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# **ASTUTE MALAYSIA GROWTH TRUST (AMGT)**

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## **AUDITED ANNUAL REPORT**

For The Financial Year Ended 31 December 2023

## ASTUTE MALAYSIA GROWTH TRUST

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## 1. FUND INFORMATION

<b>FUND NAME</b>	Astute Malaysia Growth Trust (AMGT)																		
<b>FUND TYPE</b>	Growth																		
<b>FUND CATEGORY</b>	Equity																		
<b>FUND INVESTMENT OBJECTIVE</b>	To seek capital appreciation over the medium to long term.																		
<b>DURATION OF FUND</b>	The fund is an open-ended fund. The fund was launched on 28 July 1997.																		
<b>PERFORMANCE BENCHMARK</b>	<ul style="list-style-type: none"> <li>▪ FBM KLCI</li> </ul> (Source: Bursa Malaysia through Bloomberg)  <i>“The risk profile of the performance benchmark is not the same as the risk profile of the Fund.”</i>																		
<b>FUND DISTRIBUTION POLICY</b>	<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 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.</p> <p>For reinvestment into additional units, no sales charges will be imposed.</p>																		
<b>DISCLOSURE ON INCOME DISTRIBUTION</b>	<table border="1"> <thead> <tr> <th><i>Declaration</i></th> <th><i>Entitlement Date</i></th> <th><i>Ex Date</i></th> <th><i>Reinvest Price</i></th> <th colspan="2"><i>NAV</i></th> </tr> <tr> <th></th> <th></th> <th></th> <th></th> <th><i>Before</i></th> <th><i>After</i></th> </tr> </thead> <tbody> <tr> <td>Gross Distribution of 0.008 sen</td> <td>14/04/2023</td> <td>14/04/2023</td> <td>0.1966</td> <td>0.2045</td> <td>0.1966</td> </tr> </tbody> </table>	<i>Declaration</i>	<i>Entitlement Date</i>	<i>Ex Date</i>	<i>Reinvest Price</i>	<i>NAV</i>						<i>Before</i>	<i>After</i>	Gross Distribution of 0.008 sen	14/04/2023	14/04/2023	0.1966	0.2045	0.1966
<i>Declaration</i>	<i>Entitlement Date</i>	<i>Ex Date</i>	<i>Reinvest Price</i>	<i>NAV</i>															
				<i>Before</i>	<i>After</i>														
Gross Distribution of 0.008 sen	14/04/2023	14/04/2023	0.1966	0.2045	0.1966														

## 2. FUND PERFORMANCE

Summary of performance data is as follows:

	31.12.2023	31.12.2022	31.12.2021	
	RM	RM	RM	
<b>Portfolio Composition:</b>				
- Equity securities	88.13	87.73	86.50	
- Liquid assets and others	11.87	12.27	13.5	
Net Assets Value (RM)	9,261,405	8,150,275	7,640,362	
Number of Units in Circulation	43,462,386	40,269,753	34,302,155	
Net Asset Value per Units (RM)	0.2131	0.2024	0.2227	
Highest NAV Price for the period under review (RM)	0.2141	0.2236	0.2374	
Lowest NAV Price for the period under review (RM)	0.1978	0.1865	0.2085	
<b>Total Return for the period under review (RM)</b>				
- Capital growth	942,944	(534,220)	(260,420)	
- Income distribution	316,016	282,399	122,890	
Gross Distribution Per Unit (RM)	0.008	0.008	0.005	
Net Distribution Per Unit (RM)	0.008	0.008	0.005	
Total Expenses Ratio (TER) (%)*	1.77*	1.73	1.75	
<i>*the TER for the financial year end was slightly higher compared with previous financial period due to the higher non variable expenses during the reviewed financial year end.</i>				
Portfolio Turnover Ratio (PTR) (times)	0.76*	0.57	0.57	
<i>*the PTR was higher compared to the previous financial period due to an increase in investment activities during the financial year under review.</i>				
	<b>Total Return</b>		<b>Average Total Return</b>	
	<b>AMGT</b>	<b>Index</b>	<b>AMGT</b>	<b>Index</b>
1 Year	9.58	-2.73	9.58	-2.73
3 Year	8.36	-10.6	2.79	-3.53
5 Year	34.92	-13.95	6.98	-2.79
Since Inception 29 August 1997	169.94	80.84	6.45	3.07
<b>Annual total return for each of the last five financial year ended</b>				
	<b>AMGT</b>		<b>Index</b>	
31.12.2023	9.58		-2.73	
31.12.2022	-5.61		-4.60	
31.12.2021	4.77		-3.67	
31.12.2020	13.05		2.42	
31.12.2019	10.13		-6.02	

Source: Bloomberg

\*Notes:

1. Total returns as at 31.12.2023. 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

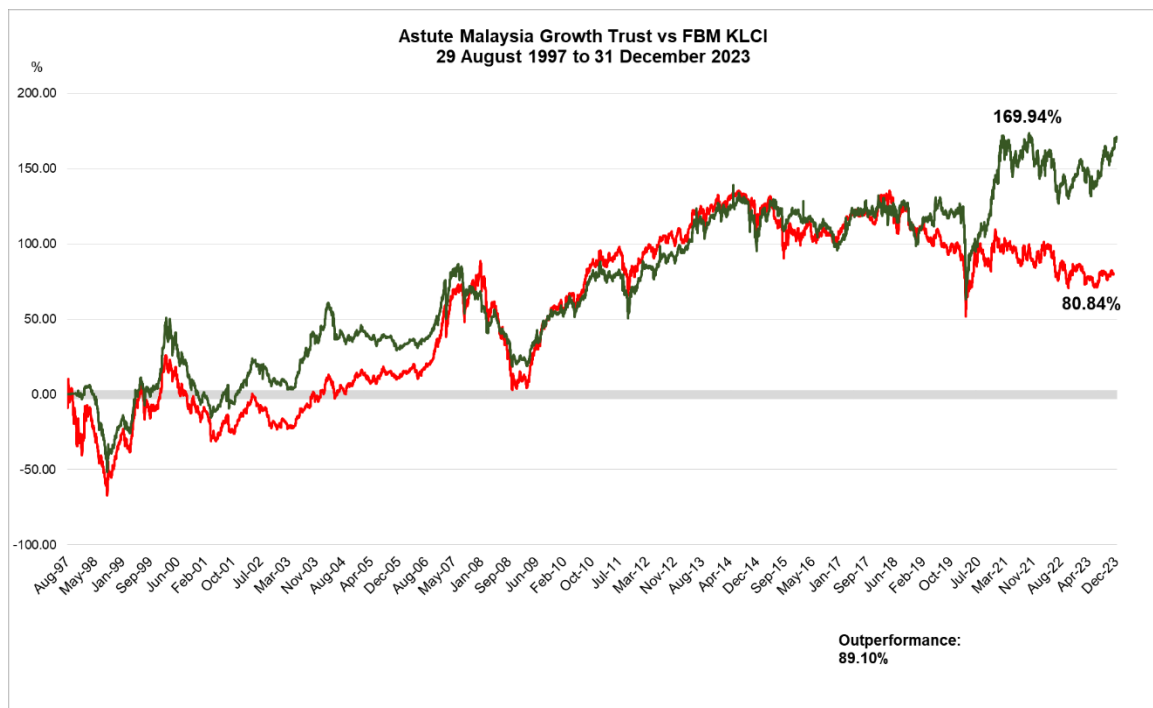
#### FUND’S OBJECTIVE ACHIVEMENTS

The Fund has achieved its stated objective to achieve capital appreciation over medium to long term. For the period ended 31<sup>st</sup> December 2023, the Fund had achieved a total return of 169.94% since its inception on 29<sup>th</sup> August 1997. The benchmark return was 80.84% for the same period.

#### PERFORMANCE ANALYSIS

For the one-year period ended 31<sup>st</sup> December 2023, the Fund achieved a return of 9.58% compare to the benchmark return of -2.73%, resulting in the outperformance against the benchmark of 12.31%. The total NAV of the Fund increased to RM 9,261,405 as at 31<sup>st</sup> December 2023 from RM 8,150,275 as at 31<sup>st</sup> December 2022. The increase in NAV was mainly due to new subscriptions by unit holders.

**PERFORMANCE OF ASTUTE MALAYSIA GROWTH TRUST BY FBMKLCI  
SINCE 29 AUGUST 1997 TO 31 DECEMBER 2023  
AMGT HAS OUTPERFORMED THE FBMKLCI BY 89.10%**



Source: Bloomberg

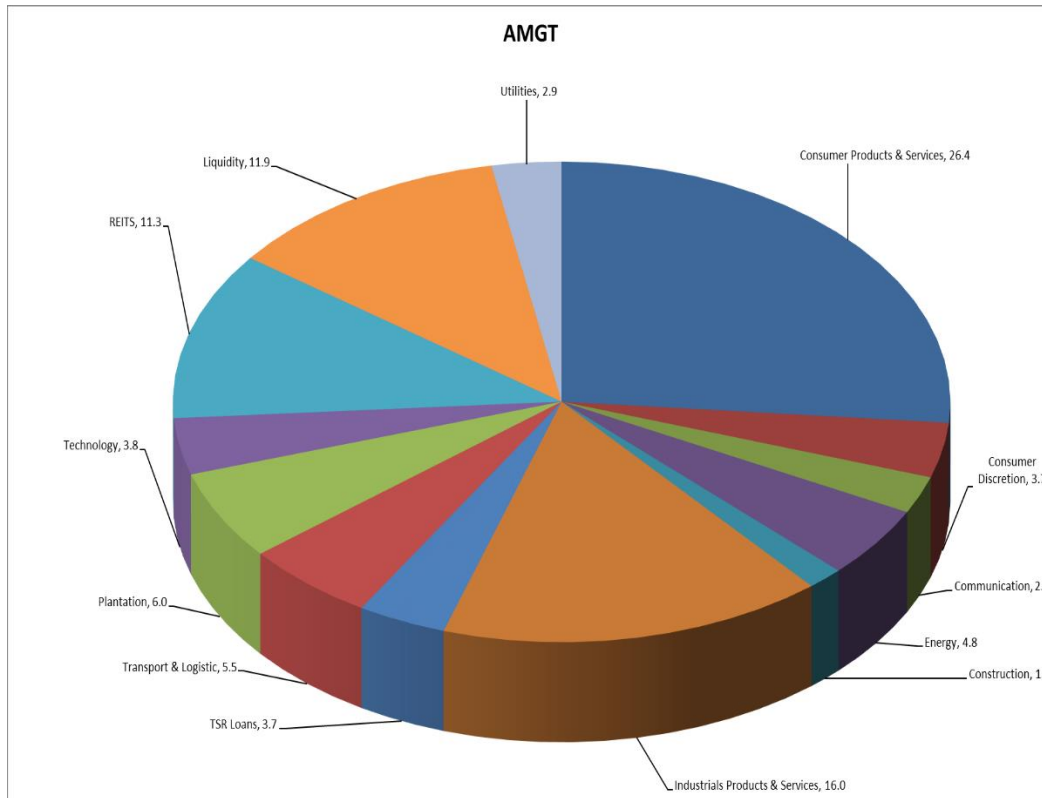
**STRATEGIES EMPLOYED**

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 products.

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 AS AT 31 DECEMBER 2023**

<b>QUOTED SECURITIES</b>	<b>31 DEC 2023</b>	<b>31 DEC 2022</b>
Construction	1.5	-
Consumer Discretion	3.7	-
Consumer Products & Services	26.5	22.9
Communication	2.5	-
Energy	4.8	15.0
Financial Services	-	10.3
Industrial Products & Services	13.3	9.2
REITS	11.3	8.0
Plantation	6.0	12.2
Technology	3.8	3.4
Transportation & Logistics	5.5	-
TSR Loans	6.40	1.3
Utilities	2.9	5.5
Liquidity	11.9	12.2

## **MARKET REVIEW**

Equity markets started the year in positive territory, following through from the fourth quarter of 2022. However, equity benchmarks trended lower from February onwards till June as global markets contended 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.

Last year, Malaysia raised its overnight policy rate by only 25 basis points to 3.00%, whereas the US raised its Fed Funds interest rate by a total of 100 basis points throughout the year to 5.50% by the end of 2023. The disparities in rates led to weaknesses in Asian currencies and the Malaysian Ringgit (MYR) against the majors. For instance, the MYR traded at the 4.4000 levels against the US Dollar, and depreciated to the 4.6000 levels by the end of 2023.

Recession fears from the high global interest rates depressed commodity prices, notably in agriculture, petrochemical and industrial metals. 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.

Notwithstanding the above, interest in Malaysia garnered more attention among foreign investors in the second half of 2023. In the last six months, Malaysia posted net foreign inflows in five out of the past six months. From a macro (top-down) standpoint, the inflows were in line with offshore investors' posturing for stronger Asian currencies as the US interest rates peak and a broad US Dollar decline is expected to materialise.

There were also bottom-up driven catalysts that sparked interest in Malaysia in the second half. The conclusion of state elections with a status quo outcome alleviated concerns on political uncertainty and execution of federal government-led initiatives. Hence, pump-priming measures picked up (e.g. infrastructure projects like rail network and road), the National Energy Transition Roadmap (NETR), and joint ventures with foreign multinationals on data centres in Malaysia were among the drivers for construction, property and building material sectors' rallies. These offset the global recessionary concerns.

## **MARKET OUTLOOK**

Despite fears of global recession, Bloomberg consensus estimates the global and Malaysian economies will continue growing, and are expected to avert recessions. A key premise in averting recession is interest rate cuts and looser monetary conditions in the year ahead.

Based on falling US inflation rates, global and local interest rates have peaked later in 2023. The US interest rate futures market is indicating cuts in interest rates in later in 2024 and going into 2025. We expect Malaysia to follow the global rate cut cycle if this 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 sharper US Dollar declines against 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 is ticking up and the outlook is promising given the increasing demand for products linked to artificial intelligence, electric vehicles, and new smartphone models. Falling bond yields is also positive for dividend-yielding stocks, which we expect will perform well when central banks signal rate cuts.

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 such as the Malaysia-Singapore high speed rail, and the development of the Johor-Singapore special economic zone may also catalyse the construction and building materials industry further, benefiting contractors and suppliers. Domestic sectors like energy, utilities, consumer discretionary, construction and building materials are preferred exposures as the government pump-prime economies amidst a challenging global economic environment.

#### **STATE OF AFFAIRS OF THE FUND**

There were no significant changes in the state of affairs of the Fund during the financial period and up to the date of Manager's report, not otherwise disclosed in the financial statements.

#### **SECURITIES FINANCING TRANSACTIONS**

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

#### **DETAILS OF ANY SPLIT EXERCISE**

The Fund did not carry out any unit split exercise during the financial period under review.

#### **CROSS TRADE**

During the financial period under review, no cross-trade transactions were undertaken by the Manager for the Fund.

**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



**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 MALAYSIA GROWTH TRUST ("Fund")

We have acted as Trustee of the Fund for the financial year ended 31 December 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 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.

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

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

A handwritten signature in black ink, appearing to be 'N. Hashim', written over a faint circular stamp.

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

Date: 27 February 2024

## 5. INDEPENDENT AUDITOR'S REPORT TO THE UNIHOLDERS OF ASTUTE MALAYSIA GROWTH TRUST



**Crowe Malaysia PLT**  
201906000005 (LLP0018817-LCA) & AF 1018  
Chartered Accountants  
Level 16, Tower C, Megan Avenue II  
12, Jalan Yap Kwan Seng  
50450 Kuala Lumpur  
Malaysia  
Main +6 03 2788 9999  
Fax +6 03 2788 9998  
[www.crowe.my](http://www.crowe.my)

### INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF ASTUTE MALAYSIA GROWTH TRUST

#### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

##### Opinion

We have audited the financial statements of **Astute Malaysia Growth Trust** ("the Fund"), which comprise the statement of financial position as at 31 December 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 5 to 41.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2023, and of its financial performance and its 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 MALAYSIA GROWTH TRUST (CONT'D)



### INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF ASTUTE MALAYSIA GROWTH TRUST (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 AUDITORS' REPORT TO THE UNITHOLDERS OF  
ASTUTE MALAYSIA GROWTH TRUST (CONT'D)**



**INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF  
ASTUTE MALAYSIA GROWTH TRUST (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 skepticism 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.

A handwritten signature in black ink, appearing to be "Cue".

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

Kuala Lumpur

27 February 2024

A handwritten signature in black ink, appearing to be "Choong Kok Keong".

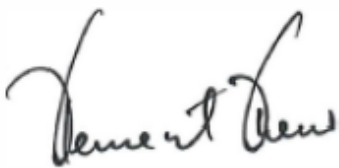
**Choong Kok Keong**  
03461/11/2025 J  
Chartered Accountant



## 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 audited financial statements of **Astute Malaysia Growth Trust** 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 Malaysia Growth Trust** as at 31 December 2023 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**



**CLEMENT CHEW KUAN HOCK**

**Director**



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

**Director**

Kuala Lumpur, Malaysia

Date: 27 February 2024

**6.1 STATEMENT OF AUDITED PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the Financial Year Ended 31 December 2023

	Note	2023 RM	2022 RM
<b>INVESTMENT INCOME/(LOSS)</b>			
Gross dividend income		368,133	330,965
Interest income from deposits placed with financial institutions		19,010	22,964
Realised loss on sale of investments		(313,153)	(86,494)
Unrealised gain/(loss) on financial assets at fair value through profit and loss ("FVTPL")		942,944	(534,220)
Other income		7,938	3,420
		<u>1,024,872</u>	<u>(263,365)</u>
<b>LESS: EXPENSES</b>			
Management's fee	4	128,919	114,221
Trustee's fee	5	4,297	3,807
Auditors' remuneration		7,700	7,500
Tax agent's fee		3,891	2,750
Administrative expenses		7,342	3,758
Transaction costs		42,632	32,782
		<u>194,781</u>	<u>164,818</u>
<b>NET INVESTMENT INCOME/(LOSS)</b>		<b>830,091</b>	<b>(428,183)</b>
<b>LOSSES ON FOREIGN EXCHANGE</b>			
- realised		(19,250)	-
- unrealised		(82)	-
<b>NET INCOME/(LOSS) BEFORE TAXATION</b>		<b>810,759</b>	<b>(428,183)</b>
<b>INCOME TAX EXPENSE</b>	6	<b>(6,150)</b>	<b>(2,284)</b>
<b>NET INCOME/(LOSS) AFTER TAXATION FOR THE FINANCIAL YEAR</b>		<b>804,609</b>	<b>(430,467)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME/(EXPENSES) FOR THE FINANCIAL YEAR</b>		<b>804,609</b>	<b>(430,467)</b>
Total comprehensive income/(expenses) for the financial year is made up as follows:			
- realised		(138,253)	103,753
- unrealised		942,862	(534,220)
		<u>804,609</u>	<u>(430,467)</u>
<b>DISTRIBUTION FOR THE FINANCIAL YEAR</b>	7		
Net distribution		<u>316,016</u>	<u>282,399</u>
Net distribution per unit		<u>0.008</u>	<u>0.008</u>
Gross distribution per unit		<u>0.008</u>	<u>0.008</u>

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



**6.2 STATEMENT OF AUDITED FINANCIAL POSITION**

As At 31 December 2023

	Note	2023 RM	2022 RM
<b>ASSETS</b>			
<b>INVESTMENTS</b>			
Quoted investments	8	8,160,650	7,151,521
Shariah-based deposits with licensed financial institutions	9	951,260	939,986
		<u>9,111,910</u>	<u>8,091,507</u>
<b>OTHER ASSETS</b>			
Sundry receivables		8,069	1,618
Bank balances		163,827	84,318
		<u>171,896</u>	<u>85,936</u>
<b>TOTAL ASSETS</b>		<u><b>9,283,806</b></u>	<u><b>8,177,443</b></u>
<b>NET ASSET VALUE (“NAV”) AND LIABILITY</b>			
<b>NAV</b>			
Unitholders’ capital		6,358,308	5,735,771
Retained earnings		2,903,097	2,414,504
<b>TOTAL NAV</b>	10	<u><b>9,261,405</b></u>	<u><b>8,150,275</b></u>
<b>LIABILITIES</b>			
Sundry payables and accruals		10,446	16,895
Amount owing to Manager		11,569	9,942
Amount owing to Trustee		386	331
<b>TOTAL LIABILITY</b>		<u><b>22,401</b></u>	<u><b>27,168</b></u>
<b>TOTAL NAV AND LIABILITY</b>		<u><b>9,283,806</b></u>	<u><b>8,177,443</b></u>
<b>NUMBER OF UNITS IN CIRCULATION</b>	10.1	<u><b>43,462,386</b></u>	<u><b>40,269,753</b></u>
<b>NAV PER UNIT (RM)</b>		<u><b>0.2131</b></u>	<u><b>0.2024</b></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 2023

	Note	Unitholders' Capital RM	Retained Earnings RM	Total NAV RM
Balance 1 January 2022		4,512,992	3,127,370	7,640,362
Net loss after taxation/Total comprehensive expense for the financial year		-	(430,467)	(430,467)
Contribution by and distributions to the unitholders of the Fund:				
- creation of units	10.1	1,785,126	-	1,785,126
- cancellation of units	10.1	(562,347)	-	(562,347)
- distribution for the financial year	7	-	(282,399)	(282,399)
Total transactions with unitholders of the Fund		1,222,779	(282,399)	940,380
Balance 31 December 2022/1 January 2023		5,735,771	2,414,504	8,150,275
Net income after taxation/Total comprehensive income for the financial year		-	804,609	804,609
Contribution by and distributions to the unitholders of the Fund:				
- creation of units	10.1	1,643,756	-	1,643,756
- cancellation of units	10.1	(1,021,219)	-	(1,021,219)
- distribution for the financial year	7	-	(316,016)	(316,016)
Total transactions with unitholders of the Fund		622,537	(316,016)	306,521
Balance at 31 December 2023		6,358,308	2,903,097	9,261,405

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

**6.4 STATEMENT OF AUDITED CASH FLOWS**

For the Financial Year Ended 31 December 2023

	Note	2023 RM	2022 RM
<b>CASH FLOWS FOR OPERATING AND INVESTING ACTIVITIES</b>			
Proceeds from sale of investments		6,334,633	3,772,979
Purchase of investments		(6,707,203)	(4,957,704)
Dividend income received		356,058	327,136
Interest income received		18,844	22,938
Management fee paid		(127,292)	(113,706)
Trustee's fee paid		(4,242)	(3,790)
Payment for other fees and expenses		(68,014)	(44,772)
Foreign exchange loss		(26,018)	-
Other income		7,938	3,421
		<hr/>	<hr/>
<b>CASH FOR OPERATION</b>		<b>(215,296)</b>	<b>(993,498)</b>
Income tax paid		(360)	-
		<hr/>	<hr/>
<b>NET CASH FOR OPERATING AND INVESTING ACTIVITIES</b>		<b>(215,656)</b>	<b>(993,498)</b>
		<hr/>	<hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from units created		1,643,756	1,785,126
Payment for cancelled units		(1,021,219)	(562,347)
Net distribution paid		(316,016)	(282,399)
		<hr/>	<hr/>
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>306,521</b>	<b>940,380</b>
		<hr/>	<hr/>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>90,865</b>	<b>(53,118)</b>
<b>EFFECTS OF FOREIGN CURRENCY EXCHANGE</b>		<b>(82)</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	16	<b>1,024,304</b>	<b>1,077,422</b>
		<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	16	<b>1,115,087</b>	<b>1,024,304</b>
		<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 31 December 2023

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

Astute Malaysia Growth Fund (“the Fund”) was constituted pursuant to the execution of a Deed dated 28 July 1997, the First Supplemental Deed dated 6 July 1999, the Second Supplemental Deed dated 10 March 2005, the Third Supplemental Deed dated 20 August 2013, the Fourth Supplemental Deed dated 3 August 2015, between the Manager, Astute Fund Management Berhad, the Trustee, AmTrustee Berhad and the registered Unitholders of the Fund, the Fifth Supplemental Deed dated 15 April 2016 was executed for the change of Trustee from AmTrustee Berhad to Maybank Trustees Berhad, the Sixth Supplemental Deed dated 22 April 2022 was executed for the change of the Manager’s name from Apex Investment Services Berhad to Astute Fund Management Berhad, and the Seventh Supplemental Deed dated 11 January 2023 which the amendments essentially entailed on the amendments to the provisions of the Principal Deed to be in line with the Guidelines on Unit Trust Funds revised on 28 November 2022 between the Manager, Astute Fund Management Berhad, the Trustee, Maybank Trustees Berhad and the registered unitholders 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 6 August 1997 (date of inception) and will continue its operations until its termination by the Trustee or the Manager as provided under Clauses 7.1, 7.2 and 7.5 of the Deeds.

The investment objective of the Fund is to provide maximum capital growth over the medium to longer-term through a diversified portfolio of principally Malaysian equity securities.

The Manager, Astute Fund Management 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 Directors of the Manager on 27 February 2024.

### 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 and/or interpretations (including the consequential amendments, if any):-

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

MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts

Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information

Amendments to MFRS 101: Disclosure of Accounting Policies

Amendments to MFRS 108: Definition of Accounting Estimates

## 2. BASIS OF PREPARATION (CONT'D)

- 2.1 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):-

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

Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Amendments to MFRS 112: International Tax Reform – Pillar Two Model Rules

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

- 2.2 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)**

	<b>Effective Date</b>
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 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 121: Lack of Exchangeability	1 January 2025

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

##### *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.

#### 3.2 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.

#### 3.3 INCOME RECOGNITION

##### **(a) Dividend Income**

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 3.3 INCOME RECOGNITION (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 sale 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.

#### 3.4 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 changes 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.

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 3.4 INCOME TAXES (CONT'D)

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.

#### 3.5 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. Interest, dividends, gains and losses relating to a financial instrument classified as 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.

##### **(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.



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 3.5 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 fair value changes do not include interest or dividend income.

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.

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 3.5 FINANCIAL INSTRUMENTS (CONT'D)

##### (a) Financial Assets (Cont'd)

###### *Equity Instruments (Cont'd)*

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 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 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.

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 3.5 FINANCIAL INSTRUMENTS (CONT'D)

##### (c) Equity instruments (Cont'd)

###### (i) Unitholders' Capital (Cont'd)

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.

###### (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.

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 3.5 FINANCIAL INSTRUMENTS (CONT'D)

##### (d) Derecognition (Cont'd)

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.

#### 3.6 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.

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 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. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 3.8 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.

#### 3.9 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.

#### 3.10 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. In estimating the fair value of an asset or a liability, the Fund take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. 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.

**4. MANAGEMENT'S FEE**

Clauses 6.1, 6.2 and 6.3 of the Deed provide 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 2% (2022 - 2%) per annum. The management fee recognised in the financial statements is computed based on 1.50% (2022 - 1.50%) per annum for the financial year.

**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 unitholders of the Fund.

**6. INCOME TAX EXPENSE**

	<b>2023</b>	<b>2022</b>
	RM	RM
Current tax expense for the financial year	<u>6,150</u>	<u>2,284</u>

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

	<b>2023</b>	<b>2022</b>
	RM	RM
Net income/(loss) before taxation	<u>810,759</u>	<u>(428,183)</u>
Tax at the statutory tax rate of 24% (2022 - 24%)	194,582	(102,764)
Tax effects of:-		
Non-taxable income	(94,819)	(85,764)
Net (non-taxable gains)/non-deductible losses on investments	(146,510)	148,972
Non-deductible expenses	<u>52,897</u>	<u>41,840</u>
Income tax expense for the financial year	<u>6,150</u>	<u>2,284</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. DISTRIBUTION FOR THE FINANCIAL YEAR**

Distribution to unitholders during the financial year is from the following sources:-

	<b>2023</b>	<b>2022</b>
	RM	RM
<b>Taxable income</b>		
Gross dividends	7,190	7,211
<b>Non-taxable income</b>		
Tax-exempt dividends	155,494	104,768
Interest income from deposits	37,206	31,371
Disbursement from REITS	15,326	11,147
Realised gain on sale of equity securities:		
- current financial year	96,896	25,159
- previous financial year	-	99,941
	96,896	125,100
Other income	8,733	7,630
Gross distribution amount	320,845	287,227
Less:-		
Expenses	(3,104)	(3,097)
Taxation	(1,725)	(1,731)
Net distribution amount	316,016	282,399
Units in circulation	40,105,656	35,903,282
Gross distribution per unit ("RM")	0.008	0.008
Net distribution per unit ("RM")	0.008	0.008
Reinvestment/Entitlement date	14 April 2023	12 March 2022
Payment date	28 April 2023	25 March 2022

**8. QUOTED INVESTMENTS**

		<b>2023</b>	<b>2022</b>
		RM	RM
Quoted equity investments, at fair value:			
- in Malaysia	8.1	5,958,875	6,395,902
- outside Malaysia	8.2	566,263	-
		6,525,138	6,395,902

**8. QUOTED INVESTMENTS (CONT'D)**

		<b>2023</b>	<b>2022</b>
		RM	RM
Quoted non-equity investment, at fair value:			
- in Malaysia	8.3/8.2	1,163,615	755,619
- outside Malaysia	8.4	471,897	-
		<u>1,635,512</u>	<u>755,619</u>
Total quoted investments		<u><b>8,160,650</b></u>	<u><b>7,151,521</b></u>

	Number Of Shares	At Cost RM	At Fair Value RM	Percentage Of NAV Of The Fund %
<b>At 31 December 2023</b>				

**8.1 QUOTED EQUITY INVESTMENTS IN MALAYSIA****Bursa Malaysia Securities****Main Market****CONSTRUCTION**

IJM Corporation Berhad	73,000	127,711	137,240	1.48
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**CONSUMER PRODUCTS & SERVICES**

Hong Leong Industries Berhad	50,400	461,932	464,184	5.01
MBM Resources Berhad	112,700	380,335	477,848	5.16
MSM Malaysia Holdings Berhad	536,700	619,415	864,087	9.33
Spritzer Berhad	170,000	315,054	311,100	3.36
Tomei Consolidated Berhad	273,800	334,034	339,512	3.67
		<u>2,110,770</u>	<u>2,456,731</u>	<u>26.53</u>

**ENERGY**

Hibiscus Petroleum Berhad	173,480	440,209	440,639	4.76
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**INDUSTRIAL PRODUCTS AND SERVICES**

Malayan Cement Berhad	166,300	450,348	703,449	7.60
Malaysia Smelting Corporation Berhad	171,000	396,959	347,130	3.75
YBS International Berhad	260,000	180,986	180,700	1.95
		<u>1,028,293</u>	<u>1,231,279</u>	<u>13.30</u>

**PLANTATION**

United Plantations Berhad	31,400	477,870	558,920	6.03
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**TECHNOLOGY**

Frontken Corporation Berhad	55,000	183,507	178,200	1.92
Malaysia Pacific Industries Berhad	6,300	182,699	177,660	1.92
		<u>366,206</u>	<u>355,860</u>	<u>3.84</u>



## 8. QUOTED INVESTMENTS (CONT'D)

	Number Of Shares	At Cost RM	At Fair Value RM	Percentage Of NAV Of The Fund %
<b>At 31 December 2023 (Cont'd)</b>				
<b>8.1 QUOTED EQUITY INVESTMENTS IN MALAYSIA (CONT'D)</b>				
<b><u>Bursa Malaysia Securities</u></b>				
<b><u>Main Market (Cont'd)</u></b>				
<b><u>TRANSPORT &amp; LOGISTICS</u></b>				
Malaysia Airports Holdings Berhad	69,400	502,756	510,784	5.52
<b><u>UTILITIES</u></b>				
Taliworks Corporation Berhad	320,266	262,550	267,422	2.89
TOTAL QUOTED EQUITY INVESTMENTS IN MALAYSIA		5,316,365	5,958,875	64.35
<b>8.2 QUOTED EQUITY INVESTMENTS OUTSIDE MALAYSIA</b>				
<b><u>IN HONG KONG</u></b>				
<b><u>COMMUNICATION</u></b>				
China Mobile Ltd.	6,000	221,436	228,537	2.47
<b><u>CONSUMER DISCRETION</u></b>				
Alibaba Group Holding Ltd.	7,600	465,298	337,726	3.65
TOTAL QUOTED EQUITY INVESTMENTS IN HONG KONG		686,734	566,263	6.12
TOTAL QUOTED EQUITY INVESTMENTS OUTSIDE MALAYSIA		686,734	566,263	6.12
<b>8.3 QUOTED NON-EQUITY INVESTMENTS IN MALAYSIA</b>				
<b><u>REITS</u></b>				
YTL Hospitality REIT	553,500	483,271	570,105	6.16

## 8. QUOTED INVESTMENTS (CONT'D)

	Number Of shares	At Cost	At fair Value	Percentage Of NAV Of The fund %
At 31 December 2023 (Cont'd)		RM	RM	
<b>8.3 QUOTED NON-EQUITY INVESTMENTS IN MALAYSIA (CONT'D)</b>				
<u>TSR LOANS</u>				
Capital A Berhad - LA	93,100	88,705	80,066	0.86
Capital A Berhad - WA	700,000	195,410	262,500	2.83
Hume Cement Industries Berhad - LA	78,420	80,228	250,944	2.71
		364,343	593,510	6.40
TOTAL QUOTED NON-EQUITY INVESTMENTS IN MALAYSIA		847,614	1,163,615	12.56
<b>8.4 QUOTED NON-EQUITY INVESTMENTS OUTSIDE MALAYSIA</b>				
<b>IN SINGAPORE</b>				
<u>REITS</u>				
Capitaland Ascott Trust	137,000	471,488	471,897	5.10
TOTAL QUOTED NON-EQUITY INVESTMENTS IN SINGAPORE		471,488	471,897	5.10
<b>TOTAL QUOTED INVESTMENTS</b>		<b>7,322,201</b>	<b>8,160,650</b>	<b>88.13</b>

## 8. QUOTED INVESTMENTS (CONT'D)

	Number Of Shares	At Cost RM	At Fair Value RM	Percentage Of NAV Of The Fund %
<b>At 31 December 2022</b>				
<b>8.1 QUOTED EQUITY INVESTMENTS IN MALAYSIA</b>				
<b><u>Bursa Malaysia Securities</u></b>				
<b><u>Main Market</u></b>				
<b><u>CONSUMER PRODUCTS SERVICES</u></b>				
3A Resources Berhad	86,000	80,752	85,140	1.04
Carlsberg Brewery Malaysia Berhad	8,600	191,456	196,768	2.41
Genting Malaysia Berhad	121,600	371,503	327,104	4.01
Hong Leong Industries Berhad	60,400	553,585	555,680	6.82
MBM Resources Berhad	76,700	255,548	251,576	3.09
Malayan Flour Mills Berhad	231,400	161,448	175,864	2.16
NESTLE Malaysia Berhad	1,700	224,020	238,000	2.92
Tomei Consolidated Berhad	33,800	37,785	33,800	0.41
		<b>1,876,097</b>	<b>1,863,932</b>	<b>22.86</b>
<b><u>ENERGY</u></b>				
Dialog Group Berhad	308,000	802,110	754,600	9.26
Hibiscus Petroleum Berhad	433,700	440,209	464,059	5.69
		<b>1,242,319</b>	<b>1,218,659</b>	<b>14.95</b>
<b><u>FINANCIAL SERVICES</u></b>				
Hong Leong Financial Group Berhad	16,300	290,410	303,180	3.72
Malayan Banking Berhad	61,956	539,269	539,017	6.61
		<b>829,679</b>	<b>842,197</b>	<b>10.33</b>
<b><u>INDUSTRIAL PRODUCT AND SERVICES</u></b>				
Annjoo Resources Berhad	126,700	138,865	138,103	1.69
Petronas Chemicals Group Berhad	136,300	364,522	288,956	3.55
Press Metal Aluminium Holdings Berhad	66,600	386,601	325,008	3.99
		<b>889,988</b>	<b>752,067</b>	<b>9.23</b>

**8. QUOTED INVESTMENTS (CONT'D)**

	Number Of Shares	At Cost RM	At Fair Value RM	Percentage Of NAV Of The Fund %
<b>At 31 December 2022 (Cont'd)</b>				
<b>8.1 QUOTED EQUITY INVESTMENTS IN MALAYSIA (CONT'D)</b>				
<b><u>Bursa Malaysia Securities</u></b>				
<b><u>Main Market (Cont'd)</u></b>				
<b><u>PLANTATION</u></b>				
Innoprise Plantation Berhad	324,300	513,398	515,637	6.33
United Plantation Berhad	31,400	477,870	480,420	5.89
		991,268	996,057	12.22
<b><u>TECHNOLOGY</u></b>				
MI Technovation Berhad	143,600	195,017	186,680	2.29
Malaysian Pacific Industries Berhad	3,000	91,692	86,280	1.06
		286,709	272,960	3.35
<b><u>UTILITIES</u></b>				
Taliworks Corporation Berhad	520,266	426,507	450,030	5.52
<b>TOTAL QUOTED EQUITY INVESTMENTS IN MALAYSIA</b>		<b>6,542,567</b>	<b>6,395,902</b>	<b>78.46</b>
<b>8.2 QUOTED NON-EQUITY INVESTMENTS IN MALAYSIA</b>				
<b><u>REITS</u></b>				
AXIS REIT	80,700	149,949	144,453	1.77
YTL Hospitality REIT	553,500	483,271	509,220	6.25
		633,220	653,673	8.02
<b><u>TSR Loans</u></b>				
Hume Cement Industries Berhad - LA	78,240	80,228	101,946	1.25
<b>TOTAL QUOTED NON-EQUITY INVESTMENTS IN MALAYSIA</b>		<b>713,448</b>	<b>755,619</b>	<b>9.27</b>
<b>TOTAL QUOTED INVESTMENTS</b>		<b>7,256,015</b>	<b>7,151,521</b>	<b>87.73</b>

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

The deposits earn weighted average effective profit rate of 3.05% (2022 - 2.85%) per annum at the end of the reporting period. The maturity periods of the deposits at the end of the reporting period ranged from 2 to 5 days (2022 - 2 to 5 days).

**10. TOTAL NET ASSET VALUE**

	Note	2023 RM	2022 RM
Unitholders' capital	10.1	6,358,308	5,735,771
Retained earnings:			
- realised reserve	10.2	2,109,419	2,520,311
- unrealised reserve	10.3	793,678	(105,807)
		2,903,097	2,414,504
		<u>9,261,405</u>	<u>8,150,275</u>

**10.1 UNITHOLDERS' CAPITAL**

	2023		2022	
	No. of units	RM	No. of units	RM
As at beginning of the financial year	40,269,753	5,735,771	34,302,155	4,512,992
Creation of units	8,140,107	1,643,756	8,676,083	1,785,126
Cancellation of units	(4,947,474)	(1,021,219)	(2,708,485)	(562,347)
As at end of the financial year	<u>43,462,386</u>	<u>6,358,308</u>	<u>40,269,753</u>	<u>5,735,771</u>

**10. TOTAL NET ASSET VALUE (CONT'D)**

## 10.2 REALISED RESERVE - DISTRIBUTABLE

	<b>2023</b> RM	<b>2022</b> RM
Balance as at beginning of the financial year	2,520,311	2,698,957
Net income/(loss) for the financial year	804,609	(430,467)
Net unrealised (gains)/losses on valuation of quoted investments transferred to unrealised reserve	(942,944)	534,220
Unrealised foreign exchange losses transferred to unrealised reserve	82	-
Realised foreign exchange gains transferred from unrealized reserve during the year	43,377	-
Net (decrease)/increase in realised reserve for the financial year	(94,876)	103,753
Distribution for the financial year	(316,016)	(282,399)
Balance as at end of the financial year	<u>2,109,419</u>	<u>2,520,311</u>

## 10.3 UNREALISED RESERVE - NON-DISTRIBUTABLE

	<b>2023</b> RM	<b>2022</b> RM
Balance as at beginning of the financial year	(105,807)	428,413
Net unrealised gains/(losses) on valuation of quoted investments transferred from realised reserve	942,944	(534,220)
Unrealised foreign exchange losses transferred from realised reserve	(82)	-
Realised foreign exchange gains transferred to realized reserve during the year	(43,377)	-
Balance as at end of the financial year	<u>793,678</u>	<u>(105,807)</u>

**11. TOTAL EXPENSE RATIO ("TER")**

	<b>2023</b>	<b>2022</b>
	%	%
TER	<u>1.77</u>	<u>1.73</u>

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 fee

B = Trustee's fee

C = Auditors' remuneration

D = Tax agent's fee

E = Administrative 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 RM8,571,942 (2022 - RM7,638,697).

**12. PORTFOLIO TURNOVER RATIO ("PTR")**

	<b>2023</b>	<b>2022</b>
PTR (Times)	<u>0.76</u>	<u>0.57</u>

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 = RM6,707,203 (2022 - RM4,936,482)

total disposals for the financial year = RM6,334,633 (2022 - RM3,772,979)

### 13. 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.

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.

#### GEOGRAPHICAL SEGMENT

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

<b>2023</b>	Malaysia RM	Hong Kong RM	Others RM	Total RM
<b>INVESTMENT LOSS</b>				
Segment income/(loss) representing segment results:-				
Gross dividend income	339,651	22,373	6,109	368,133
Interest income from deposits placed with financial institutions	19,010	-	-	19,010
Realised gain/(loss) on sale of investments	(286,595)	(26,559)	-	(313,153)
Unrealised (loss)/gain on valuation of investments	1,063,005	(120,471)	410	942,944
Other income	7,938	-	-	7,938
	<u>1,143,009</u>	<u>(124,656)</u>	<u>6,519</u>	<u>1,024,872</u>
Unallocated expenditure				<u>(194,781)</u>
Net investment loss				830,091
Foreign exchange gain:				
- realised	-	5,530	(24,780)	(19,250)
- unrealised	-	-	(82)	(82)
	<u>-</u>	<u>5,530</u>	<u>(24,862)</u>	<u>(19,332)</u>
Net income before taxation				810,759
Income tax expense				(6,150)
Net income after taxation				<u>804,609</u>



**13. OPERATING SEGMENTS (CONT'D)**

The following table provides an analysis of the results and assets by geographical segments (Cont'd):

<b>2023</b>	Malaysia RM	Hong Kong RM	Singapore RM	Total RM
<b>ASSETS</b>				
Investment:-				
Quoted investments/ Segmental assets	7,122,490	566,263	471,897	8,160,650
Shariah-based deposits with licensed financial institutions	951,260	-	-	951,260
Other assets - unallocated				171,896
Total assets				9,283,806
<b>LIABILITIES</b>				
Unallocated liabilities				22,401

In accordance with the asset allocation guidelines of the Fund, the Fund can have an exposure in equity and equity-related securities which shall not be more than 95% of the Fund's NAV and not less than 70% of the Fund's NAV.

As at the end of previous financial year, the Fund predominantly invested in Malaysia and hence no operating segment information is disclosed.

**14. UNITS HELD BY THE MANAGER AND DIRECTORS OF THE MANAGER**

The units of the Fund at market value held by a director of the Manager at the end of the reporting period are shown as follows:-

	<b>2023</b>		<b>2022</b>	
	Units	RM	Units	RM
Clement Chew Kuan Hock:				
- units held in the Fund at market value	497,480	106,013	478,309	96,810
R.Raevendran A/L S. Ramanchandran:				
- units held in the Fund at market value	5,942	1,266	101	20

**15. 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:-

**2023**

<b>BROKERS</b>	Value of trade		Brokerage fee	
	RM	%	RM	%
Affin Hwang Investment Bank Berhad	2,308,014	18.97	4,572	19.11
CIMB Investment Bank Berhad	3,517,260	28.92	7,238	30.25
DBS Vickers Securities Singapore Pte Ltd	472,855	3.89	1,179	4.93
Hong Leong Investment Bank Berhad	1,877,514	15.44	2,835	11.85
Maybank Investment Bank Berhad	3,987,993	32.79	8,102	33.86
	<b>12,163,636</b>	<b>100.00</b>	<b>23,926</b>	<b>100.00</b>

**2022**

<b>BROKERS</b>	Value of trade		Brokerage fee	
	RM	%	RM	%
Affin Hwang Investment Bank Berhad	2,398,645	27.58	4,801	28.04
CIMB Investment Bank Berhad	3,116,031	35.82	6,228	36.37
Maybank Investment Bank Berhad	3,183,879	36.60	6,095	35.59
	<b>8,698,555</b>	<b>100.00</b>	<b>17,124</b>	<b>100.00</b>

**16. CASH FLOW INFORMATION**

The cash and cash equivalents comprise the following:

	<b>2023</b>	<b>2022</b>
	RM	RM
Bank balances	163,827	84,318
Shariah-based deposits with licensed financial institutions	951,260	939,986
	<b>1,115,087</b>	<b>1,024,304</b>

**17. RELATED PARTY DISCLOSURES**

## 17.1 IDENTITIES OF RELATED PARTIES

(a) The Fund has related party relationships with its Manager, Astute Fund Management Berhad and its Trustee, Maybank Trustees Berhad.

(b) The Fund also had related party relationships with Director of the Manager.

17.2 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:-

	<b>2023</b>	<b>2022</b>
	RM	RM
Astute Fund Management Berhad:		
- management fee	<u>128,919</u>	<u>114,221</u>
Maybank Trustees Berhad:		
- trustee fee	<u>4,297</u>	<u>3,807</u>

	<b>2023</b>		<b>2022</b>	
	Units	RM	Units	RM
<u>Director of the Manager</u>				
Clement Chew Kuan Hock:				
- purchase of units in the Fund	-	-	251,762	50,000
- distribution of units by the Fund	19,171	3,769	8,270	1,717
R.Ravendran A/L S. Ramanchandran:				
- purchase of units in the Fund	5,909	1,185	101	20
- redemption of units in the Fund	(68)	(14)	-	-
	<u>25,012</u>	<u>4,940</u>	<u>260,133</u>	<u>51,737</u>

**17. RELATED PARTY DISCLOSURES (CONT'D)**

17.2 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 (Cont'd):-

	2023		2022	
	Units	RM	Units	RM
<u>Persons related to the Director of the Manager</u>				
- purchase of units in the Fund	547,093	116,257	406,108	81,000
- redemption of units in the Fund	-	-	(105,740)	(21,663)
	<u>547,093</u>	<u>116,257</u>	<u>300,368</u>	<u>59,337</u>

17.3 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
<u>Director of the Manager</u>				
Clement Chew Kuan Hock	497,480	106,013	478,309	96,810
R.Ravendren A/L S. Ramachandran	5,942	1,266	101	20
	<u>503,422</u>	<u>107,279</u>	<u>478,410</u>	<u>96,830</u>
Unit held by Persons related to the Director of the Manager	547,093	116,585	329,315	87,331
	<u>1,050,515</u>	<u>223,864</u>	<u>807,725</u>	<u>184,161</u>

**18. 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	0.5876	0.5342
Singapore Dollar	3.4787	-
United States Dollar	4.5900	4.1650
	<u>          </u>	<u>          </u>

## 19. 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.

### 19.1 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 Hong Kong Dollar, Singapore Dollar and United States Dollar. Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

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

<b>2023</b>	Ringgit Malaysia RM	Hong Kong Dollar RM	Singapore Dollar RM	United States Dollar RM	Total RM
<b>Financial Assets</b>					
Quoted investments	7,122,490	566,263	471,897	-	8,160,650
Shariah-based deposits with licensed financial institutions	951,260	-	-	-	951,260
Sundry receivables	8,069	-	-	-	8,069
Bank balances	86,692	-	-	77,135	163,827
	<u>8,168,511</u>	<u>566,263</u>	<u>471,897</u>	<u>77,135</u>	<u>9,283,806</u>
<b>Financial liabilities</b>					
Sundry payables and accruals	10,446	-	-	-	10,446
Amount owing to Manager	11,569	-	-	-	11,569
Amount owing to Trustee	386	-	-	-	386
	<u>22,401</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,401</u>
Net financial assets	8,146,110	566,263	471,897	77,135	9,261,405
Less: Net financial assets denominated in the Fund's functional currency	(8,146,110)	-	-	-	(8,146,110)
	<u>-</u>	<u>566,263</u>	<u>471,897</u>	<u>77,135</u>	<u>1,115,295</u>

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

## 19.1 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:-

	<b>2023</b>	
	Effect On Net Income After Taxation Increase/ (Decrease) RM	Effect On NAV Attributable To Unitholders Increase/ (Decrease) RM
Hong Kong Dollar		
- strengthened by 5%	28,313	28,313
- weakened by 5%	(28,313)	(28,313)
Singapore Dollar		
- strengthened by 5%	23,595	23,595
- weakened by 5%	(23,595)	(23,595)
US Dollar		
- strengthened by 5%	3,857	3,857
- weakened by 5%	(3,857)	(3,857)

The Fund did not have any foreign currency at the end of the previous reporting period, hence is not exposed to foreign currency risk.

## (b) Interest Rate Risk

The Fund does not have any interest rate bearing 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.

**19. FINANCIAL INSTRUMENTS (CONT'D)****19.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(c) Particular Stock Risk (Cont'd)**Particular Stock Risk Sensitivity

The Manager's best estimate of the effect on the net income/(loss) 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			
<b>2023</b>	+1%	59,589	59,589
	-1%	(59,589)	(59,589)
		<hr/>	<hr/>
	Change in equity price	Effects on loss for the financial year (increase)/ decrease RM	Effects on equity increase/ (decrease) RM
FTSE Bursa Malaysia KLCI			
<b>2022</b>	+1%	(63,959)	63,959
	- 1%	63,959	(63,959)
		<hr/>	<hr/>

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, REIT and investment outside Malaysia are individually not significant for sensitivity analysis purposes.

**19. FINANCIAL INSTRUMENTS (CONT'D)****19.1 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:-

<b>Investment Sector</b>	<b>2023</b>		<b>2022</b>	
	<b>RM</b>	<b>As a % of NAV</b>	<b>RM</b>	<b>As a % of NAV</b>
Consumer Products & Services	2,456,731	26.53	1,863,932	22.86
Industrial Products & Services	1,231,279	13.30	752,067	9.23
REITS	1,042,002	11.26	653,673	8.02
TSR Loans	593,510	6.40	101,946	1.25
Plantation	558,920	6.03	996,057	12.22
Transport & Logistic	510,784	5.52	-	-
Energy	440,639	4.76	1,218,659	14.95
Technology	355,860	3.84	272,960	3.35
Consumer Discretion	337,726	3.65	-	-
Utilities	267,422	2.89	450,030	5.52
Communication	228,537	2.47	-	-
Construction	137,240	1.48	-	-
Financial Services	-	-	842,197	10.33
	<b>8,160,650</b>	<b>88.13</b>	<b>7,151,521</b>	<b>87.73</b>

**(d) Liquidity Risk and Cash Flow Risks**

Liquidity and cash flow risks refer 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.



## 19. FINANCIAL INSTRUMENTS (CONT'D)

### 19.1 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 amount owing by a stockbroker 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 financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery 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.

A financial asset is credit impaired when the receivable is in significant financial difficulties.

The Fund considers a receivable to be in default when the receivable is unlikely to repay its debt to the Fund in full or is more than 90 days past due.

#### Shariah-based Deposits with Licensed Financial Institutions and Bank Balances

The Fund considers licensed bank has 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.

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

## 19.2 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.

## 19.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	<b>2023</b>	<b>2022</b>
	RM	RM
<b>Financial Assets</b>		
<u>Mandatorily at FVTPL</u>		
Quoted investments	8,160,650	7,151,521
	<hr/>	<hr/>
<u>Amortised Cost</u>		
Shariah-based deposit with a licensed financial institution	951,260	939,986
Sundry receivables	8,069	1,618
Bank balances	163,827	84,318
	<hr/>	<hr/>
	1,123,156	1,025,922
	<hr/>	<hr/>
<b>Financial Liability</b>		
<u>Amortised Cost</u>		
Sundry payables and accruals	10,446	16,895
Amount owing to Manager	11,569	9,942
Amount owing to Trustee	386	331
	<hr/>	<hr/>
	22,401	27,168
	<hr/>	<hr/>

## 19.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	<b>2023</b>	<b>2022</b>
	RM	RM
<b>Financial Assets</b>		
<u>Mandatorily at FVTPL</u>		
Net gains/(losses) recognised in profit or loss	997,924	(289,749)
	<hr/>	<hr/>
<u>Amortised Cost</u>		
Gains recognised in profit or loss	26,948	26,384
	<hr/>	<hr/>

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

## 19.5 FAIR VALUE INFORMATION

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

	Fair Value of Financial Instruments			Total Fair value RM	Carrying Amount RM
	Carried at Fair Value				
	Level 1 RM	Level 2 RM	Level 3 RM		
<b>2023</b>					
<u>Financial Asset</u>					
Quoted investments	8,160,650	-	-	8,160,650	8,160,650
<b>2022</b>					
<u>Financial Asset</u>					
Quoted investments	7,151,521	-	-	7,151,521	7,151,521

The Fund measures its quoted investments that are classified as financial assets at their fair values, determined at their quoted closing 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

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

**BUSINESS OFFICE  
ASTUTE FUND MANAGEMENT BERHAD**

3<sup>rd</sup> Floor, Menara Dungun  
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50490 Kuala Lumpur