
ASTUTE ASIAN (EX JAPAN) FUND (AAEJF)

AUDITED ANNUAL REPORT

For The Financial Year Ended 30 June 2023

ASTUTE ASIAN (EX JAPAN) FUND

CONTENTS	PAGE
1. FUND INFORMATION.....	2
2. FUND PERFORMANCE.....	3
3. MANAGER'S REPORT	4
4. TRUSTEE'S REPORT	9
5. INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF ASTUTE ASIAN (EX JAPAN) FUND	10
6. STATEMENT BY MANAGER	13
6.1 STATEMENT OF AUDITED PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	14
6.2 STATEMENT OF AUDITED FINANCIAL POSITION	15
6.3 STATEMENT OF AUDITED CHANGES IN NET ASSET VALUE	16
6.4 STATEMENT OF AUDITED CASH FLOWS	17
6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS	18
7. CORPORATE DIRECTORY.....	52

1. FUND INFORMATION

FUND NAME	Astute Asian (Ex Japan) Fund (AAEJF)
FUND TYPE	Growth
FUND CATEGORY	Equity
FUND INVESTMENT OBJECTIVE	<p>To achieved a steady income* and some prospects for capital appreciation in the long term by investing primarily in Asian markets excluding Japan.</p> <p><i>*Please note that this Fund does not provide income to Unit holders. Any material change to the investment objective of the Fund would require Unit Holders' approval.</i></p>
DURATION OF FUND	<p>The fund is an open-ended fund.</p> <p>The fund was launched on 12 October 2007.</p>
FUND PERFORMANCE BENCHMARK	<p>❖ MSCI AC ASIA EX JAPAN (100%)</p> <p>(Source: MSCI website at http://www.msci.com.my)</p> <p><i>"The risk profile of the performance benchmark is not the same as the risk profile of the Fund."</i></p>
FUND DISTRIBUTION POLICY	<p>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.</p> <p>Generally, in the absence of written instructions from the Unit holders, income for the Fund will be automatically reinvested into additional Units of the Fund at NAV per Unit on income payment date. Unit holders who wish to realise any income can do so by redeeming Units held in the Fund.</p> <p>For reinvestment into additional units, no sales charges will be imposed.</p>

2. FUND PERFORMANCE

Summary of performance data is as follows:

	30.06.2023	30.06.2022	30.06.2021	
	RM	RM	RM	
Portfolio Composition:				
- Equity securities	96.13	90.47	91.30	
- Liquid assets and others	3.87	9.53	8.70	
Net Assets Value (RM)	2,881,064	3,524,923	4,056,785	
Number of Units in Circulation	14,744,682	15,014,475	13,864,936	
Net Asset Value per Units (RM)	0.1954	0.2348	0.2926	
Highest NAV Price for the period under review (RM)	0.2331	0.2920	0.3179	
Lowest NAV Price for the period under review (RM)	0.1927	0.2302	0.2537	
Total Return for the period under review (RM)				
- Capital growth	(312,190)	(706,549)	266,638	
- Income distribution	Nil	Nil	Nil	
Gross Distribution Per Unit (RM)	Nil	Nil	Nil	
Net Distribution Per Unit (RM)	Nil	Nil	Nil	
Total Expenses Ratio (TER) (%)	1.96*	2.46	1.86	
<i>*the TER for the financial year was lower compared with previous financial year as there were lower non-variable expenses during the financial year under review.</i>				
Portfolio Turnover Ratio (PTR) (times)	1.15*	1.21	0.62	
<i>*the PTR for the financial year was lower compared with previous financial year as there were lower investment activities during the financial year under review.</i>				
	Total Return		Average Total Return	
	AAEJF	Index	AAEJF	Index
1 Year	-16.78	2.26	-16.78	2.26
3 Year	-28.29	5.83	-9.43	1.94
5 Year	-31.63	8.55	-6.32	1.71
Since Inception 28 November 2007	-11.00	73.20	-0.71	4.69
Annual total return for each of the last five financial year ended				
	AAEJF		Index	
30.06.2023	-16.78		2.26	
30.06.2022	-19.75		-22.07	
30.06.2021	7.38		32.80	
30.06.2020	-9.41		2.95	
30.06.2019	5.25		-0.37	

Source: Bloomberg

*Notes:

1. Total returns as at 30.06. 2023. 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

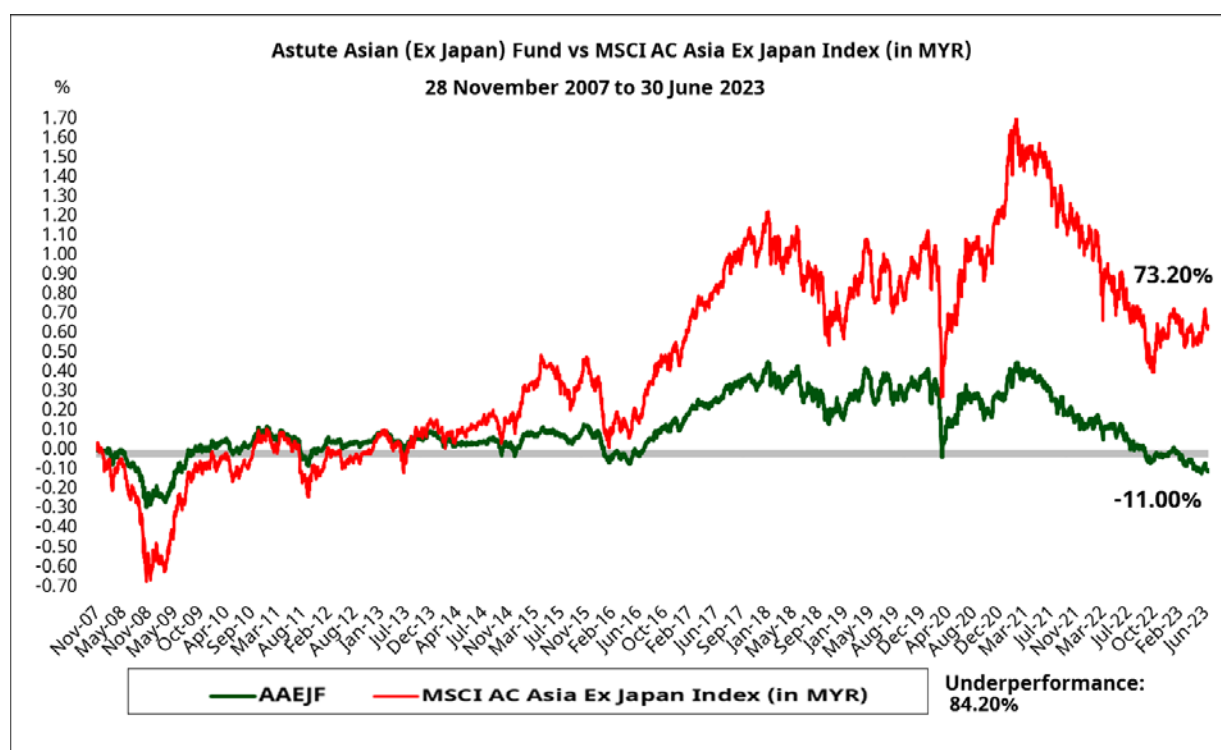
FUND'S OBJECTIVE ACHIVEMENTS

The Fund has not achieved its stated objective of capital appreciation over the longer-term via investing in Asia ex-Japan equity markets. For the year ended 30th June 2023, the Fund has achieved a total return of -11.00% since its inception on 28th November 2007. The benchmark return since inception was 73.20%.

PERFORMANCE ANALYSIS

For the full financial year ended 30th June 2023, the Fund achieved a return of -16.78% against the benchmark return of 2.26%, resulting in an underperformance against the benchmark of -19.04%. The total NAV of the Fund decreased to RM 2,881,064 as at 30th June 2023 from RM 3,524,923 as at 30th June 2022. The decrease in NAV was mainly due to the decrease in the units in circulation.

PERFORMANCE OF ASTUTE ASIAN (EX JAPAN) FUND VS BENCHMARK INDEX SINCE 28 NOVEMBER 2007 TO 30 JUNE 2023 AAEJF HAS UNDERPERFORMED THE BENCHMARK INDEX BY 84.20%

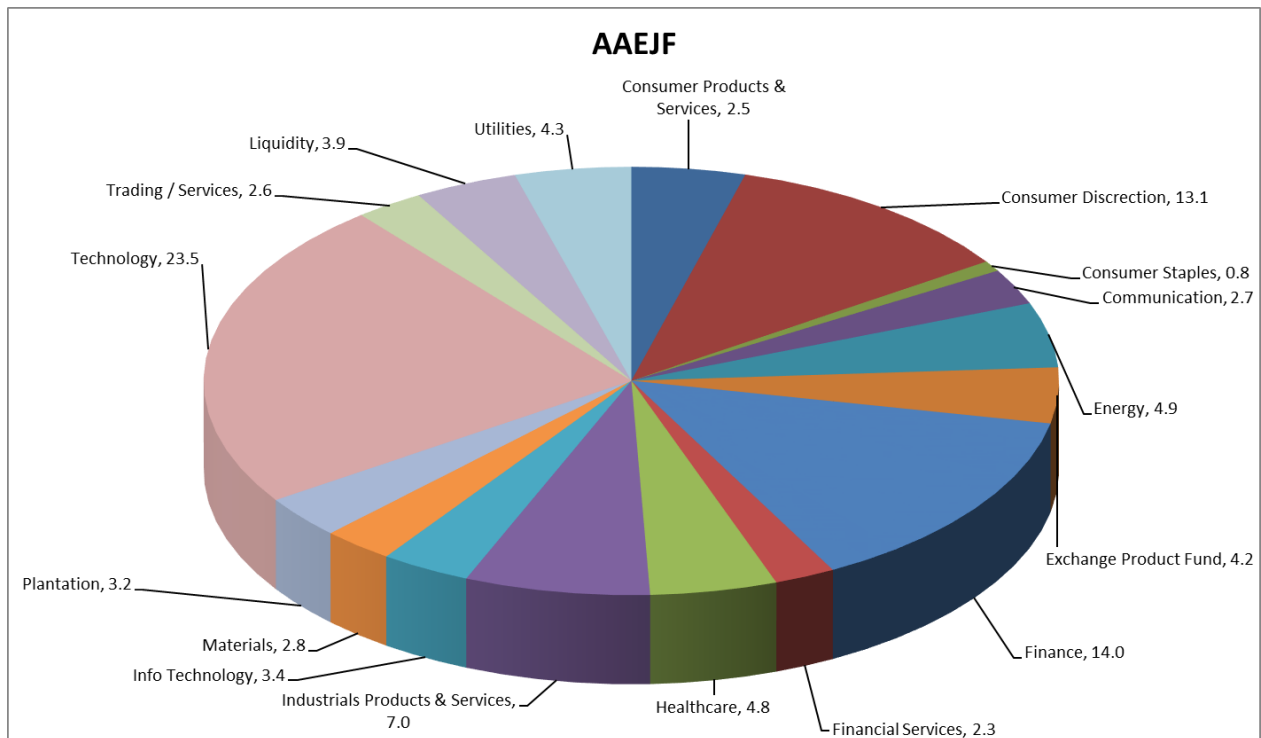


Source: Bloomberg

STRATEGIES EMPLOYED

The Fund adopts a top-down and bottom-up approach for its investment strategy, recognising that these are not mutually exclusive processes. The investment policy is to invest in companies that are seen to be undervalued as compared to its fair value in the expectation that their share prices will rise at some point to more accurately reflect their true worth. These companies are also likely to have a potential for earnings growth.

ASSET ALLOCATION



ASSET ALLOCATION BY SECTOR AS AT 30 JUNE 2023

QUOTED SECURITIES	30 JUNE 2023	30 JUNE 2022
Consumer Staples	0.8	-
Construction	-	1.4
Consumer Cyclical	-	2.5
Consumer Discretion	13.1	3.4
Consumer Products & Services	2.5	5.3
Communication	2.7	-
Energy	4.9	2.6
Exchange Product Fund	4.2	-
Finance	14.0	28.6
Financial Services	2.3	-
Healthcare	4.8	5.9
Industrial Products & Services	7.0	8.7
Info Technology	3.4	-
Materials	2.8	7.6
Plantation	3.2	3.0
Property	-	2.5
Technology	23.5	16.0
Trading/Services	2.6	-
Liquidity	3.9	9.5
Utilities	4.3	3.0

MARKET REVIEW

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 4.100% in December. As rates rose, the US 10-year Treasury yields rose from 2.959% at the end of June to peak at 4.219% in mid-October. Between July to December, Malaysia raised the Overnight Policy Rate from 2.000% to 2.750% 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 and 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 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.

In the early months of 2023, equity markets rose, following through on the buoyancies seen in the fourth quarter of 2022. However, major equity benchmarks fell from February to June 2023.

Global markets continued to contend with rising inflation and interest rates and strong currencies of developed economies, particularly the US, UK, Europe, and Australia as their rate hikes outpaced Asia. The abovementioned developed economies raised rates by 75-150 bps over the last six months, whereas China cut rates by 10 bps and Malaysia raised it by only 25 bps.

The disparities in rates led to weaknesses in Asian currencies and the Malaysian Ringgit (MYR) against the majors. Against the US Dollar, a Bloomberg barometer of Asian currencies fell 2%, the MYR fell 5.5% and China, Malaysia’s major trading partner, saw its currency fall 4.5% over the same period.

Commodity prices fell, as fears of recession rose after central banks persisted in raising rates to fight inflation. In the last six months, Malaysia crude palm oil and crude oil spot prices fell by 18% and 16% respectively to their lowest points in June 2023. These weighed on Malaysian and commodity-producers in ASEAN.

Geopolitics also weighed on local and regional markets. Military tensions between China and Taiwan and bans in exports of technologically-sensitive materials and components between China and US added to regional volatility. Amidst the tensions, the lack of policy stimulus in China failed to ignite global and regional demand for products and materials from the rest of Asia.

Corporate earnings for first quarter 2023 disappointed, leading to cuts in earnings outlook. From January to June 2023, Bloomberg consensus earnings forecast for full year 2023 for Asia have been revised downwards by 8.8% whereas Malaysia's earnings for this year have been cut by 7.4%.

MARKET OUTLOOK

We believe the equity market's decline has priced-in the risk of economic recession. As such, equities are now attractively-valued. Bloomberg consensus estimates the global and Malaysian economies will avert recessions, as evidenced by the upgrades in 2023 GDP growth forecasts for the world, from 2.1% to 2.6%, and for Malaysia, from 4.0% to 4.2% over the last six months.

Global and local interest rates are also on track to peak later in 2023, as evidenced by falling inflation. After US inflation dipped to 3% in June 2023, the US Federal Reserve paused its rate hike cycle, the first time in 15 months. The US interest rate futures market are now indicating cuts in interest rates in late 2024 and going into 2025. We expect Malaysia to follow the global rate cut cycle if it materialises.

Given that developed economies had raised rates by a wider margin against Asian economies, we expect the former's rate cuts to be more pronounced. We expect this will eventually lead to appreciating Asian currencies, which will bring foreign fund flows into the region and Malaysia.

Falling bond yields that accompany lower interest rates outlook is positive for the technology sector. This sector is also at an inflexion point as the global semiconductor downcycle is nearing its end and the outlook is promising given the increasing demand for products linked to artificial intelligence, electric vehicles, and new smartphone models.

We also expect domestic and policy-driven catalysts to drive markets higher. China's commitment to resuscitate its economy through private sector participation in infrastructure, ease property-related restrictions, and support e-commerce platforms' growth is expected to spur consumption and direct investments. This will draw demand for commodities and exports to China, benefiting the region and the rest of the world. Similarly, Malaysia's potential re-initiation of megaprojects may also catalyse the construction and building materials industry, benefiting contractors and suppliers.

SECURITIES FINANCING TRANSACTIONS

The Fund has not undertaken any securities lending or repurchase transactions during the financial year under review.

DETAILS OF ANY UNIT SPLIT EXERCISE

The Fund did not carry out any unit split exercise during the financial year ended 30 June 2023.

CROSS TRADE

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

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 ASIAN (EX JAPAN) FUND ("Fund")



Maybank Trustees Berhad (5004-P)
8th Floor, Menara Maybank,
100 Jalan Tun Perak,
50050 Kuala Lumpur, Malaysia
Telephone +603 2070 8833 / 2078 8363
Facsimile +603 2070 9387
www.maybank2u.com.my

TRUSTEE'S REPORT

To the unit holders of ASTUTE ASIAN (EX JAPAN) FUND ("Fund")

We have acted as Trustee of the Fund for the financial year ended 30 June 2023 and 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 financial year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the 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)]

A handwritten signature in black ink, appearing to read "Juanita Suhaimi".

JUANITA SUHAIMI
Unit Head, Unit Trust Operations
Date: 28 August 2023

5. INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF ASTUTE ASIAN (EX JAPAN) FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **Astute Asian (Ex Japan) Fund** ("the Fund"), which comprise the statement of financial position as at 30 June 2023, 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 51.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2023 and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

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 AUDITOR'S REPORT TO THE UNITHOLDERS OF ASTUTE ASIAN (EX JAPAN) 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 scepticism 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 AUDITOR'S REPORT TO THE UNITHOLDERS OF ASTUTE ASIAN (EX JAPAN) FUND (CONT'D)

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

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

28 August 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**, do hereby state that, in the opinion of the Manager, the accompanying financial statements of **Astute Asian (Ex Japan) 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 Asian (Ex Japan) Fund** as at 30 June 2023 and its financial performance, changes in net asset value and cash flows for the financial year then ended.

For and on behalf of the Manager,

ASTUTE FUND MANAGEMENT BERHAD



CLEMENT CHEW KUAN HOCK

Director



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

Director

Kuala Lumpur, Malaysia

Date: **28 AUG 2023**

6.1 STATEMENT OF AUDITED PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Financial Year Ended 30 June 2023

	Note	2023 RM	2022 RM
INVESTMENT INCOME			
Gross dividend income		129,566	106,144
Realised losses on sale of investments		(333,590)	(35,370)
Unrealised losses on financial assets at fair value through profit and loss ("FVPL")		(312,190)	(706,549)
Other income		1,294	1,985
		<u>(514,920)</u>	<u>(633,790)</u>
LESS: EXPENSES			
Management fee	4	47,510	54,905
Trustee's fee	5	1,584	1,830
Auditors' remuneration		6,500	7,500
Tax agent's fee		3,000	2,500
Administrative expenses		3,542	23,266
Transaction costs		26,793	36,057
		<u>88,929</u>	<u>126,058</u>
NET INVESTMENT EXPENSES		<u>(603,849)</u>	<u>(759,848)</u>
FOREIGN EXCHANGE GAINS/(LOSSES):			
- REALISED		24,779	(53,613)
- UNREALISED		8,267	(8,443)
		<u>(570,803)</u>	<u>(821,904)</u>
NET LOSS BEFORE TAXATION		<u>(570,803)</u>	<u>(821,904)</u>
INCOME TAX EXPENSE	6	<u>(17,511)</u>	<u>(8,157)</u>
NET LOSS AFTER TAXATION FOR THE FINANCIAL YEAR		<u>(588,314)</u>	<u>(830,061)</u>
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE EXPENSES FOR THE FINANCIAL YEAR		<u>(588,314)</u>	<u>(830,061)</u>
Total comprehensive expenses for the financial year is made up as follows:			
- realised		(284,391)	(115,069)
- unrealised		(303,923)	(714,992)
		<u>(588,314)</u>	<u>(830,061)</u>

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

6.2 STATEMENT OF AUDITED FINANCIAL POSITION

At 30 June 2023

	Note	2023 RM	2022 RM
ASSETS			
INVESTMENT			
Quoted investments	7	2,769,474	3,188,897
OTHER ASSETS			
Sundry receivables		22,666	10,760
Cash at bank		143,213	342,257
		165,879	353,017
TOTAL ASSETS		2,935,353	3,541,914
NET ASSET VALUE (“NAV”) AND LIABILITIES			
NAV			
Unitholders’ capital		3,272,100	3,327,645
(Accumulated losses)/Retained earnings		(391,036)	197,278
TOTAL NAV	8	2,881,064	3,524,923
LIABILITIES			
Sundry payables and accruals	9	50,507	12,423
Amount owing to Manager		3,660	4,420
Amount owing to Trustee		122	148
TOTAL LIABILITIES		54,289	16,991
TOTAL NAV AND LIABILITIES		2,935,353	3,541,914
NUMBER OF UNITS IN CIRCULATION	8.1	14,744,682	15,014,475
NAV PER UNIT (“RM”)		0.1954	0.2348

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 30 June 2023

	Note	Unitholders' capital RM	Retained earnings/ (Accumulated losses) RM	Total NAV RM
At 1 July 2021		3,029,446	1,027,339	4,056,785
Net loss after taxation/Total comprehensive expenses for the financial year		-	(830,061)	(830,061)
Contribution by and distribution to the unitholders of the Fund:				
- creation of units	8.1	385,888	-	385,888
- cancellation of units	8.1	(87,689)	-	(87,689)
Total transactions with unitholders of the Fund		298,199	-	298,199
At 30 June 2022/1 July 2022		3,327,645	197,278	3,524,923
Net loss after taxation/Total comprehensive expenses for the financial year		-	(588,314)	(588,314)
Contribution by and distribution to the unitholders of the Fund:				
- creation of units	8.1	60,815	-	60,815
- cancellation of units	8.1	(116,316)	-	(116,316)
- reclass of prior year realised foreign exchange losses from unitholders' capital to accumulated losses	8.1	(44)	-	(44)
Total transactions with unitholders of the Fund		(55,545)	-	(55,545)
Balance at 30 June 2023		3,272,100	(391,036)	2,881,064

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

6.4 STATEMENT OF AUDITED CASH FLOWS
For the Financial Year Ended 30 June 2023

	2023	2022
	RM	RM
CASH FLOWS FOR OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of investments	3,564,856	4,284,865
Purchase of investments	(3,716,958)	(4,555,715)
Dividend income received	109,191	145,137
Management fee paid	(48,270)	(55,621)
Trustee's fee paid	(1,610)	(1,853)
Tax paid	(7,092)	-
Payment for other fees and expenses	(41,447)	(66,095)
Realised foreign exchange losses	(49,530)	(9,866)
Other income received	1,294	1,985
	<hr/>	<hr/>
NET CASH FOR OPERATING AND INVESTING ACTIVITIES	(189,566)	(257,163)
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES		
Proceeds from units created	60,815	385,888
Payment for cancelled units	(78,570)	(87,689)
	<hr/>	<hr/>
NET CASH (FOR)/FROM FINANCING ACTIVITIES	(17,755)	298,199
NET (DECREASE)/INCREASE IN CASH AT BANK	(207,321)	41,036
NET EFFECT ON FOREIGN CURRENCY EXCHANGE	8,277	(8,506)
CASH AT BANK AT BEGINNING OF THE FINANCIAL YEAR	342,257	309,727
	<hr/>	<hr/>
CASH AT BANK AT END OF THE FINANCIAL YEAR	143,213	342,257
	<hr/>	<hr/>

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

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 30 June 2023

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Astute Asian (Ex Japan) Fund (“the Fund”) was constituted pursuant to the execution of a Deed dated 12 October 2007 (“the Deed”) and the First Supplemental Deed dated 30 March 2013 between the Manager, Astute Fund Management Berhad, the Trustee, Maybank Trustees Berhad and the registered unitholders of the Fund. The Second supplemental deed dated 20 August 2013 (hereinafter referred to as the “Second Supplemental Deed” entered into between the Manager and AmTrustee Berhad. The Third Supplemental deed dated 3 August 2015 entered into between the Manager and the Previous Trustee, the Principal Deed was further modified to include a provision relating to goods and services tax. The Fourth Supplemental Deed dated 15 April 2016 between the Manager, Astute Fund Management Berhad and the Trustee, Maybank Trustees Berhad modified the appointment date for the change of the trustee from MTrustee Berhad to Maybank Trustees Berhad. The Fifth Supplemental Deed dated 22 April 2022 was executed for change of the Manager name and the Fund name. By a Sixth supplemental deed dated 11 January 2023 between the Manager and the Trustee, the Principal Deed was further modified to provide for the participation of Unit Holders in a Unit Holders’ meeting by any electronic communication facilities or technologies available and the amendments essentially entailed on the amendments to the provisions of the Principal Deed to be in line with the Guidelines on Uni Trust Funds revised on 28 November 2022.

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 28 November 2007 (commencement date) and will continue its operations until terminated by the Trustee or the Manager as provided under Clauses 12.1, 12.2, 12.3 and 12.4 of the Deeds.

The investment objective of the Fund is to achieve a steady income and some prospects for capital appreciation in the long term by investing primarily in Asian markets excluding Japan.

The Manager, Astute Fund Management Berhad, is a company incorporated in Malaysia. The principal activity of the Manager is the management of unit trust and wholesale funds.

The financial statements were approved by the Board of Directors of the Manager on 28 August 2023.

2. 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”).

2.1 During the current financial year, the Fund has adopted the following new accounting standards (including the consequential amendments, if any):-

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

Amendments to MFRS 3: Reference to the Conceptual Framework

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

2. BASIS OF PREPARATION (CONT'D)

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

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

- 2.2 The Fund has not applied in advance the following accounting standards and 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
Amendment to MFRS 17: Initial Application of MFRS 17 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 107 and MFRS 7: Supplier Finance Arrangements	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
Amendments to MFRS 112: International Tax Reform – Pillar Two Model Rules	1 January 2023

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

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the process of applying the Fund's accounting policies, the management is not aware of any judgements that have significant effects on the amounts recognised in the financial statements.

There are also no assumptions concerning the future and other key sources of estimation of uncertainties at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.2 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.

3.3 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. Interest, 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 costs 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 FINANCIAL INSTRUMENTS (CONT'D)

(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.

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 (FVPL)

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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets (Cont'd)

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.

(b) Financial Liabilities

(i) Financial Liabilities at FVPL

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).

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 FINANCIAL INSTRUMENTS (CONT'D)

(c) Equity Instruments

Equity instruments classified as equity are measured 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 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.

(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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 FINANCIAL INSTRUMENTS (CONT'D)

(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.

3.4 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.

3.5 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.

3.6 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.6 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.

3.7 INCOME TAXES

Current tax assets and liabilities are 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 changes in NAV).

3.8 OPERATING SEGMENTS

An operating segment is a component of the Fund that engages in business activities from which it may earn income and incur expenses, including income 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.9 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.

The fair value for measurement and disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions (MFRS 2), leasing transactions (MFRS 16) and measurement that have some similarities to fair value but not are fair value, such as net realisable value (MFRS 102) or value in use (MFRS 136).

3.10 INCOME RECOGNITION

(a) Dividend Income

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

(b) Realised Gains or Losses on Sale of Investments

Realised gain or loss on the sale of an investment is recognised 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 profit rates applicable.

4. MANAGEMENT FEE

Clause 13.1 of the Deeds 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 maximum rate of 1.85% (2022 - 1.85%) per annum. The management fee recognised in the financial statements is computed based on 1.50% (2022 - 1.50%) per annum.

5. 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% (2022 - 0.05%) per annum of the net asset value attributable to unit holders of the Fund.

6. INCOME TAX EXPENSE

	2023	2022
	RM	RM
Current tax expense	<u>17,511</u>	<u>8,157</u>

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

	2023	2022
	RM	RM
Net loss before taxation	<u>(570,803)</u>	<u>(821,904)</u>
Tax at the statutory tax rate of 24% (2022 - 24%)	(136,993)	(197,257)
Tax effects of:-		
Non-taxable income	(13,895)	(17,794)
Non-deductible expenses	21,343	30,254
Net non-deductible losses on investments	147,056	192,954
	<u>17,511</u>	<u>8,157</u>

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2022 - 24%) of the estimated assessable profit for the financial year.

7. QUOTED INVESTMENTS

		2023	2022
	Note	RM	RM
Equity investments, at fair value:			
- in Malaysia	7.1	581,775	1,043,464
- outside Malaysia	7.2	2,187,699	2,145,433
		<u>2,769,474</u>	<u>3,188,897</u>

7. QUOTED INVESTMENTS (CONT'D)

At 30 June 2023	Number of shares	At cost RM	At fair value RM	Percentage of NAV of the Fund %
7.1 EQUITY INVESTMENTS IN MALAYSIA				
<u>BURSA MALAYSIA SECURITIES</u>				
<u>MAIN MARKET</u>				
<u>CONSUMER PRODUCT & SERVICES</u>				
Tomei Consolidated Berhad	69,600	85,507	72,384	2.51
<u>ENERGY</u>				
Hibiscus Petroleum Berhad	90,000	108,305	77,850	2.70
<u>FINANCIAL SERVICES</u>				
RHB Bank Berhad	12,355	74,975	67,088	2.33
<u>INDUSTRIAL PRODUCTS AND SERVICES</u>				
Petronas Chemicals Group Berhad	11,200	109,114	67,200	2.33
Press Metal Aluminium Holdings Berhad	17,700	108,088	83,190	2.89
		217,202	150,390	5.22
<u>PLANTATION</u>				
Innoprise Plantations Berhad	74,500	134,207	91,635	3.18
<u>TECHNOLOGY</u>				
MI Technovation Berhad	19,500	29,351	26,910	0.93
<u>UTILITIES</u>				
Taliworks Corporation Berhad	117,200	106,912	95,518	3.32
TOTAL INVESTMENTS IN MALAYSIA		756,459	581,775	20.19

7. QUOTED INVESTMENTS (CONT'D)

At 30 June 2023 (Cont'd)	Number of shares	At cost RM	At fair value RM	Percentage of NAV of the Fund %
7.2 EQUITY INVESTMENTS OUTSIDE MALAYSIA				
IN HONG KONG				
<u>COMMUNICATION</u>				
China Mobile Ltd.	2,000	65,863	76,271	2.65
<u>CONSUMER DISCRETION</u>				
Alibaba Group Holding Ltd.	3,000	189,234	145,040	5.03
JNBY Design Ltd.	15,000	89,271	75,824	2.63
Samsonite International S.A.	5,400	64,347	71,055	2.47
Trip.com Group Ltd.	200	33,398	32,461	1.13
		376,250	324,380	11.26
<u>FINANCE</u>				
AIA Group Ltd.	2,000	88,517	94,192	3.27
China Merchants Bank Co., Ltd.	2,000	53,105	42,393	1.47
CSOP Hang Seng TECH Index Daily 2X Leveraged Product	16,400	64,760	45,269	1.57
Manulife Financial Corporation	800	70,197	69,590	2.41
Postal Savings Bank of China Co., Ltd.	10,000	31,050	28,698	1.00
		307,629	280,142	9.72
<u>INDUSTRIALS</u>				
Hainan Meilan International Airport Co., Ltd.	9,000	104,930	52,032	1.81
<u>INFORMATION TECHNOLOGY</u>				
BOE Varitronix Ltd.	6,000	60,213	40,297	1.40
<u>MATERIALS</u>				
Tianqi Lithium Corporation	1,600	75,393	51,967	1.80
Zijin Mining Group Co., Ltd.	4,000	27,218	27,388	0.95
		102,611	79,355	2.75
<u>TECHNOLOGY</u>				
PAX Global Technology Ltd.	25,000	86,983	88,417	3.07
Tencent Holdings Ltd.	600	124,318	118,461	4.11
TravelSky Technology Ltd.	8,000	58,532	63,350	2.20
Yeahka Ltd.	2,000	26,512	20,839	0.72
		296,345	291,067	10.10

7. QUOTED INVESTMENTS (CONT'D)

At 30 June 2023 (Cont'd)	Number of shares	At cost RM	At fair value RM	Percentage of NAV of the Fund %
7.2 EQUITY INVESTMENTS OUTSIDE MALAYSIA (Cont'd)				
IN HONG KONG (Cont'd)				
<u>TRADING/SERVICES</u>				
CNOOC Ltd.	11,000	66,897	73,353	2.55
TOTAL INVESTMENTS IN HONG KONG		1,380,738	1,216,897	42.24
IN INDONESIA				
<u>ENERGY</u>				
PT Bukit Asam Tbk	23,800	31,725	19,754	0.69
<u>HEALTHCARE</u>				
PT Industri Jamu Dan Farmasi Sido Muncul Tbk	617,000	180,913	139,492	4.84
TOTAL INVESTMENTS IN INDONESIA		212,638	159,246	5.53
IN SINGAPORE				
<u>CONSUMER DISCRETION</u>				
Genting International Plc	16,600	60,435	53,801	1.87
<u>INFORMATION TECHNOLOGY</u>				
Aztech Global Ltd.	22,800	65,922	56,601	1.97
<u>UTILITIES</u>				
Sembcorp Industries Ltd.	1,500	28,047	29,738	1.03
TOTAL INVESTMENTS IN SINGAPORE		154,404	140,140	4.87

7. QUOTED INVESTMENTS (CONT'D)

At 30 June 2023 (Cont'd)	Number of shares	At cost RM	At fair value RM	Percentage of NAV of the Fund %
7.2 EQUITY INVESTMENTS OUTSIDE MALAYSIA (Cont'd)				
IN TAIWAN				
<u>TECHNOLOGY</u>				
Hon Hai Precision Industry Co., Ltd	5,000	72,365	84,637	2.93
Mediatek Inc	1,000	105,706	103,062	3.58
Taiwan Semiconductor Manufacturing Co., Ltd.	2,000	147,848	172,570	5.99
TOTAL INVESTMENTS IN TAIWAN		325,919	360,269	12.50
IN THAILAND				
<u>CONSUMER STAPLES</u>				
Thai Union Group	13,400	30,243	22,823	0.79
<u>ENERGY</u>				
Banpu PCL - NVDR	37,600	65,989	43,935	1.53
TOTAL INVESTMENTS IN THAILAND		96,232	66,758	2.32
IN UNITED STATES				
<u>EXCHANGE TRADED FUND</u>				
Proshares Ultra FTSE China 50	1,399	140,363	120,717	4.19
<u>FINANCE</u>				
Direxion Daily CSI 300 China A Share Bull 2X Shares	1,500	165,744	123,672	4.29
TOTAL INVESTMENTS IN UNITED STATES		306,107	244,389	8.48
TOTAL QUOTED EQUITY INVESTMENTS OUTSIDE MALAYSIA		2,476,038	2,187,699	75.94
TOTAL QUOTED INVESTMENTS		3,232,497	2,769,474	96.13

7. QUOTED INVESTMENTS (CONT'D)

At 30 June 2022 (Cont'd)	Number of shares	At cost RM	At fair value RM	Percentage of NAV of the Fund %
7.1 EQUITY INVESTMENTS IN MALAYSIA				
<u>BURSA MALAYSIA SECURITIES</u>				
<u>MAIN MARKET</u>				
<u>CONSUMER PRODUCT & SERVICES</u>				
Genting Malaysia Berhad	37,500	108,750	106,500	3.02
<u>ENERGY</u>				
Hibiscus Petroleum Berhad	90,000	108,305	90,000	2.55
<u>FINANCIAL SERVICES</u>				
Hong Leong Bank Berhad	3,600	73,116	73,656	2.09
RHB Bank Berhad	12,232	74,363	70,089	1.99
		147,479	143,745	4.08
<u>HEALTH CARE</u>				
Optimax Holdings Berhad	236,400	147,474	132,384	3.76
<u>INDUSTRIAL PRODUCTS AND SERVICES</u>				
Petronas Chemicals Group Berhad	11,200	109,114	100,800	2.86
Press Metal Aluminium Holdings Berhad	17,700	108,088	84,252	2.39
SKP Resources Bhd	77,500	111,283	121,675	3.45
		328,485	306,727	8.70
<u>PLANTATION</u>				
Innoprise Plantations Berhad	74,500	134,207	105,790	3.00
<u>TECHNOLOGY</u>				
Dagang Nexchange Berhad	65,400	70,632	51,666	1.47
<u>UTILITIES</u>				
Taliworks Corporation Berhad	117,200	106,912	106,652	3.03
TOTAL INVESTMENTS IN MALAYSIA		1,152,244	1,043,464	29.61

7. QUOTED INVESTMENTS (CONT'D)

At 30 June 2022 (Cont'd)	Number of shares	At cost RM	At fair value RM	Percentage of NAV of the Fund %
7.2 EQUITY INVESTMENTS OUTSIDE MALAYSIA				
IN HONG KONG				
<u>CONSUMER CYCLICAL</u>				
Anta Sports Products Ltd.	1,600	77,162	86,660	2.46
<u>CONSUMER DISCRETION</u>				
Alibaba Group Holding Ltd	1,900	109,868	119,455	3.39
<u>FINANCE</u>				
AIA Group Ltd	3,200	141,627	152,913	4.34
China Merchants Bank Co., Ltd.	3,000	99,998	88,491	2.51
CSOP Hang Seng TECH Index Daily 2X Leveraged Product	75,000	73,476	80,906	2.30
Dah Sing Banking Group Ltd.	18,400	75,199	65,647	1.86
Manulife Financial Corporation	800	70,197	60,905	1.73
Postal Savings Bank of China Co., Ltd.	10,000	34,601	35,003	0.99
		495,098	483,865	13.73
<u>MATERIALS</u>				
China National Building Material Co. Ltd.	26,000	141,918	122,416	3.47
Zijin Mining Group Co., Ltd.	27,000	156,961	145,783	4.14
		298,879	268,199	7.61
<u>TECHNOLOGY</u>				
PAX Global Technology Ltd	30,000	99,525	102,987	2.92
TravelSky Technology Ltd	23,000	168,278	196,940	5.59
Yeahka Ltd	6,400	75,624	79,828	2.26
		343,427	379,755	10.77
TOTAL INVESTMENTS IN HONG KONG		1,324,434	1,337,934	37.96

7. QUOTED INVESTMENTS (CONT'D)

At 30 June 2022 (Cont'd)	Number of shares	At cost RM	At fair value RM	Percentage of NAV of the Fund %
7.2 EQUITY INVESTMENTS OUTSIDE MALAYSIA (Cont'd)				
IN INDONESIA				
<u>CONSTRUCTION</u>				
Aneka Tambang Tbk.	93,300	70,889	50,382	1.43
<u>CONSUMER PRODUCT</u>				
Vale Indonesia Tbk	48,000	107,634	81,360	2.31
<u>FINANCE</u>				
PT Bank Mandiri (Persero) Tbk.	65,000	126,030	154,538	4.38
<u>HEALTHCARE</u>				
PT Industri Jamu Dan Farmasi Sido Muncul Tbk.	252,000	73,445	75,600	2.14
<u>PROPERTY</u>				
PT Ciputra Development Tbk.	340,000	118,374	87,720	2.49
TOTAL INVESTMENTS IN INDONESIA		496,372	449,600	12.75
IN SINGAPORE				
<u>FINANCE</u>				
DBS Group Holdings Ltd	1,200	127,752	112,826	3.20
<u>TECHNOLOGY</u>				
AEM Holdings Ltd	10,100	148,749	132,460	3.76
TOTAL INVESTMENTS IN SINGAPORE		276,501	245,286	6.96

7. QUOTED INVESTMENTS (CONT'D)

At 30 June 2022 (Cont'd)	Number of shares	At cost RM	At fair value RM	Percentage of NAV of the Fund %
7.2 EQUITY INVESTMENTS OUTSIDE MALAYSIA (Cont'd)				
IN THAILAND				
<u>FINANCE</u>				
Kasikornbank Public Company Limited	6,000	90,177	112,613	3.19
TOTAL INVESTMENTS IN THAILAND		90,177	112,613	3.19
TOTAL QUOTED EQUITY INVESTMENTS OUTSIDE MALAYSIA		2,187,484	2,145,433	60.86
TOTAL QUOTED INVESTMENTS		3,339,728	3,188,897	90.47

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.

8. TOTAL NET ASSET VALUE

	Note	2023 RM	2022 RM
Unitholders' capital	8.1	3,272,100	3,327,645
(Accumulated losses)/retained earnings:			
- realised reserve	8.2	72,014	52,449
- unrealised reserve	8.3	(463,050)	144,829
		(391,036)	197,278
		<u>2,881,064</u>	<u>3,524,923</u>

8.1 UNITHOLDERS' CAPITAL

	2023		2022	
	Number of units	RM	Number of units	RM
As at beginning of the financial year	15,014,475	3,327,645	13,864,936	3,029,446
Creation of units	281,796	60,815	1,499,912	385,888
Cancellation of units	(551,589)	(116,316)	(350,373)	(87,689)
Reclass of prior year realised foreign exchange losses to realised reserve	-	(44)	-	-
As at end of the financial year	<u>14,744,682</u>	<u>3,272,100</u>	<u>15,014,475</u>	<u>3,327,645</u>

8.2 REALISED RESERVE - DISTRIBUTABLE

	2023 RM	2022 RM
Balance as at beginning of the financial year	52,449	214,763
Net loss for the financial year	(588,314)	(830,061)
Net unrealised losses on valuation of quoted investments transferred to unrealised reserve	312,190	706,549
Unrealised foreign exchange gains/(losses) transferred to unrealised reserve	(8,267)	8,443
Realised foreign exchange gains/(losses) transferred from unrealised reserve during the year	303,956	(47,245)
Net increase/(decrease) in realised reserve for the financial year	<u>19,565</u>	<u>(162,314)</u>
Balance as at end of the financial year	<u>72,014</u>	<u>52,449</u>

8. TOTAL NET ASSET VALUE (CONT'D)

8.3 UNREALISED RESERVE - NON-DISTRIBUTABLE

	2023 RM	2022 RM
Balance as at beginning of the financial year	144,829	812,576
Net unrealised losses on valuation of quoted investments transferred from realised reserve	(312,190)	(706,549)
Unrealised foreign exchange gains/(losses) transferred from realised reserve	8,267	(8,443)
Realised foreign exchange gains/(losses) transferred to realised reserve during the year	(303,956)	47,245
Balance as at end of the financial year	<u>(463,050)</u>	<u>144,829</u>

9. SUNDRY PAYABLES AND ACCRUALS

	2023 RM	2022 RM
Redemption money payable	37,746	-
Accrued expenses	12,761	12,423
	<u>50,507</u>	<u>12,423</u>

Redemption money payable represents amount payable to unitholders at the end of the reporting period for the cancellation of units.

10. TOTAL EXPENSE RATIO

	2023 %	2022 %
Total Expense Ratio ("TER")	<u>1.96</u>	<u>2.46</u>

The TER includes annual management 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 fee

B = Trustee's fee

C = Auditors' remuneration

D = Tax agent's fee

E = Administrative fees and expenses

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

The average net asset value of the Fund for the financial year is RM3,167,062 (2022 - RM3,663,274).

11. PORTFOLIO TURNOVER RATIO

	2023 Times	2022 Times
Portfolio Turnover Ratio ("PTR")	1.15	1.21

The PTR is derived from the following calculation:

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

Where,

total acquisitions for the financial year	= RM3,716,958 (2022 - RM4,555,715)
total disposals for the financial year	= RM3,564,856 (2022 - RM4,284,865)

12. OPERATING SEGMENTS

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.

The Fund Manager requires such information to allocate the resources more effectively to the following two segments:-

- 12.1 Geographical segment - allocate resources to invest in various countries within Asia excluding Japan; and
- 12.2 Investment segment - allocate resources to invest in quoted investments and liquid assets.

Investment segment has not been presented as the investments of the Fund are mainly concentrated on equity securities.

12. OPERATING SEGMENTS (CONT'D)

GEOGRAPHICAL SEGMENTS

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

2023	Malaysia RM	Hong Kong RM	Taiwan RM	United States RM	Other countries RM	Total RM
INVESTMENT INCOME/ (LOSS)						
Segment income/(loss) representing segment results:-						
Gross dividend income	45,408	30,254	13,445	2,997	37,462	129,566
Realised gains/(losses) on sale of investments	59,460	(306,900)	(19,759)	-	(66,391)	(333,590)
Unrealised (losses)/gains on valuation of investments	(65,905)	(177,338)	34,350	(61,718)	(41,579)	(312,190)
Other income	1,294	-	-	-	-	1,294
	40,257	(453,984)	28,036	(58,721)	(70,508)	(514,920)
Unallocated expenditure						(88,929)
Net investment expenses						(603,849)
Foreign exchange gains/ (losses):						
- realised	-	60,829	(2,059)	(41,030)	7,039	24,779
- unrealised	-	4	(28)	8,344	(53)	8,267
	-	60,833	(2,087)	(32,686)	6,986	33,046
Net loss before taxation						(570,803)
Income tax expense						(17,511)
Net loss after taxation						(588,314)
ASSETS						
Investments:-						
Quoted investments/ Segmental assets	581,775	1,216,897	360,269	244,389	366,144	2,769,474
Other assets - unallocated						165,879
Total assets						2,935,353
LIABILITIES						
Unallocated liabilities						54,289

12. OPERATING SEGMENTS (CONT'D)

GEOGRAPHICAL SEGMENTS (CONT'D)

2022

	Malaysia RM	Hong Kong RM	Indonesia RM	South Korea RM	Other countries RM	Total RM
INVESTMENT(LOSS)/ INCOME						
Segment income/(loss) representing segment results:-						
Gross dividend income	21,611	47,152	13,142	10,152	14,087	106,144
Realised (losses)/gains on sale of investments	79,945	(280,251)	(15,363)	164,329	15,970	(35,370)
Unrealised (losses)/gains on valuation of investments	(158,990)	(191,305)	47,481	(394,712)	(9,023)	(706,549)
Other income	1,741	-	-	(78)	322	1,985
	(55,693)	(424,404)	45,260	(220,309)	21,356	(633,790)
Unallocated expenditure						(126,058)
Net investment expenses						(759,848)
Foreign exchange gains/(losses):						
- realised	-	15,816	(15,013)	(40,928)	(13,488)	(53,613)
- unrealised	-	(2,341)	(1)	25	(6,126)	(8,443)
	-	13,475	(15,014)	(40,903)	(19,614)	(62,056)
Net loss before taxation						(821,904)
Income tax expense						(8,157)
Net loss after taxation						(830,061)
ASSETS						
Investments:-						
Quoted investments/ Segmental assets	1,043,464	1,337,934	449,600	-	357,899	3,188,897
Other assets - unallocated						353,017
Total assets						3,541,914
LIABILITIES						
Unallocated liabilities						16,991

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

There were no stocks held by the Manager or directors of the Manager as at 30 June 2023.

14. TRANSACTIONS BY THE FUND WITH BROKERS

Transactions by the Fund with brokers during the financial year are as follows:-

2023

	Value of trade		Brokerage fee	
	RM	%	RM	%
DBS Vickers Securities (Singapore) Pte. Ltd.	2,684,088	38.29	7,431	44.09
CCB International (Singapore) Pte. Ltd.	1,259,789	17.98	2,517	14.93
Affin Hwang Investment Bank Berhad	1,196,000	17.06	2,680	15.90
CIMB Investment Bank Berhad	993,399	14.17	2,151	12.76
Maybank Investment Bank Berhad	710,905	10.14	1,553	9.21
Hong Leong Investment Bank Berhad	132,582	1.89	459	2.72
CCB International Securities Limited	32,968	0.47	66	0.39
	7,009,731	100.00	16,857	100.00

2022

	Value of trade		Brokerage fee	
	RM	%	RM	%
Affin Hwang Investment Bank Berhad	2,074,421	23.47	4,698	22.76
DBS Vickers Securities (Singapore) Pte. Ltd.	1,849,494	20.93	5,154	24.97
CIMB Investment Bank Berhad	1,818,777	20.58	4,108	19.90
Maybank Investment Bank Berhad	1,809,338	20.47	4,110	19.92
CCB International Securities Limited	1,285,751	14.55	2,570	12.45
	8,837,781	100.00	20,640	100.00

15. RELATED PARTY DISCLOSURES

15.1 IDENTITIES OF RELATED PARTIES

- (a) The Fund has related party relationships with its Manager, Astute Fund Management Berhad and Trustee, Maybank Trustees Berhad; and
- (b) The Fund also had related party relationship with person related to the Director of the Manager.

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:-

	2023 RM	2022 RM
Astute Fund Management Berhad - management fee	47,510	54,905
Maybank Trustees Berhad - trustee's fee	1,584	1,830

15.3 Units of the Fund at market value held by related parties at the end of reporting period are as follows:-

	2023		2022	
	Units	RM	Units	RM
Person related to the Director of the Manager	1,874,109	366,201	1,874,109	440,041

The person related to the Director of the Manager are legal and beneficial owner of the units.

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:-

	2023	2022
	RM	RM
Hong Kong Dollar	0.5954	0.5619
Indonesian Rupiah	0.0003	0.0003
Singapore Dollar	3.4479	3.1679
Taiwan Dollar	0.1498	0.1482
Thai Baht	0.1320	0.1247
United States Dollar	4.6660	4.4087

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 Fund's 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 major currencies giving rise to this risk are primarily United States Dollar, Hong Kong Dollar, Singapore Dollar and Thai Baht. 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

	Hong Kong Dollar RM	Taiwan Dollar RM	United States Dollar RM	Other Currencies RM	Ringgit Malaysia RM	Total RM
2023						
<u>Financial Assets</u>						
Quoted investments	1,216,897	360,269	244,389	366,144	581,775	2,769,474
Sundry receivables	4,648	10,085	-	7,258	675	22,666
Cash at bank	8,355	-	85,555	2,141	47,162	143,213
	<u>1,229,900</u>	<u>370,354</u>	<u>329,944</u>	<u>375,543</u>	<u>629,612</u>	<u>2,935,353</u>
<u>Financial Liabilities</u>						
Sundry payables and accruals	-	-	-	-	50,507	50,507
Amount owing to Manager	-	-	-	-	3,660	3,660
Amount owing to Trustee	-	-	-	-	122	122
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,289</u>	<u>54,289</u>
Net financial assets	1,229,900	370,354	329,944	375,543	575,323	2,881,0643
Less: Net financial assets denominated in the entity's functional currency	-	-	-	-	(575,323)	(575,323)
Currency Exposure	<u>1,229,900</u>	<u>370,354</u>	<u>329,944</u>	<u>375,543</u>	<u>-</u>	<u>2,305,741</u>

17. FINANCIAL INSTRUMENTS (CONT'D)

17.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

2022	United States Dollar RM	Hong Kong Dollar RM	Indonesia Rupiah RM	Other Currencies RM	Ringgit Malaysia RM	Total RM
<u>Financial Assets</u>						
Quoted investments	-	1,337,934	449,600	357,899	1,043,464	3,188,897
Sundry receivables	-	9,111	-	749	900	10,760
Cash at bank	293,885	761	-	1,967	45,644	342,257
	293,885	1,347,806	449,600	360,615	1,090,008	3,541,914
<u>Financial Liabilities</u>						
Sundry payables and accruals	-	-	-	-	12,423	12,423
Amount owing to Manager	-	-	-	-	4,420	4,420
Amount owing to Trustee	-	-	-	-	148	148
	-	-	-	-	16,991	16,991
Net financial assets	293,885	1,347,806	449,600	360,615	1,073,017	3,524,923
Less: Net financial assets denominated in the entity's functional currency	-	-	-	-	(1,073,017)	(1,073,017)
Currency Exposure	293,885	1,347,806	449,600	360,615	-	2,451,906

Any reasonably possible change in the foreign currency exchange rates at the end of the reporting period against functional currency of the Fund does not have material impact on the loss after taxation and other comprehensive income of the Fund and hence, no sensitivity analysis is presented.

17. FINANCIAL INSTRUMENTS (CONT'D)

17.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Interest Rate Risk

Cash and other fixed income securities are particularly sensitive to movements in interest rates. When interest rate rises, the return on cash and the value of fixed income securities will rise whilst it will be vice versa if there is a fall, thus affecting the NAV of the Fund.

The Fund does not have any significant balances which are subject to interest rate risk as defined in MFRS 7, 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

Particular stock risk sensitivity is not presented as a reasonable possible change in any one equity index will not have a significant impact on the financial performance of the Fund.

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:-

	2023		2022	
	RM	As a % of NAV	RM	As a % of NAV
Communication	76,271	2.65	-	-
Construction	-	-	50,382	1.43
Consumer Cyclical	-	-	86,660	2.46
Consumer Discretionary	378,181	13.13	119,455	3.39
Consumer Products & Services	72,384	2.51	187,860	5.33
Consumer Staples	22,823	0.79	-	-
Energy	141,539	4.92	90,000	2.55
Exchange Traded Fund	120,717	4.19	-	-
Financial services	67,088	2.33	-	-
Finance	403,814	14.01	1,007,587	28.58
Health Care	139,492	4.84	207,984	5.90
Industrial Products & Services	150,390	5.22	-	-
Industrials	52,032	1.81	306,727	8.70
Information Technology	96,898	3.37	-	-
Materials	79,355	2.75	268,199	7.61
Plantation	91,635	3.18	105,790	3.00
Property	-	-	87,720	2.49
Technology	678,246	23.53	563,881	16.00
Trading & Services	73,353	2.55	-	-
Utilities	125,256	4.35	106,652	3.03
	<u>2,769,474</u>	<u>96.13</u>	<u>3,188,897</u>	<u>90.47</u>

(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.

17. FINANCIAL INSTRUMENTS (CONT'D)

17.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(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.

(f) Credit Risk

The Fund's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from amount owing by a stock broker and sundry receivables.

(i) Credit Risk Concentration Profile

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

(ii) 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.

(iii) Assessment of Impairment Losses

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

The gross carrying amounts of the 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.

The expected loss rates are based on the payment profiles of sales over a period of 12 months from the measurement date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle their debts.

17. FINANCIAL INSTRUMENTS (CONT'D)

17.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(f) Credit Risk (Cont'd)

(i) Assessment of Impairment Losses (Cont'd)

Receivables (Cont'd)

Allowance for Impairment Losses

	Gross Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Amount RM
2023				
Current (not past due)	22,666	-	-	22,666
<hr/>				
2022				
Current (not past due)	10,760	-	-	10,760
<hr/>				

Bank Balances

The Fund considers the banks and financial institutions have low credit risks. 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 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

	2023	2022
	RM	RM
Financial Assets		
<u>Mandatorily at FVPL</u>		
Quoted investments	2,769,474	3,188,897
<u>Amortised Cost</u>		
Sundry receivables	22,666	10,760
Cash at bank	143,213	342,257
	<u>165,879</u>	<u>353,017</u>
Financial Liability		
<u>Amortised Cost</u>		
Sundry payables and accruals	50,507	12,423
Amount owing to Manager	3,660	4,420
Amount owing to Trustee	122	148
	<u>54,289</u>	<u>16,991</u>

17.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	2023	2022
	RM	RM
Financial Assets		
<u>Mandatorily at FVPL</u>		
Net losses recognised in profit or loss	(516,214)	(635,775)
<u>Amortised Cost</u>		
Gains recognised in profit or loss	1,294	1,985

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 that 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.

The financial instruments of the Fund at the end of the reporting period that are carried at fair values analysed into level 1 to 3 are as follows:-

	Fair Value of Financial Instruments			Total Fair Value	Carrying Amount
	Carried at Fair Value				
	Level 1	Level 2	Level 3		
	RM	RM	RM	RM	RM
2023					
<u>Financial Asset</u>					
Quoted investments	2,769,474	-	-	2,769,474	2,769,473
2022					
<u>Financial Asset</u>					
Quoted investments	3,188,897	-	-	3,188,897	3,188,897

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.

7. CORPORATE DIRECTORY

Manager	Astute Fund Management Berhad [199701004894 (420390-M)]	
Business Office	3 rd Floor, Menara Dungun 46 Jalan Dungun Damansara Heights 50490 Kuala Lumpur	
Registered Office	No.47-1, Jalan SS 18/6, 47500 Subang Jaya, Selangor Darul Ehsan	
Board of Directors	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
Investment Committee	Azran bin Osman Rani	Non-Executive and Independent Director
	Y.M. Dato' Tunku Ahmad Zahir bin Tunku Ibrahim	Independent Member
	Azran bin Osman Rani	Independent Member
	Asgari bin Mohd Fuad Stephens	Non-Independent Member
Secretary	Ng Chin Chin (MAICSA 7042650) No. 47-1, Jalan SS 18/6 47500 Subang Jaya, Selangor Darul Ehsan	
Trustee	Maybank Trustees Berhad [196301000109 (5004-P)] 8 th Floor, Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur	
Auditor and Reporting Accountant	Crowe Malaysia PLT (201906000005 (LLP0018817-LCA & AF-1018)) Level 16, Tower C Megan Avenue II 12, Jalan Yap Kwan Seng 50450 Kuala Lumpur	
Taxation Advisers	Mazars Taxation Services Sdn Bhd (579747-A) Wisma Golden Eagle Realty, 11 th Floor, South Block No.142-A, Jalan Ampang 50450 Kuala Lumpur, Malaysia	

BUSINESS OFFICE
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