market

##### Construction

Advancecon Holdings Berhad	50,000	16,500	14,250	0.22%
Gadang Holdings Berhad	112,000	125,205	37,520	0.59%
Gabungan AQRS Berhad	166,900	107,774	55,077	0.87%
Muhibbah Engineering (M) Berhad	69,150	74,464	53,591	0.84%
	<u>398,050</u>	<u>323,943</u>	<u>160,438</u>	<u>2.52%</u>

##### Consumer products and services

DXN Holdings Berhad	193,800	135,660	123,063	1.94%
Guan Chong Berhad	55,000	142,490	100,650	1.59%
Able Global Berhad	54,100	62,971	81,150	1.28%
Kawan Food Berhad	43,500	89,085	78,300	1.23%
NTPM Holdings Berhad	122,800	91,891	46,664	0.74%
Senheng New Retail Berhad	152,800	147,696	50,424	0.79%
Teo Seng Capital Bhd	19,000	29,905	30,400	0.48%
	<u>641,000</u>	<u>699,698</u>	<u>510,651</u>	<u>8.05%</u>

##### Energy

Hibiscus Petroleum Berhad	60,133	58,244	152,738	2.41%
---------------------------	--------	--------	---------	-------

##### Financial Services

Hong Leong Capital	15,000	75,000	68,250	1.08%
--------------------	--------	--------	--------	-------

##### Healthcare

Supercomnet Technologies Berhad	58,000	90,404	70,760	1.11%
---------------------------------	--------	--------	--------	-------

## 7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows :- (Cont'd.)

2023	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>Industrial Product</b>				
Cahaya Mata Sarawak Bhd	169,700	361,319	183,276	2.89%
Globaltec Formation Berhad	129,000	76,755	77,400	1.22%
HIL Industries Berhad	115,300	115,300	109,535	1.73%
Lotte Chemical Titan Holding Bhd	53,400	144,343	72,090	1.14%
SKP Resources Berhad	49,100	73,545	38,789	0.61%
United U-Li Corporation Berhad	33,500	52,001	51,255	0.81%
	<u>550,000</u>	<u>823,263</u>	<u>532,345</u>	<u>8.40%</u>
<b>Plantations</b>				
Sarawak Oil Palms Berhad	9,600	33,625	24,864	0.39%
TSH Resources Berhad	49,300	58,372	48,068	0.76%
	<u>58,900</u>	<u>91,997</u>	<u>72,932</u>	<u>1.15%</u>
<b>Property</b>				
Skyworld Development Berhad	68,400	54,720	37,620	0.59%
<b>Technology</b>				
Greatech Technology Bhd	7,700	53,900	36,960	0.58%
Globetronics Technology Berhad	85,500	172,672	138,510	2.18%
Inari Amertron Berhad	22,500	65,700	67,725	1.07%
Kronologi Asia Berhad	668,280	386,412	263,971	4.16%
Kronologi Asia Berhad - Warrants	111,380	-	17,264	0.27%
Securemetric Berhad	300,000	75,000	43,500	0.69%
	<u>1,195,360</u>	<u>753,684</u>	<u>567,930</u>	<u>8.95%</u>
<b>Utilities</b>				
Mega First Corporation Berhad	14,900	44,356	54,981	0.87%
<b>TOTAL QUOTED EQUITIES IN MALAYSIA</b>	<u>3,059,743</u>	<u>3,015,309</u>	<u>2,228,645</u>	<u>35.13%</u>
<b>QUOTED EQUITIES OUTSIDE MALAYSIA</b>				
<b>Australia Stock Exchange ("ASX")</b>				
EQ Resources Limited	1,380,900	253,854	246,052	3.88%
NuEnergy Gas Limited	1,195,409	143,044	123,316	1.94%
	<u>2,576,309</u>	<u>396,898</u>	<u>369,368</u>	<u>5.82%</u>
<b>Jakarta Stock Exchange ("JKSE")</b>				
PT Erajaya Swasembada Tbk	673,900	109,155	85,665	1.35%
PT Bank Syariah Indonesia Tbk	138,900	52,547	72,119	1.14%
PT Surya Pertiwi Tbk	26	8	4	0.00%
PT Surya Toto Indonesia Tbk	470,000	63,563	31,977	0.50%
PT Solusi Sinergi Digital Tbk	750,000	196,245	34,465	0.54%
PT Wijaya Karya Bangunan Gedung Tbk	1,800,000	101,606	42,970	0.68%
PT Wir Asia Tbk	3,219,000	141,205	103,739	1.63%
PT Ramayana Lestari Sentosa Tbk	207,900	53,137	31,949	0.50%
	<u>7,259,726</u>	<u>717,466</u>	<u>402,888</u>	<u>6.34%</u>
<b>Korea Stock Exchange ("KRX")</b>				
SK Hynix	300	130,833	151,050	2.38%



## 7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows :- (Cont'd.)

2023 (Cont'd.)	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES OUTSIDE MALAYSIA (CONT'D.)</b>				
<b>Philippines Stock Exchange ("PSE")</b>				
Ayala Land Inc	35,400	107,153	101,221	1.59%
Converge Information and Communications Technology Solutions, Inc.	49,000	79,108	34,081	0.54%
Global Ferronickel Holdings Inc	469,100	106,509	80,207	1.26%
Security Bank Corporation	19,700	175,503	116,910	1.84%
PureGold Price Club Inc	30,600	108,347	68,321	1.08%
	603,800	576,620	400,740	6.31%
<b>Hong Kong Stock Exchange ("HKEX")</b>				
Alibaba Group Holding Ltd	500	58,064	22,230	0.35%
Agricultural Bank China	31,000	48,007	54,876	0.86%
A-Living Smart City Services Co Ltd	11,250	103,338	23,686	0.37%
AAC Technologies Holdings Inc	7,000	126,143	95,507	1.50%
Asia Cement Holdings Corporation	23,000	83,937	33,004	0.52%
Bank Of China Ltd	39,000	28,749	68,349	1.08%
China Constructions Bank Corp	22,000	71,853	60,163	0.95%
China Merchants Bank	3,000	63,516	47,989	0.76%
China Modern Dairy Holdings Ltd	278,900	186,282	121,376	1.91%
China Taiping Insurance Holdings	16,000	152,437	63,233	1.00%
China Yuhua Education Coproration Ltd	56,000	108,575	18,113	0.29%
Essex Bio-Technology Ltd	74,900	201,736	109,681	1.73%
Geely Automobile Holdings Ltd	18,000	115,299	90,932	1.43%
Guangdong Kanghua Healthcare Co Ltd	40,400	120,999	46,568	0.73%
Hua Han Health Industry Holdings Limited (Note i)	584,000	444,770	-	0.00%
JD.com, Inc.	619	84,956	40,954	0.65%
Meituan-Dianping	20	-	963	0.02%
Nameson Holdings Ltd	369,000	190,244	108,504	1.71%
New China Life Insurance Co Ltd	7,000	121,953	62,656	0.99%
Real Gold Mining Ltd (Note ii)	191,000	-	-	0.00%
Tongda Group Holdings Ltd	960,000	71,809	58,151	0.92%
UMP Healthcare Holdings Ltd	175,322	160,080	60,833	0.96%
Xinyi Solar Holdings Ltd	15,000	111,269	40,226	0.63%
Xiaomi Corporation	10,400	74,445	95,413	1.50%
	2,933,311	2,728,461	1,323,407	20.86%
<b>Stock Exchange of Thailand ("SET")</b>				
Sino Thai Engineering & Construction Public Company Limited	25,000	65,345	28,137	0.44%
TBN Corporation Limited	18,500	35,925	34,951	0.55%
	43,500	101,270	63,088	0.99%

## 7. INVESTMENTS (CONT'D.)

(a) The details of financial assets at FVTPL at the end of the reporting period are as follows :- (Cont'd.)

2023 (Cont'd.)	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES OUTSIDE MALAYSIA (CONT'D.)</b>				
<b>Singapore Stock Exchange ("SGX")</b>				
Ayondo Limited ( <i>Note iii</i> )	550,000	427,785	-	0.00%
Fibrechem Technologies Ltd ( <i>Note iv</i> )	522,000	-	-	0.00%
Fortress Minerals Ltd	64,800	60,483	68,741	1.08%
Alpina Holding Limited	98,000	95,302	62,376	0.98%
Grand Venture Technology Limited	45,800	159,936	86,817	1.37%
IWOW Technology Limited	52,000	40,619	39,789	0.63%
Q & M Dental Group (Singapore) Limited	94,500	149,416	83,814	1.32%
Sino Techfibre Ltd ( <i>Note v</i> )	834,000	-	-	0.00%
Serial System Ltd	364,400	145,199	69,708	1.10%
Trans-China Automotive Holdings Limited	199,300	142,330	76,250	1.20%
Mooreast Holdings Ltd	171,000	116,697	89,213	1.41%
	<u>2,995,800</u>	<u>1,337,767</u>	<u>576,708</u>	<u>9.09%</u>
<b>TOTAL QUOTED EQUITIES OUTSIDE MALAYSIA</b>	<u>16,412,746</u>	<u>5,989,315</u>	<u>3,287,249</u>	<u>51.79%</u>
<b>UNQUOTED CONVERTIBLE LOAN STOCK OUTSIDE MALAYSIA</b>				
Singapore Institute of Advanced Medicine Holdings Pte. Ltd. ( <i>Note vi</i> )	60,000	192,720	208,686	3.29%
<b>TOTAL FINANCIAL ASSETS AT FVTPL</b>	<u>19,532,489</u>	<u>9,197,344</u>	<u>5,724,580</u>	<u>90.21%</u>
<b>SHORTFALL OF FAIR VALUE OVER COST</b>			<u><b>(3,472,764)</b></u>	

(i) **Hua Han Health Industry Holdings Limited**

These securities had been suspended since 27 September 2016 and subsequently delisted on 16 December 2020. There is no fair value for the said securities.

(ii) **Real Gold Mining Ltd**

These securities had been suspended since 27 May 2011 and subsequently delisted on 2 April 2020. There is no fair value for the said securities.

(iii) **Ayondo Limited**

These securities had been suspended since 30 January 2019 and subsequently delisted on 24 December 2021. There is no fair value for the said securities.

(iv) **Fibrechem Technologies Ltd**

These securities had been suspended since 25 February 2009 and subsequently delisted on 1 November 2018. There is no fair value for the said securities.

(v) **Sino Techfibre Ltd**

These securities had been suspended since 13 April 2011 and subsequently delisted on 14 February 2020. There is no fair value for the said securities.

(vi) **Singapore Institute of Advanced Medicine Holdings Ltd (formerly known as Singapore Institute of Advanced Medicine Holdings Pte. Ltd.)**

The investment in unquoted convertible loan stock made by the Fund with Singapore Institute of Advanced Medicine Holdings Ltd ("SIAMH") in the previous financial year was convertible into ordinary shares upon the issuance new ordinary shares pursuant to SIAMH's proposed initial public offering and listing on the Catalist Board of Singapore Stock Exchange Securities Trading Limited ("the Proposed Listing"). The Proposed Listing exercise has been completed and SIAMH was listed on 16 February 2024.

**7. INVESTMENTS (CONT'D.)**

(b) The currency exposure profile of financial assets at FVTPL are as follows :

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Ringgit Malaysia	1,615,291	2,228,645
Hong Kong Dollar	2,448,594	1,323,407
Indonesian Rupiah	402,709	402,888
South Korean Won	-	151,050
Thai Baht	120,508	63,088
Philippines Peso	303,514	400,740
Singapore Dollar	652,709	785,394
Australian Dollar	264,174	369,368
	<u>5,807,499</u>	<u>5,724,580</u>

(c) Net gain/(loss) on financial assets at FVTPL for the financial year comprised the following :

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Realised gain/(loss) on disposals	254,895	(501,910)
Unrealised (loss)/gain on changes in fair value	<u>(118,696)</u>	<u>427,943</u>
As presented on the statement of comprehensive income	<u>136,199</u>	<u>(73,967)</u>

**8. DEPOSIT WITH A LICENSED FINANCIAL INSTITUTION**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Short-term deposit	<u>-</u>	<u>300,370</u>

The weighted average effective interest rate of the Fund's short-term deposit as at 31 December 2024 was NIL (2023 : 3%) and had an original maturity period of NIL (2023 : 4 days).

**9. AMOUNT DUE TO MANAGER**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Amount due to Manager for management fee payable	<u>8,766</u>	<u>9,259</u>

**10. INCOME DISTRIBUTION**

Distribution to unitholders are from the following sources :

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Dividend income	7,911	11,767
Interest income from deposits with financial institutions	326	406
Net realised loss from sale of investments	<u>(22,028)</u>	<u>(8,952)</u>
	(13,791)	3,221
Less:		
Expenses	<u>(9,178)</u>	<u>(8,892)</u>
Realised loss for current period	(22,969)	(5,671)
Realised income from prior period	<u>271,044</u>	<u>285,495</u>
Total distribution for the financial year	<u>248,075</u>	<u>279,824</u>
Units in circulation at book closing date	6,201,845	6,995,895
Gross distribution per unit (sen)	4.00	4.00
Net distribution per unit (sen)	4.00	4.00
Date of distribution	<u>26.04.2024</u>	<u>28.04.2023</u>

## 11. NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNITHOLDERS

	Note	2024 RM	2023 RM
Unitholders' capital	(a)	6,392,386	6,409,561
Accumulated losses			
- Realised earnings	(b)	5,695,164	5,696,946
- Unrealised losses	(c)	(5,876,685)	(5,757,989)
		(181,521)	(61,043)
Net asset value		<u>6,210,865</u>	<u>6,348,518</u>

## (a) Unitholders' Capital

	2024		2023	
	Number of units	Value RM	Number of units	Value RM
Balance at beginning of the financial year	6,411,053	6,409,561	6,999,357	7,013,454
Add: Creation of units	807,198	748,335	439,067	471,330
Less: Cancellation of units	(820,809)	(740,507)	(1,027,371)	(1,067,572)
Distribution equalisation	-	(25,003)	-	(7,651)
Balance at end of the financial year	<u>6,397,442</u>	<u>6,392,386</u>	<u>6,411,053</u>	<u>6,409,561</u>

## (b) Realised - Distributable

	2024 RM	2023 RM
Balance at the beginning of the financial year	5,696,946	6,503,549
Net income/(loss) after taxation	127,597	(98,836)
Net unrealised loss/(gain) attributable to investments held transferred to unrealised reserve	118,696	(427,943)
Distribution out of realised reserve	(248,075)	(279,824)
Balance at the end of the financial year	<u>5,695,164</u>	<u>5,696,946</u>

## (c) Unrealised - Non-distributable

	2024 RM	2023 RM
Balance at the beginning of the financial year	(5,757,989)	(6,185,932)
Net unrealised (loss)/gain attributable to investments held transferred from realised reserve	(118,696)	427,943
Balance at the end of the financial year	<u>(5,876,685)</u>	<u>(5,757,989)</u>

## 12. NET ASSET VALUE PER UNIT

Net asset value attributable to unitholders is classified as equity in the statement of financial position.

For the purpose of calculation of net asset value attributable to unitholders per unit, quoted financial assets in the financial statements are stated at the last done market price consistent with that used for issuance and redemption of units in accordance with the Deeds.

## 13. UNITS HELD BY RELATED PARTIES

	2024		2023	
	Number of units	Valued at NAV RM	Number of units	Valued at NAV RM
Director of the Manager #	2,710,208	2,631,070	1,589,933	1,574,351
Persons connected to a Director of the Manager #	5,967	5,792	5,718	5,989
	<u>2,716,175</u>	<u>2,636,862</u>	<u>1,595,651</u>	<u>1,580,340</u>

# *The Director and persons connected to the Director of the Manager are legal and beneficial owners of the units.*

**14. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTIONS****2024**

	<b>Value of trade RM</b>	<b>Percentage of total trade</b>	<b>Brokerage fees RM</b>	<b>Percentage of total brokerage fees</b>
Phillip Capital	903,631	15.40%	2,052	19.77%
CCB International Securities Limited	843,722	14.38%	2,109	20.32%
CGS International Securities Malaysia	594,350	10.13%	953	9.18%
Kenanga Investment Bank Berhad	423,694	7.22%	278	2.68%
Maybank Investment Bank Berhad	328,268	5.60%	593	5.71%
RHB Investment Bank Berhad	303,409	5.17%	195	1.88%
CLSA Securities Malaysia Sdn Bhd	238,740	4.07%	760	7.32%
DBS Vicker Securities (HK) Pte Ltd	216,821	3.70%	542	5.22%
CIMB Investment Bank Berhad	203,920	3.48%	80	0.77%
JF Apex Securities Bhd	190,400	3.25%	286	2.76%
Others	1,619,103	27.60%	2,532	24.39%
	<u>5,866,058</u>	<u>100.00%</u>	<u>10,380</u>	<u>100.00%</u>

**2023**

	<b>Value of trade RM</b>	<b>Percentage of total trade</b>	<b>Brokerage fees RM</b>	<b>Percentage of total brokerage fees</b>
CCB International Securities Limited	714,993	16.84%	1,787	16.93%
CIMB-GK Securities (Singapore) Pte Ltd	372,019	8.76%	588	5.57%
BRI Danareksa Sekuritas	341,432	8.04%	615	5.82%
Phillip Capital	313,928	7.39%	632	5.99%
CIMB-GK Securities (Indonesia)	278,242	6.55%	835	7.91%
Kenanga Investment Bank Berhad	229,211	5.40%	360	3.41%
Maybank ATR KIM ENG Securities Inc.	208,396	4.91%	521	4.94%
CLSA Securities Malaysia Sdn. Bhd	198,660	4.68%	1,987	18.82%
Hong Leong Investment Bank	140,124	3.30%	210	1.99%
UOB Kay Hian Securities	229,211	5.40%	277	2.62%
Others	1,219,603	28.73%	2,745	26.00%
	<u>4,245,817</u>	<u>100.00%</u>	<u>10,557</u>	<u>100.00%</u>

**15. TOTAL EXPENSE RATIO**

This is the ratio of the sum of the fees (inclusive of the manager, trustee, audit and other professional fees) and other administrative expenses of the Fund to the average NAV of the Fund calculated on a daily basis. The average NAV of the Fund for the financial year ended 31 December 2024 was RM6,252,757 (2023 : RM7,184,833).

	<b>2024</b>	<b>2023</b>
Total expense ratio	<u>2.78%</u>	<u>2.35%</u>

**16. PORTFOLIO TURNOVER RATIO**

This is the ratio of the average of acquisitions and disposals of the Fund for the financial year to the average NAV of the Fund for the year calculated on a daily basis.

	<b>2024</b>	<b>2023</b>
Portfolio turnover (times)	<u>0.44</u>	<u>0.31</u>

## 17. SEGMENT INFORMATION

The Manager, the appointed External Investment Manager and Investment Committee of the Fund are responsible for allocating resources available to the Fund in accordance with the overall investment strategies as set out in the investment Guidelines of the Fund. The Fund is managed by two segments:

- \* A portfolio of equity instruments
- \* A portfolio of fixed income portfolio, including debt securities and deposits with financial institutions

The investment objective of each segment is to achieve consistent returns from the investments in each segment while safeguarding capital by investing in diversified portfolios. There have been no changes in reportable segments in the current financial year. The segment information provided is presented to the Manager, the appointed External Investment Manager and Investment Committee of the Fund.

	Equity Portfolio RM	Fixed Income Portfolio RM	Total RM
<b>2024</b>			
Gross dividend income	154,480	-	154,480
Interest from deposit with licensed financial institution	-	7,759	7,759
Net gain on financial assets at FVTPL	136,199	-	136,199
Net realised loss on foreign exchange	(2,721)	-	(2,721)
Total segment operating income for the financial year	<u>287,958</u>	<u>7,759</u>	<u>295,717</u>
Financial assets at FVTPL	<u>5,807,499</u>	<u>-</u>	<u>5,807,499</u>
Total segment assets	<u>5,807,499</u>	<u>-</u>	<u>5,807,499</u>
Total segment liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b>2023</b>			
Gross dividend income	167,011	-	167,011
Interest from deposit with licensed financial institution	-	6,073	6,073
Net loss on financial assets at FVTPL	(73,967)	-	(73,967)
Net realised loss on foreign exchange	(2,117)	-	(2,117)
Total segment operating income for the financial year	<u>90,927</u>	<u>6,073</u>	<u>97,000</u>
Financial assets at FVTPL	<u>5,724,580</u>	<u>-</u>	<u>5,724,580</u>
Deposit with a licensed financial institution	<u>-</u>	<u>300,370</u>	<u>300,370</u>
Other assets	<u>30,611</u>	<u>25</u>	<u>30,636</u>
Total segment assets	<u>5,755,191</u>	<u>300,395</u>	<u>6,055,586</u>
Total segment liabilities	<u>-</u>	<u>-</u>	<u>-</u>

During the financial year, there were no transactions between operating segments.

Expenses of the Fund are not considered part of the performance of any operating segment. The following table provides a reconciliation between reportable segment income and operating income/(loss).

	2024 RM	2023 RM
Net reportable segment operating income	295,717	97,000
Expenses	(173,657)	(169,009)
Net income/(loss) before taxation	<u>122,060</u>	<u>(72,009)</u>
Taxation	5,537	(26,827)
Net income/(loss) after taxation	<u>127,597</u>	<u>(98,836)</u>

In addition, certain assets and liabilities are not considered to be part of the assets and liabilities of an individual segment. The following table provides reconciliation between total reportable segment assets and liabilities and total assets and liabilities of the Fund.

## 17. SEGMENT INFORMATION (CONT'D.)

	2024 RM	2023 RM
Total segment assets	5,807,499	6,055,586
Cash at bank	367,447	298,002
Tax recoverable	60,765	22,161
Total assets of the Fund	<u>6,235,710</u>	<u>6,375,749</u>
Amount due to Manager	8,766	9,259
Amount due to Trustee	1,719	1,804
Other payables and accruals	14,360	16,168
Total liabilities of the Fund	<u>24,845</u>	<u>27,231</u>

## 18. FINANCIAL INSTRUMENTS

## (a) Classification of Financial Instruments

The Fund's financial assets and financial liabilities are measured on an ongoing basis at either fair value or at amortised cost based on their respective classification. The accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses are recognised. The following table analyses the financial assets and liabilities of the Fund in the statement of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
<b>2024</b>				
<b>Financial assets</b>				
Investments	5,807,499	-	-	5,807,499
Cash at bank	-	367,447	-	367,447
Total financial assets	<u>5,807,499</u>	<u>367,447</u>	<u>-</u>	<u>6,174,945</u>
<b>Financial liabilities</b>				
Amount due to Manager	-	-	8,766	8,766
Amount due to Trustee	-	-	1,719	1,719
Other payables and accruals	-	-	14,360	14,360
Total financial liabilities	<u>-</u>	<u>-</u>	<u>24,845</u>	<u>24,845</u>
<b>2023</b>				
<b>Financial assets</b>				
Investments	5,724,580	-	-	5,724,580
Deposit with a licensed financial institution	-	300,370	-	300,370
Amount due from brokers	-	18,505	-	18,505
Other receivables	-	12,131	-	12,131
Cash at bank	-	298,002	-	298,002
Total financial assets	<u>5,724,580</u>	<u>629,008</u>	<u>-</u>	<u>6,353,588</u>
<b>Financial liabilities</b>				
Amount due to Manager	-	-	9,259	9,259
Amount due to Trustee	-	-	1,804	1,804
Other payables and accruals	-	-	16,168	16,168
Total financial liabilities	<u>-</u>	<u>-</u>	<u>27,231</u>	<u>27,231</u>

## 18. FINANCIAL INSTRUMENTS (CONT'D.)

### (b) Fair Value

#### (i) Financial instruments that are carried at fair value

The Fund uses the following level of fair value hierarchy for determining and disclosing the fair value of financial instruments carried at fair value in the statement of financial position:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly

Level 3: Inputs for the asset or liability that are not based on observable market data

The Fund's financial assets at FVTPL are carried at fair value. The fair values of these financial assets were determined using prices in active markets for identical assets.

#### Quoted equity instruments

Fair value of quoted equity instruments is determined directly by reference to their published market prices on the relevant stock exchanges at the reporting date. The fair value of quoted equity instruments which have lost active trading market due to suspension in their trading, is determined by reference to their published net tangible assets.

The Fund held the following financial instruments carried at fair value on the statement of financial position as at the end of financial year :

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
<b>2024</b>				
Financial assets at FVTPL				
- Quoted equities	5,807,499	-	-	5,807,499
	<u>5,807,499</u>	<u>-</u>	<u>-</u>	<u>5,807,499</u>
<b>2023</b>				
Financial assets at FVTPL				
- Quoted equities	5,515,894	-	-	5,515,894
- Unquoted convertible loan stock	-	-	208,686	208,686
	<u>5,515,894</u>	<u>-</u>	<u>208,686</u>	<u>5,724,580</u>

The fair value of the Fund's investment in unquoted convertible loan in the previous year was classified within Level 3 of the fair value hierarchy. The convertible loan was not traded in an active market and was of short-term in-nature pending the completion of the proposed initial public offering and listing exercise as explained in Note 7(a)(vi), the fair value of the unquoted convertible loan was estimated to be equivalent to the cost of the Fund's investment.

#### (ii) Financial instruments not carried at fair value

Financial instruments not carried at fair value comprise financial assets and financial liabilities subsequently measured at amortised cost. The carrying amount of these financial instruments at the end of the financial year approximated their fair values due to their short-term to maturity.



## 19. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES

The Fund maintains investment portfolios in a variety of quoted and unquoted financial instruments as dictated by its Deeds and investment management strategy.

The Fund is exposed to a variety of risks including market risk (which includes interest rate risk, equity price risk and currency risk), credit risk, and liquidity risk. Whilst these are the most important types of financial risks inherent in each type of financial instruments, the Manager and the Trustee would like to highlight that this list does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Fund.

The Fund's objective in managing risk is the creation and protection of unitholders' value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring of risks. Financial risk management is also carried out through sound internal control systems and adherence to the investment restrictions as stipulated in the Deeds, the Securities Commission Malaysia's *Guidelines on Unit Trust Funds* and the Capital Markets and Services Act, 2007.

### (a) Market Risk

The Fund's principal exposure to market risk arises primarily due to changes or developments in the market environment and typically includes changes in regulations, politics and the economy of the country. Market risk is also influenced by global economics and geopolitical developments. The Fund seeks to diversify away some of this risk by investing into different sectors to mitigate risk exposure to any single asset class.

The Fund's market risk arises primarily due to changes in market prices, interest rates and foreign currency exchange rates.

#### (i) Equity Price Risk

Equity price risk is the adverse changes in the fair value of equities as a result of changes in the levels of equity indices and the value of individual shares. The equity price risk exposure arises from the Fund's investments in quoted equity securities.

The table below demonstrates the sensitivity of the Fund's net income/(loss) after taxation and NAV to a reasonably possible change in equity prices on investments in quoted equity securities as at the end of the financial year with all other variables held constant :

	2024		2023	
	Impact on net income after taxation		Impact on net loss after taxation	
	Higher / RM	(Lower) RM	Lower / RM	(Higher) RM
Change in equity price by +6%/-6%	348,450 /	(348,450)	330,954 /	(330,954)
	2024		2023	
	Impact on NAV		Impact on NAV	
	Increase / RM	(Decrease) RM	Increase / RM	(Decrease) RM
Change in equity price by +6%/-6%	348,450 /	(348,450)	330,954 /	(330,954)

## 19. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

### (a) Market Risk (Cont'd.)

#### (ii) Interest Rate Risk

This risk refers to the effect of interest rate changes on the valuation of unquoted fixed income securities. In the event of rising interest rates, the return on deposits with financial institutions will rise while valuation of unquoted fixed income securities will decrease and vice versa, thus affecting the net asset value of the Fund. Currently, the Fund does not have any investment in unquoted fixed income securities.

The Fund's exposure to interest rate risk associated with deposits with financial institutions is not material as they are based on a fixed rate.

#### (iii) Currency Risk

The Fund is exposed to currency risk primarily through its investments in overseas securities that are denominated in foreign currencies. The Fund's foreign currency exposure profile of its investments in overseas securities is disclosed under Note 7(b). The currency risk is minimised by proper portfolio allocation and to avoid concentration in a single country.

The table below demonstrates the sensitivity of the Fund's net income/(loss) after taxation and NAV to +/- 10% change in foreign currency exchange rates as at the end of the financial year, with all other variables held constant :

	2024		2023	
	Impact on net income after taxation		Impact on net loss after taxation	
	Higher / RM	(Lower) RM	Lower / RM	(Higher) RM
Change in foreign currency exchange rates by +10%/-10%				
-Hong Kong Dollar	244,859	(244,859)	132,341	(132,341)
-Indonesian Rupiah	40,271	(40,271)	40,289	(40,289)
-South Korean Won	-	-	15,105	(15,105)
-Thai Baht	12,051	(12,051)	6,309	(6,309)
-Philippines Peso	30,351	(30,351)	40,074	(40,074)
-Singapore Dollar	65,271	(65,271)	78,539	(78,539)
-Australian Dollar	26,417	(26,417)	36,937	(36,937)
	<u>419,220</u>	<u>(419,220)</u>	<u>349,594</u>	<u>(349,594)</u>

### (b) Credit Risk

The Fund's investments in deposits with licensed financial institutions and bank balances are of high credit ratings while short-term receivables including amount due from brokers are of short maturities; hence probability of their default on contractual obligations is deemed negligible. Accordingly, no allowance is required for their expected credit losses in accordance with the accounting policies as disclosed in Note 3.2. The carrying amount of the financial assets represents the maximum credit risk exposure for the Fund.

### (c) Liquidity Risk

This risk occurs in thinly traded or illiquid equity securities. Should the Fund need to sell a relatively large amount of such securities, the act itself may significantly depress the selling price. As the Fund is exposed to daily redemption of units, the risk is minimised by placing a prudent level of funds in short-term deposits and by investing in stocks whose liquidity is adjudged to be commensurate with the expected exposure level of the Fund.

The following table summarises the maturity profile of the Fund's financial assets and financial liabilities in order to meet commitments associated with the Fund's contractual commitments and liquidity.

**19. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)****(c) Liquidity Risk (Cont'd.)**

	Up to 1 year RM	Above 1 year to 5 years RM	Total RM
<b>2024</b>			
<b>Assets</b>			
Financial assets at FVTPL	5,807,499	-	5,807,499
Other assets	367,447	-	367,447
Non-financial assets	60,765	-	60,765
	<u>6,235,710</u>	<u>-</u>	<u>6,235,710</u>
<b>Liabilities</b>			
Other liabilities	<u>24,845</u>	<u>-</u>	<u>24,845</u>
Unitholders' NAV	<u>6,210,865</u>	<u>-</u>	<u>6,210,865</u>
Liquidity gap	<u>-</u>	<u>-</u>	<u>-</u>
<b>2023</b>			
<b>Assets</b>			
Financial assets at FVTPL	5,724,580	-	5,724,580
Deposits with licensed financial institutions	300,370	-	300,370
Other assets	328,638	-	328,638
Non-financial assets	22,161	-	22,161
	<u>6,375,749</u>	<u>-</u>	<u>6,375,749</u>
<b>Liabilities</b>			
Other liabilities	<u>27,231</u>	<u>-</u>	<u>27,231</u>
Unitholders' NAV	<u>6,348,518</u>	<u>-</u>	<u>6,348,518</u>
Liquidity gap	<u>-</u>	<u>-</u>	<u>-</u>

**19. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)****(d) Stock Specific Risk**

The Fund is exposed to the individual risk of the respective companies issuing securities which includes changes to the business performance of the company, consumer tastes and demand, lawsuits and management practices. This risk is minimised through the well diversified nature of the Fund.

**(e) Single Issuer Risk**

The Fund's exposure to securities issued by any issuer is limited to not more than a certain percentage of its net asset value. Under such restriction, the risk exposure to the securities of any issuer is minimised.

**(f) Capital Management**

The capital is represented by unitholders' subscription to the Fund. The amount of capital can change significantly on a daily basis as the Fund is subject to daily redemption and subscription at the discretion of unitholders. The Manager manages the Fund's capital with the objective of maximising unitholders' value while maintaining sufficient liquidity to meet unitholders' redemption as explained in Note 19(c) above.

## **TRUSTEE'S REPORT TO THE UNIT HOLDERS OF PHEIM ASIA EX-JAPAN ISLAMIC FUND ("Fund")**

We have acted as Trustee of the Fund for the financial year ended 31 December 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Pheim Unit Trusts Berhad has operated and managed the Fund during the financial year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

We are of the opinion that the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For **Maybank Trustees Berhad**  
[Company No. : 196301000109 (5004-P)]

**NORHAZLIANA BINTI MOHAMMED HASHIM**  
Head, Unit Trust and Corporate Operations

Kuala Lumpur, Malaysia

Date : 19 February 2025

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF  
PHEIM ASIA EX-JAPAN ISLAMIC FUND**

We, Teh Song Lai and Hoi Weng Kong, being two of the Directors (alternate Director and Director respectively) of Pheim Unit Trusts Berhad, do hereby state that, in the opinion of the Manager, the accompanying financial statements of Pheim Asia Ex-Japan Islamic Fund are drawn up in accordance with the Deeds, Malaysian Financial Reporting Standards, International Financial Reporting Standards and Securities Commission Malaysia's *Guidelines on Unit Trust Funds* so as to give a true and fair view of the financial position of Pheim Asia Ex-Japan Islamic Fund as at 31 December 2024 and of its financial performance and cash flows for the financial year then ended.

On behalf of the Manager,  
**PHEIM UNIT TRUSTS BERHAD**

**TEH SONG LAI**  
Alternate Director to Dr. Tan Chong Koay

**HOI WENG KONG**  
Director

Kuala Lumpur, Malaysia

Date : 19 February 2025

## **SHARIAH ADVISER'S REPORT TO THE UNITHOLDERS OF PHEIM ASIA EX-JAPAN ISLAMIC FUND**

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Pheim Unit Trusts Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The asset of the Fund comprises of instruments that have been classified as Shariah compliant except for iX Biopharma Ltd, which have been reclassified as Shariah non-compliant by the Shariah Adviser.
3. We also confirm that the investment portfolio of the Fund comprises securities which have been classified as Shariah compliant by the Shariah Advisory Council of the SC ("SACSC") except for Advancecon Holdings Bhd, which have been reclassified as Shariah non-compliant.
4. These reclassified Shariah non-compliant instruments shall be disposed in accordance with the Fund's Shariah investment guidelines as provided in the Fund's deed and disclosed in the Fund's prospectus.

**For Amanie Advisors Sdn Bhd**

**TAN SRI DR. MOHD DAUD BAKAR**

Executive Chairman

Kuala Lumpur, Malaysia

Date : 19 February 2025

# INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF PHEIM ASIA EX-JAPAN ISLAMIC FUND

## Report on the Audit of the Financial Statements

### **Opinion**

We have audited the financial statements of PHEIM ASIA EX-JAPAN ISLAMIC FUND ("the Fund"), which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in net asset value attributable to unitholders and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 201 to 230.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Securities Commission Malaysia's *Guidelines on Unit Trust Funds*.

### **Basis for Opinion**

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence and Other Ethical Responsibilities**

We are independent of the Fund in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### **Information Other than the Financial Statements and Auditors' Report Thereon**

The Manager of the Fund, PHEIM UNIT TRUSTS BERHAD, is responsible for the other information. The other information comprises the information on the Fund together with the Manager's Report included in the Annual Report of the Funds managed by the Manager but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

### ***Information Other than the Financial Statements and Auditors' Report Thereon (Cont'd.)***

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### ***Responsibilities of the Manager and Trustee for the Financial Statements***

The Manager of the Fund is responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Securities Commission Malaysia's *Guidelines on Unit Trust Funds*. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Trustee is responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable the preparation of financial statements that are true and fair.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:-



### ***Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd.)***

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

***Other Matters***

This report is made solely to the unitholders of the Fund, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**FOLKS DFK & CO.**

NO. : AF 0502

CHARTERED ACCOUNTANTS

Kuala Lumpur

Date : 19 February 2025

**LEONG KOK TONG**

NO. : 02973/11/2025 J

CHARTERED ACCOUNTANT

**PHEIM ASIA EX-JAPAN ISLAMIC FUND  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Note	2024 RM	2023 RM
<b>INVESTMENT (LOSS)/INCOME</b>			
Gross dividend income		446,649	482,628
Profit from Shariah-based deposits with licensed financial institutions		94,523	61,736
Net (loss)/gain on financial assets at fair value through profit or loss ("FVTPL")	7(c)	(672,295)	383,355
Net realised loss on foreign exchange		(4,862)	(2,330)
		<u>(135,985)</u>	<u>925,389</u>
<b>EXPENSES</b>			
Manager's fee	4	362,492	388,402
Trustee's fee	5	15,000	15,000
Auditors' remuneration		9,000	9,000
Tax agent's fee		3,600	3,200
Brokerage fee and transaction costs		37,407	18,659
Administrative expenses		44,886	45,214
		<u>472,385</u>	<u>479,475</u>
<b>Net (loss)/income before taxation</b>		(608,370)	445,914
Taxation	6	2,193	(35,143)
<b>Net (loss)/income for the financial year representing total comprehensive (loss)/income for the financial year</b>		<u>(606,177)</u>	<u>410,771</u>
<b>Net (loss)/income after taxation is made up of the following :</b>			
Net realised income		2,704,902	342,229
Net unrealised (loss)/income		(3,311,079)	68,542
		<u>(606,177)</u>	<u>410,771</u>
<b>Distribution for the financial year :</b>			
Net distribution	11	1,684,175	1,616,961
Net distribution per unit (sen)	11	3.75	3.75
Gross distribution per unit (sen)	11	3.75	3.75

The accompanying notes form an integral part of the financial statements.

**PHEIM ASIA EX-JAPAN ISLAMIC FUND  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2024**

	Note	2024 RM	2023 RM
<b>ASSETS</b>			
Investments	7	19,007,445	22,498,117
Shariah-based deposits with licensed financial institutions	8	2,486,586	2,568,035
Other receivables		827	29,003
Amount due from Manager	10	1,471	52,946
Cash at bank		504,930	236,964
Tax recoverable		68,981	10,453
<b>TOTAL ASSETS</b>		<u>22,070,240</u>	<u>25,395,518</u>
<b>LIABILITIES</b>			
Amount due to Manager	10	27,656	33,245
Amount due to Trustee		2,197	2,287
Amount due to brokers		-	3,799
Other payables and accruals		48,102	39,272
<b>TOTAL LIABILITIES</b>		<u>77,955</u>	<u>78,603</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>21,992,285</u>	<u>25,316,915</u>
<b>EQUITY</b>			
Unitholders' capital	12(a)	30,198,640	31,232,918
Accumulated losses	12	(8,206,355)	(5,916,003)
<b>NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNITHOLDERS</b>	12	<u>21,992,285</u>	<u>25,316,915</u>
<b>UNITS IN CIRCULATION</b>	12(a)	<u>43,285,120</u>	<u>45,069,508</u>
<b>NET ASSET VALUE PER UNIT</b>	13	<u>0.5081</u>	<u>0.5617</u>

The accompanying notes form an integral part of the financial statements.

**PHEIM ASIA EX-JAPAN ISLAMIC FUND**  
**STATEMENT OF CHANGES IN NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	<b>Unitholders' capital RM</b>	<b>Accumulated losses RM</b>	<b>Total equity RM</b>
Balance at 1 January 2023	29,938,277	(4,709,813)	25,228,464
Net income for the financial year representing total comprehensive income for the financial year	-	410,771	410,771
Creation of units	5,170,734	-	5,170,734
Cancellation of units	(3,659,315)	-	(3,659,315)
Distribution equalisation	(216,778)	-	(216,778)
Income distribution (Note 11)	-	(1,616,961)	(1,616,961)
Total transactions with unitholders	1,294,641	(1,616,961)	(322,320)
Balance at 31 December 2023	31,232,918	(5,916,003)	25,316,915
Net loss for the financial year representing total comprehensive loss for the financial year	-	(606,177)	(606,177)
Creation of units	3,662,554	-	3,662,554
Cancellation of units	(5,079,792)	-	(5,079,792)
Distribution equalisation	382,960	-	382,960
Income distribution (Note 11)	-	(1,684,175)	(1,684,175)
Total transactions with unitholders	(1,034,278)	(1,684,175)	(2,718,453)
Balance at 31 December 2024	30,198,640	(8,206,355)	21,992,285

The accompanying notes form an integral part of the financial statements.

**PHEIM ASIA EX-JAPAN ISLAMIC FUND**  
**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	14,673,286	5,197,424
Purchase of investments	(11,892,972)	(4,861,333)
Dividends received	457,261	462,168
Profits received from Shariah-based deposits with licensed financial institutions	94,362	61,305
Management fee paid	(368,080)	(387,529)
Trustee's fee paid	(15,088)	(14,998)
Payment for other fees and expenses	(55,284)	(44,192)
Tax paid	(43,521)	(26,667)
Net cash from operating and investing activities	<u>2,849,964</u>	<u>386,178</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	1,829,222	3,115,971
Payment for cancellation of units	(4,473,767)	(2,977,613)
Distribution paid	(18,902)	(19,823)
Net cash (used in)/from financing activities	<u>(2,663,447)</u>	<u>118,535</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	186,517	504,713
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<u>2,804,999</u>	<u>2,300,286</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<u>2,991,516</u>	<u>2,804,999</u>
Cash and cash equivalents comprise the following :		
Shariah-based deposits with licensed financial institutions (Note 8)	2,486,586	2,568,035
Cash at bank	504,930	236,964
	<u>2,991,516</u>	<u>2,804,999</u>

The accompanying notes form an integral part of the financial statements.

**PHEIM ASIA EX-JAPAN ISLAMIC FUND  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES**

Pheim Asia Ex-Japan Islamic Fund ("the Fund") was established pursuant to a Deed dated 12 September 2006 as amended by the Supplemental Deed dated 3 December 2008, a Second Supplemental Master Deed dated 30 April 2015 and the Third Supplemental Master Deed dated 10 January 2023 (collectively referred to as "the Deeds") made between Pheim Unit Trusts Berhad ("the Manager") and Maybank Trustees Berhad ("the Trustee").

The objective of the Fund is to achieve capital appreciation in the long-term by investing primarily in Asian markets excluding Japan through investments that comply with Shariah requirements. The Fund is to invest in "Permitted Investments" in compliance with Shariah requirements in accordance with the Deeds comprising :

- (a) Shariah-compliant securities in Malaysia and countries in the Asia Pacific region excluding Japan;
- (b) Shariah-compliant securities and Islamic liquid assets in foreign markets that are permitted by the SC;
- (c) Shariah-compliant securities and Islamic liquid assets in the Malaysia market;
- (d) Unlisted Shariah-compliant securities which are offered directly to the Fund by the issuer;
- (e) Government Investment Issues (GII), Islamic accepted bills, Bank Negara Monetary Notes-i, Cagamas Mudharabah sukuk and any other government Islamic papers;
- (f) Shariah-compliant warrants, Islamic options and other Shariah-compliant equity securities;
- (g) Units or shares of other Islamic collective investments schemes;
- (h) Islamic future contracts excluding future options and eligible exchange traded option, (only for hedging purposes);
- (i) Islamic liquid assets such as cash, Islamic deposits with financial institutions and/or other institutions licensed or approved to accept Islamic deposits, and any other Shariah-compliant instrument capable of being converted into cash within seven (7) days as may be approved by the Trustee;
- (j) Any other form of Shariah-compliant investments as may be permitted by the SC and/or the Shariah Adviser from time to time.

The Manager, Pheim Unit Trusts Berhad, is a public company incorporated in Malaysia. It is a wholly owned subsidiary of Pheim Asset Management Sdn Bhd, a private company incorporated in Malaysia. Its principal activity is the management of unit trust funds. Pheim Asset Management Sdn Bhd has been appointed by the Manager as the External Investment Manager of the Fund with responsibility for providing investment management services to the Fund.

The principal place of business of the Fund is located at 7th Floor, Menara Hap Seng, Jalan P. Ramlee, 50250 Kuala Lumpur.

The financial statements are presented in Ringgit Malaysia (RM).

The financial statements were authorised for issue by the Board of Directors of the Manager in accordance with the resolution of the directors on 19 February 2025.

## 2. BASIS OF PREPARATION

### 2.1 Statement of Compliance

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the Securities Commission Malaysia's *Guidelines on Unit Trust Funds*.

### 2.2 Basis of Measurement

The financial statements of the Fund are prepared under the historical cost convention except for equity financial assets that have been measured at fair value.

### 2.3 Application of Amendments to MFRSs

During the financial year, the Fund has applied the amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") which became effective for annual accounting period beginning on 1 January 2024. The initial application of those amendments to MFRSs has no impact on the financial statements of the Fund.

### 2.4 New MFRSs and Amendments to MFRSs That Are In Issue But Not Yet Effective and Have Not Been Early Adopted

The Fund has not early adopted those new MFRSs and amendments to MFRSs issued by the MASB that are effective for annual accounting periods commencing on or after 1 January 2024. Other than as explained below, none of them is expected to have material effect on the financial statements of the Fund in the period of initial application.

#### **MFRS 18 Presentation and Disclosure in Financial Statements**

The new MFRS 18 becomes effective for annual accounting period commencing on or after 1 January 2027 and will replace MFRS 101 Presentation of Financial Statements while retaining many of the requirements in MFRS 101 with limited changes. MFRS 18 introduces new specified categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures that are reported outside an entity's financial statements in the notes to the financial statements, and enhanced principles on aggregation and disaggregation of information in the financial statements.

The new standard will redefine financial performance reporting by an entity through a new structure of the statement of profit or loss and additional disclosures for performance measures but it will not impact the recognition and measurement of items in the financial statements of the entity.

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

### 3.1 Financial Assets

Financial assets are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instruments. Regular way of purchase and sale of investments in financial instruments are recognised on trade dates, i.e. the date on which the Fund commits to purchase or sell the investments. When financial assets are recognised initially, they are measured at fair value, plus directly attributable transaction costs, for investments not at fair value through profit or loss. Transaction costs for investments carried at fair value through profit or loss are charged to profit or loss.

Subsequent to initial recognition, financial assets are measured in accordance with their classification on initial recognition.



### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

#### 3.1 Financial Assets (Cont'd.)

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or the Fund has transferred substantially all risks and rewards of ownership of the assets.

The Fund determines the classification of its financial assets at initial recognition into the following categories for subsequent measurement depending on the basis of both its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

(a) Financial assets at amortised cost

Financial assets which are Shariah-compliant debt instruments are measured at amortised cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and their contractual terms give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding. The Fund's financial assets at amortised cost comprised amount due from the Manager, other receivables, Shariah-based deposits with licensed financial institutions and cash at bank.

Subsequent to initial recognition, the Shariah-compliant debt instruments are subsequently measured at amortised cost using the effective profit method less any allowance for impairment. Gains or losses are recognised in profit or loss when the debt instruments are derecognised or impaired, and through the amortisation process.

(b) Financial assets at fair value through profit or loss ("FVTPL")

The Fund's financial assets at FVTPL comprised Shariah-compliant equity investments and debt instruments which are held under a business model to manage and evaluate their performance on a fair value basis.

Subsequent to initial recognition, financial assets at FVTPL are measured at fair value with changes in fair value recognised in profit or loss and presented as "Net gain or loss on financial assets at FVTPL". profit and dividend earned from such instruments are recognised and presented separately as "profit income" and "Gross dividend income", respectively in profit or loss. Foreign exchange differences on financial assets at FVTPL are not recognised separately in profit and loss but included in net gains or net losses on changes in fair value of financial assets at FVTPL.

#### 3.2 Impairment of Financial Assets at Amortised Cost

Expected credit losses ("ECLs") on financial assets of this category and with maturities of less than 12 months are measured using the simplified approach under MFRS 9 for trade receivables with no financing component. Under this approach, the Fund does not track changes in credit risk of the receivables and recognises a loss allowance based on their lifetime ECLs at the reporting date. The amount of expected credit losses (or reversals) required to arrive at the loss allowance is recognised as an impairment loss or gain in profit or loss. The cumulative loss allowance recognised is set off against the gross carrying amount of the financial assets at the reporting date.

#### 3.3 Classification of Realised and Unrealised Gain and Losses

Unrealised gain and losses comprise changes in fair value of financial instruments for the period from reversal of prior period's unrealised gain and losses for financial instruments which were realised (i.e. sold, redeemed or matured) during the reporting period.

Realised gains and losses on disposals of financial instruments classified as part of "at fair value through profit or loss" are calculated using weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount, or cash payment or receipts made of Shariah-compliant derivative contracts (excluding payments or receipts on collateral margin accounts for such investments).

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

#### 3.4 Financial Liabilities

Financial liabilities are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value, minus directly attributable transaction costs in the case of financial liabilities not at FVTPL.

Financial liabilities are classified at initial recognition according to the substance of the contractual arrangements entered into and the definition of a financial liability.

The Fund's financial liabilities which include amounts due to brokers, Trustee, Manager, other payables and accruals are classified as subsequently measured at amortised cost using the effective profit method. The Fund does not have financial liabilities classified as at FVTPL.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

#### 3.5 Fair Value Measurement

For financial assets at FVTPL that require fair value measurement, the Fund establishes a fair value measurement hierarchy that gives the highest priority to quoted prices (unadjusted) in active markets and the lowest priority to unobservable inputs.

A fair value measurement of an item is estimated using a quoted price in an active market if that price is observable. The active market is the principal market for the asset or, in the absence of a principal market, the most advantageous market for the asset; and for which the Fund can enter into a transaction for the asset at the price in that market at the measurement date.

In the absence of an active market price, the fair value of an item is estimated by an established valuation technique using inputs from the marketplace that are observable for substantially the full term of the asset.

In the absence of both market price and observable inputs, a fair value measurement of an item is estimated by an established valuation technique using unobservable inputs, including internally developed assumptions that are reasonable and supportable.

#### 3.6 Foreign Currencies

The financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates ("the functional currency"). The financial statements are presented in Ringgit Malaysia (RM), which is also the Fund's functional currency.

In preparing the financial statements, transactions in currencies other than the Fund's functional currency (foreign currencies) are recorded in the functional currency using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, foreign currency monetary assets and liabilities are translated at exchange rates prevailing at the end of the reporting period. Non-monetary items that are measured at fair value in a foreign currency are translated using exchange rates at the date when the fair value was determined.

Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are recognised in profit or loss.

Exchange differences arising from the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains or losses are recognised directly in equity. Exchange differences arising from such non-monetary items are recognised directly to equity.

### **3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)**

#### **3.7 Unitholders' Capital**

The unitholders' contributions to the Fund meet the definition of puttable instruments classified as equity instruments under MFRS 132.

Distribution equalisation represents the average distributable amount included in the creation and cancellation prices of units. This amount is either refunded to unitholders by way of distribution and/or adjusted accordingly when units are cancelled.

#### **3.8 Income Distribution**

Income distributions are at the discretion of the Manager. Income distribution to the Fund's unitholders is accounted for as a deduction from realised reserves except where distribution is sourced out of distribution equalisation which is accounted for as deduction from unitholders' capital.

#### **3.9 Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and Shariah-based deposits with licensed financial institutions which have insignificant risk of changes in value.

#### **3.10 Income Recognition**

Income is recognised to the extent that is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at fair value of consideration received or receivable.

Dividend income is recognised when the Fund's right to receive payment is established.

Profit income is recognised using effective profit method.

#### **3.11 Income Tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

No deferred tax is recognised as there are no material temporary differences.

#### **3.12 Segment Reporting**

For management purposes, the Fund is managed under 2 main portfolios, namely (1) Shariah-compliant equity securities; and (2) Shariah-compliant fixed income instruments. Each segment engages in separate business activities and the operating results are regularly reviewed by the Manager, External Investment Manager and the Fund's Investment Committee. The External Investment Manager and the Fund Investment Committee jointly assumes the role of chief operation decision maker, for performance assessment purposes and to make decision about resources allocated to each investment segment.

#### **3.13 Significant Accounting Estimates and Judgements**

The preparation of financial statements in accordance with MFRS and IFRS requires the use of certain accounting estimates and exercise of judgements. Estimates and judgements are continually evaluated and are based on past experience, reasonable expectations of future events and other factors.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

#### 3.13 Significant Accounting Estimates and Judgements (Cont'd.)

No major judgements have been made by the Manager in applying the Fund's accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next year.

#### 4. MANAGER'S FEE

The Manager is entitled to an annual management fee of 1.50% (2023 : 1.50%) per annum of the NAV of the Fund (before deducting the Manager's and Trustee's fees for the day) calculated and accrued on a daily basis.

#### 5. TRUSTEE'S FEE

The Trustee is entitled to a fee of 0.055% (2023 : 0.055%) per annum of the NAV of the Fund (before deducting the Manager's and Trustee's fee for the day) calculated and accrued on a daily basis, subject to a minimum of RM15,000 (2023 : RM15,000) per annum.

#### 6. TAXATION

	2024 RM	2023 RM
Tax (income)/expense for the financial year comprised :-		
Malaysian income tax	-	24,000
Taxation over provided in prior financial year	(15,007)	(2,416)
	<u>(15,007)</u>	<u>21,584</u>
Foreign withholding tax	12,814	13,559
Tax (income)/expense	<u>(2,193)</u>	<u>35,143</u>

In accordance with Schedule 6 of Income Tax Act 1967 ("ITA 1967"), dividend income and profit income earned by the Fund is exempted from tax. With effect from 1 January 2022, income derived from sources outside Malaysia and received by the Fund in Malaysia will be subject to the Malaysian income tax pursuant to the ITA 1967. However, based on P.U. (A) 250 of the ITA 1967 on 19 September 2024, the income derived from sources outside Malaysia is exempted from tax for year of assessment from 1 January 2024 to 31 December 2026, in accordance to conditions imposed by the Director General under Section 134A of the ITA.

A reconciliation of tax expense applicable to the net (loss)/income before taxation at the statutory tax rate to tax expense at the effective tax rate of the Fund is as follows :

	2024 RM	2023 RM
Net (loss)/income before taxation	<u>(608,370)</u>	<u>445,914</u>
Taxation at the Malaysian statutory rate of 24% (2023 : 24%)	(146,009)	107,019
<b>Tax effects in respect of :</b>		
Income not subject to tax	(763,189)	(289,214)
Loss disregarded for tax purposes	795,826	99,846
Expenses not deductible for tax purposes	113,372	20,375
Restriction on tax deductible expenses for unit trust funds	-	85,973
Over provision in prior financial year	(15,007)	(2,416)
	<u>(15,007)</u>	<u>21,583</u>
Foreign withholding tax	12,814	13,559
Tax (income)/expense	<u>(2,193)</u>	<u>35,142</u>

## 7. INVESTMENTS

	2024 RM	2023 RM
<b>Financial assets at fair value through profit or loss ("FVTPL")</b>		
Quoted equities :		
- in Malaysia	7,609,105	11,389,153
- outside Malaysia	11,398,340	10,583,826
	<u>19,007,445</u>	<u>21,972,979</u>
Unquoted Islamic convertible loan stock outside Malaysia	-	525,138
	<u>19,007,445</u>	<u>22,498,117</u>

- (a) The financial assets at FVTPL at the end of the reporting period are Shariah-compliant equities unless stated otherwise, details are as follows :-

2024	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES IN MALAYSIA</b>				
<b>Main Market / ACE Market</b>				
<b>Construction</b>				
Advancecon Holdings Berhad ( <i>Note vi</i> )	514,100	166,694	133,666	0.61%
Econpile Holding Berhad	134,300	69,165	62,449	0.28%
Gabungan AQRS Berhad	874,600	441,022	262,380	1.19%
Gadang Holdings Berhad	1,080,000	457,544	361,800	1.65%
Kimlun Corporation Berhad	103,000	96,422	123,600	0.56%
Muhibbah Engineering (M) Berhad	201,750	208,903	162,409	0.74%
TRC Synergy Berhad ( <i>Note viii</i> )	782,000	356,699	285,430	1.30%
	<u>3,689,750</u>	<u>1,796,449</u>	<u>1,391,734</u>	<u>6.33%</u>
<b>Consumer Products and Services</b>				
DXN Holdings Berhad	952,100	666,470	490,331	2.23%
Kawan Food Berhad	152,800	319,734	249,064	1.13%
Senheng New Retail Berhad	598,700	555,233	173,623	0.79%
	<u>1,703,600</u>	<u>1,541,437</u>	<u>913,018</u>	<u>4.15%</u>
<b>Financials</b>				
Bank Islam Malaysia Berhad	100,000	253,970	247,000	1.12%
Syarikat Takaful Malaysia Keluarga Bhd	56,500	262,356	219,785	1.00%
	<u>156,500</u>	<u>516,326</u>	<u>466,785</u>	<u>2.12%</u>

## 7. INVESTMENTS (CONT'D.)

- (a) The financial assets at FVTPL at the end of the reporting period are Shariah-compliant equities unless stated otherwise, details are as follows :- (Cont'd.)

2024 (Cont'd.)	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES IN MALAYSIA (CONT'D.)</b>				
<b>Main Market / ACE Market (Cont'd.)</b>				
<b>Healthcare</b>				
Supercomnet Technologies Berhad	147,400	238,788	200,464	0.91%
<b>Industrial Products</b>				
Cahaya Mata Sarawak Bhd	535,500	894,917	642,600	2.92%
Cropmate Berhad	546,000	110,379	109,200	0.50%
Evergreen Fibreboard Berhad	704,000	298,234	193,600	0.88%
Globaltec Formation Berhad	209,400	99,184	96,324	0.44%
HIL Industries Berhad	276,000	276,000	247,020	1.12%
Lotte Chemical Titan Holding Bhd	100,700	198,936	64,448	0.29%
Scientex Bhd - Warrant	2,800	-	1,008	0.00%
SKP Resources Berhad	178,700	267,915	212,653	0.97%
	2,553,100	2,145,565	1,566,853	7.12%
<b>Plantations</b>				
MKH Oil Palm (East Kalimantan) Berhad	8,242	-	5,440	0.02%
<b>Properties</b>				
Hua Yang Berhad	823,800	259,285	238,902	1.09%
Kerjaya Prospek Property Berhad	330,000	243,201	65,201	0.30%
MKH Berhad	57,700	165,269	216,150	0.98%
Skyworld Development Berhad	240,000	192,000	135,600	0.62%
Tambun Indah Land Berhad	56,000	108,320	50,680	0.23%
	1,507,500	968,075	706,533	3.22%
<b>Technology</b>				
Agmo Holdings Berhad	2,914	302	1,501	0.01%
Globetronics Technology Berhad	495,100	1,067,698	289,634	1.32%
Greatech Technology Bhd	148,800	405,579	343,728	1.56%
Inari Amertron Berhad	38,600	119,746	118,116	0.54%
Kronologi Asia Berhad	1,901,880	1,079,918	551,545	2.51%
Kronologi Asia Berhad - Warrants	316,980	-	28,528	0.13%
N2N Connect Berhad	1,604,600	704,241	722,070	3.28%
Omesti Berhad	126,000	75,724	17,640	0.08%
Omesti Berhad - Redeemable Preference Shares	25,200	25,200	8,694	0.04%
Omesti Berhad - Warrants	58,800	-	882	0.00%
SFP Tech Holdings Berhad	378,000	264,600	275,940	1.25%
	5,096,874	3,743,008	2,358,278	10.72%
<b>TOTAL QUOTED EQUITIES IN MALAYSIA</b>	14,862,966	10,949,648	7,609,105	34.59%

## 7. INVESTMENTS (CONT'D.)

2024 (Cont'd.)	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES</b>				
<b>OUTSIDE MALAYSIA</b>				
<b>Australia Stock Exchange ("ASX")</b>				
EQ Resources Limited	5,746,837	887,441	671,266	3.05%
NuEnergy Gas Limited	4,820,812	420,328	241,329	1.10%
	<u>10,567,649</u>	<u>1,307,769</u>	<u>912,595</u>	<u>4.15%</u>
<b>Hong Kong Stock Exchange ("HKEX")</b>				
Alibaba Group Holding Ltd ( <i>Note v</i> )	14,100	1,618,785	669,104	3.04%
AAC Technologies Holdings Inc	34,000	586,295	734,273	3.34%
Essex Bio-Technology Ltd	351,500	874,449	595,141	2.71%
Ever Sunshine Services Group Ltd	517,000	548,492	580,594	2.64%
Geely Automobile Holdings Ltd	108,000	745,851	921,763	4.19%
Metasurface Technologies Holdings Limited	172,000	253,906	99,055	0.45%
Nameson Holdings Ltd	800,000	364,700	387,005	1.76%
Real Gold Mining Ltd ( <i>Note i</i> )	60,000	-	-	-
Sunny Optical Group Co Ltd	13,400	754,060	531,320	2.42%
Sunac Services Holding Ltd	467,000	498,721	446,449	2.03%
Tencent Holdings Ltd ( <i>Note ix</i> )	5,700	1,418,646	1,368,857	6.22%
Tongda Group Holdings Ltd	8,500,000	597,995	396,507	1.80%
Xinyi Solar Holdings Ltd	128,000	875,019	231,466	1.05%
	<u>11,170,700</u>	<u>9,136,919</u>	<u>6,961,534</u>	<u>31.65%</u>
<b>Jakarta Stock Exchange ("JKSE")</b>				
PT Erajaya Swasembada Tbk	1,555,100	251,911	174,153	0.79%
PT Astra International Tbk	160,000	252,109	227,304	1.03%
Kalbe Farma Tbk	630,000	281,276	237,505	1.08%
PT Wir Asia Tbk	11,420,000	518,010	265,912	1.21%
PT Sarimelati Kencana Tbk	1,354,000	302,950	42,412	0.19%
PT Semen Indonesia (Persero) Tbk	137,000	252,580	124,942	0.57%
	<u>15,256,100</u>	<u>1,858,836</u>	<u>1,072,228</u>	<u>4.87%</u>
<b>Philippines Stock Exchange ("PSE")</b>				
Global Ferronickel Holdings Inc	1,971,340	446,026	158,069	0.72%
Converge Information and Communications Technology Solutions, Inc	654,000	620,126	813,834	3.70%
	<u>2,625,340</u>	<u>1,066,152</u>	<u>971,903</u>	<u>4.42%</u>

## 7. INVESTMENTS (CONT'D.)

- (a) The financial assets at FVTPL at the end of the reporting period are Shariah-compliant equities unless stated otherwise, details are as follows :- (Cont'd.)

2024 (Cont'd.)	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES</b>				
<b>OUTSIDE MALAYSIA (CONT'D.)</b>				
<b>Korea Stock Exchange ("KRX")</b>				
Samsung SDI Co Ltd	580	968,463	435,631	1.98%
Seoul Semiconductor Co Ltd	10,600	399,628	234,825	1.07%
	<u>11,180</u>	<u>1,368,091</u>	<u>670,456</u>	<u>3.05%</u>
<b>Singapore Stock Exchange ("SGX")</b>				
CSE Global Limited	234,000	334,988	319,065	1.45%
Fibrechem Technologies Ltd (Note ii)	458,000	-	-	-
Fortress Minerals Ltd	219,700	284,178	173,243	0.79%
iX Biopharma Ltd (Note vii)	277,860	254,672	22,823	0.10%
Sino Techfibre Ltd (Note iii)	1,400,000	-	-	-
Singapore Institute of Advanced Medicine Holdings Ltd (Note iv)	1,210,790	757,975	218,799	0.99%
	<u>3,800,350</u>	<u>1,631,813</u>	<u>733,930</u>	<u>3.33%</u>
<b>Thailand Stock Exchange ("SET")</b>				
TBN Corporation Public Company Limited	75,000	143,481	75,694	0.34%
	<u>75,000</u>	<u>143,481</u>	<u>75,694</u>	<u>0.34%</u>
<b>TOTAL QUOTED EQUITIES OUTSIDE MALAYSIA</b>	<u>43,506,319</u>	<u>16,513,061</u>	<u>11,398,340</u>	<u>51.81%</u>
<b>TOTAL FINANCIAL ASSETS AT FVTPL</b>	<u>58,369,285</u>	<u>27,462,709</u>	<u>19,007,445</u>	<u>86.40%</u>
<b>SHORTFALL OF FAIR VALUE OVER COST</b>			<u><b>(8,455,264)</b></u>	



## 7. INVESTMENTS (CONT'D.)

- (a) The financial assets at FVTPL at the end of the reporting period are Shariah-compliant equities unless stated otherwise, details are as follows :- (Cont'd.)

2023	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES IN MALAYSIA</b>				
<b>Main Market / ACE Market</b>				
<b>Construction</b>				
Advancecon Holdings Berhad ( <i>Note vi</i> )	514,100	166,694	146,518	0.58%
Econpile Holding Berhad	529,300	272,590	161,437	0.64%
Gabungan AQRS Berhad	462,600	295,908	152,658	0.60%
Gadang Holdings Berhad	90,000	100,611	30,150	0.12%
Kimlun Corporation Berhad	96,782	141,305	75,490	0.30%
Muhibbah Engineering (M) Berhad	351,750	357,156	272,606	1.07%
TRC Synergy Berhad ( <i>Note viii</i> )	191,000	83,639	70,670	0.28%
	<u>2,235,532</u>	<u>1,417,903</u>	<u>909,529</u>	<u>3.59%</u>
<b>Consumer product and service</b>				
Bermaz Auto Bhd	39,700	83,379	93,692	0.37%
DXN Holdings Berhad	952,100	666,470	604,584	2.39%
Guan Chong Berhad	154,300	399,512	282,369	1.12%
Able Global Berhad	391,200	542,525	586,800	2.31%
Kawan Food Berhad	152,800	319,734	275,040	1.09%
MBM Resources Berhad	77,000	247,917	326,480	1.29%
Senheng New Retail Berhad	598,700	555,233	197,571	0.78%
	<u>2,365,800</u>	<u>2,814,770</u>	<u>2,366,536</u>	<u>9.35%</u>
<b>Energy</b>				
Hibiscus Petroleum Berhad	155,653	103,080	395,359	1.56%
<b>Financials</b>				
Syarikat Takaful Malaysia Keluarga Bhd	56,500	262,356	209,050	0.83%
<b>Healthcare</b>				
Supercomnet Technologies Berhad	147,400	238,788	179,828	0.71%
<b>Plantations</b>				
Kuala Lumpur Kepong Berhad	11,600	249,719	253,112	1.00%
Sarawak Oil Palms Berhad	178,613	579,237	462,608	1.82%
TSH Resources Berhad	193,800	216,009	188,955	0.75%
United Plantation Berhad	3,400	48,907	60,520	0.24%
	<u>387,413</u>	<u>1,093,872</u>	<u>965,195</u>	<u>3.81%</u>

## 7. INVESTMENTS (CONT'D.)

- (a) The financial assets at FVTPL at the end of the reporting period are Shariah-compliant equities unless stated otherwise, details are as follows :- (Cont'd.)

2023 (Cont'd.)	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES</b>				
<b>IN MALAYSIA (CONT'D.)</b>				
<b>Main Market / ACE Market (Cont'd.)</b>				
<b>Industrial Products</b>				
AWC Berhad	417,700	230,873	267,328	1.06%
Cahaya Mata Sarawak Bhd	535,500	894,917	578,340	2.27%
CB Industrial Products Holding	177,700	266,124	238,118	0.94%
Evergreen Fibreboard Berhad	704,000	298,234	214,720	0.85%
Globaltec Formation Berhad	452,600	214,378	271,560	1.07%
HIL Industries Berhad	366,000	366,000	347,700	1.37%
HSS Engineers Berhad	240,100	114,023	232,897	0.92%
Lotte Chemical Titan Holding Bhd	100,700	198,936	135,945	0.54%
PIE Industrial Bhd	90,400	309,871	293,800	1.16%
PESTECH International Bhd	262,000	175,239	85,150	0.34%
PESTECH International Bhd - Warrant	30,000	-	4,050	0.02%
Scientex Bhd - Warrants	2,800	-	1,652	0.01%
Seng Fong Holdings Berhad	151,300	113,475	114,232	0.45%
SKP Resources Berhad	178,700	267,915	141,173	0.56%
United U-Li Corporation Berhad	140,000	91,835	214,200	0.85%
	<u>3,849,500</u>	<u>3,541,820</u>	<u>3,140,865</u>	<u>12.41%</u>
<b>Properties</b>				
Matrix Concepts Holdings Berhad	51,123	81,939	84,353	0.33%
MKH Berhad	57,700	165,269	82,511	0.33%
Skyworld Development Berhad	240,000	192,000	132,000	0.52%
Tambun Indah Land Berhad	56,000	108,320	47,600	0.19%
	<u>404,823</u>	<u>547,528</u>	<u>346,464</u>	<u>1.37%</u>
<b>Technology</b>				
Agmo Holdings Berhad	2,914	302	1,530	0.01%
Globetronics Technology Berhad	495,100	1,067,698	802,062	3.17%
Greatech Technology Bhd	22,200	155,400	106,560	0.42%
Inari Amertron Berhad	89,000	225,262	267,890	1.06%
Kronologi Asia Berhad	1,901,880	1,079,918	751,243	2.97%
Kronologi Asia Berhad - Warrants	316,980	-	49,132	0.19%
MYEG Services Berhad	261,745	201,371	213,322	0.84%
Omesti Berhad	126,000	75,724	36,540	0.14%
Omesti Berhad - Redeemable Preference Shares	25,200	25,200	21,748	0.09%
Omesti Berhad - Warrants	58,800	-	2,940	0.01%
Securemetric Berhad	230,000	57,500	33,350	0.13%
	<u>3,529,819</u>	<u>2,888,375</u>	<u>2,286,317</u>	<u>9.03%</u>

## 7. INVESTMENTS (CONT'D.)

- (a) The financial assets at FVTPL at the end of the reporting period are Shariah-compliant equities unless stated otherwise, details are as follows :- (Cont'd.)

2023 (Cont'd.)	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES IN MALAYSIA (CONT'D.)</b>				
<b>Main Market / ACE Market (Cont'd.)</b>				
<b>Utilities</b>				
Gas Malaysia Berhad	70,000	230,797	224,700	0.89%
Mega First Corporation Berhad	99,000	320,144	365,310	1.44%
	<u>169,000</u>	<u>550,941</u>	<u>590,010</u>	<u>2.33%</u>
<b>TOTAL QUOTED EQUITIES IN MALAYSIA</b>	<u>13,301,440</u>	<u>13,459,433</u>	<u>11,389,153</u>	<u>44.99%</u>
<b>QUOTED EQUITIES OUTSIDE MALAYSIA</b>				
<b>Australia Stock Exchange ("ASX")</b>				
EQ Resources Limited	4,786,337	750,240	852,839	3.37%
NuEnergy Gas Limited	3,778,475	420,328	389,780	1.54%
	<u>8,564,812</u>	<u>1,170,568</u>	<u>1,242,619</u>	<u>4.91%</u>
<b>Hong Kong Stock Exchange ("HKEX")</b>				
Alibaba Group Holding Ltd (Note v)	14,100	1,618,785	626,891	2.47%
AAC Technologies Holdings Inc	34,000	586,295	463,893	1.83%
Essex Bio-Technology Ltd	351,500	874,449	514,726	2.03%
Geely Automobile Holdings Ltd	108,000	745,851	545,592	2.16%
Modern Dental Group	106,000	269,846	268,056	1.06%
Real Gold Mining Ltd (Note i)	60,000	-	-	-
Sunny Optical Group Co Ltd	13,400	754,060	558,336	2.21%
Ten Pao Group Holdings Ltd	197,500	89,542	118,473	0.47%
Tencent Holdings Ltd (Note ix)	5,700	1,418,646	984,197	3.88%
Tongda Group Holdings	3,800,000	322,895	230,182	0.91%
Xinyi Solar Holdings Ltd	128,000	875,019	343,262	1.36%
Xiaomi Corporation	37,000	264,852	339,451	1.34%
	<u>4,855,200</u>	<u>7,820,240</u>	<u>4,993,059</u>	<u>19.72%</u>
<b>Jakarta Stock Exchange ("JKSE")</b>				
PT Erajaya Swasembada Tbk	1,555,100	251,911	197,682	0.78%
PT Bank Syariah Indonesia Tbk	849,200	325,963	440,918	1.75%
PT Wir Asia Tbk	11,420,000	518,010	368,035	1.45%
PT Sarimelati Kencana Tbk	1,354,000	302,950	149,492	0.59%
	<u>15,178,300</u>	<u>1,398,834</u>	<u>1,156,127</u>	<u>4.57%</u>

## 7. INVESTMENTS (CONT'D.)

- (a) The financial assets at FVTPL at the end of the reporting period are Shariah-compliant equities unless stated otherwise, details are as follows :- (Cont'd.)

2023 (Cont'd.)	Quantity held	Cost RM	Fair value RM	Fair value as a percentage of NAV
<b>QUOTED EQUITIES OUTSIDE MALAYSIA (CONT'D.)</b>				
<b>Philippines Stock Exchange ("PSE")</b>				
Global Ferronickel Holdings Inc	1,971,340	446,026	337,060	1.33%
Converge Information and Technology Solutions, Inc	154,000	249,120	107,113	0.42%
	<u>2,125,340</u>	<u>695,146</u>	<u>444,173</u>	<u>1.75%</u>
<b>Korea Stock Exchange ("KRX")</b>				
Samsung Electronics Co Ltd	1,800	368,404	502,788	1.99%
Samsung SDI Co Ltd	200	448,107	335,904	1.33%
Seoul Semiconductor Co Ltd	10,600	399,628	383,215	1.51%
SK Hynix	2,200	751,418	1,107,699	4.38%
	<u>14,800</u>	<u>1,967,557</u>	<u>2,329,606</u>	<u>9.21%</u>
<b>Singapore Stock Exchange ("SGX")</b>				
Fibrechem Technologies Ltd <i>(Note ii)</i>	458,000	-	-	-
Fortress Minerals Ltd	219,700	284,178	233,062	0.92%
iX Biopharma Ltd <i>(Note vii)</i>	277,860	254,672	43,489	0.17%
Sino Techfibre Ltd <i>(Note iii)</i>	1,400,000	-	-	-
	<u>2,355,560</u>	<u>538,850</u>	<u>276,551</u>	<u>1.09%</u>
<b>Thailand Stock Exchange ("SET")</b>				
TBN Corporation Public Company Limited	75,000	143,481	141,691	0.56%
<b>TOTAL QUOTED EQUITIES OUTSIDE MALAYSIA</b>	<u>33,169,012</u>	<u>13,734,676</u>	<u>10,583,826</u>	<u>41.81%</u>
<b>UNQUOTED ISLAMIC CONVERTIBLE LOAN STOCK OUTSIDE MALAYSIA</b>				
Singapore Institute of Advanced Medicine Holdings Pte. Ltd. <i>(Note iv)</i>	150,984	487,225	525,138	2.07%
<b>TOTAL FINANCIAL ASSETS AT FVTPL</b>	<u>46,621,436</u>	<u>27,681,334</u>	<u>22,498,117</u>	<u>88.87%</u>

**SHORTFALL OF FAIR VALUE OVER COST****(5,183,217)****7. INVESTMENTS (CONT'D.)**

- (a) The financial assets at FVTPL at the end of the reporting period are Shariah-compliant equities unless stated otherwise, details are as follows :- (Cont'd.)

**(i) Real Gold Mining Ltd**

*These securities had been suspended since 27 May 2011 and subsequently delisted on 2 April 2020. There is no fair value for said security.*

**(ii) Fibrechem Technologies Ltd**

*These securities had been suspended since 25 February 2009 and subsequently delisted on 1 November 2018. There is no fair value for said security.*

**(iii) Sino Techfibre Ltd**

*These securities had been suspended since 19 April 2011 and subsequently delisted on 14 February 2020. There is no fair value for said security.*

**(iv) Singapore Institute of Advanced Medicine Holdings Ltd (formerly known as Singapore Institute of Advanced Medicine Holdings Pte. Ltd.)**

*The investment in unquoted Islamic convertible loan stock made by the Fund with Singapore Institute of Advanced Medicine Holdings Ltd. ("SIAMH") in the previous financial year was convertible into ordinary shares upon the issuance new ordinary shares pursuant to SIAMH's proposed initial public offering and listing on the Catalist Board of Singapore Stock Exchange Securities Trading Limited ("the Proposed Listing"). The Proposed Listing exercise has been completed and SIAMH was listed on 16 February 2024.*

**(v) Alibaba Group Holding Ltd**

*These securities had been classified as Shariah-compliant from 21 July 2023. The stock has been reclassified as Shariah non-compliant based on the list of Annual Shariah Approval For Foreign Stocks by Amanie Advisors Sdn Bhd dated 15 November 2024.*

**(vi) Advancecon Holdings Berhad**

*These securities had been classified as Shariah non-compliant based on list of Shariah-compliant securities by Shariah Advisory Council of the Securities Commission Malaysia dated 24 November 2023.*

**(vii) iX Biopharma Ltd**

*These securities had been classified as Shariah non-compliant effective from 21 July 2023. The stock has been reclassified as Shariah-compliant based on list of Annual Shariah Approval For Foreign Stocks by Amanie Advisors Sdn Bhd dated 15 November 2024.*

**(viii) TRC Synergy Berhad**

*These securities has been classified as Shariah non-compliant based on list of Shariah-compliant securities by Shariah Advisory Council of the Securities Commission Malaysia dated 29 November 2024.*

**(ix) Tencent Holdings Ltd**

*These securities has been classified as Shariah non-compliant based on list of Annual Shariah Approval For Foreign Stocks by Amanie Advisors Sdn Bhd dated 15 November 2024.*



**7. INVESTMENTS (CONT'D.)**

(b) The currency exposure profile of financial assets at FVTPL are as follows :

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Ringgit Malaysia	7,609,105	11,389,153
Australian Dollar	912,595	1,242,619
Hong Kong Dollar	6,961,534	4,993,059
Indonesian Rupiah	1,072,228	1,156,127
South Korean Won	670,456	2,329,606
Philippines Peso	971,903	444,173
Thai Baht	75,694	141,691
Singapore Dollar	733,930	801,689
	<u>19,007,445</u>	<u>22,498,117</u>

(c) Net (loss)/gain on financial assets at FVTPL for the financial year comprised the following :

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Realised gain on disposals	2,638,784	314,813
Unrealised (loss)/gain on changes in fair value	<u>(3,311,079)</u>	<u>68,542</u>
As presented on the statement of comprehensive income	<u>(672,295)</u>	<u>383,355</u>

**8. SHARIAH-BASED DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Short-term deposits	<u>2,486,586</u>	<u>2,568,035</u>

The weighted average effective profit rate of the Fund's short-term deposits as at 31 December 2024 is 3.05% (2023 : 3.10%) per annum and had an original maturity period ranging from 8 to 10 days (2023 : 7 to 9 days).

**9. SHARIAH INFORMATION OF THE FUND**

Other than those indicated as Shariah non-compliant in Note 7, the Shariah Adviser confirmed that the investments portfolio of the Fund is Shariah-compliant, which comprises :

- (i) Equity securities listed on Bursa Malaysia which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission Malaysia; and
- (ii) Equity securities listed in foreign markets which have been classified as Shariah-compliant by Amanie Advisors Sdn Bhd; and
- (iii) Liquid assets in local market, which are placed in Shariah-compliant investments and/or instruments.

**10. AMOUNT DUE FROM/(TO) MANAGER**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Amount due from Manager arising from creation of units	1,471	52,946
Amount due to Manager for management fee payable	<u>(27,656)</u>	<u>(33,245)</u>
	<u>(26,185)</u>	<u>19,701</u>

## 11. INCOME DISTRIBUTION

Distributions to unitholders are from the following sources :

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Dividend from local quoted investments	345,209	361,682
Profit from Shariah-based deposits with licensed financial institutions	56,622	67,654
Net realised gain from sale of investments	1,149,188	267,294
	<u>1,551,019</u>	<u>696,630</u>
Less:		
Expenses	380,420	288,940
Realised income for current period	1,170,599	407,690
Realised income from prior period	513,576	1,209,271
Total distribution for the financial year	<u>1,684,175</u>	<u>1,616,961</u>
Units in circulation at book closing date	44,913,129	43,118,941
Gross distribution per unit (sen)	3.75	3.75
Net distribution per unit (sen)	3.75	3.75
Date of distribution	<u>26.04.2024</u>	<u>28.04.2023</u>

## 12. NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNITHOLDERS

	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>RM</b>	<b>RM</b>
Unitholders' capital	(a)	30,198,640	31,232,918
Accumulated losses			
- Realised earnings	(b)	2,200,440	1,179,713
- Unrealised losses	(c)	<u>(10,406,795)</u>	<u>(7,095,716)</u>
		<u>(8,206,355)</u>	<u>(5,916,003)</u>
Net asset value		<u>21,992,285</u>	<u>25,316,915</u>

### (a) Unitholders' Capital

	<b>2024</b>		<b>2023</b>	
	<b>Number of units</b>	<b>Value RM</b>	<b>Number of units</b>	<b>Value RM</b>
Balance at beginning of the financial year	45,069,508	31,232,918	42,789,348	29,938,277
Add: Creation of units	6,427,481	3,662,554	7,746,445	5,170,734
Less: Cancellation of units	(8,211,869)	(5,079,792)	(5,466,285)	(3,659,315)
Distribution equalisation	-	382,960	-	(216,778)
Balance at end of the financial year	<u>43,285,120</u>	<u>30,198,640</u>	<u>45,069,508</u>	<u>31,232,918</u>

### (b) Realised - Distributable

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Balance at the beginning of the financial year	1,179,713	2,454,445
Net (loss)/income after taxation	(606,177)	410,771
Net unrealised loss/(gain) attributable to investments held transferred to unrealised reserve	3,311,079	(68,542)
Distribution out of realised reserve	<u>(1,684,175)</u>	<u>(1,616,961)</u>
Balance at the end of the financial year	<u>2,200,440</u>	<u>1,179,713</u>



**12. NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNITHOLDERS (CONT'D.)****(c) Unrealised - Non-distributable**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Balance at the beginning of the financial year	(7,095,716)	(7,164,258)
Net unrealised (loss)/gain attributable to investments held transferred from realised reserve	<u>(3,311,079)</u>	<u>68,542</u>
Balance at the end of the financial year	<u>(10,406,795)</u>	<u>(7,095,716)</u>

**13. NET ASSET VALUE PER UNIT**

Net asset value attributable to unitholders is classified as equity in the statement of financial position.

For the purpose of calculation of net asset value attributable to unitholders per unit, quoted financial assets in the financial statements are stated at the last done market price consistent with that used for issuance and redemption of units in accordance with the Deeds.

**14. UNITS HELD BY RELATED PARTIES**

	<b>2024</b>		<b>2023</b>	
	<b>Number of units</b>	<b>Valued at NAV RM</b>	<b>Number of units</b>	<b>Valued at NAV RM</b>
Directors of the Manager #	<u>845,028</u>	<u>429,359</u>	<u>789,348</u>	<u>443,535</u>

# *The Directors of the Manager are legal and beneficial owner of the units.*

**15. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTIONS**

<b>2024</b>	<b>Value of trade RM</b>	<b>Percentage of total trade</b>	<b>Brokerage Fees RM</b>	<b>Percentage of total brokerage fees</b>
CCB International Securities Limited	3,708,833	13.43%	9,272	15.97%
Phillip Capital	3,513,334	12.72%	7,905	13.61%
Maybank Investment Bank Berhad	2,978,320	10.78%	5,956	10.26%
Samsung Securities (Asia) Ltd-Korea	2,049,043	7.42%	7,171	12.35%
CLSA Securities Malaysia Sd Bhd	1,648,618	5.97%	4,122	7.10%
DBS Vickers Securities (HK) Pte. Ltd	1,305,549	4.73%	3,264	5.62%
CGS International Securities Malaysia	1,123,740	4.07%	1,686	2.90%
Hong Leong Investment Bank	1,106,865	4.01%	1,503	2.59%
RHB Investment Bank Berhad	1,082,524	3.92%	2,154	3.71%
UOB Kay Hian Securities (M) Sdn Bhd	1,069,648	3.87%	2,139	3.68%
Others	<u>8,038,140</u>	<u>29.10%</u>	<u>12,902</u>	<u>22.21%</u>
	<u>27,624,614</u>	<u>100.00%</u>	<u>58,074</u>	<u>100.00%</u>

**15. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTIONS (CONT'D.)**

<b>2023</b>	<b>Value of trade RM</b>	<b>Percentage of total trade</b>	<b>Brokerage Fees RM</b>	<b>Percentage of total brokerage fees</b>
Phillip Capital	1,054,466	10.90%	2,180	8.78%
BRI Danareksa Sekuritas	1,017,707	10.52%	1,832	7.38%
CLSA Securities Malaysia Sdn Bhd	752,938	7.78%	6,881	27.70%
CCB International Securities Limited	648,589	6.70%	1,621	6.53%
CIMB Securities (Indonesia) Limited	498,011	5.15%	1,494	6.02%
Hong Leong Investment Bank	591,865	6.12%	894	3.60%
UOB Kay Hian Securities (M) Sdn Bhd	586,246	6.06%	1,202	4.84%
RHB Investment Bank Berhad	574,673	5.94%	1,154	4.65%
Kenanga Investment Bank Berhad	560,114	5.79%	766	3.08%
DBS Vickers Securities (Singapore) Pte. Ltd	528,473	5.46%	1,321	5.32%
Others	2,860,967	29.58%	5,492	22.10%
	<u>9,674,049</u>	<u>100.00%</u>	<u>24,837</u>	<u>100.00%</u>

**16. TOTAL EXPENSE RATIO**

This is the ratio of the sum of the fees (inclusive of the manager, trustee, audit and other professional fees) and other administrative expenses of the Fund to the average NAV of the Fund calculated on a daily basis. The average NAV of the Fund for the financial year ended 31 December 2024 was RM24,136,887 (2023 : RM25,893,489).

	<b>2024</b>	<b>2023</b>
Total expense ratio	<u>1.95%</u>	<u>1.85%</u>

**17. PORTFOLIO TURNOVER RATIO**

This is the ratio of the average of acquisitions and disposals of investments for the financial year to average NAV of the Fund for the financial year calculated on daily basis.

	<b>2024</b>	<b>2023</b>
Portfolio turnover (times)	<u>0.55</u>	<u>0.19</u>

**18. SEGMENT INFORMATION**

The Manager and Investment Committee of the Fund are responsible for allocating resources available to the Fund in accordance with the overall investment strategies as set out in the investment Guidelines of the Fund. The Fund is managed by two segments :

- A portfolio of equity instruments.
- A portfolio of Shariah-based financial instruments, i.e. Shariah-based deposits with financial institutions.

The investment objective of each segment is to achieve consistent returns from the investments in each segment while safeguarding capital by investing in diversified portfolios. There have been no changes in reportable segments in the current financial year. The segment information provided is presented to the Manager, the appointed External Investment Manager and Investment Committee of the Fund.

## 18. SEGMENT INFORMATION (CONT'D.)

	Shariah Compliant Equity Portfolio RM	Shariah- Based Deposits Portfolio RM	Total RM
<b>2024</b>			
Gross dividend income	446,649	-	446,649
Profit from Shariah-based deposits			
with licensed financial institutions	-	94,523	94,523
Net loss from investments			
- financial assets at FVTPL	(672,295)	-	(672,295)
Net realised loss on foreign exchange	(4,862)	-	(4,862)
Total segment operating (loss)/income for the financial year	<u>(230,508)</u>	<u>94,523</u>	<u>(135,985)</u>
Shariah-based deposits			
with licensed financial institutions	-	2,486,586	2,486,586
Financial assets at FVTPL	19,007,445	-	19,007,445
Other assets	-	827	827
Total segment assets	<u>19,007,445</u>	<u>2,487,413</u>	<u>21,494,858</u>
Total segment liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b>2023</b>			
Gross dividend income	482,628	-	482,628
Profit from Shariah-based deposits			
with licensed financial institutions	-	61,736	61,736
Net income from investments			
- financial assets at FVTPL	383,355	-	383,355
Net realised loss on foreign exchange	(2,330)	-	(2,330)
Total segment operating income for the financial year	<u>863,653</u>	<u>61,736</u>	<u>925,389</u>
Shariah-based deposits			
with licensed financial institutions	-	2,568,035	2,568,035
Financial assets at FVTPL	22,498,117	-	22,498,117
Other assets	28,337	666	29,003
Total segment assets	<u>22,526,454</u>	<u>2,568,701</u>	<u>25,095,155</u>
Amount due to brokers	<u>3,799</u>	<u>-</u>	<u>3,799</u>
Total segment liabilities	<u>3,799</u>	<u>-</u>	<u>3,799</u>

**18. SEGMENT INFORMATION (CONT'D.)**

Expenses of the Fund are not considered part of the performance of any operating segment. The following table provides a reconciliation between reportable segment (loss)/income and operating (loss)/income.

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Net reportable segment operating (loss)/income	(135,985)	925,389
Expenses	<u>(472,385)</u>	<u>(479,475)</u>
Net (loss)/income before taxation	(608,370)	445,914
Taxation	<u>2,193</u>	<u>(35,143)</u>
Net (loss)/income after taxation	<u>(606,177)</u>	<u>410,771</u>

In addition, certain assets and liabilities are not considered to be part of the assets or liabilities of an individual segment. The following table provides reconciliation between the total reportable segment assets and liabilities and total assets and liabilities of the Fund.

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Total segment assets	21,494,858	25,095,155
Amount due from Manager	1,471	52,946
Cash at bank	504,930	236,964
Tax recoverable	<u>68,981</u>	<u>10,453</u>
Total assets of the Fund	<u>22,070,240</u>	<u>25,395,518</u>
Total segment liabilities	-	3,799
Amount due to Manager	27,656	33,245
Amount due to Trustee	2,197	2,287
Other payables and accruals	<u>48,102</u>	<u>39,272</u>
Total liabilities of the Fund	<u>77,955</u>	<u>78,603</u>

**19. FINANCIAL INSTRUMENTS****(a) Classification of Financial Instruments**

The Fund's financial assets and financial liabilities are measured on an ongoing basis at either fair value or at amortised cost based on their respective classification. The accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses are recognised. The following table analyses the financial assets and liabilities of the Fund in the statement of financial position, by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

	<b>Financial assets at FVTPL</b>	<b>Financial assets at amortised cost</b>	<b>Financial liabilities at amortised cost</b>	<b>Total</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>2024</b>				
<b>Financial assets</b>				
Investments	19,007,445	-	-	19,007,445
Shariah-based deposits with licensed financial institutions	-	2,486,586	-	2,486,586
Amount due from Manager	-	1,471	-	1,471
Other receivables	-	827	-	827
Cash at bank	-	<u>504,930</u>	-	<u>504,930</u>
Total financial assets	<u>19,007,445</u>	<u>2,993,814</u>	-	<u>22,001,259</u>

## 19. FINANCIAL INSTRUMENTS (CONT'D.)

## (a) Classification of Financial Instruments (Cont'd.)

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
<b>2024 (Cont'd.)</b>				
<b>Financial liabilities</b>				
Amount due to Manager	-	-	27,656	27,656
Amount due to Trustee	-	-	2,197	2,197
Other payables and accruals	-	-	48,102	48,102
Total financial liabilities	-	-	77,955	77,955
	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
<b>2023</b>				
<b>Financial assets</b>				
Investments	22,498,117	-	-	22,498,117
Shariah-based deposits with licensed financial institutions	-	2,568,035	-	2,568,035
Amount due from Manager	-	52,946	-	52,946
Other receivables	-	29,003	-	29,003
Cash at bank	-	236,964	-	236,964
Total financial assets	22,498,117	2,886,948	-	25,385,065
<b>Financial liabilities</b>				
Amount due to Manager	-	-	33,245	33,245
Amount due to Trustee	-	-	2,287	2,287
Amount due to brokers	-	-	3,799	3,799
Other payables and accruals	-	-	39,272	39,272
Total financial liabilities	-	-	78,603	78,603

## (b) Fair Value

## (i) Financial instruments that are carried at fair value

The Fund uses the following level of fair value hierarchy for determining and disclosing the fair value of financial instruments carried at fair value in the statement of financial position.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly

Level 3: Inputs for the asset or liability that are not based on observable market data

The Fund's financial assets at FVTPL are carried at fair value. The fair values of these financial assets were determined using prices in active markets for identical assets.

**19. FINANCIAL INSTRUMENTS (CONT'D.)****(b) Fair Value (Cont'd.)****(i) Financial instruments that are carried at fair value (Cont'd.)**

Fair value of quoted equity instruments is determined directly by reference to their published market prices on the relevant stock exchanges at the reporting date. The fair value of quoted equity instruments which have lost active trading market due to suspension in their trading, is determined by reference to their published net tangible assets.

The Fund held the following financial instruments carried at fair value on the statement of financial position as at the end of financial year :

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
<b>2024</b>				
Financial assets at FVTPL				
- Quoted equities	19,007,445	-	-	19,007,445
	<u>19,007,445</u>	<u>-</u>	<u>-</u>	<u>19,007,445</u>
<b>2023</b>				
Financial assets at FVTPL				
- Quoted equities	21,972,979	-	-	21,972,979
- Unquoted Islamic convertible loan stock	-	-	525,138	525,138
	<u>21,972,979</u>	<u>-</u>	<u>525,138</u>	<u>22,498,117</u>

The fair value of the Fund's investment in unquoted Islamic convertible loan stock in the previous financial year was classified within Level 3 of the fair value hierarchy. The convertible loan stock was not traded in an active market and was of short-term in-nature pending the completion of the proposed initial public offering and listing exercise as explained in Note 7(a)(iv), the fair value of the unquoted Islamic convertible loan stock was estimated to be equivalent to the cost of the Fund's investment.

**(ii) Financial instruments not carried at fair value**

Financial instruments not carried at fair value comprise financial assets and financial liabilities subsequently measured at amortised cost. The carrying amount of these financial instruments at the end of the financial year approximated their fair values due to their short-term to maturity.

**20. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES**

The Fund maintains investment portfolios in a variety of quoted and unquoted financial instruments as dictated by its Deeds and investment management strategy.

The Fund is exposed to a variety of risks including market risk (which includes profit rate risk, equity price risk and currency risk), credit risk, liquidity risk and reclassification of Shariah status risk. Whilst these are the most important types of financial risks inherent in each type of financial instruments, the Manager and the Trustee would like to highlight that this list does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Fund.

The Fund's objective in managing risk is the creation and protection of unitholders' value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring of risks. Financial risk management is also carried out through sound internal control systems and adherence to the investment restrictions as stipulated in the Deeds, the Securities Commission Malaysia's *Guidelines on Unit Trust Funds* and the Capital Markets and Services Act, 2007.

## 20. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

### (a) Market Risk

The Fund's principal exposure to market risk arises primarily due to changes or developments in the market environment and typically includes changes in regulations, politics and the economy of the country. Market risk is also influenced by global economics and geopolitical developments. The Fund seeks to diversify away some of this risk by investing into different sectors to mitigate risk exposure to any single asset class.

The Fund's market risk is affected primarily due to changes in market prices, profit rates and foreign currency exchange rates.

#### (i) Equity Price Risk

Equity price risk is the risk of unfavourable changes in the fair value of equities as the result of changes in the levels of equity indices and the value of individual shares. The equity price risk exposure arises from the Fund's investments in equity securities.

The table below demonstrates the sensitivity of the Fund's net (loss)/income after taxation and NAV to a reasonably possible change in equity prices, as at the end of the financial year with all other variables held constant :

	2024		2023	
	Impact on net loss after taxation		Impact on net income after taxation	
	Lower / RM	(Higher) RM	Higher / RM	(Lower) RM
Change in equity price by +6%/-6%	1,140,447 /	(1,140,447)	1,318,379 /	(1,318,379)

	2024		2023	
	Impact on NAV		Impact on NAV	
	Increase / RM	(Decrease) RM	Increase / RM	(Decrease) RM
Change in equity price by +6%/-6%	1,140,447 /	(1,140,447)	1,318,379 /	(1,318,379)

#### (ii) Profit Rate Risk

This risk refers to the effect of profit rate changes on the valuation of unquoted fixed income securities. In the event of rising profit rates, the return on Shariah-based deposits with financial institutions will rise while valuation of unquoted fixed income securities will decrease and vice versa, thus affecting the net asset value of the Fund. Currently, the Fund does not have any investment in unquoted fixed income securities.

The Fund's exposure to profit rate risk associated with Shariah-based deposits with financial institutions is not material as they are based on a fixed rate.

#### (iii) Currency Risk

The Fund is exposed to currency risk primarily through its investments in overseas equities that are denominated in foreign currencies. The Fund's foreign currency exposure profile of its investments in equities is disclosed under Note 7(b). The currency risk is minimised by proper portfolio allocation and to avoid concentration in a single country.

The table below demonstrates the sensitivity of the Fund's net (loss)/income after taxation and NAV to +/-10% change in foreign currency exchange rates as at the end of the financial year, with all other variables held constant :

## 20. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

## (a) Market Risk (Cont'd.)

## (iii) Currency Risk (Cont'd.)

	2024		2023	
	Impact on net loss after taxation		Impact on net income after taxation	
	Lower / RM	(Higher) RM	Higher / RM	(Lower) RM
- Australian Dollar	91,260	(91,260)	124,262	(124,262)
- Hong Kong Dollar	696,153	(696,153)	499,306	(499,306)
- Indonesian Rupiah	107,223	(107,223)	115,613	(115,613)
- South Korean Won	67,046	(67,046)	232,961	(232,961)
- Singapore Dollar	73,393	(73,393)	80,169	(80,169)
- Thailand Baht	7,569	(7,569)	14,169	(14,169)
- Philippines Peso	97,190	(97,190)	44,417	(44,417)
	<u>1,139,834</u>	<u>(1,139,834)</u>	<u>1,110,897</u>	<u>(1,110,897)</u>

## (b) Credit Risk

The Fund's investments in Shariah-based deposits with licensed financial institutions and bank balances are of high credit ratings while short-term receivables including amount due from Manager are of short maturities; hence probability of their default on contractual obligations is deemed negligible. Accordingly, no allowance is required for their expected credit losses in accordance with the accounting policies as disclosed in Note 3.2. The carrying amount of the financial assets represents the maximum credit risk exposure for the Fund.

## (c) Liquidity Risk

This risk occurs in thinly traded or illiquid equities. Should the Fund need to sell a relatively large amount of such equities, the act itself may significantly depress the selling price. As the Fund is exposed to daily redemption of units, the risk is minimised by placing a prudent level of funds in short-term Shariah-based deposits and by investing in stocks whose liquidity is adjudged to be commensurate with the expected exposure level of the Fund.

The following table summarises the maturity profile of the Fund's financial assets and financial liabilities in order to meet commitments associated with the Fund's contractual commitments and liquidity.

2024	Up to 1 year RM	Above 1 year to 5 years RM	Total RM
<b>Financial Assets</b>			
Financial assets at FVTPL	19,007,445	-	19,007,445
Shariah-based deposits with licensed financial institutions	2,486,586	-	2,486,586
Other assets	507,228	-	507,228
Non-financial assets	68,981	-	68,981
	<u>22,070,240</u>	<u>-</u>	<u>22,070,240</u>
<b>Financial Liabilities</b>			
Other liabilities	77,955	-	77,955
Unitholders' NAV	21,992,285	-	21,992,285
Liquidity gap	-	-	-



**20. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)****(c) Liquidity Risk (Cont'd.)**

<b>2023</b>	<b>Up to 1 year RM</b>	<b>Above 1 year to 5 years RM</b>	<b>Total RM</b>
<b>Financial Assets</b>			
Financial assets at FVTPL	22,498,117	-	22,498,117
Shariah-based deposits with licensed financial institutions	2,568,035	-	2,568,035
Other assets	318,913	-	318,913
Non-financial assets	10,453	-	10,453
	<u>25,395,518</u>	<u>-</u>	<u>25,395,518</u>
<b>Financial Liabilities</b>			
Other liabilities	78,603	-	78,603
Unitholders' NAV	<u>25,316,915</u>	<u>-</u>	<u>25,316,915</u>
Liquidity gap	<u>-</u>	<u>-</u>	<u>-</u>

**(d) Stock Specific Risk**

The Fund is exposed to the individual risk of the respective companies issuing equities which includes changes to the business performance of the company, consumer tastes and demand, lawsuits and management practices. This risk is minimised through the well diversified nature of the Fund.

**(e) Single Issuer Risk**

The Fund's exposure to equities issued by any issuer is limited to not more than a certain percentage of its net asset value. Under such restriction, the risk exposure to the equities of any issuer is minimised.

**(f) Reclassification of Shariah Status Risk**

This risk refers to the risk that the currently held Shariah-compliant equities in the portfolio of Shariah-compliant funds may be reclassified to be Shariah non-compliant upon review of the securities by the Shariah Advisory Council of the Securities Commission Malaysia ("SACSC") performed twice yearly and by Amanie Advisors Sdn Bhd performed once yearly. If this occurs, the Manager will take the necessary steps to dispose of such equities.

There may be opportunity loss to the Fund due to the Fund not being allowed to retain the excess capital gains derived from the disposal of the Shariah non-compliant equities. The value of the Fund may also be adversely affected in the event of a disposal of Shariah non-compliant equities at a price lower than the investment cost.

**(g) Capital Management**

The capital is represented by unitholders' subscription to the Fund. The amount of capital can change significantly on a daily basis as the Fund is subject to daily redemption and subscription at the discretion of unitholders. The Manager manages the Fund's capital with the objective of maximising unitholders' value, while maintaining sufficient liquidity to meet unitholders' redemption as explained in Note 20(c) above.



**For enquiries about the Funds offered by Pheim Unit Trusts Berhad,**  
please call **(603) - 2142 8888**  
between 9.00 a.m. to 5.00 p.m. (Monday - Friday)  
and 9.00 a.m. to 1.00 p.m. (Saturday)  
**or fax to (603) - 2141 9199 or email to [support@pheimunittrusts.com](mailto:support@pheimunittrusts.com)**  
**or visit our Website : [www.pheimunittrusts.com](http://www.pheimunittrusts.com)**