

ASTUTE DYNAMIC FUND (ADF)

AUDITED ANNUAL REPORT

For The Financial Year Ended 31 December 2024

ASTUTE DYNAMIC FUND

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1. FUND INFORMATION

FUND NAME	Astute Dynamic Fund (ADF)
FUND TYPE	Growth
FUND CATEGORY	Equity
FUND INVESTMENT OBJECTIVE	To seek capital appreciation by investing in equity and equity-related securities.
DURATION OF THE FUND	The Fund is an open-ended fund. The Fund was launched on 18 May 2006.
PERFORMANCE BENCHMARK	<ul style="list-style-type: none"> ❖ 70% of FBM KLCI ❖ 30% of Maybank Berhad 1-year fixed deposit rate <p>(Source: Bursa Malaysia Securities Berhad and Malayan Banking Berhad)</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 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>

2. FUND PERFORMANCE

Summary of performance data is as follows:

	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM
Portfolio Composition:			
- Equity securities	92.20	89.81	90.05
- Liquid assets and others	7.80	10.19	9.95
Net Assets Value (RM)	1,203,052	941,856	1,773,696
Number of Units in Circulation	5,102,278	5,096,850	10,682,268
Net Asset Value per Units (RM)	0.2358	0.1848	0.1660
Highest NAV Price for the period under review (RM)	0.2466	0.1858	0.1783
Lowest NAV Price for the period under review (RM)	0.1856	0.1580	0.1531
Total Return for the period under review (RM)			
- Capital growth	150,831	104,264	(94,571)
- Income distribution	Nil	Nil	Nil
Gross Distribution Per Unit (RM)	Nil	Nil	Nil
Net Distribution Per Unit (RM)	Nil	Nil	Nil
Total Expense Ratio (TER) (%)	4.31*	2.63	2.15
<i>*The TER for the financial period was higher compared with the previous corresponding period due to lower average NAV which has resulted in higher TER for certain non-variable expenses.</i>			
Portfolio Turnover Ratio (PTR) (times)	0.48*	1.01	0.72
<i>*the PTR for the financial period was lower compared with previous financial period as there were lesser investment activities during the financial period under review.</i>			

	Total Return		Average Total Return	
	ADF	Index	ADF	Index
1 Year	27.60	9.82	27.60	9.82
3 Year	33.45	6.02	11.17	11.15
5 Year	41.45	6.85	8.29	1.37
Since Inception 18 May 2006	108.92	67.31	5.86	3.62

Annual total return for each of the last five financial year ended	ADF	Index
31.12.2024	27.60	9.82
31.12.2023	11.33	-1.04
31.12.2022	-6.06	-2.44
31.12.2021	3.33	-1.93
31.12.2020	2.58	2.76

Source: Bloomberg

*Notes:

1. Total returns as at 31.12.2024. 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

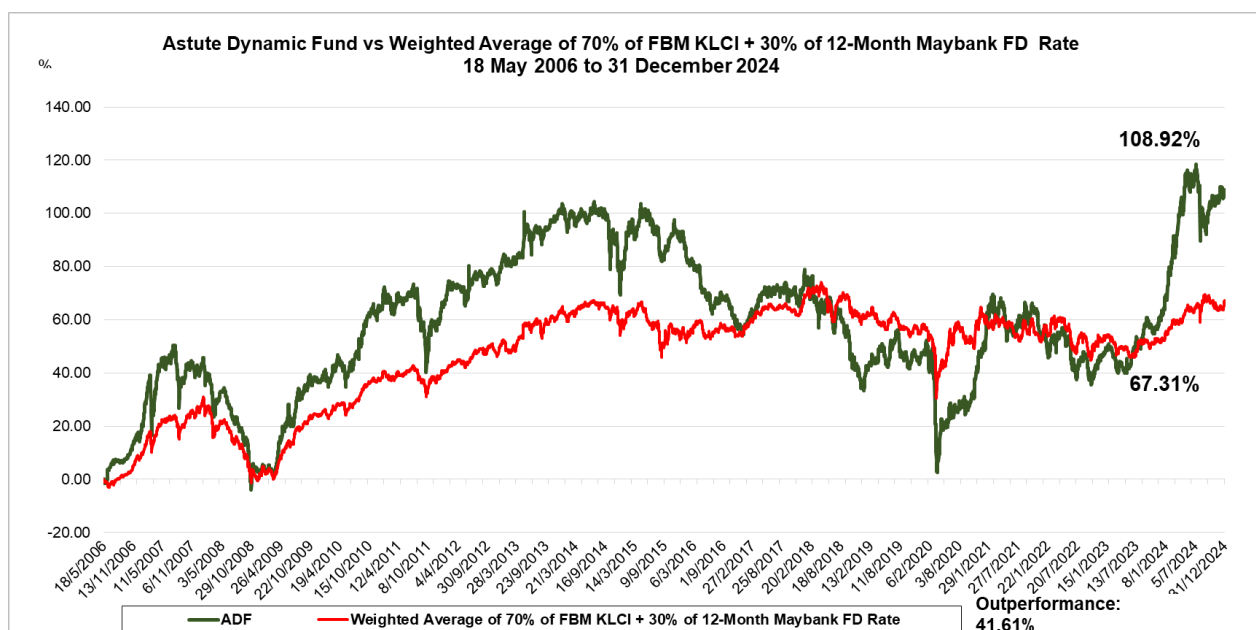
FUND'S OBJECTIVE ACHIEVEMENTS

For the financial period of review, the Fund has achieved its investment objective to seek capital appreciation by investing in equity and equity-related securities. The Fund has provided a total return of 108.92% since its inception as compared to the benchmark total return of 67.31%. Hence, the Fund has outperformed the benchmark return by 41.61%.

PERFORMANCE ANALYSIS

For the year ended 31 December 2024, the Fund achieved a return of 27.60% against the benchmark return of 9.82%, resulting in an outperformance against the benchmark of 17.78%. The total NAV of the Fund increased to RM 1,203,052 as of 31st December 2024 from RM 941,856 as of 31st December 2023. The increase in NAV was mainly due to portfolio value appreciation.

PERFORMANCE OF ASTUTE DYNAMIC FUND VS BENCHMARK INDEX SINCE 18 May 2006 TO 31 DECEMBER 2024 ADF HAS OUTPERFORMED THE BENCHMARK INDEX BY 41.61%



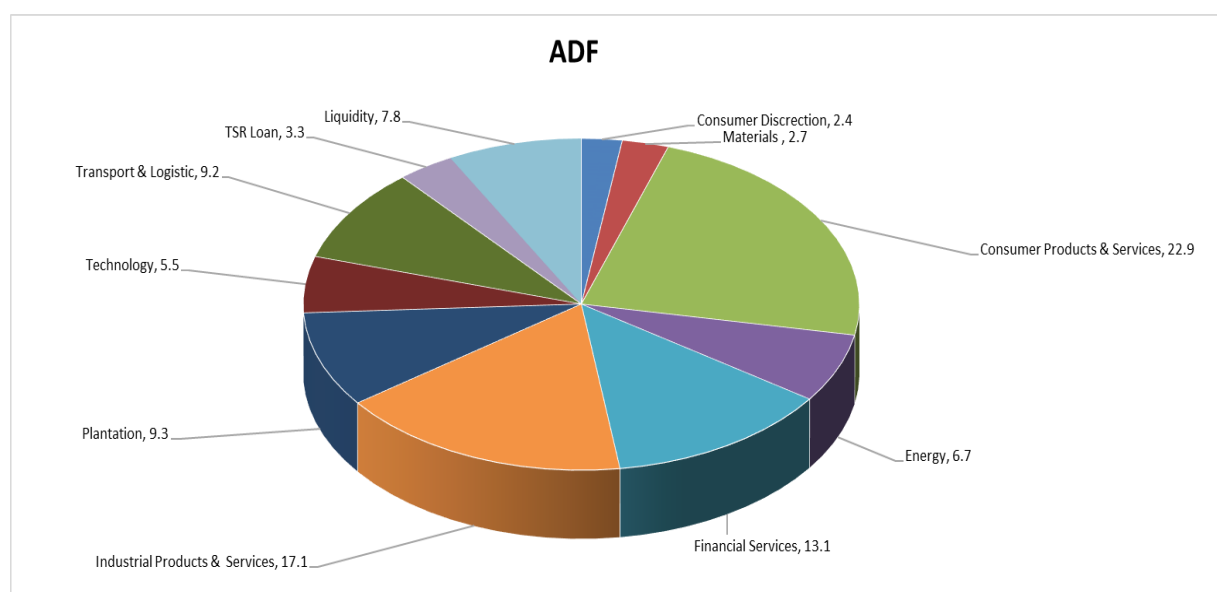
Source: Bloomberg

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 for growth. The fund consists of only shares or warrants that were listed on the Bursa Malaysia. In terms of the market sector, the Fund had concentrated mainly in the areas of Consumer Products and Services, Industrial Products & Services, and Financial Services.

The 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 proactive capital management will also be considered.

ASSET ALLOCATION



ASSET ALLOCATION BY SECTOR ASAT 31 DECEMBER 2024

QUOTED SECURITIES	31 DEC 2024	31 DEC 2023
Financial Services	13.1	9.4
Consumer Discretion	2.4	2.8
Consumer Products & Services	22.9	23.5
Energy	6.7	4.4
Industrial Products & Services	17.1	4.1
Materials	2.7	3.2
Plantation	9.3	6.8
Technology	5.5	6.3
Transport & Logistic	9.2	6.0
TSR Loans	3.3	17.6
Utilities	-	5.7
Liquidity	7.8	10.2

MARKET REVIEW

The fund recorded a 27.60% performance for the year, beating the benchmark which has risen by 9.82%. Despite the recent volatility, we maintain a positive outlook on equity markets.

The US economy has remained resilient as we head into 2025. On the 19th Dec 2024, the FED cut US interest rates by 25-bps to 4.50%. Importantly, FED Chair Powell signalled that the FED's policy stance has entered a "new phase" and that it will move cautiously on further rate cuts. Meanwhile, the median "dot plot" now expects only 2 rate cuts in 2025 (total of 50 bps) vs more bullish expectations of 4 cuts back in Sep-2024.

As President-elect Donald Trump prepares to return to the White House on 20th Jan 2025, markets are bracing for widespread tariffs on China and the rest of the world. The impact of such tariffs may adversely affect Asia's growth and exert downward pressure on their currencies. Since 27th Sep 2024, the DXY (USD Currency Index) has rallied 9.3% to 109.7. During periods of Dollar strength, liquidity invariably leaves Emerging Markets and returns to Developed Markets. With USD "exceptionalism" (strength) expected in 2025, this will represent a significant headwind for Asian markets.

In Malaysia, the Ministry of Finance (MOF) expects the economy to grow at a modest 4.5% to 5.5% in 2025. The forecast appears reasonable given the resilience of the global economy and the slew of domestic initiatives under the Madani government. In particular, the improvement in private investment spending is encouraging.

MARKET OUTLOOK

In our view, the KLCI will be supported by a bunching-up of thematic. This includes the launch of the Johor-Singapore Special Economic Zone (JSSEZ), the government directed focus on domestic investments by government-linked investment companies (GLICs), robust foreign direct investments (FDIs) including into data centres and semiconductors, implementation of the National Energy Transition Roadmap (NETR) and Penang Transport Master Plan.

Malaysia's valuations are undemanding ie. 12-month forward PER of 14.1x (10Y range 12.2x to 19.3x), PBR of 1.4x (10Y range 1.1x to 2.0x) and forecast DY of 4.2% (10Y range 3.1% to 4.8%) [source: Bloomberg]. Our strategy is biased towards domestic plays which are insulated from some of the external headwinds. We are keeping a higher level of cash in view of the short-term uncertainties and are looking for lower levels to buy.

DISTRIBUTIONS

For the financial year under review, the Fund did not declare any distribution.

STATE OF AFFAIRS OF THE FUND

There were no significant changes in the state of affairs of the Fund during the year 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 year review.

DETAILS OF ANY SPLIT EXERCISE

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

CROSS TRADE TRANSACTION

During the financial year 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

To the unit holders of **ASTUTE DYNAMIC FUND ("Fund")**



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

To the unit holders of **ASTUTE DYNAMIC FUND ("Fund")**

We have acted as Trustee of the Fund for the financial year ended 31 December 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Astute Fund Management Berhad has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

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

A handwritten signature in black ink, appearing to be "NORHAZLIANA BINTI MOHAMMED HASHIM".

NORHAZLIANA BINTI MOHAMMED HASHIM
Head, Unit Trust & Corporate Operations
Date: 26 February 2025

5. INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF ASTUTE DYNAMIC FUND



Crowe Malaysia PLT
201905000005 (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
www.crowe.my

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF ASTUTE DYNAMIC FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **Astute Dynamic Fund** ("the Fund"), which comprise the statement of financial position as at 31 December 2024, 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 material accounting policy information, as set out on pages 14 to 48.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2024, 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.

5. INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF ASTUTE DYNAMIC FUND (CONT'D)



INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF ASTUTE DYNAMIC FUND (CONT'D)

Information Other than the Financial Statements and Auditors' Report Thereon (Cont'd)

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager 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.

5. INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF ASTUTE DYNAMIX FUND(CONT'D)



INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF ASTUTE DYNAMIC 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:

- 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.
- 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.

5. INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF ASTUTE DYNAMIC FUND



INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF ASTUTE DYNAMIC FUND (CONT'D)

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 "Crowe".

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

Kuala Lumpur

26 February 2025

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



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 unaudited financial statements of **Astute Dynamic Fund** are drawn up in accordance with the Deed, Malaysian Financial Reporting Standards, International Financial Reporting Standards and Securities Commission Malaysia's Guidelines on Unit Trust Funds so as to give a true and fair view of the financial position of **Astute Dynamic Fund** as at 31 December 2024 and its financial performance, changes in net asset value and cash flows for the financial period then ended.

For and on behalf of the Manager,

ASTUTE FUND MANAGEMENT BERHAD

A handwritten signature in blue ink, appearing to read "Clement Chew".

CLEMENT CHEW KUAN HOCK

Director

A handwritten signature in blue ink, appearing to read "Y.M. Dato' Tunku Ahmad Zahir Bin Tunku Ibrahim".

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

Director

Kuala Lumpur, Malaysia

Date: 26 February 2025

6.1 STATEMENT OF AUDITED PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Financial Year Ended 31 December 2024

	Note	2024 RM	2023 RM
INVESTMENT INCOME			
Gross dividend income		45,301	51,262
Realised gain/(loss) on sale of investments		117,658	(36,044)
Unrealised gain on financial assets at fair value through profit and loss ("FVTPL")		150,831	104,264
Other income		1,979	1,730
		<u>315,769</u>	<u>121,212</u>
LESS: EXPENSES			
Management's fee	4	17,424	16,312
Trustee's fee	5	581	544
Auditors' remuneration		7,700	7,000
Tax agent's fee		3,419	3,661
Administrative expenses		20,897	1,009
Transaction costs		4,205	7,898
		<u>54,226</u>	<u>36,424</u>
NET INVESTMENT INCOME		261,543	84,788
GAINS/(LOSSES) ON FOREIGN EXCHANGE:			
- realised		(3,828)	12,842
- unrealised		6	(124)
		<u>257,721</u>	<u>97,506</u>
NET INCOME BEFORE TAXATION		257,721	97,506
INCOME TAX EXPENSE	6	(1,141)	(4,167)
NET INCOME AFTER TAXATION FOR THE FINANCIAL YEAR		256,580	93,339
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		256,580	93,339
Total comprehensive income for the financial year is made up as follows:			
- realised		105,743	(10,801)
- unrealised		150,837	104,140
		<u>256,580</u>	<u>93,339</u>

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

6.2 STATEMENT OF AUDITED FINANCIAL POSITION
For The Financial Year Ended 31 December 2024

	Note	2024 RM	2023 RM
ASSETS			
INVESTMENT			
Quoted investments	7	1,109,202	845,938
OTHER ASSETS			
Dividend receivable		-	344
Current tax assets		22,090	22,090
Bank balances		89,771	97,347
		111,861	119,781
TOTAL ASSETS		1,221,063	965,719
NET ASSET VALUE (“NAV”) AND LIABILITY			
NAV			
Unitholders’ capital		468,141	463,525
Retained earnings		734,911	478,331
TOTAL NAV	8	1,203,052	941,856
LIABILITIES			
Sundry payables and accruals		16,439	22,629
Amount owing to Manager		1,521	1,194
Amount owing to Trustee		51	40
TOTAL LIABILITY		18,011	23,863
TOTAL NAV AND LIABILITY		1,221,063	965,719
NUMBER OF UNITS IN CIRCULATION	8.1	5,102,579	5,096,850
NAV PER UNIT (RM)		0.2358	0.1848

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 2024

	Note	Unitholders' Capital RM	Retained Earnings RM	Total NAV RM
At 1 January 2023		1,388,704	384,992	1,773,696
Net income after taxation/Total comprehensive income for the financial year		-	93,339	93,339
Contribution by and distribution to the unitholders of the Fund:				
- creation of units	8.1	11,160	-	11,160
- cancellation of units	8.1	(936,339)	-	(936,339)
Total transactions with unitholders of the Fund		(925,179)	-	(925,179)
At 31 December 2023/1 January 2024		463,525	478,331	941,856
Net income after taxation/Total comprehensive income for the financial year		-	256,580	256,580
Contribution by and distribution to the unitholders of the Fund:				
- creation of units	8.1	191,422	-	191,422
- cancellation of units	8.1	(186,806)	-	(186,806)
Total transactions with unitholders of the Fund		4,616	-	4,616
At 31 December 2024		468,141	734,911	1,203,052

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 2024

	2024	2023
	RM	RM
CASH FLOWS (FOR)/FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of investments	552,619	1,513,012
Purchase of investments	(551,642)	(670,584)
Dividend income received	45,514	50,264
Interest income received	1,979	1,730
Management fee paid	(17,097)	(17,294)
Trustee's fee paid	(570)	(576)
Other fees and expenses paid	(42,411)	(18,748)
Foreign exchange gain/(loss)	420	(9,845)
	<hr/>	<hr/>
CASH (FOR)/FROM OPERATION	(11,188)	847,959
Income tax paid	(1,010)	(3,111)
	<hr/>	<hr/>
NET CASH (FOR)/FROM OPERATING AND INVESTING ACTIVITIES	(12,198)	844,848
	<hr/>	<hr/>
CASH FLOW FROM/(FOR) FINANCING ACTIVITIES		
Proceeds from units created	191,422	11,160
Payment for cancelled units	(186,806)	(936,339)
	<hr/>	<hr/>
NET CASH FROM/(FOR) FINANCING ACTIVITIES	4,616	(925,179)
	<hr/>	<hr/>
NET DECREASE IN BANK BALANCES	(7,582)	(80,331)
EFFECTS OF FOREIGN CURRENCY EXCHANGE	6	(124)
BANK BALANCES AT BEGINNING OF THE FINANCIAL YEAR	97,347	177,802
	<hr/>	<hr/>
BANK BALANCES AT END OF THE FINANCIAL YEAR	89,771	97,347
	<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 2024

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Astute Dynamic Fund (“the Fund”) was constituted pursuant to the execution of a Deed dated 28 March 2006, First Supplemental Deed dated 20 August 2013, Second Supplemental Deed dated 3 August 2015, between the Manager, Astute Fund Management Berhad, the Trustee, AmTrustee Berhad and the registered Unitholders of the Fund. Third Supplemental Deed dated 15 April 2016 was executed for the change of Trustee from AmTrustee Berhad to Maybank Trustees Berhad, the Fourth 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 Fifth Supplemental Deed dated 11 January 2023, was further modified to be in-line with the recent amendments to the relevant guidelines.

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

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

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

The financial statements were approved by the Board of the Directors of the Manager on 26 February 2025.

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6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 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 material accounting policy information, 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)

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

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.

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6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

2. BASIS OF PREPARATION (CONT'D)

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)	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
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 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026

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 except as follows:-

MFRS 18 Presentation and Disclosure of Financial Statements

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard sets out the new requirements for the presentation and disclosure of information in the primary financial statements and notes. The potential impact of the new standard on the financial statements of the Fund has yet to be assessed.

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6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION

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. The carrying amount of current tax assets of the Fund as at the reporting date is RM22,090 (2023 - RM 22,090).

Critical Judgements Made in Applying Accounting Policies

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

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D).

3.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include profit income.

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

(b) Financial Liabilities

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D).

3.2 FINANCIAL INSTRUMENTS (CONT'D)

(c) Equity

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.

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.

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.

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D).

3.3 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.

3.4 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.

4. MANAGEMENT'S FEE

Clause 13.1 of the Deed provides that the Manager is entitled to a management fee computed daily on the net asset value attributable to unitholders of the Fund at a rate not exceeding 2.00% (2023 - 2.00%) per annum. The management fee recognised in the financial statements is based on 1.50% (2023 - 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% (2023 - 0.05%) per annum of the net asset value attributable to unitholders of the Fund.

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

6. INCOME TAX EXPENSE

	2024	2023
	RM	RM
Current tax expense for the financial year	131	2,738
Under provision in the previous financial year	1,010	1,429
	<hr/>	<hr/>
Total income tax expense	1,141	4,167

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

	2024	2023
	RM	RM
Net income before taxation	257,721	97,506
	<hr/>	<hr/>
Tax at the statutory tax rate of 24% (2023 - 24%)	61,853	23,401
Tax effects of:-		
Non-taxable income	(11,347)	(12,718)
Net non-taxable gains on investments	(63,520)	(19,424)
Non-deductible expenses	13,145	11,479
Under provision of current tax in the previous financial year	1,010	1,429
	<hr/>	<hr/>
Income tax expense for the financial year	1,141	4,167

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023 - 24%) of the estimated assessable profit for the financial year.

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

7. QUOTED INVESTMENTS

	Note	2024 RM	2023 RM
Quoted equity investments, at fair value:			
- in Malaysia	7.1	1,008,210	583,529
- outside Malaysia	7.2	60,992	96,809
		<hr/>	<hr/>
		1,069,202	680,338
Quoted non-equity investments held in Malaysia, at fair value	7.3	40,000	165,600
		<hr/>	<hr/>
		1,109,202	845,938
		<hr/>	<hr/>

	Number Of Shares	At Cost RM	At Fair Value RM	Percentage Of NAV Of The Fund %
At 31 December 2024				

7.1 QUOTED EQUITY INVESTMENTS IN MALAYSIA

Bursa Malaysia Securities

Main Market

CONSUMER PRODUCT & SERVICES

Hong Leong Industries Berhad	5,000	46,409	71,500	5.94
MBM Resources Berhad	13,500	45,389	83,295	6.92
MSM Malaysia Holdings Berhad	36,300	39,989	42,834	3.56
Spritzer Berhad	25,500	49,259	78,285	6.51
		<hr/>	<hr/>	
		181,046	275,914	22.93
		<hr/>	<hr/>	

ENERGY

Bumi Armada Berhad	123,000	59,535	80,565	6.70
		<hr/>	<hr/>	

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

7. QUOTED INVESTMENTS (CONT'D)

	Number Of Shares	At Cost RM	At Fair Value RM	Percentage Of NAV Of The Fund %
At 31 December 2024 (Cont'd)				
7.1 QUOTED EQUITY INVESTMENTS IN MALAYSIA (CONT'D)				
<u>Bursa Malaysia Securities</u>				
<u>Main Market (Cont'd)</u>				
<u>FINANCIAL SERVICES</u>				
Alliance Bank Malaysia Berhad	15,400	75,445	74,536	6.20
CIMB Group Holdings Berhad	5,100	37,967	41,820	3.48
Malayan Banking Berhad	4,008	33,837	41,042	3.41
		147,249	157,398	13.09
<u>INDUSTRIAL PRODUCTS & SERVICES</u>				
Cahaya Mata Sarawak Berhad	51,000	72,953	61,200	5.09
Hume Cement Industries Berhad	28,471	21,123	90,822	7.55
Malaysia Smelting Corporation Berhad	23,700	56,825	53,325	4.43
		150,901	205,347	17.07
<u>PLANTATION</u>				
United Plantations Berhad	3,600	53,522	111,888	9.30
<u>TECHNOLOGY</u>				
Frontken Corporation Berhad	14,800	57,332	66,008	5.49
<u>TRANSPORT & LOGISTIC</u>				
Malaysia Airports Holdings Berhad	10,500	77,763	111,090	9.23
TOTAL QUOTED EQUITY INVESTMENTS IN MALAYSIA		727,348	1,008,210	83.81

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

7. QUOTED INVESTMENTS (CONT'D)

	Number Of Shares	At Cost RM	At Fair Value RM	Percentage Of NAV Of The Fund %
At 31 December 2024 (Cont'd)				
7.2 QUOTED EQUITY INVESTMENTS OUTSIDE MALAYSIA				
IN HONG KONG				
<u>CONSUMER DISCRETION</u>				
Alibaba Group Holding Limited	600	37,987	28,448	2.36
<u>MATERIAL</u>				
Zijin Mining Group Company Limited	4,000	28,637	32,544	2.71
TOTAL QUOTED EQUITY INVESTMENTS IN HONG KONG		66,624	60,992	5.07
TOTAL QUOTED EQUITY INVESTMENT OUTSIDE MALAYSIA		66,624	60,992	5.07
7.3 QUOTED NON-EQUITY INVESTMENTS IN MALAYSIA				
<u>TSR LOANS</u>				
Capital A Berhad - LA	40,000	39,043	40,000	3.32
TOTAL QUOTED NON-EQUITY INVESTMENT IN MALAYSIA		39,043	40,000	3.32
TOTAL QUOTED INVESTMENTS		833,015	1,109,202	92.20

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

7. QUOTED INVESTMENTS (CONT'D)

	Number Of Shares	At Cost RM	At Fair Value RM	Percentage Of NAV Of The Fund %
At 31 December 2023				
7.1 QUOTED EQUITY INVESTMENTS IN MALAYSIA				
<u>Bursa Malaysia Securities</u>				
<u>Main Market</u>				
<u>CONSUMER PRODUCT & SERVICES</u>				
Hong Leong Industries Berhad	5,000	46,409	46,050	4.89
MBM Resources Berhad	13,500	45,389	57,240	6.08
MSM Malaysia Holdings Berhad	55,000	60,590	88,550	9.40
Spritzer Berhad	16,300	27,190	29,829	3.17
		179,578	221,669	23.54
<u>ENERGY</u>				
Dialog Group Berhad	19,900	55,725	41,193	4.37
<u>FINANCIAL SERVICES</u>				
ELK-Desa Resources Berhad	42,000	35,339	52,500	5.57
Malayan Banking Berhad	4,008	33,837	35,631	3.78
		69,176	88,131	9.35
<u>INDUSTRIAL PRODUCTS & SERVICES</u>				
Malaysia Smelting Corporation Berhad	19,000	45,203	38,570	4.10
<u>PLANTATION</u>				
United Plantation Berhad	3,600	53,522	64,080	6.80
<u>TECHNOLOGY</u>				
Frontken_CORPORATION BERHAD	6,000	19,486	19,440	2.06
<u>TRANSPORT & LOGISTIC</u>				
Malaysia Airports Holdings Berhad	7,700	56,361	56,672	6.02

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

7. QUOTED INVESTMENTS (CONT'D)

At 31 December 2023 (Cont'd)	Number Of Shares	At Cost RM	At Fair Value RM	Percentage Of NAV Of The Fund %
7.1 QUOTED EQUITY INVESTMENTS IN MALAYSIA (CONT'D)				
<u>Bursa Malaysia Securities</u>				
<u>Main Market (Cont'd)</u>				
<u>UTILITIES</u>				
Taliworks Corporation Berhad	64,400	54,799	53,774	5.71
TOTAL QUOTED EQUITY INVESTMENTS IN MALAYSIA		533,850	583,529	61.95
7.2 QUOTED EQUITY INVESTMENTS OUTSIDE MALAYSIA				
IN HONG KONG				
<u>CONSUMER DISCRETION</u>				
Alibaba Group Holding Limited	600	37,987	26,663	2.83
<u>MATERIAL</u>				
Zijin Mining Group Company Limited	4,000	28,637	29,907	3.18
TOTAL QUOTED EQUITY INVESTMENTS IN HONG KONG		66,624	56,570	6.01
IN KOREA				
<u>TECHNOLOGY</u>				
SK Hynix Inc	80	37,609	40,239	4.27
TOTAL QUOTED EQUITY INVESTMENTS IN KOREA		37,609	40,239	4.27
TOTAL QUOTED EQUITY INVESTMENT OUTSIDE MALAYSIA		104,233	96,809	10.28

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

7. QUOTED INVESTMENTS (CONT'D)

	Number Of Shares	At Cost RM	At Fair Value RM	Percentage Of NAV Of The Fund %
At 31 December 2023 (Cont'd)				
7.3 QUOTED NON-EQUITY INVESTMENTS IN MALAYSIA				
<u>TSR LOANS</u>				
Hume Cement Industries Berhad - LA	41,000	43,454	131,200	13.93
Capital A Berhad - LA	40,000	39,043	34,400	3.65
TOTAL QUOTED NON-EQUITY INVESTMENT IN MALAYSIA		82,497	165,600	17.58
TOTAL QUOTED INVESTMENTS		720,580	845,938	89.81

8. TOTAL NET ASSET VALUE

	Note	2024 RM	2023 RM
Unitholders' capital	8.1	468,141	463,525
Retained earnings:			
- realised reserve	8.2	452,889	347,964
- unrealised reserve	8.3	282,022	130,367
		734,911	478,331
		1,203,052	941,856

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

8. TOTAL NET ASSET VALUE (CONT'D)

8.1 UNITHOLDERS' CAPITAL

	2024		2023	
	No. of units	RM	No. of units	RM
As at beginning of the financial year	5,096,850	463,525	10,682,268	1,388,704
Creation of units	794,060	191,422	64,009	11,160
Cancellation of units	(788,331)	(186,806)	(5,649,427)	(936,339)
As at end of the financial year	5,102,579	468,141	5,096,850	463,525

8.2 REALISED RESERVE - DISTRIBUTABLE

	2024 RM	2023 RM
Balance as at beginning of the financial year	347,964	356,647
Net income for the financial year	256,580	93,339
Net unrealised gains on valuation of quoted investments transferred to unrealised reserve	(150,831)	(104,264)
Unrealised foreign exchange (gains)/losses transferred to unrealised reserve	(6)	124
Realised foreign exchange (losses)/gains transferred from unrealised reserve during the year	(818)	2,118
Net increase/(decrease) in realised reserve during the financial year	104,925	(8,683)
Balance as at end of the financial year	452,889	347,964

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

8. TOTAL NET ASSET VALUE (CONT'D)

8.3 UNREALISED RESERVE - NON-DISTRIBUTABLE

	2024 RM	2023 RM
Balance as at beginning of the financial year	130,367	28,345
Net unrealised gains on valuation of quoted investments transferred from realised reserve	150,831	104,264
Unrealised foreign exchange gains/(losses) transferred from realised reserve	6	(124)
Realised foreign exchange losses/(gains) transferred to realised reserve during the year	818	(2,118)
Balance as at end of the financial year	<u>282,022</u>	<u>130,367</u>

9. TOTAL EXPENSE RATIO ("TER")

	2024 %	2023 %
TER	<u>4.31</u>	<u>2.63</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's fee
- B = Trustee's fee
- C = Auditors' remuneration
- D = Tax agent's fee
- E = Administrative expenses
- F = Average NAV of the Fund calculated on daily basis

The average net asset value of the Fund for the financial year is RM1,161,569 (2023 - RM1,082,746).

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

10. PORTFOLIO TURNOVER RATIO (“PTR”)

	2024	2023
PTR (Times)	0.48	1.01

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 = RM551,642 (2023 - RM670,584)

total disposals for the financial year = RM552,619 (2023 - RM1,513,012)

11. OPERATING SEGMENT

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

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

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

11. OPERATING SEGMENT (CONT'D)

GEOGRAPHICAL SEGMENT

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

2024	Malaysia RM	Hong Kong RM	Others RM	Total RM
INVESTMENT INCOME				
Segment income representing segment results:-				
Gross dividend income	43,614	1,363	324	45,301
Realised gain on sale of investments	102,927	-	14,731	117,658
Unrealised gain/(loss) on valuation of investments	149,038	4,423	(2,630)	150,831
Other income	1,977	-	2	1,979
	297,556	5,786	12,427	315,769
Unallocated expenditure				(54,226)
Net investment income				261,543
Foreign exchange gain/(loss):				
- realised	-	(22)	(3,806)	(3,828)
- unrealised	6	-	-	6
	6	(22)	(3,806)	(3,822)
Net income before taxation				257,721
Income tax expense				(1,141)
Net income after taxation				256,580
ASSETS				
Investment:-				
Quoted investments/Segmental assets	1,048,210	60,992	-	1,109,202
Other assets - unallocated				111,861
Total assets				1,221,063
LIABILITIES				
Unallocated liabilities				18,011

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

11. OPERATING SEGMENT (CONT'D)

GEOGRAPHICAL SEGMENT (CONT'D)

2023

	Malaysia RM	Hong Kong RM	Singapore RM	Others RM	Total RM
INVESTMENT INCOME					
Segment income/(loss) representing segment results:-					
Gross dividend income	41,597	2,468	4,402	2,795	51,262
Realised gain/(loss) on sale of investments	36,972	(29,264)	(7,402)	(36,350)	(36,044)
Unrealised gain/(loss) on valuation of investments	100,518	(14,942)	3,867	14,821	104,264
Other income	1,727	-	-	3	1,730
	180,814	(41,738)	867	(18,731)	121,212
Unallocated expenditure					(36,424)
Net investment income					84,788
Foreign exchange gain/(loss):					
- realised	-	12,650	(668)	860	12,842
- unrealised	-	-	-	(124)	(124)
	-	12,650	(668)	736	12,718
Net income before taxation					97,506
Income tax expense					(4,167)
Net income after taxation					93,339
ASSETS					
Investment:-					
Quoted investments/ Segmental assets	749,129	56,570	-	40,239	845,938
Other assets - unallocated					119,781
Total assets					965,719
LIABILITIES					
Unallocated liabilities					23,863

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

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

There were no units in the Fund held by the Manager or directors of the Manager as at 31 December 2024 (2023 - Nil).

13. 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:-

2024

BROKERS	Value of trade		Brokerage fees	
	RM	%	RM	%
Affin Hwang Investment Bank Berhad	314,799	30.92	663	23.00
Maybank Investment Bank Berhad	293,546	28.83	642	22.28
Hong Leong Investment Bank Berhad	140,956	13.84	333	11.55
CGS International Securities Malaysia Sdn Bhd	136,856	13.44	317	11.00
RHB Investement Bank Berhad	84,045	8.26	831	28.83
DBS Vickers Securities Singapore	47,910	4.71	96	3.34
	<u>1,018,112</u>	<u>100.00</u>	<u>2,882</u>	<u>100.00</u>

2023

BROKERS	Value of trade		Brokerage fees	
	RM	%	RM	%
Maybank Investment Bank Berhad	574,410	26.34	1,153	25.62
CIMB Investment Bank Berhad	471,163	21.61	975	21.66
Affin Hwang Investment Bank Berhad	379,507	17.41	828	18.41
CCB International (Singapore)	339,087	15.55	679	15.10
Others	416,453	19.09	864	19.21
	<u>2,180,620</u>	<u>100.00</u>	<u>4,499</u>	<u>100.00</u>

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

14. RELATED PARTY DISCLOSURES

14.1 IDENTITIES OF RELATED PARTIES

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

14.2 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:-

	2024	2023
	RM	RM
Astute Fund Management Berhad:		
- management's fee	17,424	16,312
	<hr/>	<hr/>
Maybank Trustees Berhad:		
- trustee's fee	581	544
	<hr/>	<hr/>

15. 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:-

	2024	2023
	RM	RM
United States Dollar	4.4695	4.5903
Hong Kong Dollar	0.5754	0.5878
Korean Won	0.0030	0.0035
	<hr/>	<hr/>

16. FINANCIAL INSTRUMENTS

The activities of the Fund 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 overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Fund.

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

16. FINANCIAL INSTRUMENTS (CONT'D)

16.1 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 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 exposure to foreign currency risk (a currency which is other than the functional currency of the Fund) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

Foreign Currency Exposure

	Ringgit Malaysia RM	Hong Kong Dollar RM	United States Dollar RM	Total RM
2024				
Financial Assets				
Quoted investments	1,048,210	60,992	-	1,109,202
Bank balances	39,687	935	49,149	89,771
	<u>1,087,897</u>	<u>61,927</u>	<u>49,149</u>	<u>1,198,973</u>
Financial Liabilities				
Sundry payables and accruals	16,439	-	-	16,439
Amount owing to Manager	1,521	-	-	1,521
Amount owing to Trustee	51	-	-	51
	<u>18,011</u>	<u>-</u>	<u>-</u>	<u>18,011</u>
Net financial assets	1,069,886	61,927	49,149	1,180,962
Less: Net financial assets denominated in the Fund's functional currency	(1,069,886)	-	-	(1,069,886)
Net Currency Exposure	<u>-</u>	<u>61,927</u>	<u>49,149</u>	<u>111,076</u>

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

16. FINANCIAL INSTRUMENTS (CONT'D)

16.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

	Ringgit Malaysia RM	Hong Kong Dollar RM	United States Dollar RM	Others RM	Total RM
2023					
Financial Assets					
Quoted investments	749,129	56,570	-	40,239	845,938
Dividend receivable	344	-	-	-	344
Bank balances	71,604	955	24,788	-	97,347
	<u>821,077</u>	<u>57,525</u>	<u>24,788</u>	<u>40,239</u>	<u>943,629</u>
Financial Liabilities					
Sundry payables and accruals	22,629	-	-	-	22,629
Amount owing to Manager	1,194	-	-	-	1,194
Amount owing to Trustee	40	-	-	-	40
	<u>23,863</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,863</u>
Net financial assets	797,214	57,525	24,788	40,239	919,766
Less: Net financial assets denominated in the Fund's functional currency	(797,214)	-	-	-	(797,214)
Net Currency Exposure	<u>-</u>	<u>57,525</u>	<u>24,788</u>	<u>40,239</u>	<u>122,552</u>

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

16. FINANCIAL INSTRUMENTS (CONT'D)

16.1 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:-

	2024	
	Effect On Net Income After Taxation Increase/ (Decrease) RM	Effect On NAV Attributable To Unitholders Increase/ (Decrease) RM
Hong Kong Dollar		
- strengthened by 5%	3,096	3,096
- weakened by 5%	(3,096)	(3,096)
United States Dollar		
- strengthened by 5%	2,457	2,457
- weakened by 5%	(2,457)	(2,457)

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

16. FINANCIAL INSTRUMENTS (CONT'D)

16.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Foreign Currency Risk (Cont'd)

Foreign Currency Risk Sensitivity Analysis (Cont'd)

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 (Cont'd):-

	2023	
	Effect On Net Income After Taxation Increase/ (Decrease) RM	Effect On NAV Attributable To Unitholders Increase/ (Decrease) RM
Hong Kong Dollar		
- strengthened by 5%	2,876	2,876
- weakened by 5%	(2,876)	(2,876)
United States Dollar		
- strengthened by 5%	1,239	1,239
- weakened by 5%	(1,239)	(1,239)
Others		
- strengthened by 5%	2,012	2,012
- weakened by 5%	(2,012)	(2,012)

(b) Interest Rate Risk

The Fund does not have any interest-bearing borrowings and hence, are not exposed to interest rate risk.

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

16. FINANCIAL INSTRUMENTS (CONT'D)

16.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Particular Stock Risk

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

Particular Stock Risk Sensitivity

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

	Change in equity price	Effects on income for the financial year increase/ (decrease) RM	Effects on equity increase/ (decrease) RM
FTSE Bursa Malaysia KLCI			
2024	+ 1%	10,082	10,082
	- 1%	(10,082)	(10,082)
		<hr/>	<hr/>
	Change in equity price	Effects on income for the financial year increase/ (decrease) RM	Effects on equity increase/ (decrease) RM
FTSE Bursa Malaysia KLCI			
2023	+ 1%	5,835	5,835
	- 1%	(5,835)	(5,835)
		<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, REITs and investment outside Malaysia are individually not significant for sensitivity analysis purposes.

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

16. FINANCIAL INSTRUMENTS (CONT'D)

16.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Particular Stock Risk (Cont'd)

Particular Stock Risk Concentration

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

Investment Sector	2024		2023	
	RM	As a % of NAV	RM	As a % of NAV
Consumer Products & Services	275,914	22.93	221,669	23.54
Industrial Products & Services	205,347	17.07	38,570	4.10
Financial Services	157,398	13.09	88,131	9.35
Plantation	111,888	9.30	64,080	6.80
Transport & Logistics	111,090	9.23	56,672	6.02
Energy	80,565	6.70	41,193	4.37
Technology	66,008	5.49	59,679	6.34
TSR Loans	40,000	3.32	165,600	17.58
Materials	32,544	2.71	29,907	3.18
Consumer Discretion	28,448	2.36	26,663	2.83
Utilities	-	-	53,774	5.71
	1,109,202	92.20	845,938	89.81

(d) Liquidity and Cash Flows Risk

Liquidity and cash flow 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.

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

16. FINANCIAL INSTRUMENTS (CONT'D)

16.1 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 exposure to credit risk, or the risk of counterparties defaulting, arises mainly from 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.

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

16. FINANCIAL INSTRUMENTS (CONT'D)

16.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(f) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses

At each reporting date, the Fund evaluate 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.

Bank Balances

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

16.2 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.

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

16. FINANCIAL INSTRUMENTS (CONT'D)

16.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	2024 RM	2023 RM
Financial Assets		
<u>Mandatorily at FVPL</u>		
Quoted investments	1,109,202	845,938
<u>Amortised Cost</u>		
Dividend receivable	-	344
Bank balances	89,771	97,347
	<u>89,771</u>	<u>97,691</u>
Financial Liability		
<u>Amortised Cost</u>		
Sundry payables and accruals	16,439	22,629
Amount owing to Manager	1,521	1,194
Amount owing to Trustee	51	40
	<u>18,011</u>	<u>23,863</u>

16.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	2024 RM	2023 RM
Financial Assets		
<u>Mandatorily at FVPL</u>		
Net gains recognised in profit or loss	313,790	119,482
<u>Amortised Cost</u>		
Net gain recognised in profit or loss	1,979	1,730

6.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2024

16. FINANCIAL INSTRUMENTS (CONT'D)

16.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments. The fair values of the following financial assets is included in level 1 of the fair value hierarchy:-

	Fair Value of Financial Instruments Carried at Fair Value			Total Fair Value RM	Carrying Amount RM
	Level 1 RM	Level 2 RM	Level 3 RM		
2024					
<u>Financial Asset</u>					
Quoted investments	1,109,202	-	-	1,109,202	1,109,202
2023					
<u>Financial Asset</u>					
Quoted investments	845,938	-	-	845,938	845,938

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.

In regard to financial instruments carried at fair value, 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 rd Floor, 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>	Clement Chew Kuan Hock	Executive and Non-Independent Director
	Wong Fay Lee	Non-Executive and Non-Independent Director
	Y.M. Dato' Tunku Ahmad Zahir bin Tunku Ibrahim	Non-Executive and Independent Director
	Azran bin Osman Rani	Non-Executive and Independent Director
	Asgari bin Mohd Fuad Stephens	Non-Executive and Non-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-Independent Member
<i>Secretary</i>	Ng Chin Chin (MAICSA 7042650) No. 47-1, Jalan SS 18/6 47500 Subang Jaya, Selangor Darul Ehsan	
<i>Trustee</i>	Maybank Trustees Berhad [196301000109 (5004-P)] 8 th Floor, Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur	
<i>Auditor and Reporting Accountant</i>	Crowe Malaysia PLT (201906000005 (LLP0018817-LCA) & AF-1018) Level 16, Tower C Megan Avenue II 12, Jalan Yap Kwan Seng 50450 Kuala Lumpur	
<i>Taxation Advisers</i>	Mazars Taxation Services Sdn Bhd (579747-A) Wisma Golder Eagle Realty, 11 th Floor, South Block, No.142-A, Jalan Ampang, Kuala Lumpur 50450 Malaysia.	

BUSINESS OFFICE
ASTUTE FUND MANAGEMENT BERHAD

3rd Floor, Menara Dungun
46, Jalan Dungun
Damansara Heights
50490 Kuala Lumpur