

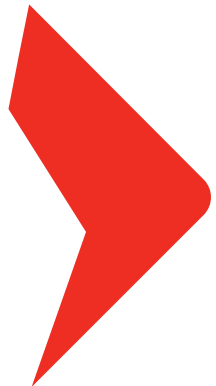


A Prudential plc company 

# EASTSPRING INVESTMENTS EQUITY INCOME FUND

ANNUAL REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024



**Dear Valued Investor,**

Greetings from Eastspring Investments Berhad!

First and foremost, we would like to take this opportunity to thank you for choosing to invest with Eastspring Investments Berhad.

**We are pleased to enclose a copy of the Annual/Semi-annual/Quarterly Fund Reports of Eastspring Investments Berhad's fund(s) for the reporting period ended 30 June 2024.**

You may also download these reports from our website at [www.eastspring.com/my](http://www.eastspring.com/my)

Should you require any assistance, please do not hesitate to contact our Client Services at 03-2778 1000.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'YSH', written in a cursive style.

**YAP SIOK HOON**

Executive Director/Chief Executive Officer

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## FUND INFORMATION

**Name of Fund**

Eastspring Investments Equity Income Fund (the "Fund")

**Fund Category/  
Type**

Equity/income

**Fund Objective**

The Fund seeks to provide a stable income\* stream with medium to long-term capital growth.

\* Income distributed to a Unit Holder will be reinvested into additional Units unless Unit Holder opts for the distribution to be paid out.

**ANY MATERIAL CHANGES TO THE FUND'S OBJECTIVE WOULD REQUIRE UNIT HOLDERS' APPROVAL.**

**Performance  
Benchmark**

The performance benchmark of the Fund is FTSE Bursa Malaysia 100 Index ("FBM100").

**Source:** [www.bursamalaysia.com](http://www.bursamalaysia.com)

**Note:** The risk profile of the Fund is different from the risk profile of the performance benchmark.

**Fund Income  
Distribution Policy**

At least once a year, subject to the availability of income.

## KEY PERFORMANCE DATA

FOR THE FINANCIAL YEAR ENDED

<b>Category</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>
<b>Quoted securities</b>			
Construction	1.06	3.28	3.12
Consumer Products & Services	6.83	13.40	16.13
Energy	3.33	1.52	1.33
Financial Services	24.34	31.63	33.11
Health Care	1.82	1.97	2.05
Industrial Products & Services	11.17	6.00	6.73
Plantation	7.19	5.34	2.27
Property	2.51	0.53	0.52
Real Estate Investment Trust	3.77	3.03	3.08
Technology	2.59	3.74	4.87
Telecommunication & Media	9.87	10.11	9.34
Transportation & Logistic	3.47	4.06	5.17
Utilities	11.35	3.58	3.65
	89.30	88.19	91.37
Cash and other assets	10.70	11.81	8.63
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## KEY PERFORMANCE DATA (CONTINUED)

Category	2024	2023	2022
Net Asset Value (NAV) (RM'000)	596,710	402,736	407,060
Units In Circulation (Units '000)	750,354	582,943	569,120
Net Asset Value Per Unit (RM)	0.7952	0.6909	0.7152
Highest Net Asset Value Per Unit (RM) <sup>#</sup>	0.8054	0.6965	0.7178
Lowest Net Asset Value Per Unit (RM) <sup>#</sup>	0.7918	0.6909	0.7075
Total Return (%)			
- Capital Growth	15.11	(3.40)	(3.79)
- Income Distribution	4.74	4.78	3.80
Total Return (%)	20.57	1.22	(0.14)
Gross Distribution Per Unit (RM)	0.0382	0.0331	0.0270
Net Distribution Per Unit (RM)	0.0382	0.0331	0.0270
Total Expense Ratio (TER) (%) <sup>*</sup>	1.58	1.58	1.58
Portfolio Turnover Ratio (PTR) (times) <sup>^</sup>	0.86	0.12	0.26

<sup>#</sup> Figure shown as ex-distribution.

<sup>\*</sup> There were no significant changes to the TER during the period under review.

<sup>^</sup> The year 2024 started with a positive and strong trend in 1Q24 for Malaysian equities, with robust rotation play. Therefore, the Fund turnover was higher than usual to take advantage of this positive market momentum.

## KEY PERFORMANCE DATA (CONTINUED)

	1 year 1.7.2023 to 30.6.2024	3 years 1.7.2021 to 30.6.2024	5 years 1.7.2019 to 30.6.2024
	(%)	(%)	(%)

Average total return	20.57	6.81	4.08
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Year ended	1.7.2023 to 30.6.2024	1.7.2022 to 30.6.2023	1.7.2021 to 30.6.2022	1.7.2020 to 30.6.2021	1.7.2019 to 30.6.2020
	(%)	(%)	(%)	(%)	(%)

Annual total return	20.57	1.22	(0.14)	8.02	(7.22)
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**Source:** The above total return of the Fund was sourced from Lipper for Investment Management.

### Bases of calculation and assumptions made in calculating returns:

$$\text{Percentage growth} = \frac{\text{NAV}_t - 1}{\text{NAV}_0}$$

NAV<sub>t</sub> = NAV at the end of the period

NAV<sub>0</sub> = NAV at the beginning of the period

$$\text{Performance annualised} = (1 + \text{Percentage Growth})^{1/n} - 1$$

Adjusted for unit split and distribution paid out for the period

n = Number of years

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

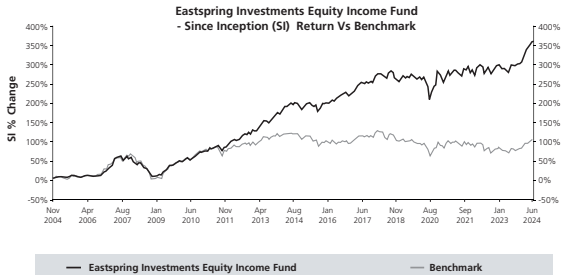
# MANAGER'S REPORT

## Fund Performance

Over the 5-year period, the Fund recorded a return of 22.15%, outperforming the benchmark return of 1.43% by 20.72%.

During the period under review, the Fund registered a return of 20.57%, outperforming the benchmark return of 19.85% by 0.72%.

The outperformance was due to sectors and stocks selection. Holdings in industrial, telecommunication, and energy were key contributors to the Fund's performance.



**The performance is calculated on NAV-to-NAV basis with gross income or dividend reinvested.**

**Benchmark:** The performance benchmark of the Fund is FTSE Bursa Malaysia 100 Index (“FBM100”).

**Source:** Lipper for Investment Management and [www.bursamalaysia.com](http://www.bursamalaysia.com) as at 30 June 2024.

**Past performance of the Fund is not necessarily indicative of its future performance.**



## MANAGER'S REPORT (CONTINUED)

### Analysis of Fund Performance

For the financial year ended 30 June 2024:

Income Return	Capital Return*	Total Return	Total Return of Benchmark
(%)	(%)	(%)	(%)
4.74	15.11	20.57	19.85

\* Capital return components (NAV per unit to NAV per unit).

### Distribution/ Unit Split

Ex-Date	18-Jun-24
Distribution Per Unit	(RM)

Gross	0.0382
Net	0.0382

Impact on NAV arising from distribution for the financial year ended 30 June 2024.

Ex-Date	18-Jun-24
	(RM per Unit)

Net Asset Value before distribution	0.8436
Less: distribution	(0.0382)
Net Asset Value after distribution	<u>0.8054</u>

No unit split were declared for the financial year ended 30 June 2024.

## MANAGER'S REPORT (CONTINUED)

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### **Investment Strategy During the Period Under Review**

The Fund remained invested in stocks that possess long term growth prospect, attractive valuation and strong in fundamental. We were positive and invested in selective export-related stocks that stand to benefit from Malaysia cost-competitive and global supply chain re-alignment i.e., manufacturing, commodities, industrial and technology. The Fund also invested in thematic names that stand to benefit from Johor-Singapore SEZ, data centre proliferation in Johor and Klang Valley, as well as govt reform policy rollout. In the meantime, attractive price dividend stocks (REITs, banks) with sustainable business model and positive industry outlook continue to provide stability and defensiveness for the Fund.

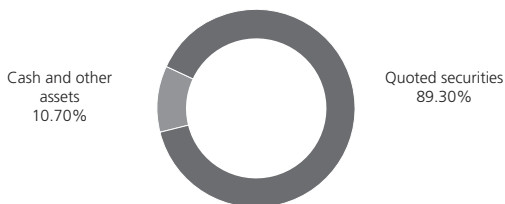
The fund will continue to look for opportunities to increase equity exposure in selective companies with strong cash flow generation capability, resilient earnings outlook, as well as decent dividend yield stocks.

## MANAGER'S REPORT (CONTINUED)

### Asset Allocation

Asset Allocation	30-Jun 2024	30-Jun 2023	Changes
	(%)	(%)	(%)
Quoted securities	89.30	88.19	1.11
Cash and other assets	10.70	11.81	(1.11)

### Asset Allocation as at 30 June 2024



There were no significant changes in asset allocation of the Fund for the period under review.

### State of Affairs of the Fund

There have been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unit holders during the period under review.

## MARKET REVIEW

Malaysian equity markets performed well in the beginning of 3Q2023, after 6 months of consecutive monthly declines, outperforming regional markets, especially on USD basis, as the MYR appreciated by 3.54% against the USD. In the second half of July, we saw foreign inflows into Malaysian equities, and we ended the month with net foreign buying of RM1.4b, after 10 consecutive months of foreign outflows since September 2022. Towards the end of the month, PM Dato Seri Anwar Ibrahim unveiled his plans for an economic reset via the MADANI Economy Framework, and then announced the National Energy Transition Roadmap (Phase 1) the same day. Malaysian equity markets continued to outperform regional markets for the second consecutive month in August. Malaysia had an eventful month where the State Elections were held in 6 states, which resulted in a status quo outcome: PH/BN won 3 states and PN won 3 states as well. The government launched Phase 2 of NETR end of August, providing some details on the energy exchange hub to enable cross border RE trading, with the Prime Minister hinting that the Energy Exchange will hopefully be expedited to ready by end 2023. The surprise for the month was the M&As announced. KLK announced that they will be acquiring a 33% +1 share in Boustead Plantations (with intention to acquire the remaining shares not owned, acting in concert with LTAT), and Sime Darby is proposing to take over UMW. The Malaysian Ringgit depreciated 3.1%, after hitting a low of RM4.507/USD on 31 July 2023.

By the end of the 3Q2023, Malaysian equity markets managed to eke out a positive return for the period and maintain their outperformance over other regional markets. The government announced the New Industrial Master Plan (“NIMP”) 2030, which is targeting a 6.5% increase in manufacturing value-added by 2030 to RM587.8b, expecting to require a total investment of RM95b over seven years. News that the Malaysian prosecution was withdrawing all 47 charges of criminal breach of trust, graft, and money laundering faced by Deputy Prime Minister Datuk Seri Dr Ahmad Zahid Hamidi, after applying to discharge all the charges, came as a surprise. Corporate earnings reported in September were overall weaker than expected, resulting in downgrades to consensus earnings. Foreign investors continued to be net buyers of equity in September 2023, for the third consecutive month, after previously being net sellers for 10 consecutive months.

Malaysian equities performed relatively well in the 4Q2023. October was a fairly eventful month, with the announcement of Budget 2024 which investors took to be fairly neutral. Within the Budget, subsidies are lower in 2024 at 10% of operating expenditures (versus 14% in 2023), and the announcement of additional infrastructure goodies were announced such as the restoration of LRT3 stations and extension of LRT to mainland. Not long after this, a slew of economic data released in the US, continued to highlight the strength of the US economy, withstanding the surge in interest rates thus far. Investors

speculated that this would be a risk for the US Federal Reserve to remain hawkish on their interest rate policy, providing strength to the US Dollar. The MYR traded at Asian Financial Crisis lows at RM4.79/USD on the 24 October 2023, lowest level in more than 25 years. November was the results reporting month for 3Q2023. Generally, the results reported were weaker and missed expectations more than meet or beat. Those that had exposure to external demand for example tech, came in below, whilst many companies across a broad range of sectors continued to be impacted by cost pressures. Foreign investors turned net buyers of Malaysian equities in November of RM1.6b. December was a quiet month for Malaysian equities, with few events and announcements. However, during the month, the media reported on the proposal of the Johor-Singapore Special Economic Zone, with the MoU to be signed in January 2024. The Prime Minister announced the cabinet reshuffle mid-December, adding 5 new ministers appointed to his cabinet. The Cabinet which had 28 ministers previously has been expanded to 31, with two ministerial portfolios split up and the appointment of a second Finance Minister. In December, we saw net foreign buying of RM0.3m for the second month in a row. However, Malaysia ended the year with net foreign outflows of RM2.4b. YTL Corp and YTL Power replaced Westports and Dialog as KLCI constituents effective 18 December 2023.

Malaysian equities started 2024 well, outperforming regional markets as one of the best performing markets. During January, the Johor-Singapore Special Economic Zone ("JS-SEZ") MoU was signed between Malaysia and Singapore. The agreement with details to develop the economic zone will be signed at the Malaysia-Singapore Leader's Retreat taking place end of 2024. The key initiatives mentioned as part of this SEZ include the formation of a one-stop business/investment services centre in Johor to facilitate the application process of various approvals and licenses necessary for Singapore businesses to set up in Johor; an adoption/ implementation of a passport-free QR code clearance system on both sides; adoption of digitized processed for cargo clearance at land checkpoints; and facilitate the cooperation for renewable energy. On the 31 January 2024, Malaysia saw the installation of a new King, the Sultan of Johor, Sultan Ibrahim, with Sultan Nazrin (the ruler of the state of Perak) was re-elected as deputy King.

The Malaysian equity markets continued its uptrend, reporting a gain for the second month in 2024, and has been reporting monthly gains for the last 5 consecutive months. The Lunar New Year holidays were in February, making a short month even shorter. February also saw corporate earnings reported which were a bit mixed, with weak earnings from plantations and petrochemicals companies. The changes to the MSCI indices as a result of their quarterly index rebalance saw YTL Corp and YTL Power added to the MSCI Asia Pacific Index, whilst Dialog was deleted. The Malaysian Ringgit hit a 26-year low versus the US dollar during the month, at levels last seen during the Asian Financial Crisis.

Taking a breather in March, the Malaysian equity markets, saw foreign investors become net sellers in March of RM2.8b, reversing 4 consecutive months net equity inflows. News flow in March was focused on infrastructure. The Cabinet approved the Penang LRT, and there was news that there were three concept proposals for the high-speed rail (“HSR”). The government finally inked a new operating agreement (“OA”) with Malaysia Airports Holdings Berhad, which also saw the additional transit passenger charge approved, and changes to the passenger service charges for KLIA terminal 1, 2 and other airports across Malaysia.

The Malaysian equity markets continued its positive performance in the beginning of 2Q24, outperforming Emerging Markets and Asia Ex-Japan, amidst the turbulence in the Middle East, recently exacerbated by the Iran-Israel conflict, and the US Fed renewed rhetoric of “higher for longer”. On the 13 April 2024, Iran launched dozens of drones towards Israel, escalating tensions and setting the state for a direct military confrontation between the two nations. Thankfully, on the intervention of their allies, this de-escalated quickly post the incident. Domestically, the news for the month was the launch of the Energy Exchange (“ENEGEM”) by the Ministry of Energy Transition and Water Transformation, inviting interested parties to participate in the inaugural auction for purchasing green electricity from Malaysia’s supply system to be supplied to Singapore. The auction will begin with a 100MW pilot run, utilizing the existing interconnection between Singapore and Peninsular Malaysia. On 25 April, EPF announced the restructuring of contributors’ accounts, to introduce a new Account 3, which will allow for the flexibility of withdrawals for those members below age 55 years old starting 11 May.

By the middle of the 2Q2024, Malaysian equities continued to register positive performance. The continued uptrend could be due to decent 1Q2024 earnings season, and M&A activities proposed which provided some excitement to the market. May also saw an influx of data centre announcements from tech giants, as Microsoft CEO committed to USD2b in investments, and this was followed by Google’s USD2bn investments for data centres and cloud services. The technology sector saw significant gains in May, fuelled by net purchases from foreign investors, responding positively to the launch of Malaysia’s National Semiconductor Strategy on 28 May. EPF restructured their members contribution accounts to include an Account 3 (Flexible), for members to contribute 10% of their EPF savings (if they opt in) to Account 3, and future EPF contributions will automatically allocate 10% to Account 3. This together with the PM’s announcement of a revised salary scheme for civil servants which will see a hike of up to 13% may help consumer spending to remain resilient.

By the end of 2Q2024, the Malaysian equity markets saw some consolidation which could be related to profit taking activities, following the strong 1H24 performance thus far, where the KLCI outperformed most markets. In the month of June diesel retail price at the pump was raised to RM3.35/litre from RM2.15/litre effective 10 June 2024 across Peninsular Malaysia. June also saw a flurry of news regarding Data Centres with the sale of land by Eco World and UEM Sunrise, and Telekom announced their partnership Singtel's Data Centre unit Nxera to develop data centres. China's Premier Li Qiang was in Malaysia for a three-day maiden visit mid-June, and witnessed the signing of 14 memoranda of understanding and agreements involving nine Malaysian ministries.

The FBM KLCI closed the period under review at 1,590.09 points, up 15.5%. The broader FBM Emas ("FBMEmas") Index closed the period under review higher by 20.5%. The MSCI Asia Pacific ex-Japan Index rose by 10.3% in USD terms.<sup>1</sup>

## REBATES AND SOFT COMMISSIONS

During the period under review, the Manager and its delegates (if any) received soft commissions from brokers/dealers in the form of goods and services which directly assist the investment management of the Fund, including research and advisory services, market analyses, data and quotation services, and computer hardware and software used for and/or in support of the investment process of fund managers. Such soft commissions received are utilised in the investment management of the Fund and are of demonstratable benefit to the Fund and Unitholders. There were no churning of trades.

The Manager and its delegates (if any) have not received any rebates or shared any commissions from any brokers during the same period under review.

## SECURITIES LENDING OR REPURCHASE TRANSACTIONS

No securities lending or repurchase transaction have been carried out during the financial period under review.

<sup>1</sup> **Source:** Bloomberg: World indices

# EASTSPRING INVESTMENTS EQUITY INCOME FUND

## FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024



## STATEMENT BY THE MANAGER

We, Yap Siok Hoon and John Campbell Tupling, being two of the Directors of Eastspring Investments Berhad, do hereby state that, in the opinion of the Manager, the accompanying financial statements set out on pages 20 to 63 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 June 2024 and of its financial performance, changes in equity and cash flows for the financial year ended on that date in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,

**EASTSPRING INVESTMENTS BERHAD**

**YAP SIOK HOON**

Executive Director/Chief Executive Officer

**JOHN CAMPBELL TUPLING**

Independent, Non-Executive Director

Kuala Lumpur

Date: 23 August 2024

## TRUSTEE'S REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS EQUITY INCOME FUND ("Fund")

We have acted as Trustee of the Fund for the financial year ended 30 June 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Eastspring Investments Berhad has operated and managed the Fund during the 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 Deutsche Trustees Malaysia Berhad

**Ng Hon Leong**  
Head, Fund Operations

**Sylvia Beh**  
Chief Executive Officer

Kuala Lumpur  
Date: 23 August 2024

# INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS EQUITY INCOME FUND

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Our opinion

In our opinion, the financial statements of Eastspring Investments Equity Income Fund ("the Fund") give a true and fair view of the financial position of the Fund as at 30 June 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

### What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 June 2024, and the statement of comprehensive income, statement of changes in equity 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 20 to 63.

### 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 is responsible for the other information. The other information comprises the Manager's Report, 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 for the financial statements

The Manager of the Fund is responsible for the preparation of the financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

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 terminate the Fund, or has 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 scepticism throughout the audit. We also:

- a. 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.
- b. 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.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- d. 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.

- e. Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund 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 unit holders of the Fund, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT  
LLP0014401-LCA & AF 1146  
Chartered Accountants

Kuala Lumpur  
Date: 23 August 2024

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	2024	2023
		RM	RM
<b>INVESTMENT INCOME</b>			
Gross dividend income		18,582,844	23,658,522
Interest income from deposits with licensed financial institutions		1,393,012	1,189,885
Net gain/(loss) on financial assets at fair value through profit or loss	7	81,908,749	(12,748,939)
		<u>101,884,605</u>	<u>12,099,468</u>
<b>EXPENSES</b>			
Management fee	3	(7,327,449)	(6,264,615)
Trustee fee	4	(341,948)	(292,349)
Audit fee		(7,600)	(7,600)
Tax agent fee		(3,700)	(3,994)
Other expenses		(92,647)	(95,450)
Transaction cost		(2,263,009)	(337,874)
		<u>(10,036,353)</u>	<u>(7,001,882)</u>
<b>PROFIT BEFORE TAXATION</b>		91,848,252	5,097,586
<b>TAXATION</b>	6	-	-
<b>PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME</b>		<u>91,848,252</u>	<u>5,097,586</u>
Profit after taxation is made up of the following:			
Realised amount		23,987,014	19,115,323
Unrealised amount		67,861,238	(14,017,737)
		<u>91,848,252</u>	<u>5,097,586</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these financial statements.

# STATEMENT OF FINANCIAL POSITION

## AS AT 30 JUNE 2024

	Note	2024	2023
		RM	RM
<b>ASSETS</b>			
Cash and cash equivalents	8	59,043,891	48,887,720
Financial assets at fair value through profit or loss	7	532,719,243	355,124,980
Amount due from Manager		1,792,945	39,011
Amount due from brokers		7,180,472	61,090
Dividends receivable		433,358	620,028
<b>TOTAL ASSETS</b>		<u>601,169,909</u>	<u>404,732,829</u>
<b>LIABILITIES</b>			
Accrued management fee		733,061	498,797
Amount due to Manager		593,472	551,954
Amount due to Trustee		34,210	23,277
Amount due to brokers		3,081,465	908,853
Other payables and accruals		17,442	14,072
<b>TOTAL LIABILITIES</b>		<u>4,459,650</u>	<u>1,996,953</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>596,710,259</u>	<u>402,735,876</u>
<b>EQUITY</b>			
Unit holders' capital		472,510,812	359,847,230
Retained earnings		124,199,447	42,888,646
<b>NET ASSET ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>596,710,259</u>	<u>402,735,876</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>	9	<u>750,353,913</u>	<u>582,942,838</u>
<b>NET ASSET VALUE PER UNIT (EX-DISTRIBUTION) (RM)</b>		<u>0.7952</u>	<u>0.6909</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these financial statements.



## STATEMENT OF CHANGES IN EQUITY

### FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	Unit holders' capital	Retained earnings	Total
		RM	RM	RM
Balance as at 1 July 2023		359,847,230	42,888,646	402,735,876
Movement in unit holders' contribution:				
Creation of units from applications		152,999,028	-	152,999,028
Creation of units from distribution		26,743,428	-	26,743,428
Cancellation of units		(50,272,616)	-	(50,272,616)
Distribution (Gross/Net: 3.82 sen)	5	(16,806,258)	(10,537,451)	(27,343,709)
Total comprehensive income for the financial year		-	91,848,252	91,848,252
Balance as at 30 June 2024		472,510,812	124,199,447	596,710,259
Balance as at 1 July 2022		361,300,876	45,758,672	407,059,548
Movement in unit holders' contribution:				
Creation of units from applications		27,031,687	-	27,031,687
Creation of units from distribution		18,002,459	-	18,002,459
Cancellation of units		(35,965,009)	-	(35,965,009)
Distribution (Gross/Net: 3.31 sen)	5	(10,522,783)	(7,967,612)	(18,490,395)
Total comprehensive income for the financial year		-	5,097,586	5,097,586
Balance as at 30 June 2023		359,847,230	42,888,646	402,735,876

The accompanying material accounting policy information and notes to the financial statements form an integral part of these financial statements.

# STATEMENT OF CASH FLOWS

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	2024	2023
		RM	RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Proceeds from sale of investments		363,034,543	50,970,811
Purchase of investments		(465,929,836)	(50,110,570)
Dividends received		18,712,120	23,709,751
Interest received from deposits			
with licensed financial institutions		1,393,012	1,189,885
Management fee paid		(7,093,185)	(6,273,894)
Trustee fee paid		(331,015)	(292,782)
Payment for other fees and expenses		(43,047)	(57,933)
Net cash (used in)/generated from operating activities		<u>(90,257,408)</u>	<u>19,135,268</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash proceeds from units created		151,245,094	27,464,875
Payments for cancellation of units		(50,231,098)	(36,260,368)
Distribution paid		(600,417)	(487,936)
Net cash generated from/(used in) financing activities		<u>100,413,579</u>	<u>(9,283,429)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		10,156,171	9,851,839
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>		<u>48,887,720</u>	<u>39,035,881</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	8	<u>59,043,891</u>	<u>48,887,720</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these financial statements.

## MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

The following accounting policies have been used in dealing with items which are considered material in relation to the financial statements.

### **A. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS"). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with the MFRS and IFRS require the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial year. It also requires the Manager to exercise their judgement in the process of applying the Fund's accounting policies. Although these estimates and judgement are based on the Manager's best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note K.

a. Standards and amendments to existing standards effective 1 January 2023:

There are no other standards, amendments to standards or interpretations that are effective for financial year beginning on 1 July 2023 that have a material effect on the financial statements of the Fund.

b. New standards, amendments and interpretations effective after 1 January 2023 and have not been early adopted:

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2023 and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

**B. INCOME RECOGNITION**

Interest income from short-term deposits placed with licensed financial institutions is recognised on an accrual basis using the effective interest rate method.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividend income is recognised on the ex-dividend date, when the right to receive the dividend has been established.

Realised gain or loss on disposal of quoted securities are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, which is determined on a weighted average cost basis.

**C. TAXATION**

Current tax expense is determined according to the Malaysian tax laws at the current rate based upon the taxable income earned during the financial year.

**D. FUNCTIONAL AND PRESENTATION CURRENCY**

Items included in 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 the Fund's functional and presentation currency.

## **E. FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

### **i. Classification**

The Fund classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those to be measured at amortised cost

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from Manager, amount due from brokers and dividends receivable as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

The Fund classifies accrued management fee, amount due to Manager, amount due to Trustee, amount due to brokers and other payables and accruals as financial liabilities measured at amortised cost.

### **ii. Recognition and measurement**

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value and transaction costs are expensed in the statement of comprehensive income.

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

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 quoted financial instrument.

Financial liabilities are derecognised when the obligation under the liabilities are extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Gains or losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are presented in the statement of comprehensive income within “net gain/(loss) on financial assets at fair value through profit or loss” in the financial year in which they arise.

Quoted securities in Malaysia are valued at the last done market price quoted on the Bursa Malaysia Securities Berhad (“Bursa Securities”) at the date of the statement of financial position.

If a valuation based on the market price does not represent the fair value of the securities, for example during abnormal market conditions or no market price is available, including in the event of a suspension in the quotation of the quoted securities for a financial period exceeding 14 days, or such shorter period as agreed by the Trustee, then the quoted securities are valued as determined in good faith by the Manager, based on the methods or basis approved by the Trustee after appropriate technical consultation.

Financial assets and other financial liabilities are subsequently carried at amortised cost using the effective interest rate method.

iii. Impairment for assets carried at amortised costs

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any expected credit loss. Management considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12 months expected credit losses as any such impairment would be wholly insignificant to the Fund.

iv. Significant increase in credit risk

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

v. Definition of default and credit-impaired financial assets

Any contractual payment which is more than 90 days past due is considered credit impaired.

vi. Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of obligor's sources of income or assets to generate sufficient future cash flows to pay the amount. The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial year.

## **F. CASH AND CASH EQUIVALENTS**

For the purpose of the statement of cash flows, cash and cash equivalents comprise bank balances and deposits with licensed financial institutions with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## **G. DISTRIBUTION**

A distribution to the Fund's unit holders is accounted for as a deduction from realised reserves. A proposed distribution is recognised as a liability in the financial year in which it is approved by the Trustee.

## **H. UNIT HOLDERS' CAPITAL**

The unit holders' contributions to the Fund meet the criteria to be classified as equity instruments under MFRS 132 "Financial Instruments: Presentation". Those criteria include:

- the units entitle the holder to a proportionate share of the Fund's net asset value;
- the units are the most subordinated class and class features are identical;
- there are no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial year if unit holder exercises the right to put the unit back to the Fund.

Units are created and cancelled at prices based on the Fund's net asset value per unit at the time of creation or cancellation. The Fund's net asset value per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.



## **I. AMOUNT DUE FROM/(TO) BROKERS**

Amount due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. The amount due from brokers balance is held for collection.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amount due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12 months expected credit losses. Significant financial difficulties of the brokers, probability that the brokers will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

Any contractual payment which is more than 90 days past due is considered credit impaired.

## **J. TRANSACTION COSTS**

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisors, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

**K. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES**

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information contents on the estimates, certain key variables that are anticipated to have material impacts to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgements are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the Securities Commission's ("SC") Guidelines on Unit Trust Funds.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

### 1. INFORMATION ON THE FUND

Eastspring Investments Equity Income Fund (the “Fund”) was constituted pursuant to the execution of a Deed dated 8 October 2004, Master Supplemental Deed dated 12 July 2007 and Second Supplemental Master Deed dated 30 November 2009 between HSBC (Malaysia) Trustee Berhad (“HSBC Trustee”) and Eastspring Investments Berhad (the “Manager”). The Fund replaced HSBC Trustee with Deutsche Trustees Malaysia Berhad (the “Trustee”) effective 1 October 2010. A Supplemental Master Deed was entered into between Eastspring Investments Berhad (the “Manager”) and Deutsche Trustees Malaysia Berhad (the “Trustee”) on 30 July 2010 to effect the change of trustee from HSBC Trustee to the Trustee, followed by Second Supplemental Master Deed dated 28 January 2011, Third Supplemental Master Deed dated 9 March 2011, Fourth Supplemental Master Deed dated 20 January 2012, Fifth Supplemental Master Deed dated 26 March 2014, Sixth Supplemental Master Deed dated 2 January 2015, Seventh Supplemental Master Deed dated 11 July 2016, Eighth Supplemental Master Deed dated 25 January 2017, Ninth Supplemental Master Deed dated 11 December 2017, Tenth Supplemental Master Deed dated 4 June 2018, Eleventh Supplemental Master Deed dated 30 September 2021, Twelfth Supplemental Master Deed dated 29 June 2022 and Thirteenth Supplemental Master Deed dated 29 November 2022 (collectively referred to as the “Deeds”).

The Fund was launched on 18 October 2004 and will continue its operations until terminated by the Trustee or the Manager as provided under Part 12 of the Deed.

The Fund invests in equities and equity-related securities of companies that have consistent track record of dividend distributions and prospects for capital growth or increase in future dividend distributions.

The main objective of the Fund seeks to provide a stable income stream with medium to long-term capital growth.

All investments will be subjected to the Securities Commission’s (“SC”) Guidelines on Unit Trust Funds, the Deeds and the objective of the Fund.

The Manager is a company incorporated in Malaysia and is related to Prudential Plc., a public listed company in the United Kingdom. The principal activity of the Manager is the establishment and management of unit trust funds and asset management.

## 2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks which include market risk (inclusive of price risk and interest rate risk), stock/issuer risk, fund management risk, liquidity risk, non-compliance risk, credit/default risk and capital risk.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated in the Deeds.

Financial instruments of the Fund are as follows:

	Note	Financial assets at amortised cost RM	Financial assets at fair value through profit or loss RM	Total RM
<u>2024</u>				
Cash and cash equivalents	8	59,043,891	-	59,043,891
Quoted securities	7	-	532,719,243	532,719,243
Amount due from Manager		1,792,945	-	1,792,945
Amount due from brokers		7,180,472	-	7,180,472
Dividends receivable		433,358	-	433,358
		<u>68,450,666</u>	<u>532,719,243</u>	<u>601,169,909</u>
<u>2023</u>				
Cash and cash equivalents	8	48,887,720	-	48,887,720
Quoted securities	7	-	355,124,980	355,124,980
Amount due from Manager		39,011	-	39,011
Amount due from brokers		61,090	-	61,090
Dividends receivable		620,028	-	620,028
		<u>49,607,849</u>	<u>355,124,980</u>	<u>404,732,829</u>

All liabilities are financial liabilities which are carried at amortised cost.

## Market risk

### i. Price risk

Price risk arises mainly from the uncertainty about future prices of investments. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Manager manages the risk of unfavourable changes in prices by continuous monitoring of the performance and risk profile of the investment portfolio.

The table below shows assets of the Fund as at 30 June which are exposed to price risk:

	2024	2023
	RM	RM
Financial assets at fair value through profit or loss:		
Quoted securities	532,719,243	355,124,980

The following table summarises the sensitivity of the Fund's profit after tax and net asset value to movements in prices of quoted securities at the end of each reporting financial year. The analysis is based on the assumptions that the market price of the quoted securities increased by 5% and decreased by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities, having regard to the historical volatility of the prices.

% Change in price	Market value	Impact on profit after tax and net asset value
	RM	RM
<u>2024</u>		
+5%	559,355,205	26,635,962
-5%	506,083,281	(26,635,962)
<u>2023</u>		
+5%	372,881,229	17,756,249
-5%	337,368,731	(17,756,249)

ii. Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flows.

The Fund's investments in deposits with licensed financial institutions are short-term in nature. Therefore, exposure to interest rate fluctuations is minimal.

As at the end of the financial year, the Fund does not hold any other financial instruments that expose it to interest rate risk.

### **Stock/Issuer risk**

The Fund is restricted to investment in securities issued by and securities relating to any issuer of not more than ten percent (10%) of its net asset value. Furthermore, the Fund is restricted to invest in securities issued by and securities relating to any group of companies of not more than twenty percent (20%) of its net asset value. Under such restrictions, the exposure risk to the securities of any single issuer or any one group of companies is minimised.

### **Fund management risk**

There is the risk that the management company may not adhere to the investment mandate of the respective Funds. With close monitoring by the investment committee, back office system being incorporated with limits and controls, and regular reporting to the senior management team, the management company is able to manage such risk. The Trustee has an oversight function over management of the Fund by the management company to safeguard the interest of unit holders.

### **Liquidity risk**

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. Generally, all investments are subject to a certain degree of liquidity risk depending on the nature of the investment instruments, market, sector and other factors. For the purpose of the Fund, the Manager will attempt to balance the entire portfolio by investing in a mix of assets with satisfactory trading volume and those that occasionally could encounter poor liquidity. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

The Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellations of units by unit holders. Liquid assets comprise bank balances and deposits with licensed financial institutions and other instruments which are capable of being converted into cash within 7 days.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period as at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	<b>Less than 1 month</b>	<b>Between 1 month to 1 year</b>	<b>Total</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
<u>2024</u>			
Accrued management fee	733,061	-	733,061
Amount due to Manager	593,472	-	593,472
Amount due to Trustee	34,210	-	34,210
Amount due to brokers	3,081,465	-	3,081,465
Other payables and accruals	-	17,442	17,442
Contractual undiscounted cash outflows	<u>4,442,208</u>	<u>17,442</u>	<u>4,459,650</u>
<u>2023</u>			
Accrued management fee	498,797	-	498,797
Amount due to Manager	551,954	-	551,954
Amount due to Trustee	23,277	-	23,277
Amount due to brokers	908,853	-	908,853
Other payables and accruals	-	14,072	14,072
Contractual undiscounted cash outflows	<u>1,982,881</u>	<u>14,072</u>	<u>1,996,953</u>



### **Non-compliance risk**

Non-compliance risk arises when the Manager and others associated with the Fund are not compliant to the rules set out in the Fund's constitution or the laws that govern the Fund or applicable internal control procedures, or acts of fraudulence or dishonesty.

Non-compliance may expose the Fund to higher risks which may result in a fall in the value of the Fund which in turn may affect its investment goals. However, the risk can be mitigated by the internal controls and compliance monitoring undertaken by the Manager.

### **Credit/Default risk**

Credit risk refers to the ability of an issuer or a counter party to make timely payments of interest income, principals and proceeds from realisation of investments.

Credit risk arising from cash and bank balances is managed by ensuring that they are held by parties with credit rating of AA1 or higher.

The credit risk arising from placements of deposits with licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions. For amount due from brokers, the settlement terms are governed by the relevant rules and regulations as prescribed by Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The credit/default risk is minimal as all transactions in quoted securities are settled/paid upon delivery using approved brokers. The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC's Guidelines on Unit Trust Funds.

The following table sets out the credit risk concentrations and counterparties of the Fund.

	Cash and cash equivalents	Dividends receivable	Amount due from brokers	Amount due from Manager	Total
	RM	RM	RM	RM	RM
<u>2024</u>					
Construction					
- NR	-	124,320	-	-	124,320
Energy					
- NR	-	43,880	-	-	43,880
Financial Services					
- AAA	58,556,119	-	6,382,155	-	64,938,274
- AA1	487,772	-	-	-	487,772
- AA2	-	194,735	-	-	194,735
Health Care					
- NR	-	14,000	-	-	14,000
Industrial Products & Services					
- NR	-	22,185	-	-	22,185
Technology					
- NR	-	34,238	-	-	34,238
Other					
- NR	-	-	798,317	1,792,945	2,591,262
	<u>59,043,891</u>	<u>433,358</u>	<u>7,180,472</u>	<u>1,792,945</u>	<u>68,450,666</u>

	Cash and cash equivalents	Dividends receivable	Amount due from brokers	Amount due from Manager	Total
	RM	RM	RM	RM	RM
<u>2023</u>					
Construction					
- NR	-	195,131	-	-	195,131
Consumer Products & Services					
- NR	-	133,770	-	-	133,770
Energy					
- NR	-	14,507	-	-	14,507
Financial Services					
- AAA	48,634,064	-	-	-	48,634,064
- AA1	253,656	-	-	-	253,656
- NR	-	228,657	-	-	228,657
Technology					
- NR	-	47,963	-	-	47,963
Other					
- NR	-	-	61,090	39,011	100,101
	<u>48,887,720</u>	<u>620,028</u>	<u>61,090</u>	<u>39,011</u>	<u>49,607,849</u>

None of these financial assets are past due or impaired.

### Capital risk

The capital of the Fund is represented by equity consisting of unit holders' capital of RM472,510,812 (2023: RM359,847,230) and retained earnings of RM124,199,447 (2023: RM42,888,646). The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

## Fair value estimation

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

The fair value of financial assets traded in active market (such as trading securities) are based on quoted market prices at the close of trading on the financial year end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is representative of the fair value.

An active market is a market in which transactions for the asset take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques.

### i. Fair value hierarchy

The following table analyses financial instruments carried at fair value by valuation method.

The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active market 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 (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes “observable” requires significant judgement by the Fund. The Fund considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy of the Fund’s financial assets (by class) measured at fair value:

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<u>2024</u>				
Financial assets at fair value through profit or loss:				
Quoted securities	532,719,243	-	-	532,719,243
<u>2023</u>				
Financial assets at fair value through profit or loss:				
Quoted securities	355,124,980	-	-	355,124,980

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active quoted securities. The Fund does not adjust the quoted prices for these instruments. The Fund's policies on valuation of these financial assets are stated in Note E to the financial statements.

- ii. The carrying value of cash and cash equivalents, amount due from Manager, amount due from brokers, dividends receivable and all liabilities are a reasonable approximation of their fair values due to their short-term nature.

### **3. MANAGEMENT FEE**

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 2.00% per annum of the net asset value of the Fund accrued and calculated on daily basis.

For the financial year ended 30 June 2024, the management fee is recognised at a rate of 1.50% (2023: 1.50%) per annum on the net asset value of the Fund, calculated on daily basis.

There will be no further liability to the Manager in respect of the management fee other than the amounts recognised above.

### **4. TRUSTEE FEE**

In accordance with the Deed, the Trustee is entitled to an annual fee at a rate not exceeding 0.20% per annum of the net asset value of the Fund, subject to a minimum fee of RM18,000 per annum.

For the financial year ended 30 June 2024, the Trustee fee is recognised at a rate of 0.07% (2023: 0.07%) subject to a minimum fee of RM18,000 per annum on the net asset value of the Fund, inclusive of local custodian fee, calculated on daily basis.

There will be no further liability to the Trustee in respect of the Trustee fee other than the amounts recognised above.

**5. DISTRIBUTION**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Distribution to unit holders is from the following sources:		
Dividend income	9,317,208	10,669,612
Interest income from deposits with licensed financial institutions	872,157	689,082
Realised gain on sales of investments	4,895,372	-
Distribution equalisation	16,806,258	10,522,783
	<hr/>	<hr/>
Gross realised income	31,890,995	21,881,477
Less: Expenses	(4,547,286)	(3,391,082)
	<hr/>	<hr/>
	27,343,709	18,490,395
	<hr/>	<hr/>
Gross distribution per unit (sen)	3.82	3.31
	<hr/>	<hr/>
Net distribution per unit (sen)	3.82	3.31
	<hr/>	<hr/>
Ex-Date	18 June 2024	15 June 2023
	<hr/>	<hr/>

Gross distribution is derived using total income less total expenses. The distribution is made from current financial years' realised income.

Gross distribution per unit is derived from gross realised income less expenses divided by the number of units in circulation, while net distribution per unit is derived from gross realised income less expenses and taxation divided by the number of units in circulation.

Distribution equalisation represents the average amount of distributable income included in the creation and cancellation prices of units. It is computed as at each date of creation and cancellation of units. For the purposes of determining amount available for distribution, distribution equalisation is included in the computation of realised gain or income available for distribution.

During the financial year ended 30 June 2024, the Fund incurred an unrealised losses of RM Nil (2023: RM14,017,737).

## 6. TAXATION

	2024	2023
	RM	RM

Tax charged for the financial year:

Current taxation

	-	-
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The numerical reconciliation between profit before taxation multiplied by the Malaysian statutory tax rate and tax expense of the Fund is as follows:

	2024	2023
	RM	RM
Profit before taxation	91,848,252	5,097,586
Tax at Malaysian statutory rate of 24% (2023: 24%)	22,043,580	1,223,421
Tax effects of:		
Investment income not subject to tax	(24,452,305)	(2,903,873)
Expenses not deductible for tax purposes	648,313	175,120
Restriction on the tax deductible expenses for Unit Trust Funds	1,760,412	1,505,332
Taxation	-	-



**7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Financial assets at fair value through profit or loss:		
Quoted securities	<u>532,719,243</u>	<u>355,124,980</u>
Net gain/(loss) on financial assets at fair value through profit or loss:		
Realised gain on disposals	14,047,511	1,268,798
Change in unrealised fair value gain/(loss)	<u>67,861,238</u>	<u>(14,017,737)</u>
	<u>81,908,749</u>	<u>(12,748,939)</u>

Quoted securities

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Construction</u>				
IJM Corporation Berhad	2,072,000	6,127,783	6,319,600	1.06
<u>Consumer Products &amp; Services</u>				
Genting Berhad	2,619,000	13,637,772	12,335,490	2.07
Genting Malaysia Berhad	3,373,000	9,659,900	8,601,150	1.44
Guan Chong Berhad	571,100	2,252,777	2,101,648	0.35
Hong Leong Industries Berhad	500,000	4,894,124	5,560,000	0.93
MR D.I.Y. Group (M) Berhad	6,264,000	9,903,702	12,152,160	2.04
	<u>13,327,100</u>	<u>40,348,275</u>	<u>40,750,448</u>	<u>6.83</u>
<u>Energy</u>				
Dialog Group Berhad	5,008,000	12,139,885	11,969,120	2.01
Hibiscus Petroleum Berhad	2,194,000	5,648,891	5,112,020	0.86
Velesto Energy Berhad	10,325,000	3,080,980	2,736,125	0.46
	<u>17,527,000</u>	<u>20,869,756</u>	<u>19,817,265</u>	<u>3.33</u>
<u>Financial Services</u>				
AMMB Holdings Berhad	1,173,100	4,809,710	5,032,599	0.84
Bursa Malaysia Berhad	800,000	5,239,419	7,072,000	1.19
CIMB Group Holdings Berhad	4,834,000	26,649,193	32,871,200	5.51
Hong Leong Bank Berhad	463,000	8,017,168	8,889,600	1.49
Malayan Banking Berhad	3,895,000	35,649,099	38,794,200	6.50
Public Bank Berhad	13,079,000	56,879,748	52,577,580	8.81
	<u>24,244,100</u>	<u>137,244,337</u>	<u>145,237,179</u>	<u>24.34</u>

## Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Health Care</u>				
IHH Healthcare Berhad	1,459,000	8,724,086	9,191,700	1.54
Kossan Rubber Industries Berhad	700,000	1,726,340	1,645,000	0.28
	<u>2,159,000</u>	<u>10,450,426</u>	<u>10,836,700</u>	<u>1.82</u>
<u>Industrial Products &amp; Services</u>				
Cahaya Mata Sarawak Berhad	2,189,000	3,039,431	3,042,710	0.51
Engtex Group Berhad	2,958,000	3,056,186	3,135,480	0.53
Malayan Cement Berhad	1,495,400	7,578,342	7,447,092	1.25
Malaysia Smelting Corporation Berhad	1,810,000	6,063,769	4,633,600	0.78
PETRONAS Chemicals Group Berhad	2,533,000	19,813,939	15,983,230	2.68
Press Metal Aluminium Holdings Berhad	3,883,000	19,569,374	22,366,080	3.75
QES Group Berhad	6,334,000	3,819,023	4,402,130	0.74
Sunway Berhad	1,529,000	5,449,196	5,519,690	0.93
	<u>22,731,400</u>	<u>68,389,260</u>	<u>66,530,012</u>	<u>11.17</u>
<u>Plantation</u>				
Hap Seng Plantations Holdings Berhad	2,893,000	5,610,517	5,091,680	0.85
IOI Corporation Berhad	2,514,000	9,917,306	9,301,800	1.56
Kuala Lumpur Kepong Berhad	753,000	17,334,750	15,541,920	2.60
SD Guthrie Berhad	3,088,000	13,545,748	13,031,360	2.18
	<u>9,248,000</u>	<u>46,408,321</u>	<u>42,966,760</u>	<u>7.19</u>

## Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Property</u>				
Mah Sing Group Berhad	2,767,000	3,979,685	4,786,910	0.80
S P Setia Berhad	3,265,000	4,934,516	4,505,700	0.76
UEM Sunrise Berhad	5,240,000	5,962,327	5,659,200	0.95
	<u>11,272,000</u>	<u>14,876,528</u>	<u>14,951,810</u>	<u>2.51</u>
<u>Real Estate Investment</u>				
<u>Trust</u>				
IGB Real Estate Investment Trust	3,256,000	5,339,846	5,991,040	1.00
KLCC Property Holdings Berhad	628,000	4,792,074	4,647,200	0.78
Sunway Real Estate Investment Trust	3,735,000	5,784,623	5,789,250	0.97
YTL Hospitality REIT	5,036,000	6,071,261	6,093,560	1.02
	<u>12,655,000</u>	<u>21,987,804</u>	<u>22,521,050</u>	<u>3.77</u>
<u>Technology</u>				
Inari Amertron Berhad	2,604,000	8,669,746	9,634,800	1.61
Pentamaster Corporation Berhad	605,000	3,073,703	3,037,100	0.51
SNS Network Technology Berhad	3,750,000	1,711,343	2,831,250	0.47
	<u>6,959,000</u>	<u>13,454,792</u>	<u>15,503,150</u>	<u>2.59</u>

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Telecommunications &amp; Media</u>				
Axiata Group Berhad	2,481,780	12,078,231	6,477,446	1.09
CelcomDigi Berhad	4,158,000	18,275,684	15,301,440	2.56
REDtone Digital Berhad	2,945,000	2,560,303	3,033,350	0.51
Telekom Malaysia Berhad	4,388,000	25,087,463	29,662,880	4.97
TIME dotCom Berhad	879,000	4,628,531	4,421,370	0.74
	<u>14,851,780</u>	<u>62,630,212</u>	<u>58,896,486</u>	<u>9.87</u>
<u>Transportation &amp; Logistics</u>				
MISC Berhad	2,088,000	16,062,004	17,789,760	2.98
Tasco Berhad	3,161,000	3,089,920	2,923,925	0.49
	<u>5,249,000</u>	<u>19,151,924</u>	<u>20,713,685</u>	<u>3.47</u>

## Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Utilities</u>				
Ranhill Utilities Berhad	3,962,715	4,744,892	5,587,428	0.94
Tenaga Nasional Berhad	3,065,000	35,019,272	42,235,700	7.08
YTL Corporation Berhad	3,245,000	8,949,061	11,195,250	1.88
YTL Power International Berhad	1,796,000	6,988,775	8,656,720	1.45
	<u>12,068,715</u>	<u>55,702,000</u>	<u>67,675,098</u>	<u>11.35</u>
<b>TOTAL QUOTED SECURITIES</b>	<u>154,364,095</u>	<u>517,641,418</u>	<u>532,719,243</u>	<u>89.30</u>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u>15,077,825</u>		
<b>TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			<u>532,719,243</u>	

Quoted securities

Name of counter	Quantity	Aggregate cost	Fair value	Percentage of net asset value of the Fund
			as at 30.6.2023	
	Units	RM	RM	%
<u>Construction</u>				
Gamuda Berhad	1,604,526	5,182,987	7,059,914	1.75
IJM Corporation Berhad	2,482,100	6,519,403	3,698,329	0.92
Kerjaya Prospek Group Berhad	2,310,245	2,058,918	2,448,860	0.61
	<u>6,396,871</u>	<u>13,761,308</u>	<u>13,207,103</u>	<u>3.28</u>
<u>Consumer Products &amp; Services</u>				
Bermaz Auto Berhad	600,000	1,244,360	1,338,000	0.33
Carlsberg Brewery Malaysia Berhad	185,700	3,042,362	3,780,852	0.94
Farm Fresh Berhad	1,420,800	2,267,385	1,790,208	0.44
Genting Berhad	1,792,500	12,001,319	7,277,550	1.81
Genting Malaysia Berhad	2,560,900	9,081,642	6,299,814	1.56
Heineken Malaysia Berhad	136,500	2,536,662	3,562,650	0.88
Hong Leong Industries Berhad	825,600	8,081,178	7,397,376	1.84
InNature Berhad	1,311,100	822,778	688,328	0.17
Kim Hin Joo (Malaysia) Berhad	6,720,100	2,889,643	1,276,819	0.32
Mr D.I.Y. Group (M) Berhad	1,334,700	2,628,682	2,122,173	0.53
Padini Holdings Berhad	321,400	1,052,066	1,247,032	0.31
Panasonic Manufacturing Malaysia Berhad	100,400	3,784,803	1,993,944	0.50
PPB Group Berhad	360,100	6,241,027	5,667,974	1.41
Senheng New Retail Berhad	2,597,200	2,225,084	947,978	0.24
Sime Darby Berhad	4,163,500	9,403,898	8,535,175	2.12
	<u>24,430,500</u>	<u>67,302,889</u>	<u>53,925,873</u>	<u>13.40</u>

## Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Energy</u>				
Dialog Group Berhad	2,142,600	6,436,624	4,413,756	1.10
Hibiscus Petroleum Berhad	1,934,300	2,030,220	1,673,170	0.42
	4,076,900	8,466,844	6,086,926	1.52
<u>Financial Services</u>				
AEON Credit Service (M) Berhad	120,200	1,251,341	1,353,452	0.34
Alliance Bank Malaysia Berhad	801,700	2,986,054	2,669,661	0.66
AMMB Holdings Berhad	1,859,000	6,995,504	6,729,580	1.67
Bursa Malaysia Berhad	931,650	6,101,630	5,999,826	1.49
CIMB Group Holdings Berhad	4,715,105	24,649,625	23,858,431	5.92
Hong Leong Bank Berhad	421,300	7,087,756	7,987,848	1.98
Hong Leong Financial Group Berhad	54,800	884,669	967,768	0.24
Kenanga Investment Bank Berhad	1,655,400	2,829,423	1,431,921	0.36
Malayan Banking Berhad	4,251,524	38,932,987	36,690,652	9.11
Public Bank Berhad	8,011,500	35,132,538	30,844,275	7.66
RHB Bank Berhad	1,337,031	7,234,214	7,260,078	1.80
Syarikat Takaful Malaysia Keluarga Berhad	487,700	2,802,855	1,619,164	0.40
	24,646,910	136,888,596	127,412,656	31.63
<u>Health Care</u>				
IHH Healthcare Berhad	1,240,700	7,287,345	7,307,723	1.81
Kossan Rubber Industries Berhad	501,700	848,798	647,193	0.16
	1,742,400	8,136,143	7,954,916	1.97



Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Industrial Products &amp; Services</u>				
PETRONAS Chemicals Group Berhad	1,179,300	10,148,209	7,075,800	1.76
Press Metal Aluminium Holdings Berhad	2,680,400	13,230,274	12,597,880	3.13
SKP Resources Berhad	1,385,700	2,147,328	1,510,413	0.38
Sunway Berhad (Preference Shares)	191,750	191,750	287,625	0.07
V.S. Industry Berhad	2,940,600	3,553,165	2,675,946	0.66
	<u>8,377,750</u>	<u>29,270,726</u>	<u>24,147,664</u>	<u>6.00</u>
<u>Plantation</u>				
IOI Corporation Berhad	1,752,900	6,836,902	6,538,317	1.62
Kuala Lumpur Kepong Berhad	429,472	10,048,997	9,431,205	2.34
Sime Darby Plantation Berhad	1,339,400	5,772,351	5,558,510	1.38
	<u>3,521,772</u>	<u>22,658,250</u>	<u>21,528,032</u>	<u>5.34</u>
<u>Property</u>				
IOI Properties Group Berhad	962,400	1,247,556	1,029,768	0.26
S P Setia Berhad	1,373,200	1,532,277	748,394	0.19
S P Setia Berhad (Preference Shares)	920,044	349,617	322,015	0.08
	<u>3,255,644</u>	<u>3,129,450</u>	<u>2,100,177</u>	<u>0.53</u>

## Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Real Estate Investment Trust</u>				
Al-'Aqar Healthcare REIT	500,000	600,000	635,000	0.16
Axis Real Estate Investment Trust	2,177,041	3,881,576	3,983,985	0.99
IGB Real Estate Investment Trust	1,738,500	2,703,132	2,903,295	0.72
KLCC Property Holdings Berhad	431,900	3,312,359	3,018,981	0.75
Sunway Real Estate Investment Trust	1,062,800	1,690,025	1,657,968	0.41
	<u>5,910,241</u>	<u>12,187,092</u>	<u>12,199,229</u>	<u>3.03</u>
<u>Technology</u>				
Cnnergz Berhad	708,300	619,284	612,680	0.15
Inari Amertron Berhad	2,400,300	5,648,414	6,576,822	1.63
Malaysian Pacific Industries Berhad	88,800	3,218,802	2,470,416	0.61
Unisem (M) Berhad	883,400	3,464,849	2,641,366	0.66
ViTrox Corporation Berhad	346,000	1,856,901	2,761,080	0.69
	<u>4,426,800</u>	<u>14,808,250</u>	<u>15,062,364</u>	<u>3.74</u>

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value	Percentage
			as at 30.6.2023	of net asset value of the Fund
	Units	RM	RM	%
<u>Telecommunication &amp; Media</u>				
Astro Malaysia Holdings Berhad	1,485,000	1,507,476	891,000	0.22
Axiata Group Berhad	2,481,780	12,078,231	6,576,717	1.63
CelcomDigi Berhad	2,918,200	13,167,623	11,993,802	2.98
Maxis Berhad	1,526,900	8,286,836	6,260,290	1.55
Telekom Malaysia Berhad	1,820,580	9,268,997	8,939,048	2.22
TIME dotCom Berhad	1,167,200	5,104,255	6,069,440	1.51
	11,399,660	49,413,418	40,730,297	10.11
<u>Transportation &amp; Logistics</u>				
Lingkar Trans Kota Holdings Berhad	1,457,900	6,235,629	736,240	0.18
Malaysia Airports Holdings Berhad	737,324	5,190,035	5,072,789	1.26
MISC Berhad	1,102,700	8,333,433	7,895,332	1.96
Westports Holdings Berhad	729,100	2,753,205	2,653,924	0.66
	4,027,024	22,512,302	16,358,285	4.06

## Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Utilities</u>				
PETRONAS Gas Berhad	75,000	1,207,500	1,252,500	0.31
Tenaga Nasional Berhad	1,307,900	16,891,447	11,836,495	2.94
YTL Corporation Berhad	1,271,600	1,274,178	1,322,463	0.33
	<u>2,654,500</u>	<u>19,373,125</u>	<u>14,411,458</u>	<u>3.58</u>
<b>TOTAL QUOTED SECURITIES</b>	<u>104,866,972</u>	<u>407,908,393</u>	<u>355,124,980</u>	<u>88.19</u>
<b>ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u>(52,783,413)</u>		
<b>TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			<u>355,124,980</u>	

**8. CASH AND CASH EQUIVALENTS**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Bank balance with a licensed bank	487,772	253,656
Deposits with licensed financial institution	58,556,119	48,634,064
	<u>59,043,891</u>	<u>48,887,720</u>

The effective weighted average interest rate of short-term deposits with licensed financial institution per annum as at the date of the financial position are as follow:

	<b>2024</b>	<b>2023</b>
	<b>%</b>	<b>%</b>
Deposits with licensed financial institution	<u>3.35</u>	<u>3.05</u>

The deposits have an average maturity of 1 day (2023: 3 days).

**9. UNITS IN CIRCULATION**

	<b>2024</b>	<b>2023</b>
	<b>No. of units</b>	<b>No. of units</b>
At the beginning of the financial year	582,942,838	569,119,970
Creation of units during the financial year:		
Arising from applications	200,224,618	36,852,244
Arising from distribution	33,205,150	26,000,085
Cancellation of units during the financial year	(66,018,693)	(49,029,461)
At the end of the financial year	<u>750,353,913</u>	<u>582,942,838</u>

## 10. TRANSACTIONS WITH BROKERS

Details of transactions with the top 10 brokers are as follows:

Name of brokers	Value	Percentage	Brokerage fees	Percentage
	of trades	of total		of total
	RM	%	RM	%
<u>2024</u>				
RHB Investment Bank Berhad	129,531,460	15.48	250,626	15.44
Maybank Investment Bank Berhad	123,845,891	14.80	240,092	14.80
CGS International Securities Malaysia Sdn Bhd	105,300,812	12.58	204,346	12.59
Kenanga Investment Sdn Bhd	90,546,662	10.82	172,039	10.60
CLSA Securities Malaysia Sdn Bhd	88,015,434	10.52	167,244	10.31
UBS Securities Malaysia Sdn Bhd	68,949,212	8.24	131,034	8.07
UOB Kay Hian Securities (M) Sdn Bhd	60,977,340	7.29	115,857	7.14
J.P. Morgan Securities (Malaysia) Sdn Bhd	54,190,484	6.48	102,976	6.35
Macquarie Capital Securities (Malaysia) Sdn Bhd	36,373,267	4.35	69,109	4.26
Affin Hwang Investment Bank Berhad	27,225,897	3.25	51,729	3.19
Others	51,840,026	6.19	117,668	7.25
	<b>836,796,485</b>	<b>100.00</b>	<b>1,622,720</b>	<b>100.00</b>

Name of brokers	Value	Percentage	Brokerage fees	Percentage
	of trades	of total		of total
	RM	%	RM	%
<b>2023</b>				
CGS – CIMB Securities Sdn Bhd	12,431,919	12.74	26,317	13.48
Kenanga Investment Bank Berhad	10,850,284	11.12	18,923	9.70
CLSA Securities Malaysia Sdn Bhd	10,687,106	10.95	20,732	10.62
UOB Kay Hian Securities (M) Sdn Bhd	10,064,764	10.32	19,790	10.14
J.P. Morgan Securities (Malaysia) Sdn Bhd	9,626,648	9.87	18,726	9.59
RHB Investment Bank Berhad	8,209,802	8.41	17,251	8.84
Credit Suisse Securities (Malaysia) Sdn Bhd	7,520,556	7.71	13,689	7.01
Maybank Investment Bank Berhad	7,279,561	7.46	14,227	7.29
Macquarie Capital Securities (Malaysia) Sdn Bhd	5,014,388	5.14	9,658	4.95
KAF Equities Sdn Bhd	4,627,330	4.74	9,062	4.64
Others	11,259,674	11.54	26,797	13.74
	<b>97,572,032</b>	<b>100.00</b>	<b>195,172</b>	<b>100.00</b>

All brokers highlighted above are not related to the Manager.

## 11. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

The related parties and their relationship with the Fund are as follows:

Related parties	Relationship
Director of Eastspring Investments Berhad	Director of the Manager
Eastspring Investments Berhad	The Manager
Eastspring Investments Group Private Limited	Immediate holding company of the Manager
Prudential Plc	Ultimate holding company of the Manager

### Units held by Manager:

	2024		2023	
	No. of units	RM	No. of units	RM
Eastspring Investments Berhad	4,447	3,536	4,245	2,933

The above units were transacted at the prevailing market price.

The units are held legally and beneficially by the Manager and are within the prescribed limit allowed by the SC's Guidelines on Unit Trust Funds. Other than the above, there were no units held by the Directors or parties related to the Manager.

In addition to the related parties disclosure mentioned in the financial statements, there were no other significant related parties transactions and balances.



## 12. TOTAL EXPENSE RATIO ("TER")

	2024	2023
	%	%
TER	1.58	1.58

TER is derived from the following calculation:

$$\text{TER} = \frac{(A + B + C + D + E)}{F} \times 100$$

A = Management fee

B = Trustee fee

C = Audit fee

D = Tax agent fee

E = Other expenses (excluding sales and service tax on transaction cost and withholding tax)

F = Average net asset value of the Fund calculated on a daily basis

The average net asset value of the Fund for the financial year calculated on a daily basis is RM487,955,833 (2023: RM417,794,903).

### 13. PORTFOLIO TURNOVER RATIO ("PTR")

	2024	2023
PTR (times)	0.86	0.12

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisitions for the financial year} + \text{total disposals for the financial year}) \div 2}{\text{Average net asset value of the Fund for the financial year calculated on a daily basis}}$$

where:

total acquisitions for the financial year = RM466,840,399 (2023 RM46,827,928)

total disposals for the financial year = RM371,154,885 (2023: RM51,204,458)

### 14. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 23 August 2024.

## CORPORATE DIRECTORY

### **THE MANAGER**

NAME

EASTSPRING INVESTMENTS BERHAD

COMPANY NO.

200001028634 (531241-U)

REGISTERED OFFICE

Level 25, Menara Hong Leong

No. 6, Jalan Damanela

Bukit Damansara

50490 Kuala Lumpur

BUSINESS OFFICE

Level 22, Menara Prudential

Persiaran TRX Barat

55188 Tun Razak Exchange

Kuala Lumpur

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FAX NO.

603-2789 7220

EMAIL

cs.my@eastspring.com

WEBSITE

[www.eastspring.com/my](http://www.eastspring.com/my)

### **TRUSTEE**

NAME

DEUTSCHE TRUSTEES MALAYSIA BERHAD

COMPANY NO.

200701005591 (763590-H)

REGISTERED OFFICE & BUSINESS OFFICE

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TELEPHONE NO.

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FAX NO.

603-2053 7526

### **SALE & PURCHASE OF UNITS**

**Eastspring Investments Berhad**

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Persiaran TRX Barat

55188 Tun Razak Exchange

Kuala Lumpur

TELEPHONE NO.

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**BRANCHES**

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TELEPHONE NO.

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**ENQUIRIES**

CLIENT SERVICES

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