

Hong Leong Dividend Fund

Semi-Annual Report

Financial Period Ended 28 February 2025

2024/2025

Unaudited



HONG LEONG DIVIDEND FUND

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Manager's Review and Report

I. FUND INFORMATION

Fund Name

Hong Leong Dividend Fund ("HLDF" or "the Fund")

Fund Category

Equity

Fund Type

Income and Growth

Investment Objective

To provide investors with a steady recurring income* that is potentially higher than prevailing fixed deposit rates. At the same time, the Fund also attempts to attain medium to long-term capital appreciation.

Duration of the Fund and its termination date, where applicable

Not Applicable

Benchmark

FTSE Bursa Malaysia (FBM) KLCI

Distribution Policy

The Fund intends to provide regular income** and potentially, consistent long-term capital appreciation. Regular income returns will be declared depending on interest rates, market conditions and performance of the Fund. As such, the Fund will strive to declare distributions annually, if any, in the form of either cash or additional Units to the Unit holders.

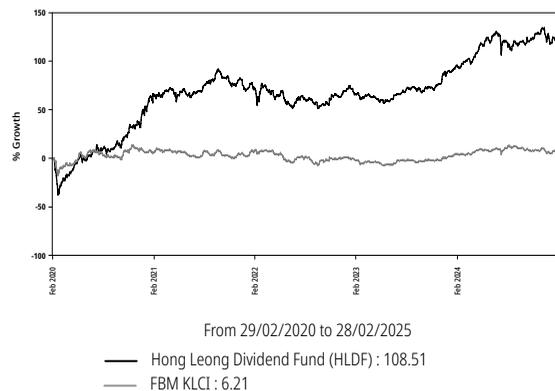
Notes:

* Income may be distributed in the form of cash and/or Units.

** Income may be distributed in the form of cash and/or additional Units.

II. FUND PERFORMANCE

Chart 1: Performance of the Fund versus the benchmark covering the last five-year financial periods



Source: Lipper, in Malaysian Ringgit terms, ex-distribution, NAV Per Unit-to-NAV Per Unit basis with gross income (if any) from HLDF reinvested.

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

Performance Review

This Semi-Annual Report covers the six-month financial period from 1 September 2024 to 28 February 2025.

The Fund posted a return of -4.21% (based on NAV Per Unit-to-NAV Per Unit basis with gross income (if any) from the Fund reinvested) in the past six months while its benchmark the FTSE Bursa Malaysia (FBM) KLCI registered a return of -6.20%. During the financial period under review, the Fund had distributed gross income distributions of 1.1000 sen per unit (net income distribution 1.1000 sen per unit) on 15 October 2024 and 15 January 2025. Prior to the income distributions, the cum-distributions Net Asset Value (NAV) per unit of the Fund were RM0.8339 and RM0.8222 while the ex-distributions NAV per unit were RM0.8229 and RM0.8112 respectively. Unit holders should note that income distributions have the effect of reducing the NAV per unit of the Fund after distributions.

For the five-year financial periods ended 28 February 2025, the Fund has registered a return of 108.51% compared to the benchmark's return of 6.21% while distributing a total gross income of 20.2500 sen per unit (net income of 20.1590 sen per unit).

Table 1: Performance of the Fund for the following periods as at 28 February 2025 (Source: Lipper)

	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years	Since Launch
HLDF Return (%)	-6.23	-4.21	7.16	21.24	108.51	183.15	479.03
Benchmark (%)	-1.23	-6.20	1.50	-2.09	6.21	-13.54	72.96

Table 2: Return of the Fund based on NAV Per Unit-to-NAV Per Unit basis for the period 31 August 2024 to 28 February 2025 (Source: Lipper)

	28-Feb-25	31-Aug-24	Return (%)
NAV Per Unit	RM0.7700	RM0.8256	-4.21#
Benchmark	1,574.70	1,678.80	-6.20
vs Benchmark (%)	-	-	1.99

Return is calculated after adjusting for income distributions during the financial period under review.

Table 3: Financial Highlights

The Net Asset Value attributable to Unit holders is represented by:

	28-Feb-25 (RM)	31-Aug-24 (RM)	Change (%)
Unit Holders' Capital	743,519,784	553,174,780	34.41
Retained Earnings	61,954,688	119,560,750	(48.18)
Net Asset Value	805,474,472	672,735,530	19.73
Units in Circulation	1,046,125,385	814,856,695	28.38

Table 4: The Highest and Lowest NAV Per Unit, Total Return of the Fund and the breakdown into Capital Growth and Income Distribution for the financial period ended 28 February and financial years ended 31 August

	Financial Period 2025	Financial Year 2024	Financial Year 2023	Financial Year 2022
Highest NAV Per Unit (RM)	0.8763	0.8842	0.7257	0.8694
Lowest NAV Per Unit (RM)	0.7700	0.6621	0.6395	0.6612
Capital Growth (%)	-6.73	19.43	0.41	-13.61
Income Distribution (%)	2.52	7.12	6.76	4.89
Total Return (%)	-4.21	26.55	7.17	-8.72

Source: Lipper, in Malaysian Ringgit terms, ex-distribution, NAV Per Unit-to-NAV Per Unit basis with gross income (if any) from HLDF reinvested.

Table 5: Average Total Return of the Fund for the financial period ended 28 February 2025

	1 Year	3 Years	5 Years
Average Total Return (%)	7.16	7.08	21.70

Source: Lipper, in Malaysian Ringgit terms, ex-distribution, NAV Per Unit-to-NAV Per Unit basis with gross income (if any) from HLDF reinvested.

Table 6: Annual Total Return of the Fund for the financial years ended 31 August

Financial Year	2024	2023	2022	2021	2020
Annual Total Return (%)	26.55	7.17	-8.72	60.29	3.44

Source: Lipper, in Malaysian Ringgit terms, ex-distribution, NAV Per Unit-to-NAV Per Unit basis with gross income (if any) from HLDF reinvested.

III. INVESTMENT PORTFOLIO

Chart 2: Asset Allocation – September 2024 to February 2025

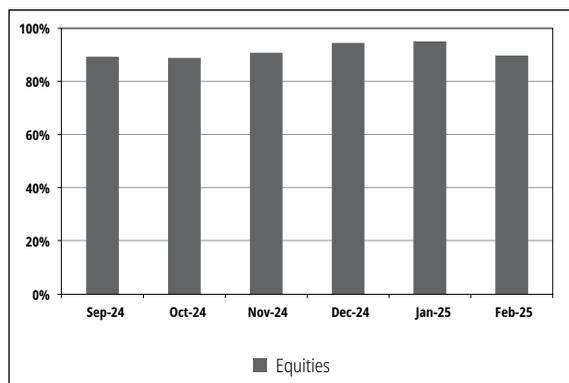
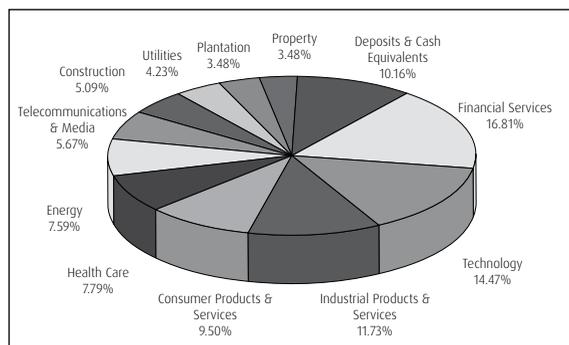


Chart 3: Sector Allocation as at 28 February 2025



Strategies employed by the Fund during the period under review

During the financial period under review, the Fund continued to have high exposure (>50%) to quality large caps and decent cash balance. We believe these strategies will enable the Fund to remain agile and swiftly capitalize on any value emerging from stock overcorrections.

An explanation on the differences in portfolio composition

During the financial period under review, the Fund took some profit from the consumer products & services, telecommunications & media, as well as utilities sectors following the decent share price performances. The Fund also increased allocation to the technology sector as the risk-to-reward ratio turns more acceptable following the sharp decline in share prices.

Operational review of the Fund

For the financial period under review, there were no significant changes in the state of affairs of the Fund or circumstances that would materially affect the interest of Unit holders up to the date of this Manager's report.

IV. MARKET REVIEW

During the financial period under review, the MSCI AC Asia Pacific ex Japan Index declined 0.1%. The best performing markets were Hong Kong and China while the worst performing markets were Indonesia and Philippines. In the local market, the FTSE Bursa Malaysia (FBM) KLCI declined 6.2%. Small caps underperformed as the FBM Small Cap Index fell 8.8%.

The third quarter of 2024 saw optimism in the market, as there was high conviction that the Federal Reserve (Fed) would cut rates in September. However, in the first week of August, markets corrected sharply triggered by a Japanese Yen (JPY) carry trade unwind and fears of a United States (US) recession. While markets quickly rebounded in the following weeks, tech stocks were well below the pre-August levels as investors re-assessed the outlook of Artificial Intelligence (AI) Capital Expenditure (CapEx) monetisation.

The fourth quarter of 2024 saw China reversing some of the gains achieved in late September. Initial optimism on a large stimulus saw some disappointment on lack of details given in its policy commentary. The most significant event in the quarter was a Trump election win, which the US market took positively but Asian markets retreated on fears of policies that would be taken by the incoming president.

The first quarter of 2025 started with Korea reversing much of its losses in 2024 as the political climate eased. China started the year weak with renewed fear of tariffs but quickly recovered after the emergence of DeepSeek boosted tech stocks there. ASEAN stocks lagged, partly due to news on US chip export restrictions.

The third quarter of 2024 started strongly for the Malaysian market as the construction sector remained in favour due to the Data Centre (DC) driven jobs. August saw global markets correct sharply due to the JPY carry trade unwind, and Malaysia was not spared. The markets broadly rebounded over the month with financials leading as better-than-expected Gross Domestic Product (GDP) data saw fund flows into banks.

The final quarter of 2024 saw the federal budget being announced in Malaysia, which was broadly in line with market expectations. The budget appears to show fiscal restraint, but without any so-called 'big bang' budgetary reforms. November saw the local market initially reacting negatively to the result of the US general election, but quickly turned positive especially some export related stocks.

The Malaysian market sold off at the start of 2025 mainly due to the announcement of chip export restriction by the US. This sparked widespread selling in the market as much of the rally in 2024 was riding on this theme. February saw heavy foreign selling in names which had high foreign ownership, mainly due to weak sentiment towards ASEAN.

V. FUTURE PROSPECTS AND PROPOSED STRATEGIES

We expect investor sentiment to be cautious as the market works through policy decisions that are taken by the new US president. It appears that given the strong economic data, we could see less Fed rate cuts in the coming year, as compared to initially expected. Over in China, it appears that long awaited stimulus measures by the government have started to take place, although it remains unclear whether it will be enough to kickstart the Chinese economy again. A recent meeting involving President Xi and business leaders suggests that China might be taking a more friendly approach towards the business community. With inflation expected to be at manageable levels, it is encouraging to know that global central banks will have the flexibility to ease monetary policy to support the economy should the need arise.

We expect the local market to remain resilient given the diversified nature of the economy and a degree of political stability. Themes such as the AI and DC driven CapEx investments appear at risk now given protectionist policies announced by the US. However, other prevailing themes such as Johor-Singapore Special Economic Zone (JS-SEZ) continue to put the spotlight on Malaysia. Successful implementation of fiscal reforms such as the subsidy rationalisation scheme could bode well for the market in the medium to long term.

As the economic outlook is still fraught with uncertainty, we expect investors to remain cautious. We opine the best strategy to navigate through this challenging environment is through bottom-up stock picking and remain invested in high quality companies.

VI. SOFT COMMISSIONS

The Manager has received soft commissions from brokers/dealers in the form of goods and services such as research materials, data and quotation services incidental to investment management of the Fund and investment related publications. Such soft commissions received are utilised in the investment management of the Fund and are of demonstrable benefit to the Fund and Unit holders and there was no churning of trades.

VII. SECURITIES LENDING OR REPURCHASE TRANSACTIONS

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

VIII. CROSS TRADE TRANSACTIONS

No cross trade transactions have been carried out during the financial period under review.

STATEMENT BY THE MANAGER

I, Chue Kwok Yan, as the Director of Hong Leong Asset Management Bhd, do hereby state that, in the opinion of the Manager, the accompanying unaudited condensed financial statements set out on pages 11 to 38 are drawn up in accordance with the provision of the Deeds and give a true and fair view of the financial position of the Fund as at 28 February 2025 and of its financial performance, changes in equity and cash flows for the financial period ended 28 February 2025 in accordance with the Malaysian Financial Reporting Standard 134 “Interim Financial Reporting” and International Accounting Standard 34 “Interim Financial Reporting”.

For and on behalf of the Manager,
Hong Leong Asset Management Bhd
(Company No.: 199401033034 (318717-M))

CHUE KWOK YAN

Chief Executive Officer/Executive Director

Kuala Lumpur
25 April 2025

TRUSTEE’S REPORT

TO THE UNIT HOLDERS OF HONG LEONG DIVIDEND FUND (“Fund”)

We have acted as Trustee of the Fund for the financial period ended 28 February 2025 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Hong Leong Asset Management Bhd has operated and managed the Fund during the period 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

Kuala Lumpur
25 April 2025

Sylvia Beh
Chief Executive Officer

CONDENSED STATEMENT OF COMPREHENSIVE INCOME *(Unaudited)*

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2025

	Note	2025 RM	2024 RM
INVESTMENT (LOSS)/INCOME			
Interest income from financial assets measured at amortised cost		970,945	411,225
Dividend income		10,678,473	4,462,250
Net (loss)/gain on financial assets at fair value through profit or loss ("FVTPL")	8	(40,341,162)	46,549,453
		<u>(28,691,744)</u>	<u>51,422,928</u>
EXPENDITURE			
Management fee	4	(6,894,632)	(3,496,194)
Trustee's fee	5	(268,125)	(122,367)
Auditors' remuneration		(4,315)	(4,237)
Tax agent's fee		(1,488)	(1,492)
Transaction costs		(1,359,164)	(876,278)
Other expenses		(18,352)	(33,550)
		<u>(8,546,076)</u>	<u>(4,534,118)</u>
(LOSS)/PROFIT BEFORE TAXATION		<u>(37,237,820)</u>	<u>46,888,810</u>
Taxation	6	-	-
(LOSS)/PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL PERIOD		<u>(37,237,820)</u>	<u>46,888,810</u>
(Loss)/profit after taxation is made up as follows:			
Realised amount		17,143,477	22,388,794
Unrealised amount		(54,381,297)	24,500,016
		<u>(37,237,820)</u>	<u>46,888,810</u>
Distributions for the financial period:			
Net distributions	7	<u>20,368,242</u>	<u>10,965,236</u>
Net distributions per unit (sen)	7	<u>2.2000</u>	<u>2.2000</u>
Gross distributions per unit (sen)	7	<u>2.2000</u>	<u>2.2000</u>

The accompanying notes to the financial statements form an integral part of these unaudited condensed financial statements.

CONDENSED STATEMENT OF FINANCIAL POSITION *(Unaudited)*

AS AT 28 FEBRUARY 2025

	Note	28.02.2025 RM	31.08.2024 RM
ASSETS			
Cash and cash equivalents		78,211,283	54,252,013
Amount due from brokers/dealers		1,413,739	5,350,680
Amount due from the Manager			
-creation of units		6,802,029	7,934,222
Dividends receivable		290,000	380,120
Financial assets at FVTPL	8	723,668,887	615,667,496
TOTAL ASSETS		<u>810,385,938</u>	<u>683,584,531</u>
LIABILITIES			
Amount due to brokers/dealers		3,722,627	9,781,029
Amount due to the Manager			
-cancellation of units		-	17,232
-management fee		1,135,633	999,244
Amount due to the Trustee		44,163	38,860
Other payables and accruals		9,043	12,636
TOTAL LIABILITIES		<u>4,911,466</u>	<u>10,849,001</u>
NET ASSET VALUE OF THE FUND		<u>805,474,472</u>	<u>672,735,530</u>
EQUITY			
Unit holders' capital		743,519,784	553,174,780
Retained earnings		61,954,688	119,560,750
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>805,474,472</u>	<u>672,735,530</u>
UNITS IN CIRCULATION (UNITS)	9	<u>1,046,125,385</u>	<u>814,856,695</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.7700</u>	<u>0.8256</u>

The accompanying notes to the financial statements form an integral part of these unaudited condensed financial statements.

CONDENSED STATEMENT OF CHANGES IN EQUITY (Unaudited)

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2025

	Note	Unit holders' capital RM	Retained earnings RM	Total RM
Balance as at 1 September 2024		553,174,780	119,560,750	672,735,530
Movement in net asset value:				
Creation of units from applications		195,906,694	-	195,906,694
Creation of units from distributions		8,144,089	-	8,144,089
Cancellation of units		(13,705,779)	-	(13,705,779)
Total comprehensive income for the financial period		-	(37,237,820)	(37,237,820)
Distributions for the financial period	7	-	(20,368,242)	(20,368,242)
Balance as at 28 February 2025		<u>743,519,784</u>	<u>61,954,688</u>	<u>805,474,472</u>
Balance as at 1 September 2023		268,718,078	40,733,360	309,451,438
Movement in net asset value:				
Creation of units from applications		89,448,940	-	89,448,940
Creation of units from distributions		4,942,935	-	4,942,935
Cancellation of units		(1,227,452)	-	(1,227,452)
Total comprehensive income for the financial period		-	46,888,810	46,888,810
Distributions for the financial period	7	-	(10,965,236)	(10,965,236)
Balance as at 29 February 2024		<u>361,882,501</u>	<u>76,656,934</u>	<u>438,539,435</u>

The accompanying notes to the financial statements form an integral part of these unaudited condensed financial statements.

CONDENSED STATEMENT OF CASH FLOWS (Unaudited)

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2025

	2025 RM	2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sales of financial assets at FVTPL	136,676,793	96,554,134
Purchase of financial assets at FVTPL	(287,887,006)	(172,303,859)
Interest income received from financial assets measured at amortised cost	970,945	411,225
Dividend income received	10,155,628	4,508,966
Management fee paid	(6,758,243)	(3,340,183)
Trustee's fee paid	(262,822)	(116,906)
Payment for other fees and expenses	(27,748)	(41,500)
Net cash used in operating activities	<u>(147,132,453)</u>	<u>(74,328,123)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	197,038,887	85,274,967
Payments for cancellation of units	(13,723,011)	(1,227,452)
Payments for distributions	(12,224,153)	(6,022,301)
Net cash generated from financing activities	<u>171,091,723</u>	<u>78,025,214</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	23,959,270	3,697,091
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	54,252,013	26,933,483
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>78,211,283</u>	<u>30,630,574</u>

The accompanying notes to the financial statements form an integral part of these unaudited condensed financial statements.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Unaudited)*

FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2025

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Hong Leong Dividend Fund (“the Fund”) was constituted pursuant to the execution of a Deed dated 22 December 2004 and Supplemental Deeds dated 11 December 2007 and 30 April 2010 between Hong Leong Asset Management Bhd (“the Manager”) and AmTrustee Berhad for the unit holders of the Fund. AmTrustee Berhad has been replaced with Deutsche Trustees Malaysia Berhad (“the Trustee”) effective 1 September 2012 and Supplemental Master Deeds were entered into between the Manager and the Trustee for the unit holders of the Fund on 27 July 2012, 25 March 2015, 28 November 2019, 7 February 2020, 21 December 2021, 28 April 2022, 23 March 2023, 23 October 2023 and 13 February 2024 to effect the change (“the Deeds”).

The Fund aims to provide investors with a steady recurring income that is potentially higher than prevailing fixed deposit rates. At the same time, the Fund also attempts to attain medium to long-term capital appreciation.

The Fund will invest primarily in equity securities of growth companies operating in Malaysia. Generally, the Fund invests in stocks which have good dividend payout policies and reasonable medium to long-term capital appreciation opportunities. Stocks with good dividend payout policies are those that have been consistently paying high dividends (i.e. dividend yields at and/or above market average) over the last three to five years, and are able to sustain the dividend payments at least over the next one year. The Fund will invest primarily in equity securities that will generate good income yields, i.e. having paid dividends three out of the last five years, historical track record of awarding good dividends, or potential to provide high dividends within the next 12 months. At the same time, the Fund also invests in fixed income securities with good credit quality and yield enhancement opportunities. Fixed income securities with good credit quality generally are investment-grade securities that have relatively low risk of a default. The Fund commenced operations on 6 January 2005 and will continue its operations until terminated as provided under Part 12 of the Deeds.

The Manager of the Fund is Hong Leong Asset Management Bhd, a company incorporated in Malaysia. The principal activity of the Manager is the management of unit trust funds, private retirement schemes and private investment mandates. Its holding company is Hong Leong Capital Berhad, a company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

The financial statements were authorised for issue by the Manager on 25 April 2025.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements:

(a) Basis of preparation

The condensed financial statements are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standard 134 “Interim Financial Reporting” and International Accounting Standard 34 “Interim Financial Reporting”.

The condensed financial statements should be read in conjunction with the audited financial statements of the Fund for the financial year ended 31 August 2024 which have been prepared in accordance with the provisions of the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards.

(b) Financial assets and financial liabilities

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 flows 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. The contractual cash flows of the Fund's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

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

The Fund classifies amount due to brokers/dealers, amounts due to the Manager, amount due to the Trustee and other payables and accruals as financial liabilities measured at amortised cost.

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. Transaction costs are expensed in the statement of comprehensive income.

Financial liabilities, within the scope of MFRS 9, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

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 derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Unrealised gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss are presented in the statement of comprehensive income within net gain or loss on financial assets at fair value through profit or loss in the period which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of dividend income when the Fund's right to receive payments is established.

Quoted investments are valued at the last traded market prices quoted on Bursa Malaysia Securities Berhad ("Bursa Securities") at the date of the statement of financial position.

Unquoted equity security is valued at the initial public offering ("IPO") issue price as announced in the Bursa Securities.

If a valuation based on the market price does not represent the fair value of the quoted investments, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the quoted securities for a 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 bases approved by the Trustee after appropriate technical consultation.

Deposits with licensed financial institutions are stated at cost plus accrued interest calculated on the effective interest rate method over the period from the date of placement to the date of maturity of the respective deposits, which is a close estimate of their fair value due to the short term nature of the deposits. Financial assets at amortised cost and other financial liabilities are subsequently carried at amortised cost using the effective interest rate method.

Impairment

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 closed 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-month expected credit losses as any such impairment would be wholly insignificant to the Fund.

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.

Definition of default and credit-impaired financial assets

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

Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded 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 period.

(c) 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.

(d) Income recognition

Dividend income is recognised on the ex-dividend date when the Fund's right to receive payment is established.

Interest income from deposits with licensed financial institutions and auto-sweep facility bank account are recognised on the effective interest rate method on an accrual basis.

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).

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

(e) Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents comprise cash at banks and deposits held in highly liquid investments that are readily convertible to known amounts of cash with an original maturity of three months or lesser which are subject to an insignificant risk of changes in value.

(f) Amount due from/to brokers/dealers

Amount due from/to brokers/dealers represents receivables/payables for investments sold/purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment for amount due from brokers/dealers. A provision for impairment of amount due from a broker/dealer is established when there is objective evidence that the Fund will not be able to collect all amounts due from the relevant broker/dealer. Significant financial difficulties of the broker/dealer, probability that the broker/dealer will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the amount due from brokers/dealers is impaired. Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

(g) Taxation

Current tax expense is determined according to Malaysian tax laws at the prevailing tax rate based on the taxable profit earned during the financial period.

(h) Distributions

A distribution to the Fund's unit holders is accounted for as a deduction from realised reserve. A proposed distribution is recognised as a liability in the financial period in which it is approved by the Board of Directors of the Manager.

(i) Transaction costs

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

(j) 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 unit 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 is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase the units; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss and change in the net asset value of the Fund.

The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position 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 and 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.

(k) Fair value of financial instruments

Financial instruments comprise financial assets and financial liabilities. Fair value is 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. The information presented herein represents the estimates of fair values as at the date of the statement of financial position.

The Fund's financial assets and financial liabilities are measured on an ongoing basis at either fair value or at amortised cost based on the respective classification.

The following table analyses the financial assets and financial liabilities of the Fund in the statement of financial position as at the reporting date:

	Financial assets at FVTPL RM	Financial assets/ liabilities at amortised cost RM	Total RM
28.02.2025			
<u>Financial assets</u>			
Cash and cash equivalents	-	78,211,283	78,211,283
Amount due from brokers/ dealers	-	1,413,739	1,413,739
Amount due from the Manager			
-creation of units	-	6,802,029	6,802,029
Dividends receivable	-	290,000	290,000
Financial assets at FVTPL (Note 8)	723,668,887	-	723,668,887
	<u>723,668,887</u>	<u>86,717,051</u>	<u>810,385,938</u>
<u>Financial liabilities</u>			
Amount due to brokers/dealers	-	3,722,627	3,722,627
Amount due from the Manager			
-management fee	-	1,135,633	1,135,633
Amount due to the Trustee	-	44,163	44,163
Other payables and accruals	-	9,043	9,043
	<u>-</u>	<u>4,911,466</u>	<u>4,911,466</u>
31.08.2024			
<u>Financial assets</u>			
Cash and cash equivalents	-	54,252,013	54,252,013
Amount due from brokers/ dealers	-	5,350,680	5,350,680
Amount due from the Manager			
-creation of units	-	7,934,222	7,934,222
Dividends receivable	-	380,120	380,120
Financial assets at FVTPL (Note 8)	615,667,496	-	615,667,496
	<u>615,667,496</u>	<u>67,917,035</u>	<u>683,584,531</u>
<u>Financial liabilities</u>			
Amount due to brokers/dealers	-	9,781,029	9,781,029
Amount due to the Manager			
-cancellation of units	-	17,232	17,232
-management fee	-	999,244	999,244
Amount due to the Trustee	-	38,860	38,860
Other payables and accruals	-	12,636	12,636
	<u>-</u>	<u>10,849,001</u>	<u>10,849,001</u>

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

(I) 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 content of the estimates, certain key variables that are anticipated to have material impact 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 Malaysia's Guidelines on Unit Trust Funds.

However, the Manager is of the opinion that there are no accounting policies which require significant judgement to be exercised.

3. FAIR VALUE ESTIMATION

The fair value of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the reporting 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 most representative of the fair value.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each period/year end date. Valuation techniques used for non-standardised financial instruments such as options, currency swaps and other over-the-counter derivatives, include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

For instruments for which there is no active market, the Fund may use internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. Valuation models are used primarily to value unlisted equity, debt securities and other debt instruments for which market were or have been inactive during the financial period/year. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty and valuation techniques employed may not fully reflect all factors relevant to the positions the Fund holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risk, liquidity risk and counterparty risk.

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

(i) Fair value hierarchy

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active market for identical assets or liabilities (Level 1);
- 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 2); and

- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

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 requires 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 that 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:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
28.02.2025				
<i>Financial assets at FVTPL:</i>				
- Quoted equity securities	723,668,887	-	-	723,668,887
31.08.2024				
<i>Financial assets at FVTPL:</i>				
- Quoted equity securities	606,410,996	-	-	606,410,996
- Unquoted equity security	-	9,256,500	9,256,500	9,256,500
	606,410,996	9,256,500	615,667,496	

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equities. The Fund does not adjust the quoted prices for these instruments. Unquoted equity security is valued at the initial public offering “IPO” issue price and classified at Level 3. The Fund’s policies on valuation of these financial assets are stated in Note 2(b).

- (ii) The carrying values of financial assets (other than financial assets at FVTPL) and financial liabilities are a reasonable approximation of their fair values due to their short term nature.

4. MANAGEMENT FEE

In accordance with Division 13.1 of the Deeds, the Manager is entitled to a management fee of up to 2.50% per annum calculated daily based on the net asset value of the Fund.

For the financial period ended 28 February 2025, the management fee is recognised at a rate of 1.80% (2024: 2.00%) per annum.

There is no further liability to the Manager in respect of management fee other than the amount recognised above.

5. TRUSTEE’S FEE

In accordance with Division 13.2 of the Deeds, the Trustee is entitled to a fee not exceeding 1.00% per annum subject to a minimum of RM18,000 per annum calculated daily based on the net asset value of the Fund.

For the financial period ended 28 February 2025, the Trustee’s fee is recognised at a rate of 0.07% (2024: 0.07%) per annum.

There is no further liability to the Trustee in respect of Trustee’s fee other than the amount recognised above.

6. TAXATION

	2025 RM	2024 RM
Tax charge for the financial period:		
Current taxation	-	-

The numerical reconciliation between (loss)/profit before taxation multiplied by the Malaysian statutory income tax rate and tax expense of the Fund is as follows:

	2025 RM	2024 RM
(Loss)/profit before taxation	(37,237,820)	46,888,810
Taxation at Malaysian statutory rate of 24% (2024: 24%)	(8,937,077)	11,253,314
Tax effects of:		
Investment loss disallowed from tax/ (investment income not subject to tax)	6,886,019	(12,341,503)
Expenses not deductible for tax purposes	390,952	240,094
Restriction on tax deductible expenses for unit trust fund	1,660,106	848,095
Taxation	-	-

7. DISTRIBUTIONS

Distributions to unit holders are derived from the following sources:

	2025 RM	2024 RM
Interest income	970,245	273,759
Dividend income	10,987,682	4,112,250
Net realised gain on disposal	17,538,326	5,140,416
Less: Expenses	(9,128,011)	(2,761,184)
Distribution equalisation	-	4,199,995
Net distributions amount	20,368,242	10,965,236
Gross/net distributions per unit (sen)	2.2000	2.2000

	2025 RM	2024 RM
Date of Declaration		
15 October 2024 / 16 October 2023		
Gross/net distribution per unit (sen)	1,1000	1,1000
15 January 2025 / 22 January 2024		
Gross/net distribution per unit (sen)	1,1000	1,1000

The composition of distribution payments sourced from income and capital are disclosed in below:

	Income RM	%	Capital RM	%
2025	20,368,242	100.00	-	-
2024	10,965,236	100.00	-	-

Net distributions above are sourced from current financial period's realised income. Gross distributions are derived using total income less total expenses.

Gross distribution per unit is derived from net realised income less expenses divided by units in circulation, while net distribution per unit is derived from net realised income less expenses and taxation divided by 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 prices of units. For the purpose of determining amount available for distribution, distribution equalisation is included in the computation of distribution available for unit holders.

There are unrealised lossess of RM54,381,297 for the financial period ended 28 February 2025.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

	28.02.2025 RM	31.08.2024 RM
<u>Financial assets at FVTPL:</u>		
Quoted equity securities	723,668,887	606,410,996
Unquoted equity security	-	9,256,500
	723,668,887	615,667,496

	2025 RM	2024 RM
<u>Net (loss)/gain on financial assets at FVTPL:</u>		
Realised gain on disposals	14,040,135	22,049,437
Changes in unrealised fair values	(54,381,297)	24,500,016
	(40,341,162)	46,549,453

Financial assets at FVTPL as at 28 February 2025 are as detailed below:

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
QUOTED EQUITY SECURITIES				
<u>Main Market</u>				
<u>Construction</u>				
Gamuda Berhad	5,800,000	21,808,973	25,288,000	3.14
IJM Corporation Berhad	7,500,000	19,111,775	15,750,000	1.95
	13,300,000	40,920,748	41,038,000	5.09
<u>Consumer Products & Services</u>				
Carlsberg Brewery Malaysia Berhad	970,000	20,502,165	18,139,000	2.25
Focus Point Holdings Berhad	4,900,000	2,610,050	6,949,600	0.86
Guan Chong Berhad	4,900,000	19,205,421	19,012,000	2.36
Heineken Malaysia Berhad	600,000	15,086,351	16,008,000	1.99
Sime Darby Berhad	7,500,000	19,715,055	16,425,000	2.04
	23,490,000	77,119,042	76,533,600	9.50
<u>Energy</u>				
Bumi Armada Berhad	40,000,000	20,476,740	22,400,000	2.78
Dayang Enterprise Holdings Bhd	11,500,000	23,486,726	20,240,000	2.51
Velesto Energy Berhad	112,282,200	24,810,418	18,526,563	2.30
	163,782,200	68,773,884	61,166,563	7.59

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
<u>Financial Services</u>				
Alliance Bank Malaysia Berhad	4,600,000	16,405,777	24,150,000	3.00
AMMB Holdings Berhad	6,500,000	24,384,440	37,440,000	4.65
CIMB Group Holdings Berhad	3,000,000	19,029,260	23,430,000	2.91
RHB Bank Berhad	4,180,000	26,772,314	28,883,800	3.59
Syarikat Takaful Malaysia Keluarga Berhad	2,627,200	9,712,353	9,274,016	1.15
Well Chip Group Berhad	11,000,000	18,162,835	12,210,000	1.51
	31,907,200	114,466,979	135,387,816	16.81
<u>Health Care</u>				
Hartalega Holdings Berhad	7,380,000	24,812,501	16,605,000	2.06
IHH Healthcare Berhad	3,800,000	24,438,220	28,310,000	3.52
Kossan Rubber Industries Berhad	10,000,000	21,243,730	17,800,000	2.21
	21,180,000	70,494,451	62,715,000	7.79
<u>Industrial Products & Services</u>				
Kelington Group Berhad	3,882,300	7,151,621	13,549,227	1.68
Press Metal Aluminium Holdings Berhad	4,200,000	21,845,756	21,210,000	2.63
Sam Engineering & Equipment (M) Berhad	3,200,000	14,479,975	11,616,000	1.44
Sunway Berhad	6,650,000	16,720,277	30,656,500	3.81
V.S. Industry Berhad	18,000,000	17,760,700	17,460,000	2.17
	35,932,300	77,958,329	94,491,727	11.73
<u>Plantation</u>				
Johor Plantations Group Berhad	22,800,000	21,695,800	28,044,000	3.48
<u>Property</u>				
Sime Darby Property Berhad	20,000,000	19,501,100	28,000,000	3.48
<u>Technology</u>				
CTOS Digital Berhad	6,250,000	8,528,352	7,125,000	0.89
D & O Green Technologies Berhad	9,800,000	20,105,839	11,270,000	1.40
Frontken Corporation Berhad	6,000,000	22,135,184	22,440,000	2.79
Genetec Technology Berhad	9,000,000	19,530,009	11,610,000	1.44
Greatech Technology Berhad	7,200,000	14,706,710	12,024,000	1.49
Malaysian Pacific Industries Bhd	780,000	20,965,785	14,352,000	1.78
MI Technovation Berhad	3,500,000	6,931,736	6,475,000	0.80
Pentamaster Corporation Berhad	6,200,000	24,440,329	19,158,000	2.38
Unisem (M) Berhad	5,600,000	17,226,002	12,096,000	1.50
	54,330,000	154,569,946	116,550,000	14.47
<u>Telecommunications & Media</u>				
Axiata Group Berhad	9,500,000	24,911,380	19,855,000	2.46
Telekom Malaysia Berhad	3,780,000	21,514,620	25,817,400	3.21
	13,280,000	46,426,000	45,672,400	5.67
<u>Utilities</u>				
Tenaga Nasional Berhad	1,200,000	11,761,845	16,320,000	2.03
YTL Power International Berhad	5,599,300	8,867,680	17,749,781	2.20
	6,799,300	20,629,525	34,069,781	4.23
TOTAL QUOTED EQUITY SECURITIES	406,801,000	712,555,804	723,668,887	89.84
UNREALISED GAIN ON FINANCIAL ASSETS AT FVTPL		11,113,083		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FVTPL		723,668,887		

Financial assets at FVTPL as at 31 August 2024 are as detailed below:

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
<u>QUOTED EQUITY SECURITIES</u>				
<u>Main Market</u>				
<u>Construction</u>				
Gamuda Berhad	2,635,000	19,490,209	19,762,500	2.94
IJM Corporation Berhad	3,600,000	8,102,354	10,332,000	1.54
	6,235,000	27,592,563	30,094,500	4.48
<u>Consumer Products & Services</u>				
Carlsberg Brewery Malaysia Berhad	970,000	20,502,165	18,624,000	2.77
Focus Point Holdings Berhad	9,520,000	2,610,050	7,425,600	1.10
Heineken Malaysia Berhad	600,000	15,086,351	13,800,000	2.05
MR D.I.Y. Group (M) Berhad	9,500,000	18,104,902	19,570,000	2.91
Sime Darby Berhad	9,000,000	23,658,066	22,320,000	3.32
	29,590,000	79,961,534	81,739,600	12.15
<u>Energy</u>				
Bumi Armada Berhad	38,000,000	18,803,360	20,330,000	3.02
Velesto Energy Berhad	80,000,000	18,565,600	16,800,000	2.50
	118,000,000	37,368,960	37,130,000	5.52
<u>Financial Services</u>				
Aeon Credit Service (M) Berhad	1,850,000	12,095,672	13,135,000	1.95
Alliance Bank Malaysia Berhad	4,950,000	17,654,043	21,334,500	3.17
AMMB Holdings Berhad	6,500,000	24,384,439	33,800,000	5.02
CIMB Group Holdings Berhad	4,200,000	26,640,965	34,440,000	5.12
Syarikat Takaful Malaysia Keluarga Berhad	2,500,000	9,287,505	9,675,000	1.44
Well Chip Group Berhad	10,500,000	17,379,935	16,170,000	2.40
	30,500,000	107,442,559	128,554,500	19.10
<u>Health Care</u>				
IHH Healthcare Berhad	3,300,000	20,878,070	20,691,000	3.08
Kossan Rubber Industries Berhad	8,000,000	17,037,250	14,560,000	2.16
	11,300,000	37,915,320	35,251,000	5.24
<u>Industrial Products & Services</u>				
Kelington Group Berhad	3,000,000	4,245,798	9,060,000	1.35
Press Metal Aluminium Holdings Berhad	3,695,800	19,484,484	18,368,126	2.73
SAM Engineering & Equipment (M) Berhad	2,350,000	10,993,560	12,572,500	1.87
Sunway Berhad	5,069,700	9,629,283	20,785,770	3.09
Thong Guan Industries Berhad	2,050,000	4,562,356	3,403,000	0.51
	16,165,500	48,915,481	64,189,396	9.55
<u>Plantation</u>				
Johor Plantations Group Berhad	20,000,000	18,349,280	19,400,000	2.88
<u>Property</u>				
Sime Darby Property Berhad	20,000,000	19,501,100	28,000,000	4.16

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
<u>Technology</u>				
CTOS Digital Berhad	10,000,000	13,777,850	13,000,000	1.93
Genetec Technology Berhad	8,500,000	18,940,409	8,500,000	1.26
Malaysian Pacific Industries Berhad	365,000	11,307,055	10,804,000	1.61
Pentamaster Corporation Berhad	3,080,000	13,038,392	12,166,000	1.81
	<u>21,945,000</u>	<u>57,063,706</u>	<u>44,470,000</u>	<u>6.61</u>
<u>Telecommunications & Media</u>				
Axiata Group Berhad	7,000,000	18,941,900	17,850,000	2.65
Telekom Malaysia Berhad	3,780,000	21,514,620	25,552,800	3.80
Time dotCom Berhad	3,600,000	18,345,854	18,072,000	2.69
	<u>14,380,000</u>	<u>58,802,374</u>	<u>61,474,800</u>	<u>9.14</u>
<u>Transportation & Logistics</u>				
Malaysia Airports Holdings Berhad	2,640,000	22,075,825	27,720,000	4.12
<u>Utilities</u>				
Tenaga Nasional Berhad	1,980,000	19,407,044	28,987,200	4.31
YTL Power International Berhad	5,000,000	6,520,870	19,400,000	2.88
	<u>6,980,000</u>	<u>25,927,914</u>	<u>48,387,200</u>	<u>7.19</u>
TOTAL QUOTED EQUITY SECURITIES	297,735,500	540,916,616	606,410,996	90.14
UNQUOTED EQUITY SECURITY				
<u>Consumer Products & Services</u>				
99 Speed Mart Retail Holdings Berhad#	5,610,000	9,256,500	9,256,500	1.38
TOTAL UNQUOTED EQUITY SECURITY	5,610,000	9,256,500	9,256,500	1.38
TOTAL INVESTMENTS	303,345,500	550,173,116	615,667,496	91.52
UNREALISED GAIN ON FINANCIAL ASSETS AT FVTPL		65,494,380		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FVTPL		615,667,496		

During the financial year ended 31 August 2024, a total of 8,400,000,000 shares for 99 Speed Mart Retail Holdings Berhad were made available for Initial Public Offering ("IPO") at a cost of RM1.65 per share by way of bookbuilding.

Subsequent to the financial year ended 31 August 2024, 99 Speed Mart Retail Holdings Berhad began trading on the main market on 9 September 2024 at a price of RM1.88 per share.

9. UNITS IN CIRCULATION

	01.09.2024 to 28.02.2025 No. of units	01.09.2023 to 31.08.2024 No. of units
At the beginning of the financial period/year	814,856,695	447,683,917
Add: Creation of units during the financial period/year		
- Arising from applications	237,594,353	368,227,042
- Arising from distributions	9,972,485	15,195,276
Less: Cancellation of units during the financial period/year	(16,298,148)	(16,249,540)
At the end of the financial period/year	<u>1,046,125,385</u>	<u>814,856,695</u>

10. TOTAL EXPENSE RATIO ("TER")

	2025 %	2024 %
TER (annualised)	1.87	2.08

Total expense ratio includes management fee, Trustee's fee, auditors' remuneration, tax agent's fee and other expenses for the financial period divided by the Fund's average net asset value calculated on a daily basis and is calculated as follows:

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

Where;

- A = Management fee
- B = Trustee's fee
- C = Auditors' remuneration
- D = Tax agent's fee
- E = Other expenses excluding Sales and Service Tax ("SST") on transaction costs
- F = Average net asset value of the Fund calculated on a daily basis

The average net asset value of the Fund for the financial period calculated on a daily basis is RM773,430,922 (2024: RM352,032,458).

11. PORTFOLIO TURNOVER RATIO ("PTR")

	2025 Times	2024 Times
PTR	0.26	0.35

PTR is derived from the following calculation:

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

Average net asset value of the Fund for the financial period calculated on a daily basis

Where;

total acquisitions for the financial period
= RM280,832,698 (2024: RM175,770,312)
total disposals for the financial period
= RM119,062,976 (2024: RM68,996,649)

12. UNITS HELD BY THE MANAGER AND RELATED PARTIES TRANSACTIONS AND BALANCES

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

<u>Related parties</u>	<u>Relationships</u>
Hong Leong Asset Management Bhd	The Manager
Hong Leong Islamic Asset Management Sdn Bhd	Subsidiary of the Manager
Hong Leong Capital Berhad	Holding company of the Manager
Hong Leong Financial Group Berhad ("HLFG")	Ultimate holding company of the Manager
Subsidiaries and associates of HLFG as disclosed in its financial statements	Subsidiaries and associate companies of the ultimate holding company of the Manager

Units held by parties related to the Manager

	28.02.2025		31.08.2024	
	Units	RM	Units	RM
HLB Nominees (Tempatan) Sdn Bhd	222,586,620	171,391,697	-	-
Hong Leong Assurance Berhad	638,887,876	491,943,665	-	-
	861,474,496	663,335,362	-	-

The above units were transacted at the prevailing market price.

The units held by HLB Nominees (Tempatan) Sdn Bhd, a subsidiary of ultimate holding company of the Manager, is under the nominees structure.

No units were held by the Manager as at 28 February 2025 and 31 August 2024.

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other related party transactions and balances. The Manager is of the opinion that all transactions with the related companies have been entered into at agreed terms between the related parties.

	28.02.2025 RM	31.08.2024 RM
<u>Related party balances</u>		
Cash at bank:		
- Hong Leong Bank Berhad	74,431,348	54,169,957
Amount due from brokers/dealers		
- Hong Leong Investment Bank Berhad	1,413,739	5,350,680
Amount due to brokers/dealers		
- Hong Leong Investment Bank Berhad	(2,462,094)	-
	73,382,993	59,520,637

	2025 RM	2024 RM
<u>Related party transactions</u>		
Dividend income from quoted equity security:		
- Hong Leong Financial Group Berhad	-	192,000
Interest income from auto-sweep facility bank account:		
- Hong Leong Bank Berhad	955,646	408,550
Purchase of quoted equity securities:		
- Hong Leong Investment Bank Berhad	209,517,881	83,883,518
Disposal of quoted equity securities:		
- Hong Leong Investment Bank Berhad	49,848,016	42,199,566

13. TRANSACTIONS WITH BROKERS/DEALERS

Detail of transactions with brokers/dealers are as follows:

	Values of trade RM	Percentage of total trade %	Brokerage fees RM	Percentage of total brokerage fees %
2025				
Hong Leong Investment Bank Berhad*	259,365,897	67.71	646,991	68.62
Philip Capital Sdn Bhd	23,204,543	6.06	58,066	6.16
Public Investment Bank Berhad	20,548,669	5.36	51,362	5.45
RHB Investment Bank Berhad	20,448,120	5.34	46,269	4.91
Nomura Securities Malaysia Sdn Bhd	20,135,282	5.26	50,177	5.32
JPMorgan Securities (Malaysia) Sdn Bhd	17,524,126	4.57	43,715	4.63
CIMB Securities Sdn Bhd (formerly known as KAF Equities Sdn Bhd)	6,474,168	1.69	16,244	1.72
CGS International Securities Malaysia Sdn Bhd (formerly known as CGS-CIMB Securities Sdn Bhd)	5,813,444	1.52	9,350	0.99
Maybank Investment Bank Berhad	5,069,831	1.32	12,716	1.35
AmInvestment Bank Berhad	3,253,497	0.85	4,906	0.52
Others	1,234,578	0.32	3,083	0.33
	<u>383,072,155</u>	<u>100.00</u>	<u>942,879</u>	<u>100.00</u>

	Values of trade RM	Percentage of total trade %	Brokerage fees RM	Percentage of total brokerage fees %
2024				
Hong Leong Investment Bank Berhad*	126,083,084	47.21	314,837	47.67
Public Investment Bank Berhad	38,261,700	14.32	95,465	14.45
RHB Investment Bank Berhad	33,510,654	12.55	83,587	12.66
JPMorgan Securities (Malaysia) Sdn Bhd	15,824,268	5.92	39,599	6.00
CLSA Securities Malaysia Sdn Bhd	15,030,739	5.63	37,604	5.69
Nomura Securities Malaysia Sdn Bhd	12,283,125	4.60	30,686	4.65
UBS Securities Asia Limited	6,596,862	2.47	9,893	1.50
Philip Capital Sdn Bhd	6,422,435	2.40	16,097	2.44
Affin Hwang Investment Bank Berhad	6,289,011	2.35	15,675	2.37
Maybank Investment Bank Berhad	3,967,424	1.49	9,927	1.50
Others	2,826,648	1.06	7,089	1.07
	<u>267,095,950</u>	<u>100.00</u>	<u>660,459</u>	<u>100.00</u>

* Transactions with brokers/dealers related to the Manager.

The Manager is of the opinion that all transactions with the related companies have been entered into at agreed terms between the related parties.

Performance Data

for the Financial Period Ended 28 February and Financial Years Ended 31 August

		Financial Period 2025 %	Financial Year 2024 %	Financial Year 2023 %	Financial Year 2022 %
A. (i) Portfolio Compositions:					
Construction		5.09	4.48	3.28	-
Consumer Products & Services		9.50	13.53	19.90	26.21
Energy		7.59	5.52	7.38	-
Financial Services		16.81	19.10	13.77	25.34
Health Care		7.79	5.24	-	-
Industrial Products & Services		11.73	9.55	10.55	7.63
Plantation		3.48	2.88	-	-
Property		3.48	4.16	-	-
Technology		14.47	6.61	15.33	25.68
Telecommunications & Media		5.67	9.14	-	-
Transportation & Logistics		-	4.12	3.81	-
Utilities		4.23	7.19	13.29	-
Collective Investment Scheme		-	-	2.23	-
Deposits & Cash Equivalents		10.16	8.48	10.46	15.14
(ii) Total Net Asset Value	(ex-distribution)	RM805,474,472	RM672,735,530	RM309,451,438	RM206,818,668
(iii) Net Asset Value Per Unit	(ex-distribution)	RM0.7700	RM0.8256	RM0.6912	RM0.6885
Units in Circulation	(ex-distribution)	1,046,125,385	814,856,695	447,683,917	300,397,696
(iv) Highest/Lowest NAV Per Unit	Highest NAV Per Unit	RM0.8763	RM0.8842	RM0.7257	RM0.8694
(ex-distribution)	Lowest NAV Per Unit	RM0.7700	RM0.6621	RM0.6395	RM0.6612
(v) Total Return of the Fund*		-4.21%	26.55%	7.17%	-8.72%
- Capital Growth		-6.73%	19.43%	0.41%	-13.61%
- Income Distribution		2.52%	7.12%	6.76%	4.89%
(vi) The distribution (gross) is made out of:-					
- The Fund's Capital		2.2000 sen/unit	0.0000 sen/unit	0.0000 sen/unit	4.1500 sen/unit
- The Fund's Income		2.2000 sen/unit	4.4000 sen/unit	4.4000 sen/unit	0.0000 sen/unit
- Total Distribution Amount		0.0000sen/unit	4.4000sen/unit	4.4000 sen/unit	4.1500 sen/unit
- The Fund's Capital (% of Total Distribution Amount)		100%	0%	0%	100%
- The Fund's Income (% of Total Distribution Amount)		0%	100%	100%	0%
(vii) Distribution Per Unit					
	Additional Units	-	-	-	-
	Distribution (Gross)	1.1000 sen/unit	1.1000 sen/unit	1.1000 sen/unit	0.8500 sen/unit
	Distribution (Net)	1.1000 sen/unit	1.1000 sen/unit	1.1000 sen/unit	0.8500 sen/unit
	Distribution Date	15/10/2024	16/10/2023	17/10/2022	21/10/2021
	Cum-Distribution NAV/Unit	RM0.8339	RM0.6885	RM0.6506	RM0.8609
	Ex-Distribution NAV/Unit	RM0.8229	RM0.6775	RM0.6396	RM0.8524
	Additional Units	-	-	-	-
	Distribution (Gross)	1.1000 sen/unit	1.1000 sen/unit	1.1000 sen/unit	1.1000 sen/unit
	Distribution (Net)	1.1000 sen/unit	1.1000 sen/unit	1.1000 sen/unit	1.1000 sen/unit
	Distribution Date	15/01/2025	22/01/2024	13/01/2023	20/01/2022
	Cum-Distribution NAV/Unit	RM0.8222	RM0.7449	RM0.7139	RM0.7754
	Ex-Distribution NAV/Unit	RM0.8112	RM0.7339	RM0.7029	RM0.7644
	Additional Units	-	-	-	-
	Distribution (Gross)	-	1.1000 sen/unit	1.1000 sen/unit	1.1000 sen/unit
	Distribution (Net)	-	1.1000 sen/unit	1.1000 sen/unit	1.1000 sen/unit
	Distribution Date	-	17/04/2024	17/04/2023	21/04/2022
	Cum-Distribution NAV/Unit	-	RM0.7742	RM0.6873	RM0.7554
	Ex-Distribution NAV/Unit	-	RM0.7632	RM0.6763	RM0.7444

Performance Data

for the Financial Period Ended 28 February and Financial Years Ended 31 August

	Financial Period 2025 %	Financial Year 2024 %	Financial Year 2023 %	Financial Year 2022 %
Additional Units	-	-	-	-
Distribution (Gross)	-	1.1000 sen/unit	1.1000 sen/unit	1.1000 sen/unit
Distribution (Net)	-	1.1000 sen/unit	1.1000 sen/unit	1.1000 sen/unit
Distribution Date	-	22/07/2024	17/07/2023	21/07/2022
Cum-Distribution NAV/Unit	-	RM0.8744	RM0.6729	RM0.6822
Ex-Distribution NAV/Unit	-	RM0.8634	RM0.6619	RM0.6712
(viii) Total Expense Ratio (TER)	1.87%#	1.96%	2.09%	2.10%
(ix) Portfolio Turnover Ratio (PTR) (times)	0.26##	0.81	0.57	0.63
B. Average Total Return, NAV Per Unit-to-NAV Per Unit basis (as at 28/02/2024)*				
(i) One year	7.16%			
(ii) Three years	7.08%			
(iii) Five years	21.70%			

* Source: Lipper
(Returns are calculated after adjusting for distributions and/or additional units, if any)

The TER was 0.21 percentage point lower as compared to 2.08% for the financial period from 1 September 2023 to 29 February 2024 mainly due to increase in average net asset value of the Fund.

The PTR decreased by 0.55 times (67.90%) to 0.26 times for the financial period from 1 September 2024 to 28 February 2025 versus 0.81 times for the financial year ended 31 August 2024 and 0.09 times (25.71%) as compared to 0.35 times for the financial period from 1 September 2023 to 29 February 2024 mainly due to higher average net asset value of the Fund.

Corporate Information

Manager

Hong Leong Asset Management Bhd [199401033034 (318717-M)]

Registered Office

Level 30, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur

Business Office

Level 18, Block B, Plaza Zurich
No. 12, Jalan Gelenggang
Bukit Damansara
50490 Kuala Lumpur

Board of Directors

Ms. Lee Jim Leng
Mr. Chue Kwok Yan
YBhg Dato' Abdul Majit bin Ahmad Khan
YM Tunku Dato' Mahmood Fawzy bin Tunku Muhiyiddin

Executive Director / Chief Executive Officer

Mr. Chue Kwok Yan

Trustee

Deutsche Trustees Malaysia Berhad

Auditor

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146)

Distributors

Hong Leong Bank Berhad
Affin Bank Berhad
Areca Capital Sdn Bhd
CIMB Investment Bank Berhad
HSBC Bank Malaysia Berhad
OCBC Bank (Malaysia) Berhad
United Overseas Bank (Malaysia) Berhad
Registered Independent Tied Agents with FIMM

Corporate Directory

Head Office

Level 18, Block B, Plaza Zurich
No. 12, Jalan Gelenggang
Bukit Damansara
50490 Kuala Lumpur
Tel: 03-2081 8600
Fax: 03-2081 8500
Website: www.hlam.com.my
E-mail: inquiry@hlam.hongleong.com.my

Pulau Pinang

No. 441-1-3
Pulau Tikus Plaza, Jalan Burmah
10350 Pulau Tikus, Pulau Pinang
Tel: 04-228 8112, 04-228 9112
Fax: 04-228 3112

Ipoh

2nd Floor, Lot 3, Persiaran Greentown 4
Greentown Business Centre
30450 Ipoh, Perak
Tel: 05-255 8388, 05-255 9388
Fax: 05-255 8389



Hong Leong Asset Management Bhd
www.hlam.com.my

