
ASTUTE DYNAMIC FUND (ADF)

(formerly known as Apex Dynamic Fund)

AUDITED ANNUAL REPORT

For The Financial Year Ended 31 December 2022

ASTUTE DYNAMIC FUND
(formerly known as Apex Dynamic Fund)

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1. FUND INFORMATION

NAME OF FUND	Astute Dynamic Fund (ADF) (formerly known as Apex Dynamic Fund)																		
TYPE OF FUND	Growth																		
CATEGORY OF FUND	Equity																		
INVESTMENT OBJECTIVE	To seek capital appreciation by investing in equity and equity-related securities.																		
PERFORMANCE BENCHMARK	<div>❖ 70% of FBM KLCI</div> <div>❖ 30% of Maybank Berhad 1-year fixed deposit rate</div> <div>(Source : Bursa Malaysia and Maybank Berhad)</div> <div><i>“The risk profile of the performance benchmark is not the same as the risk profile of the Fund.”</i></div>																		
FUND DISTRIBUTION POLICY	<div>Distribution is at the discretion of the Manager. If income distributed, it will be automatically re-invested via issuance of additional Units in the Fund.</div> <div>Generally, in the absence of written instructions from the Unitholders, income for the Fund will be automatically reinvested into additional Units of the Fund at NAV per Unit on income payment date. Unitholders who wish to realise any income can do so by redeeming Units held in the Fund.</div> <div>For reinvestment into additional units, no sales charges will be imposed.</div>																		
UNITS HELD BY THE MANAGER AND DIRECTORS OF THE MANAGER	<table><tr><th></th><th>2022 (Unit)</th><th>2021 (Unit)</th></tr><tr><td>Nil</td><td></td><td></td></tr></table>						2022 (Unit)	2021 (Unit)	Nil										
	2022 (Unit)	2021 (Unit)																	
Nil																			
DISCLOSURE ON INCOME DISTRIBUTION	<table><tr><th rowspan="2">Declaration</th><th rowspan="2">Entitlement Date</th><th rowspan="2">Ex Date</th><th rowspan="2">Reinvest Price</th><th colspan="2">NAV</th></tr><tr><th>Before</th><th>After</th></tr><tr><td>Nil</td><td></td><td></td><td></td><td></td><td></td></tr></table>					Declaration	Entitlement Date	Ex Date	Reinvest Price	NAV		Before	After	Nil					
Declaration	Entitlement Date	Ex Date	Reinvest Price	NAV															
				Before	After														
Nil																			

2. FUND PERFORMANCE

Summary of performance data is as follows:

	31.12.2022 RM	31.12.2021 RM	31.12.2020 RM	
Portfolio Composition:				
- Equity securities	90.05	92.08	96.33	
- Liquid assets and others	9.95	7.92	3.67	
Net Assets Value (RM)	1,773,696	2,645,251	2,817,836	
Number of Units in Circulation	10,682,268	14,972,249	16,478,905	
Net Asset Value per Units (RM)	0.1660	0.1767	0.1710	
Highest NAV Price for the period under review (RM)	0.1783	0.1913	0.1719	
Lowest NAV Price for the period under review (RM)	0.1531	0.1675	0.1159	
Total Return for the period under review (RM)				
- Capital growth	(94,571)	(273,972)	532,334	
- Income distribution	Nil	Nil	Nil	
Gross Distribution Per Unit (RM)	Nil	Nil	Nil	
Net Distribution Per Unit (RM)	Nil	Nil	Nil	
Total Expense Ratio (TER) (%)	2.15*	1.99	1.98	
<i>*The TER for the financial year was higher compared with the previous financial year due to lower average NAV which has resulted in higher TER for certain non-variable expenses.</i>				
Portfolio Turnover Ratio (PTR) (times)	0.72*	0.50	0.61	
<i>*the PTR for the financial year was higher compared with previous financial year as there were lower average NAV during the financial year under review.</i>				
	Total Return		Average Total Return	
	ADF	Index	ADF	Index
1 Year	-6.06	-2.44	-6.06	-2.44
3 Year	-0.42	-1.68	-0.14	-0.56
5 Year	-14.22	-7.86	-2.84	-1.57
Since Inception 18 May 2006	47.07	53.96	2.83	3.24
Annual total return for each of the last five financial year ended		ADF		Index
31.12.2022		-6.06		-2.44
31.12.2021		3.33		-1.93
31.12.2020		2.58		2.76
31.12.2019		9.82		-3.27
31.12.2018		-27.30		-3.11

Source: Bloomberg

*Notes:

1. Total returns as at 31.12.2022. Total returns are calculated based on NAV per unit, adjusted for income distribution, if any.
2. The basis of calculation for the average total return is by dividing the total return by the numbers of years.

Past performance is not necessarily indicative of future performance. Unit prices and investment returns may fluctuate.

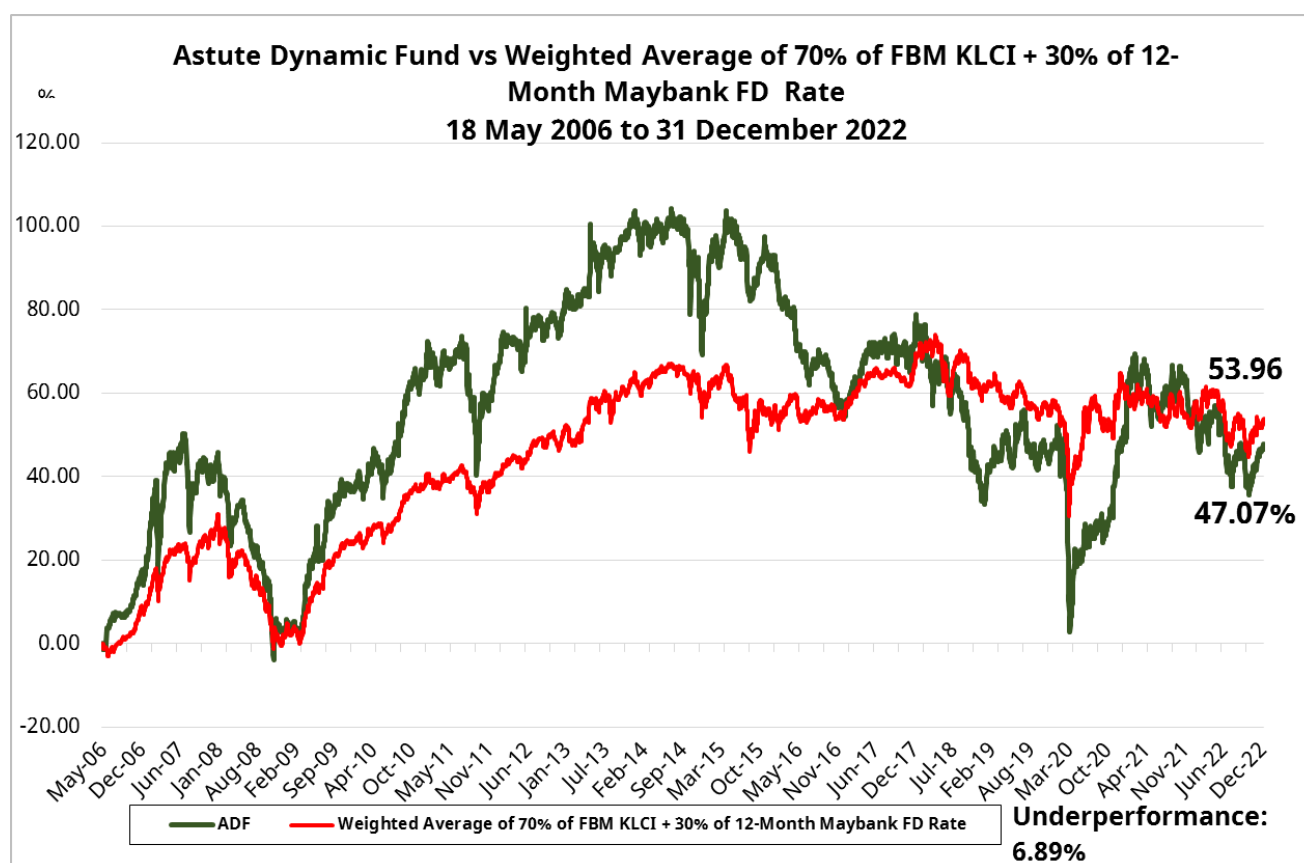
3. MANAGER'S REPORT

The Fund has not achieved its stated objective to seek capital appreciation by investing in equity and equity related securities. For the period ended 31st December 2022, the Fund had achieved a total return of 47.07% since its inception on 18th May 2006. The benchmark return was 53.96% for the same period.

PERFORMANCE ANALYSIS

For the one-year period ended 31st December 2021, the Fund achieved a return of -6.06% compare to the benchmark return of -2.44%, resulting in the underperformance against the benchmark of 3.62%. The total NAV of the Fund decreased to RM 1,773,696 as at 31st December 2022 from RM 2,645,251 as at 31st December 2021. The decrease in NAV was mainly due to redemptions from unit holders.

**PERFORMANCE OF ASTUTE DYNAMIC FUND VS BENCHMARK INDEX
SINCE 18 MAY 2006 TO 31 DECEMBER 2022
ADF HAS UNDERPERFORMED THE BENCHMARK INDEX BY 6.89%**



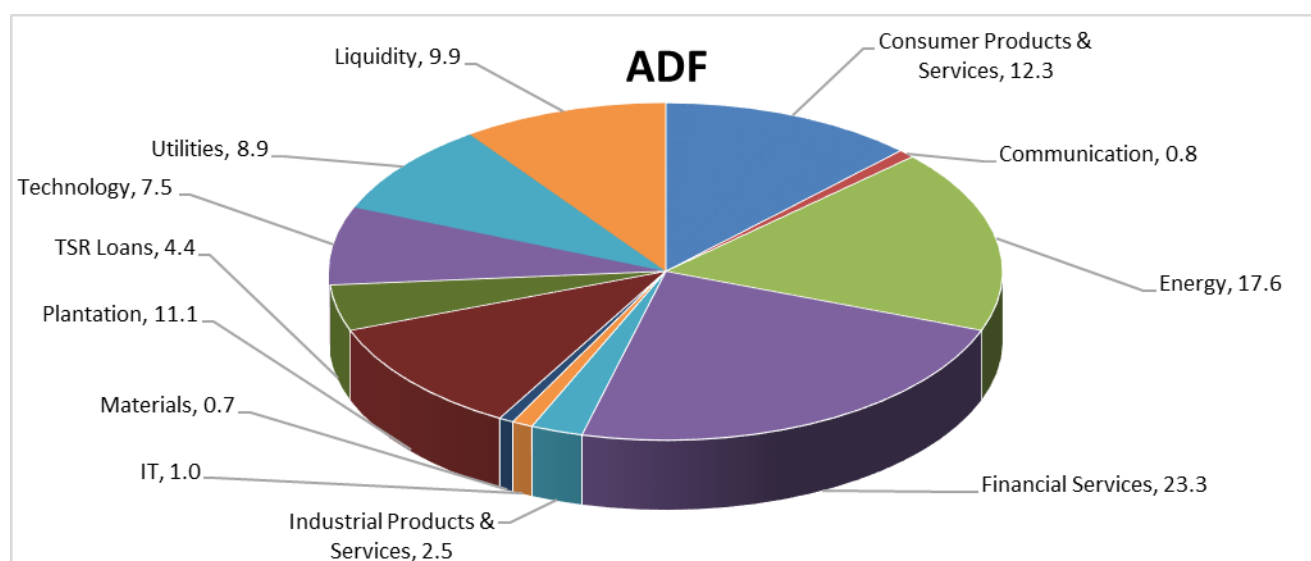
Source: Bloomberg

STRATEGIES EMPLOYED

The Fund had adopted the top-down and bottom up approach for its investment strategy. The investment policy was to invest in mostly undervalued companies with good potential of growth. The fund consists of only in shares or warrants that were listed on the Bursa Malaysia. In term of market sector, the Fund had concentrated mainly in the areas of financial, energy and consumer product.

Investment strategy will remain centered on well-managed liquid stocks that exhibit good growth prospects with strong earning visibility. Stocks with strong cash flows, decent yield and have proactive capital management will also be considered.

ASSET ALLOCATION



ASSET ALLOCATION BY SECTOR ASAT 31 DECEMBER 2022

QUOTED SECURITIES	31 DEC 2022	31 DEC 2021
Financial Services	23.3	6.9
Consumer Discretion	-	-
Construction	-	3.8
Consumer Products & Services	12.3	9.6
Communication	0.8	-
Energy	17.6	11.0
Industrial Products & Services	2.5	10.1
Industrial	-	1.2
IT	1.0	-
Materials	0.7	3.6
Plantation	11.1	-
Real Estate	-	-
Technology	7.5	26.4
TSR Loans	4.4	7.0
Property	-	5.7
Utilities	8.9	6.8
Liquidity	9.9	7.9

MARKET REVIEW

During the first half of 2022, financial markets were weighed down by various headwinds that arose from high inflation. The start of the Russia-Ukraine war in the first quarter, and China's Covid-19 lockdowns in the second quarter under its zero-tolerance policy crimped commodity supplies and disrupted manufacturing processes and supply chains, leading to high inflation. Central banks worldwide started raising interest rates and tightening monetary policy which slowed economic growth momentum and raised fears of an economic recession.

The first half saw commodity-related equities rallied as crude oil, gas and coal prices rose. Brent oil prices rose above US\$100/bbl as supply tightened alongside rising demand from post-COVID economic recovery. The tight situation led prices to reach a 10-year high of US\$120/bbl by the end of May. The tight supply conditions were exacerbated by the Russia-Ukraine war which led to countries imposing sanctions on Russian exports such as oil, aluminium, natural gas and others. This created knock on effects which sent other commodity prices higher across metals and agricultural commodities.

Alongside the higher commodity equity prices, consumer stocks also rose in the first half of 2022 after the government announced the move to COVID endemic phase and the easing of travel restrictions from April 2022 onwards.

Worldwide, higher commodity prices induced higher inflation. For instance, the US reported that its June 2022 inflation at a four-decade high of 9% YoY, led by higher food and energy costs. The US Federal Reserve and other central banks responded by raising policy rates to curb inflation. In June alone, the US aggressively hiked rates by 75 bps after raising 25 bps in March and 50 bps in May.

Meanwhile, Malaysia only raised its rates by 25 bps in the first half as local inflation numbers are were relatively lower due to higher subsidies from the government. Regardless, the start of the global rate-hiking cycle caused markets to trend lower and sparked fears that an "overly-aggressive" Fed tightening may lead to an economic recession.

The second half of 2022 saw an acceleration of the global rate hike cycle as central banks moved to cool inflation. The US Federal Funds Effective Rate ("US FFER") rose from 1.21% in June to 4.10% in December. As rates rose, the US 10-year Treasury yields rose from 2.95% at the end of June to peak at 4.21% in mid-October. Between July to December, Malaysia raised the Overnight Policy Rate from 2.00% to 2.75% in attempts to keep pace with the US FFER whilst mitigating the Malaysian Ringgit's decline against the US Dollar.

Companies and sectors with high borrowings, operating in cyclical, industrials and technology sectors and markets were hard-hit by the rising inflation, interest rates (lowering profitability), downturn in semiconductor and smartphone sales, higher bond yields (impacting stock valuations). Global chipmakers started guiding for lower sales and expansion expenditures for 2023. Amidst rising concerns of high interest rates causing economies to fall into a recession, commodity prices started declining. As recession risks heightened, even production cuts in crude oil failed to sustain prices as it fell from nearly US\$130/bbl to the US\$70/bbl levels. Other commodity prices started to decline from the third quarter onwards.

In the fourth quarter of 2022, uncertainties in the run-up to Malaysia's general elections persisted to the year-end even though the new Prime Minister gained a motion of confidence in Parliament. Reprieve was seen after global markets rebounded from intra-year lows in October after US inflation started declining as commodity prices fell, COVID-related logistics bottlenecks eased and China rapidly reversed from its zero-tolerance policy on COVID. The US Fed Fund futures also implied a peaking of US interest rates at 5.00% in the first half of 2023, prompting regional and local technology sectors to rebound in the fourth quarter of 2022.

During the year, the main sectors that outperformed the local market benchmark were plantations (fears of edible oil shortages from the Russia-Ukraine war), construction (driven by capital repayments by a large-cap contractor), consumer (rebound in spending after Malaysia relaxed travel restrictions in April 2022), financials (expansion in net interest margins from rising OPR and rebound in loans growth from economic reopening), transportation (benefitted from the relaxation of COVID-19 travel restrictions and rebound in trade) and utilities (defensive during volatile markets).

Sectors that underperformed the market barometer on a full-year basis were technology (due to downturn in the global technology cycle and higher bond yields), healthcare (fall in glove selling prices as COVID transited to endemic stage and travel restrictions were lifted), and property (impacted by rising interest rates).

MARKET OUTLOOK

The Fund benefitted from the rotation from "growth" stocks such as technology to "value" stocks whose underlying businesses were in primary industries. As the US Fed postured to raise rates this year, growth stocks fell, whereas Malaysia, with a dominant plantation sector, become more attractive as its markets are dominated by "old economy" value plays and beneficiaries of the commodity price surges.

Early in the year, the Fund reduced exposure to technology and was less impacted by the sector's sell-off. The funds exposure commodity-related sectors such as agriculture benefited. Similarly, the fund's exposure in financials, utilities, construction, and consumers benefited.

In the second half of the year, the Fund increased cash levels to cushion against high volatility amidst higher interest rates and strengthening US Dollar, which exacerbated outflows from financial markets.

Going into 2023, the Fund's investment posture is positive. Based on indicators as at the end of December 2022, Malaysia remains cheap at a 2023 price-earnings ratio ("PER") of 14.6x (-1.0 standard deviation, below its 5-year average of 16.1x). Price-to-book ratio and dividend yields are also attractive at 1.4x (below the 5-year average of 1.55x) and 4.3% (above its 5Y average of 3.6%).

Additional upside catalysts for the market includes the end of the US policy rate hike cycle, falling inflation and bond yields (positive for growth equities, such as technology), and depreciating US Dollar (positive for funds flows into regional and local equities). In Malaysia, any significant reforms by the new government may be regarded positively by foreign investors and prompt a re-rating of Malaysian equities.

Aside from investing in attractively-valued companies, the Fund is expected to raise exposure to sectors linked to the China reopening (e.g. hospitality, consumer, commodities, and industrial products) and lower bond yields (e.g. real estate, technology).

SOFT COMMISSION

The Manager will retain soft commissions received from stockbrokers, provided they are of demonstrable benefit to the Unit Holders. The soft commissions may take form of goods and services such as data and quotation services, computer software and investment related publications which are incidental to the management of the Fund. Rebates, if any, will be directed to the account of the Fund.

During the period under review the Manager received data and quotation services and investment related publications which are incidental to the Fund investment.

4. TRUSTEE'S REPORT

To the unit holders of ASTUTE DYNAMIC FUND ("Fund")
(formerly known as Apex Dynamic Fund)

We have acted as Trustee of the Fund for the financial year ended 31 December 2022 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, ASTUTE FUND MANAGEMENT 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 deeds, securities laws and 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.

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

JUANITA BINTI SUHAIMI
Unit Head, Unit Trust Operations

Kuala Lumpur, Malaysia
Date: 27 February 2023

5. INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF ASTUTE DYNAMIC FUND (FORMERLY KNOWN AS APEX DYNAMIC FUND)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **Astute Dynamic Fund (formerly known as Apex Dynamic Fund)** ("the Fund"), which comprise the statement of financial position as at 31 December 2022, and the statement of profit or loss and other comprehensive income, statement of changes in net asset value and statement of cash flows of the Fund for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 14 to 48.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2022 and of its financial performance, changes in net asset value and cash flows of the Fund for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

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 information included in the annual 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.

5. INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF ASTUTE DYNAMIC FUND (FORMERLY KNOWN AS APEX DYNAMIC FUND) (CONT'D)

Responsibilities of the Manager and Trustee for the Financial Statements

The Manager of the Fund is responsible for the preparation of 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 intend to liquidate the Fund, or to cease operations, or have no realistic alternative but to do so.

The Trustee is responsible for overseeing the Fund's financial reporting process. The Trustee is also responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

**5. INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF
ASTUTE DYNAMIC FUND
(FORMERLY KNOWN AS APEX DYNAMIC FUND) (CONT'D)**

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'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.
- 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 unitholders of the Fund, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Kuala Lumpur

27 February 2023

Ooi Song Wan
02901/10/2024 J
Chartered Accountant

6. STATEMENT BY MANAGER

We, **Clement Chew Kuan Hock** and **Y.M. Dato' Tunku Ahmad Zahir Bin Tunku Ibrahim**, being two of the directors of **Astute Fund Management Berhad (formerly known as Apex Investment Services Berhad)**, do hereby state that, in the opinion of the Manager, the accompanying financial statements of **Astute Dynamic Fund (formerly known as Apex Dynamic Fund)** are drawn up in accordance with the Deed, Malaysian Financial Reporting Standards, International Financial Reporting Standards and Securities Commission Malaysia's Guidelines on Unit Trust Funds so as to give a true and fair view of the financial position of **Astute Dynamic Fund (formerly known as Apex Dynamic Fund)** as at 31 December 2022 and of its financial performance and cash flows for the financial year ended on that date.

For and on behalf of the Manager,

Astute Fund Management Berhad
(formerly known as Apex Investment Services Berhad)

CLEMENT CHEW KUAN HOCK
Director

Y.M. DATO' TUNKU AHMAD ZAHIR
BIN TUNKU IBRAHIM
Director

Kuala Lumpur, Malaysia

27 February 2023

6.1 STATEMENT OF AUDITED PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Financial Year Ended 31 December 2022

	Note	2022 RM	2021 RM
INVESTMENT (LOSS)/ INCOME			
Gross dividend income		85,423	63,456
Realised (loss)/gain on sale of investments		(81,368)	381,750
Unrealised loss on financial assets at fair value through profit and loss ("FVPL")		(94,571)	(273,972)
Other income		2,310	1,786
		<u>(88,206)</u>	<u>173,020</u>
LESS: EXPENSES			
Management's fee	5	29,976	42,407
Trustee's fee	6	999	1,414
Auditors' remuneration		7,000	7,000
Tax agent's fee		2,750	2,250
Administrative expenses		2,366	3,223
Transaction costs		11,567	9,755
		<u>54,658</u>	<u>66,049</u>
NET INVESTMENT (LOSS)/INCOME		(142,864)	106,971
(LOSSES)/GAINS ON FOREIGN EXCHANGE			
- realised		(7,296)	(3,994)
- unrealised		867	(732)
		<u>(6,429)</u>	<u>(4,726)</u>
NET (LOSS)/INCOME BEFORE TAXATION		(149,293)	102,245
INCOME TAX EXPENSE	7	(932)	(379)
NET (LOSS)/INCOME AFTER TAXATION FOR THE FINANCIAL YEAR		<u>(150,225)</u>	<u>101,866</u>
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE (EXPENSES)/INCOME FOR THE FINANCIAL YEAR		<u>(150,225)</u>	<u>101,866</u>
Total comprehensive (expenses)/income for the financial year is made up as follows:-			
- realised		(56,521)	376,570
- unrealised		(93,704)	(274,704)
		<u>(150,225)</u>	<u>101,866</u>

The annexed notes form an integral part of these financial statements.

Astute Dynamic Fund (formerly known as Apex Dynamic Fund)

6.2 STATEMENT OF AUDITED FINANCIAL POSITION

As At 31 December 2022

	Note	2022 RM	2021 RM
ASSETS			
INVESTMENT			
Quoted investments	8	1,597,459	2,435,834
OTHER ASSETS			
Sundry receivables		402	426
Current tax assets		22,090	22,090
Cash at bank		177,802	212,350
		<u>200,294</u>	<u>234,866</u>
TOTAL ASSETS		<u>1,797,753</u>	<u>2,670,700</u>
NET ASSET VALUE ("NAV") AND LIABILITY			
NAV			
Unitholders' capital		1,388,704	2,110,034
Retained earnings		384,992	535,217
TOTAL NAV	9	<u>1,773,696</u>	<u>2,645,251</u>
LIABILITIES			
Sundry payables and accruals		21,809	21,982
Amount owing to Manager		2,176	3,355
Amount owing to Trustee		72	112
TOTAL LIABILITY		<u>24,057</u>	<u>25,449</u>
TOTAL NAV AND LIABILITY		<u>1,797,753</u>	<u>2,670,700</u>
NUMBER OF UNITS IN CIRCULATION	9.1	<u>10,682,268</u>	<u>14,972,249</u>
NAV PER UNIT (RM)		<u>0.1660</u>	<u>0.1767</u>

The annexed notes form an integral part of these financial statements.

6.3 STATEMENT OF AUDITED CHANGES IN NET ASSET VALUE

For the Financial Year Ended 31 December 2022

	Note	Unitholders' Capital RM	Retained Earnings RM	Total NAV RM
At 31 December 2020/1 January 2021		2,384,485	433,351	2,817,836
Net income after taxation/Total comprehensive income for the financial year		-	101,866	101,866
Contribution by and distribution to the unitholders of the Fund:				
- creation of units	9.1	9,126	-	9,126
- cancellation of units	9.1	(283,577)	-	(235,577)
Total transactions with unitholders of the Fund		(274,451)	-	(274,451)
At 31 December 2021/1 January 2022		2,110,034	535,217	2,645,251
Net loss after taxation/Total comprehensive expense for the financial year		-	(150,225)	(150,225)
Contribution by and distribution to the unitholders of the Fund:				
- creation of units	9.1	2,676	-	2,676
- cancellation of units	9.1	(724,006)	-	(724,006)
Total transactions with unitholders of the Fund		(721,330)	-	(721,330)
At 31 December 2022		1,388,704	384,992	1,773,696

The annexed notes form an integral part of these financial statements.

Astute Dynamic Fund (formerly known as Apex Dynamic Fund)

6.4 STATEMENT OF AUDITED CASH FLOWS

For the Financial Year Ended 31 December 2022

	2022 RM	2021 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of investments	1,777,431	1,599,144
Purchase of investments	(1,108,645)	(1,216,570)
Dividend income received	84,515	63,591
Interest income received	2,310	1,786
Management fee paid	(31,155)	(42,574)
Trustee's fee paid	(1,039)	(1,419)
Other fees and expenses paid	(23,856)	(22,414)
Foreign exchange loss	(13,646)	(227)
NET CASH FROM OPERATING AND INVESTING ACTIVITIES	685,915	381,317
CASH FLOW FOR FINANCING ACTIVITIES		
Proceeds from units created	2,675	9,126
Payment for cancelled units	(724,005)	(280,945)
NET CASH FOR FINANCING ACTIVITIES	(721,330)	(271,819)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(35,415)	109,498
EFFECTS OF FOREIGN CURRENCY EXCHANGE	867	(732)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	212,350	103,584
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	177,802	212,350

The annexed notes form an integral part of these financial statements

Astute Dynamic Fund (formerly known as Apex Dynamic Fund)

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Astute Dynamic Fund (formerly known as Apex Dynamic Fund) (“the Fund”) was constituted pursuant to the execution of a Deed dated 28 March 2006, First Supplemental Deed dated 20 August 2013, Second Supplemental Deed dated 3 August 2015, between the Manager, Astute Fund Management Berhad (formerly known as Apex Investment Services Berhad), the Trustee, AmTrustee Berhad and the registered Unitholders of the Fund. Third Supplemental Deed dated 15 April 2016 was executed for the change of Trustee from AmTrustee Berhad to Maybank Trustees Berhad. Fourth Supplemental Deed dated 22 April 2022 between the Manager and the Trustee modified the name of the Manager and the name of the Fund.

The principal activity of the Fund is to invest in “Permitted Investments” as defined in the Seventh Schedule of the Deed. The Fund commenced operations on 18 May 2006 (commencement date) and will continue its operations until its termination by the Trustee or the Manager as provided under Clauses 12.1, 12.2 and 12.3 of the Deed.

The investment objective of the Fund is to seek capital appreciation by investing in equity and equity-related securities.

The Manager, Astute Fund Management Berhad (formerly known as Apex Investment Services Berhad), is a company incorporated in Malaysia. The principal activity of the Manager is the management of unit trust funds.

The financial statements were approved by the Board of the Directors of the Manager on 27 February 2023.

2. CHANGE OF NAME

On 24 May 2022, the Fund changed its name from Apex Dynamic Fund to Astute Dynamic Fund.

3. BASIS OF PREPARATION

The financial statements of the Fund are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”) and International Financial Reporting Standards (“IFRSs”).

- 3.1 During the current financial year, the Fund has adopted the following new accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 3: Reference to the Conceptual Framework

Amendment to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021

Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use

Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract

Annual Improvements to MFRS Standards 2018 – 2020

3. BASIS OF PREPARATION (CONT'D)

- 3.1 During the current financial year, the Fund has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any)(Cont'd):-

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) did not have any material impact on the Fund's financial statements.

- 3.2 The Fund has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17: Initial Application of MFRS17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Fund upon their initial application.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Fund recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the year in which such determination is made.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the Fund's accounting policies which will have a significant effect on the amounts recognised in the financial statements.

4.2 FUNCTIONAL AND FOREIGN CURRENCIES

(a) Functional and Presentation Currency

The functional currency of the Fund is the currency of the primary economic environment in which the Fund operates.

The financial statements of the Fund are presented in Ringgit Malaysia ("RM") which is the functional and presentation currency of the Fund.

(b) Foreign Currency Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the exchange rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

4.3 INCOME RECOGNITION

The income recognition policies for each of the Fund's major activities are as follows:-

(a) Dividend Income

Dividend income from investments is recognised when the right to receive dividend payment is established.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 INCOME RECOGNITION (CONT'D)

The income recognition policies for each of the Fund's major activities are as follows (Cont'd):-

(b) Realised Gains or Losses on Sale of Investments

Realised gain or loss on the sale of an investment is recognised when the sales is contracted, based on the sale proceeds less cost which is determined on the weighted average cost basis.

(c) Interest Income

Interest income is recognised on a time proportion basis taking into account the principal outstanding and the effective interest rates applicable.

4.4 INCOME TAXES

(a) Current Tax

Current tax assets and liabilities are the expected amount of income tax recoverable or payable to the taxation authorities.

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss (either in other comprehensive income or directly in NAV).

(b) Deferred Tax

Deferred tax is recognised using the liability method for temporary differences other than those that arise from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 INCOME TAXES (CONT'D)

(b) Deferred Tax (Cont'd)

Current and deferred tax items are recognised in correlation to the underlying transactions either in profit or loss, other comprehensive income or directly changes in NAV.

Current tax assets and liabilities or deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity (or on different tax entities but they intend to settle current tax assets and liabilities on a net basis) and the same taxation authority.

4.5 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the statement of financial position when the Fund has become a party to the contractual provisions of the instruments.

Financial instruments are classified as financial assets, financial liabilities or equity instruments in accordance with the substance of the contractual arrangement and their definitions in MFRS 132. Interests, dividends, gains and losses relating to a financial instrument classified as a liability are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Fund has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially at its fair value. Transaction cost that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments recognised in the statement of financial position are disclosed in the individual policy statement associated with each item.

(a) Financial Assets

All recognised financial assets are measured subsequently in their entirety at either their amortised cost or fair value (through profit or loss, or other comprehensive income), depending on the classification of the financial assets.

Debt Instruments

(i) Amortised Cost

The financial asset is held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. When the asset has subsequently become credit-impaired, the interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets (Cont'd)

Debt Instruments (Cont'd)

(i) Amortised Cost (Cont'd)

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), excluding expected credit losses, through the expected life of the financial asset or a shorter period (where appropriate).

(ii) Fair Value through Other Comprehensive Income

The financial asset is held for both collecting contractual cash flows and selling the financial asset, where the asset's cash flows represent solely payments of principal and interest. Movements in the carrying amount are taken through other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference which are recognised directly in profit or loss. Interest income is calculated using the effective interest rate method.

(iii) Fair Value through Profit or Loss (FVTPL)

All other financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss.

The Fund reclassifies debt instruments when and only when its business model for managing those assets change.

Equity Instruments

All equity investments are subsequently measured at fair value with gains and losses recognised in profit or loss except where the Fund has elected to present the subsequent changes in fair value in other comprehensive income and accumulated in the fair value reserve at initial recognition.

The designation at fair value through other comprehensive income is not permitted if the equity investment is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise.

Dividend income from this category of financial assets is recognised in profit or loss when the Fund's right to receive payment is established unless the dividends clearly represent a recovery of part of the cost of the equity investments.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Liabilities

(i) Financial Liabilities at Fair Value through Profit or Loss

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. The changes in fair value of these financial liabilities are recognised in profit or loss.

(ii) Other Financial Liabilities

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), through the expected life of the financial liability or a shorter period (where appropriate).

(c) Equity Instruments

Equity instruments classified as equity are measured initially at cost and are not remeasured subsequently.

(i) Unitholders' Capital

Unitholders' capital are classified as equity and recorded at the proceeds received, net of directly attributable transaction costs.

The unitholders' contributions to the Fund meet the criteria of puttable instruments classified as equity instruments under the revised MFRS 132 - Financial Instruments Presentation. Those criteria include:-

- the units entitle the holder to a proportionate share of the Fund's NAV;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligation 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 on substantially on the profit or loss of the Fund.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 FINANCIAL INSTRUMENTS (CONT'D)

(c) Equity Instruments (Cont'd)

(ii) NAV Attributable to Unitholders

NAV attributable to unitholders represents the total NAV in the statement of financial position, which is carried at the redemption amount that would be payable at the end of the reporting period if the unitholders exercised the right to redeem units of the Fund.

Units are created or cancelled at prices based on the Fund's NAV per unit at the time of the creation or cancellation. The Fund's NAV per unit is calculated by dividing the net assets attributable to the unitholders with the total issued and paid-up units as of that date.

(iii) Distributions

Distributions are at the discretion of the Fund. A distribution to the Fund's unitholders is accounted for as a reduction from realised reserves. A proposed distribution is recognised as a liability in the period in which it is approved.

(d) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the carrying amount of the asset and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity to profit or loss. In contrast, there is no subsequent reclassification of the fair value reserve to profit or loss following the derecognition of an equity investment.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

4.6 IMPAIRMENT OF FINANCIAL ASSETS

The Fund recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at fair value through other comprehensive income, receivables, short-term deposits with financial institutions and cash at bank.

The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Fund in accordance with the contract and all the cash flows that the Fund expects to receive, discounted at the original effective interest rate.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.6 IMPAIRMENT OF FINANCIAL ASSETS (CONT'D)

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Fund always recognises lifetime expected credit losses for receivables, short-term deposits with financial institutions and cash at bank using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Fund's historical credit loss experience and are adjusted for forward-looking information (including time value of money where appropriate).

For all other financial instruments, the Fund recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Fund measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

The Fund recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

4.7 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturity periods of three months or less.

4.8 CLASSIFICATION OF REALISED AND UNREALISED GAINS AND LOSSES

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

Realised gains and losses on disposal of financial instruments classified as part of at fair value through profit or loss are calculated using the weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount.

4.9 OPERATING SEGMENTS

An operating segment is a component of the Fund that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Fund's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.10 FAIR VALUE MEASUREMENTS

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, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:-

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;

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

Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

5. MANAGEMENT'S FEE

Clause 13.1 of the Deed provides that the Manager is entitled to a management fee computed daily on the net asset value attributable to unitholders of the Fund at a rate not exceeding 2% (2021 - 2%) per annum. The management fee recognised in the financial statements is based on 1.50% (2021 - 1.50%) per annum for the financial year.

6. TRUSTEE'S FEE

Trustee is entitled to a fee at such rate as may be agreed from time to time between the Manager and the Trustee. The Trustee's fee recognised in the financial statements is computed daily at 0.05% (2021 - 0.05%) per annum of the net asset value attributable to unitholders of the Fund.

7. INCOME TAX EXPENSE

	2022 RM	2021 RM
Current tax expense for the financial year	932	379

7. INCOME TAX EXPENSE (CONT'D)

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

	2022 RM	2021 RM
Net (loss)/income before taxation	(149,293)	102,245
Tax at the statutory tax rate of 24% (2021 - 24%)	(35,830)	24,539
Tax effects of:-		
Non-taxable income	(21,056)	(15,658)
Net non-taxable gains on investments	43,768	(24,733)
Non-deductible expenses	14,050	16,231
Income tax expense for the financial year	932	379

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2021 - 24%) of the estimated assessable profit for the financial year.

8. QUOTED INVESTMENTS

	Note	2022 RM	2021 RM
Quoted equity investments, at fair value:			
- in Malaysia	8.1	1,155,337	1,970,624
- outside Malaysia	8.2	364,122	280,410
		1,519,459	2,251,034
Quoted non-equity investments held in Malaysia, at fair value	8.3	78,000	184,800
		1,597,459	2,435,834

8. QUOTED INVESTMENTS (CONT'D)

At 31 December 2022

	Number of Shares	At Cost RM	At Fair Value RM	Percentage of NAV of The Fund %
8.1 EQUITY INVESTMENTS IN MALAYSIA				
<u>BURSA MALAYSIA SECURITIES</u>				
<u>MAIN MARKET</u>				
<u>CONSUMER PRODUCT & SERVICES</u>				
Genting Malaysia Berhad	31,800	97,589	85,542	4.82
Hong Leong Industries Berhad	7,300	67,757	67,160	3.79
MBM Resources Berhad	7,800	25,632	25,584	1.44
Malayan Flour Mill Berhad	51,000	35,583	38,760	2.19
		226,561	217,046	12.24
<u>ENERGY</u>				
Dialog Group berhad	71,900	201,338	176,155	9.93
Hibiscus Petroleum Berhad	96,600	86,133	103,362	5.83
		287,471	279,517	15.76
<u>FINANCIAL SERVICES</u>				
ELK-Desa Resources Berhad	62,600	79,007	99,534	5.61
Hong Leong Financial Group Berhad	5,600	102,843	104,160	5.87
Malayan Banking Berhad	6,308	53,255	54,580	3.09
		235,105	258,574	14.57
<u>INDUSTRIAL PRODUCTS & SERVICES</u>				
Petronas Chemicals Group Berhad	5,200	44,518	44,720	2.52
<u>PLANTATION</u>				
Innoprise Plantation Berhad	65,100	97,078	103,509	5.84
United Plantation Berhad	6,100	90,690	93,330	5.26
		187,768	196,839	11.10
<u>UTILITIES</u>				
Taliworks Corporation Berhad	183,400	156,058	158,641	8.94
TOTAL QUOTED EQUITY INVESTMENTS IN MALAYSIA		1,137,481	1,155,337	65.13

8. QUOTED INVESTMENTS (CONT'D)

At 31 December 2022 (Cont'd)

	Number of Shares	At Cost RM	At Fair Value RM	Percentage of NAV of The Fund %
EQUITY INVESTMENTS OUTSIDE MALAYSIA				
8.2 EQUITY INVESTMENTS OUTSIDE MALAYSIA				
IN HONG KONG				
<u>COMMUNICATION</u>				
China Mobile Limited	500	14,637	14,602	0.82
<u>FINANCE</u>				
AIA Group	1,000	43,217	48,984	2.76
Manulife Financial	500	43,873	39,108	2.20
		87,090	88,092	4.96
<u>MATERIAL</u>				
TIANQI Lithium Corporation	400	18,467	12,596	0.71
<u>TECHONOLOGY</u>				
PAX Global Technology	12,000	41,616	45,711	2.58
Travelsky Technology	4,000	31,549	37,246	2.10
		73,165	82,957	4.68
TOTAL INVESTMENTS IN HONG KONG		193,359	198,247	11.17
IN INDONESIA				
<u>ENERGY</u>				
Bukit Asam	12,900	17,196	13,328	0.75
TOTAL INVESTMENTS IN INDONESIA		17,196	13,328	0.75

8. QUOTED INVESTMENTS (CONT'D)

At 31 December 2022 (Cont'd)

	Number of Shares	At Cost RM	At Fair Value RM	Percentage of NAV of The Fund %
8.2 EQUITY INVESTMENTS OUTSIDE MALAYSIA (CONT'D)				
IN SINGAPORE				
<u>FINANCE</u>				
DBS Group Holdings	600	61,781	66,808	3.77
<u>IT</u>				
Aztech Global Limited	6,200	17,926	16,893	0.95
<u>TECHNOLOGY</u>				
AEM Holdings Limited	4,500	66,603	50,520	2.85
TOTAL INVESTMENTS IN SINGAPORE		146,310	134,221	7.57
IN THAILAND				
<u>ENERGY</u>				
Banpu Public - NVDR	10,500	18,428	18,326	1.03
TOTAL INVESTMENTS IN THAILAND		18,428	18,326	1.03
TOTAL QUOTED EQUITY INVESTMENTS OUTSIDE MALAYSIA		375,292	364,122	20.52
8.3 QUOTED NON-EQUITY INVESTMENTS IN MALAYSIA				
<u>TSR LOANS</u>				
Hume Cement Industries Bhd - LA	60,000	63,592	78,000	4.40
TOTAL QUOTED INVESTMENTS		1,576,366	1,597,459	90.05

8. QUOTED INVESTMENTS (CONT'D)

At 31 December 2021

	Number of Shares	At Cost RM	At Fair Value RM	Percentage of NAV of the Fund %
8.1 EQUITY INVESTMENTS IN MALAYSIA				
<u>BURSA MALAYSIA SECURITIES</u>				
<u>MAIN MARKET</u>				
<u>CONSTRUCTION</u>				
Gamuda Berhad	18,000	56,828	52,200	1.97
IJM Corporation Berhad	31,600	60,825	48,032	1.82
		117,653	100,232	3.79
<u>CONSUMER PRODUCTS & SERVICES</u>				
Genting Malaysia Berhad	38,800	119,070	111,744	4.22
Hong Leong Industries Berhad	5,300	49,386	48,654	1.84
Malayan Flour Mills Berhad	136,700	117,074	93,639	3.54
		285,530	254,037	9.60
<u>ENERGY</u>				
Dialog Group Berhad	81,000	252,051	212,220	8.02
Hibiscus Petroleum Berhad	96,600	86,132	78,729	2.98
		338,183	290,949	11.00
<u>FINANCIAL SERVICES</u>				
ELK-Desa Resources Berhad	78,600	99,201	103,752	3.92
Hong Leong Financial Group Berhad	4,600	83,672	79,764	3.02
		182,873	183,516	6.94
<u>INDUSTRIAL PRODUCTS & SERVICES</u>				
Dufu Technology Corp. Berhad	2,200	7,577	9,438	0.36
Malayan Cement Berhad	32,200	93,626	82,110	3.10
Petronas Chemicals Group Berhad	6,800	56,707	60,656	2.29
SKP Resources Bhd	65,500	89,097	113,970	4.31
		247,007	266,174	10.06

8. QUOTED INVESTMENTS (CONT'D)

At 31 December 2021 (Cont'd)

	Number of Shares	At Cost RM	At Fair Value RM	Percentage of NAV of The Fund %
8.1 EQUITY INVESTMENTS IN MALAYSIA (CONT'D)				
<u>BURSA MALAYSIA SECURITIES</u>				
<u>MAIN MARKET (CONT'D)</u>				
<u>TECHNOLOGY</u>				
Frontken Corporation Berhad	27,000	86,815	108,000	4.08
KESM Industries Berhad	15,100	165,884	185,428	7.01
MI Technovation Berhad	26,500	109,737	89,570	3.39
Malaysian Pacific Industries Berhad	3,700	42,919	182,632	6.90
Pentamaster Corporation Berhad	9,000	25,999	49,950	1.89
Unisem (M) Berhad	20,000	48,711	81,600	3.08
		480,065	697,180	26.35
<u>UTILITIES</u>				
Taliworks Corporation Berhad	206,400	175,629	178,536	6.75
TOTAL QUOTED EQUITY INVESTMENTS IN MALAYSIA		1,826,941	1,970,624	74.49
8.2 EQUITY INVESTMENTS OUTSIDE MALAYSIA				
IN HONG KONG				
<u>INDUSTRIAL</u>				
Pentamaster International Ltd	45,000	28,041	31,250	1.18
<u>MATERIAL</u>				
Angang Steel Co. Ltd	52,000	152,046	96,389	3.64
<u>REAL ESTATE</u>				
Shimao Services Holdings Ltd	360	3,209	1,043	0.04
TOTAL INVESTMENTS IN HONG KONG		183,296	128,682	4.86

8. QUOTED INVESTMENTS (CONT'D)

At 31 December 2021 (Cont'd)

	Number of Shares	At Cost RM	At Fair Value RM	Percentage of NAV of The Fund %
8.2 EQUITY INVESTMENTS OUTSIDE MALAYSIA (CONT'D)				
IN INDONESIA				
<u>PROPERTIES</u>				
PT Ciputra Development Tbk	350,000	134,862	98,455	3.72
PT Summarecon, Agung Tbk.	220,000	58,486	53,273	2.02
		193,348	151,728	5.74
TOTAL QUOTED EQUITY INVESTMENTS OUTSIDE MALAYSIA		376,644	280,410	10.60
8.3 QUOTED NON-EQUITY INVESTMENTS IN MALAYSIA				
<u>TSR LOANS</u>				
Hume Cement Industries Bhd - LA	110,000	116,585	184,800	6.99
TOTAL QUOTED INVESTMENTS		2,320,170	2,435,834	92.08

The foreign currency exposure profile of the above quoted investments is the total amount of the equity securities in each country's stock exchange as disclosed above.

9. TOTAL NET ASSET VALUE

	Note	2022 RM	2021 RM
Unitholders' capital	9.1	1,388,704	2,110,034
Retained earnings:			
- realised reserve	9.2	356,647	402,543
- unrealised reserve	9.3	28,345	132,674
		384,992	535,217
		1,773,696	2,645,251

9. TOTAL NET ASSET VALUE (CONT'D)

9.1 UNITHOLDERS' CAPITAL

	2022		2021	
	No. of units	RM	No. of units	RM
As at beginning of the financial year	14,972,249	2,110,034	16,478,905	2,384,485
Creation of units	15,972	2,676	49,968	9,126
Cancellation of units	(4,305,953)	(724,006)	(1,556,624)	(283,577)
As at end of the financial year	10,682,268	1,388,704	14,972,249	2,110,034

9.2 REALISED RESERVE - DISTRIBUTABLE

	2022 RM	2021 RM
Balance as at beginning of the financial year	402,543	28,888
Net (loss)/income for the financial year	(150,225)	101,866
Net unrealised losses on valuation of quoted investments transferred to unrealised reserve	94,571	273,972
Unrealised foreign exchange (gains)/losses transferred to unrealised reserve	(867)	732
Realised foreign exchange losses/(gains) transferred from unrealised reserve during the year	10,625	(2,915)
Net (decrease)/ increase in realised reserve during the financial year	(45,896)	373,655
Balance as at end of the financial year	356,647	402,543

9.3 UNREALISED RESERVE - NON-DISTRIBUTABLE

	2022 RM	2021 RM
Balance as at beginning of the financial year	132,674	404,463
Net unrealised losses on valuation of quoted investments transferred from realised reserve	(94,571)	(273,972)
Unrealised foreign exchange gains/(losses) transferred from realised reserve	867	(732)
Realised foreign exchange (losses)/gains transferred to realised reserve during the year	(10,625)	2,915
Balance as at end of the financial year	28,345	132,674

10. TOTAL EXPENSE RATIO ("TER")

	2022 %	2021 %
TER	2.15	1.99

The total expense ratio includes annual management's fee, annual trustee's fee, auditors' remuneration and other administrative fee and expenses which is calculated as follows:-

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

- A = Management's fee
- B = Trustee's fee
- C = Auditors' remuneration
- D = Tax agent's fee
- E = Administrative expenses
- F = Average NAV of the Fund calculated on daily basis

The average net asset value of the Fund for the financial year is RM2,006,734 (2021 – RM2,828,442).

11. PORTFOLIO TURNOVER RATIO ("PTR")

	2022	2021
PTR (Times)	0.72	0.50

The portfolio turnover ratio is derived from the following calculation:

$$\text{PTR} = \frac{(\text{Total acquisitions for the financial year} + \text{total disposals for the financial year}) \div 2}{\text{Average NAV of the Fund for the financial year calculated on daily basis}}$$

Where,

- Total acquisitions for the financial year = RM 1,108,645 (2021 - RM1, 216,570)
- Total disposals for the financial year = RM 1,777,431 (2021 - RM1, 599,144)

12. OPERATING SEGMENT

Operating segments are prepared in a manner consistent with the internal reporting provided to the Fund Manager as its chief investment decision maker in order to allocate resources to segments and to assess their performance.

As this Fund invests in various geographical locations outside Malaysia in addition to its investments in Malaysia, the Fund Manager requires relevant information to allocate the resources of the Fund more effectively to the locations where the investments may give better returns given the related risks involved.

12. OPERATING SEGMENT (CONT'D)

GEOGRAPHICAL SEGMENT

The following table provides an analysis of the results and assets by geographical segments:

2022	Malaysia RM	Hong Kong RM	Indonesia RM	Others RM	Total RM
INVESTMENT INCOME/(LOSS)					
Segment (loss)/income representing segment results:-					
Gross dividend income	70,998	7,577	4,632	2,216	85,423
Realised gain/(loss) on sale of investments	31,179	(102,091)	-	(10,456)	(81,368)
Unrealised (loss)/gain on valuation of investments	(179,634)	59,503	(12,089)	37,649	(94,571)
Other income	2,310	-	-	-	2,310
	(75,147)	(35,011)	(7,457)	29,409	(88,206)
Unallocated expenditure					(54,658)
Net investment loss					(142,864)
Foreign exchange loss:					
- realised	-	(1,313)	(4,400)	(1,583)	(7,296)
- unrealised	-	157	524	186	867
	-	(1,156)	(3,876)	(1,397)	(6,429)
Net loss before taxation					(149,293)
Income tax expense					(932)
Net loss after taxation					(150,225)
ASSETS					
Investment:-					
Quoted investments/ Segmental assets	1,233,337	198,246	134,221	31,655	1,597,459
Other assets - unallocated					200,294
Total assets					1,797,753
LIABILITIES					
Unallocated liabilities					24,057

12. OPERATING SEGMENT (CONT'D)

GEOGRAPHICAL SEGMENT (CONT'D)

2021

	Malaysia RM	Hong Kong RM	Indonesia RM	Others RM	Total RM
INVESTMENT INCOME/(LOSS)					
Segment income/(loss) representing segment results:-					
Gross dividend income	52,599	9,870	987	-	63,456
Realised gain/(loss) on sale of investments	430,347	(50,231)	1,634	-	381,750
Unrealised (loss)/gain on valuation of investments	(280,634)	(1,055)	7,717	-	(273,972)
Other income	1,782	4	-	-	1,786
	204,094	(41,412)	10,338	-	173,020
Unallocated expenditure					(66,049)
Net investment income					106,971
Foreign exchange loss:					
- realised	-	1,197	(4,914)	(277)	(3,994)
- unrealised	-	(143)	(589)	-	(732)
	-	1,054	(5,503)	(277)	(4,726)
Net income before taxation					102,245
Income tax expense					(379)
Net income after taxation					101,866
ASSETS					
Investment:-					
Quoted investments/ Segmental assets	2,155,424	128,682	151,728	-	2,435,834
Other assets - unallocated					234,866
Total assets					2,670,700
LIABILITIES					
Unallocated liabilities					25,449

13. UNITS HELD BY THE MANAGER AND DIRECTORS OF THE MANAGER

There were no units in the Fund held by the Manager or directors of the Manager as at 31 December 2022 (2021 - NIL).

14. TRANSACTIONS BY THE FUND WITH BROKERS

The transactions entered into by the Fund by value of trade with brokers during the financial year were as follows:-

2022

BROKERS	Value of trade		Brokerage fees	
	RM	%	RM	%
DBS Vickers Securities Singapore Pte Ltd	732,662	25.44	2,129	32.19
Affin Hwang Investment Bank Berhad	712,137	24.73	1,490	22.51
Maybank Investment Bank Berhad	710,340	24.67	1,454	21.97
CIMB Investment Bank Berhad	636,849	22.11	1,368	20.68
Others	87,903	3.05	175	2.65
	2,879,891	100.00	6,616	100.00

2021

BROKERS	Value of trade		Brokerage fees	
	RM	%	RM	%
Maybank Investment Bank Berhad	969,619	34.45	2,072	34.94
Affin Hwang Investment Bank Berhad	949,355	33.73	2,022	34.10
CIMB Investment Bank Berhad	895,327	31.82	1,835	30.96
	2,814,301	100.00	5,929	100.00

15. RELATED PARTY DISCLOSURES

15.1 IDENTITIES OF RELATED PARTIES

The Fund has related party relationships with its Manager, Astute Fund Management Berhad (formerly known as Apex Investment Services Berhad) and its Trustee, Maybank Trustees Berhad.

15. RELATED PARTY DISCLOSURES (CONT'D)

15.2 In addition to the balances detailed elsewhere in the financial statements, the Fund carried out the following transactions with the related parties during the financial year:-

	2022 RM	2021 RM
Astute Fund Management Berhad (formerly known as Apex Investment Services Berhad):		
- management's fee	29,975	42,407
Maybank Trustees Berhad:		
- trustee's fee	999	1,414

16. FOREIGN EXCHANGE RATES

The principal closing foreign exchange rates used (expressed on the basis of one unit of foreign currency to RM equivalent) for the translation of foreign currency balances at the end of the reporting period are as follows:-

	2022 RM	2021 RM
United States Dollar	4.4040	4.1650
Singapore Dollar	3.2827	3.0893
Hong Kong Dollar	0.5643	0.5342
Indonesian Rupiah	0.0003	0.0003
Philippines Peso	0.0790	-

17. FINANCIAL INSTRUMENTS

The Fund's activities are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Fund's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance.

17.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

(a) Foreign Currency Risk

The Fund is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Ringgit Malaysia. The currencies giving rise to this risk are primarily United States Dollar, Hong Kong Dollar and Indonesian Rupiah. Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

17. FINANCIAL INSTRUMENTS (CONT'D)

17.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Foreign Currency Risk (Cont'd)

The Fund's exposure to foreign currencies risk based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

Foreign Currency Exposure

	RINGGIT MALAYSIA RM	HONG KONG DOLLAR RM	SINGAPORE DOLLAR RM	OTHERS RM	UNITED STATES DOLLAR RM	TOTAL RM
2022						
Financial Assets						
Quoted investments	1,233,337	198,246	134,221	31,655	-	1,597,459
Sundry receivables	402	-	-	-	-	402
Cash at bank	114,309	-	-	-	63,493	117,802
	1,348,048	198,246	134,221	31,655	63,493	1,775,663
Financial Liability						
Sundry payables and accruals	21,809	-	-	-	-	21,809
Amount owing to Manager	2,176	-	-	-	-	2,176
Amount owing to Trustee	72	-	-	-	-	72
	24,057	-	-	-	-	24,057
Net financial assets	1,323,991	198,246	134,221	31,655	63,493	1,751,606
Less: Net financial assets denominated in the Fund's functional currency	(1,323,991)	-	-	-	-	(1,323,991)
Net Currency Exposure	-	198,246	134,221	31,655	63,493	427,615

17. FINANCIAL INSTRUMENTS (CONT'D)

17.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Foreign Currency Risk (Cont'd)

The Fund's exposure to foreign currencies risk based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below (Cont'd):-

Foreign Currency Exposure (Cont'd)

	RINGGIT MALAYSIA RM	HONG KONG DOLLAR RM	INDONESIAN RUPIAH RM	UNITED STATES DOLLAR RM	TOTAL RM
2021					
Financial Assets					
Quoted investments	2,155,424	128,682	151,728	-	2,435,834
Sundry receivables	426	-	-	-	426
Cash at bank	155,408	-	-	56,942	212,350
	2,311,258	128,682	151,728	56,942	2,648,610
Financial Liability					
Sundry payables and accruals	21,982	-	-	-	21,982
Amount owing to Manager	3,355	-	-	-	3,355
Amount owing to Trustee	112	-	-	-	112
	25,449	-	-	-	25,449
Net financial assets	2,285,809	128,682	151,728	56,942	2,623,161
Less: Net financial assets denominated in the Fund's functional currency	(2,285,809)	-	-	-	(2,285,809)
Net Currency Exposure	-	128,682	151,728	56,942	337,352

17. FINANCIAL INSTRUMENTS (CONT'D)

17.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Foreign Currency Risk (Cont'd)

Foreign Currency Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:-

	2022	
	Effect On Net Loss After Taxation (Decrease) /Increase RM	Effect On NAV Attributable To Unitholders Increase/ (Decrease) RM
Hong Kong Dollar		
- strengthened by 5%	(9,912)	9,912
- weakened by 5%	9,912	(9,912)
Singapore Dollar		
- strengthened by 5%	(6,711)	6,711
- weakened by 5%	6,711	(6,711)
United States Dollar		
- strengthened by 5%	(3,175)	3,175
- weakened by 5%	3,175	(3,175)
Others		
- strengthened by 5%	(1,583)	1,583
- weakened by 5%	1,583	(1,583)
	<hr/>	<hr/>
	2021	
	Effect On Net Loss After Taxation (Decrease) /Increase RM	Effect On NAV Attributable To Unitholders Increase/ (Decrease) RM
Hong Kong Dollar		
- strengthened by 5%	(6,434)	6,434
- weakened by 5%	6,434	(6,434)
United States Dollar		
- strengthened by 5%	(2,847)	2,847
- weakened by 5%	2,847	(2,847)
Indonesian Rupiah		
- strengthened by 5%	(7,586)	7,586
- weakened by 5%	7,586	(7,586)
	<hr/>	<hr/>

17. FINANCIAL INSTRUMENTS (CONT'D)

17.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Interest Rate Risk

The Fund does not have any interest rate bearing balances at the end of the current reporting period, hence is not exposed to interest rate risk.

(c) Particular Stock Risk

Any major price fluctuations of a particular stock invested by the Fund may adversely or favourably impact the NAV of the Fund. However, due to the diversification nature of the unit trust, the impact would not be as major as investing in one particular stock.

Particular Stock Risk Sensitivity

The Manager's best estimate of the effect on the net income for the financial year and other comprehensive income due to a reasonable possible change in equity indices, with all other variables held constant is indicated in the table below:-

	Change in equity price	Effects on income/ for the financial year increase/ (decrease) RM	Effects on equity increase/ (decrease) RM
FTSE Bursa Malaysia KLCI			
2022	+ 1%	11,553	11,553
	- 1%	(11,553)	(11,553)
		<hr/>	<hr/>
2021	+ 1%	19,706	19,706
	- 1%	(19,706)	(19,706)
		<hr/>	<hr/>

An equivalent decrease in each of the indices shown above would have resulted in an equal, but opposite impact.

In practice, the actual trading results may differ from the sensitivity analysis above and the difference could be material.

Investments in ACE Market, Derivative Instruments, REITs and investment outside Malaysia are individually not significant for sensitivity analysis purposes.

17. FINANCIAL INSTRUMENTS (CONT'D)

17.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Particular Stock Risk (Cont'd)

Particular Stock Risk Concentration

The Fund's concentration of equity price risk analysed by the Fund's equity instruments by sector is as follows:

Investment Sector	2022		2021	
	RM	As a % of NAV	RM	As a % of NAV
Energy	311,171	17.54	290,949	11.00
Financial Services	258,574	14.57	183,516	6.94
Consumer Products & Services	217,046	12.24	254,037	9.60
Plantation	196,839	11.10	-	-
Utilities	158,641	8.94	178,536	6.75
Finance	154,900	8.73	-	-
Technology	133,477	7.53	697,180	26.35
TSR Loans	78,000	4.4	184,800	6.99
Industrial Products & Services	44,720	2.52	266,174	10.06
IT	16,893	0.95	-	-
Communication	14,602	0.82	-	-
Materials	12,596	0.71	96,389	3.64
Property	-	-	151,728	5.74
Construction	-	-	100,232	3.79
Industrials	-	-	31,250	1.18
Real Estate	-	-	1,043	0.04
	1,597,459	90.05	2,435,834	92.08

(d) Liquidity and Cash Flows Risk

Liquidity risk refers to the ease to convert investments into cash without significantly incurring loss in value. Stocks issued by smaller companies will face a greater chance of liquidity risk as compared to stocks issued by larger companies. When investing in stocks of smaller companies, the historical volume traded would be analysed to minimise the liquidity risk.

(e) Fund Manager's Risk

The performance of the Fund is also influenced by the expertise of the Fund Manager. The investment committee will oversee the activities and performance of the Fund Manager. There is also the risk that the Fund Manager does not adhere to the investment mandate of the Fund. The investment committee and the compliance unit hold primary functions to ensure that the Fund's investment strategy and mandate are adhered to. A compliance checklist and investment performance report shall be presented for review during the investment committee meeting.

17. FINANCIAL INSTRUMENTS (CONT'D)

17.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(f) Credit Risk

The Fund's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from sundry receivables.

Credit Risk Concentration Profile

The Fund does not have any major concentration of credit risk related to any individual customer or counterparty.

Maximum Exposure to Credit Risk

As the Fund does not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets as at the end of the reporting period.

Assessment of Impairment Losses

At each reporting date, the Fund assesses whether any of the financial assets at amortised cost, contract assets are credit impaired.

The gross carrying amounts of financial assets are written off when there is no reasonable expectation of recovery (i.e. the debtor does not have assets or sources of income to generate sufficient cash flows to repay the debt) despite the fact that they are still subject to enforcement activities.

Receivables

The Fund applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all receivables. No expected credit loss is recognised as it is negligible.

Cash at Bank

The Fund considers the banks and financial institutions have low credit risk. In addition, some of the bank balances are insured by Government agencies. Therefore, the Fund is of the view that the loss allowance is immaterial and hence, it is not provided for.

17.2 CAPITAL RISK MANAGEMENT

The Manager of the Fund manages the capital of the Fund by maintaining an optimal capital structure so as to support its businesses and maximise unitholders value. To achieve this objective, the Manager of the Fund may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to unitholders or undertake a unit splitting exercise to lower the value per unit of the Fund, thus the units become more affordable to raise more funds.

17. FINANCIAL INSTRUMENTS (CONT'D)

17.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	2022 RM	2021 RM
Financial Assets		
<u>Mandatorily at FVPL</u>		
Quoted investments	1,597,459	2,435,834
<u>Amortised Cost</u>		
Sundry receivables	402	426
Cash at bank	177,802	212,350
	178,204	212,776
Financial Liability		
<u>Amortised Cost</u>		
Sundry payables and Accruals	21,809	21,982
Amount owing to Manager	2,176	3,355
Amount owing to Trustee	72	112
	24,057	25,449

17.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	2022 RM	2021 RM
Financial Assets		
<u>Mandatorily at FVPL</u>		
Net gain recognised in profit or loss	(90,516)	171,234
<u>Amortised Cost</u>		
Net gain recognised in profit or loss	2,310	1,786

17. FINANCIAL INSTRUMENTS (CONT'D)

17.5 FAIR VALUE INFORMATION

Other than those disclosed below, the fair values of the financial assets and financial liabilities of the Fund which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments. The fair values of these assets are included in level 1 of the fair value hierarchy.

	Fair Value of Financial Instruments			Total Fair Value	Carrying Amount
	Carried at Fair Value				
	Level 1	Level 2	Level 3		
2022	RM	RM	RM	RM	RM
<u>Financial Asset</u>					
Quoted investments	1,597,459	-	-	1,597,459	1,597,459
<hr/>					
2021					
<u>Financial Asset</u>					
Quoted investments	2,435,834	-	-	2,435,834	2,435,834

The Fund measures its quoted investments that are classified as financial assets at their fair values, determined at their quoted closing bid prices at the end of the reporting period. These financial assets belong to level 1 of the fair value hierarchy.

There were no transfer between level 1 and level 2 during the financial year.

8. DIRECTORY

<i>Manager</i>	Astute Fund Management Berhad (formerly known as Apex Investment Services Berhad) [199701004894 (420390-M)]	
<i>Registered Office</i>	No.47-1, Jalan SS 18/6, 47500 Subang Jaya, Selangor Darul Ehsan	
<i>Board of Directors</i>	Clement Chew Kuan Hock	Executive and Non-Independent Director
	Wong Fay Lee	Non-Executive and Non-Independent Director
	Asgari bin Mohd Fuad Stephens	Non-Executive and Non-Independent Director
	Y.M. Dato' Tunku Ahmad Zahir bin Tunku Ibrahim	Non-Executive and Independent Director
	Azran bin Osman Rani	Non-Executive and Independent Director
<i>Investment Committee</i>	Y.M. Dato' Tunku Ahmad Zahir bin Tunku Ibrahim	Independent Member
	Clement Chew Kuan Hock	Non-Independent Member (resigned effective on 8 Dec 2022)
	Azran bin Osman Rani	Independent Member
	Asgari bin Mohd Fuad Stephens	Non-Independent (appointed on 26 April 2022)
<i>Secretary</i>	Ng Chin Chin (MAICSA 7042650) No. 47-1, Jalan SS 18/6 47500 Subang Jaya, Selangor Darul Ehsan	
<i>Trustee</i>	Maybank Trustees Berhad [196301000109 (5004-P)] 8 th Floor, Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur	
<i>Auditor and Reporting Accountant</i>	Crowe Malaysia PLT (201906000005 (LLP0018817-LCA) & AF-1018) Level 16, Tower C Megan Avenue II 12, Jalan Yap Kwan Seng 50450 Kuala Lumpur	
<i>Taxation Advisers</i>	Mazars Taxation Services Sdn Bhd (579747-A) Chartered Accountants Wisma Selangor Dredging 7 th Floor, South Block 142A, Jalan Ampang 50450 Kuala Lumpur	

BUSINESS OFFICE
ASTUTE FUND MANAGEMENT BERHAD
(formerly known as APEX INVESTMENT SERVICES BERHAD)

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