
ASTUTE DANA AL-KANZ (ADAK)

AUDITED ANNUAL REPORT

For The Financial Year Ended 30 June 2024

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1. FUND INFORMATION

NAME OF FUND	Astute Dana Al-Kanz (ADAK)
TYPE OF FUND	Income
FUND CATEGORY	Money Market (Islamic)
FUND INVESTMENT OBJECTIVE	To seek capital preservation, high level of liquidity and reasonable returns by investing in low risk Shariah-complaint instruments.
DURATION OF FUND	The fund is open-ended fund. The fund was launched on 18 May 2006
PERFORMANCE BENCHMARK	❖ Malayan Banking Berhad 1 Month Islamic Fixed Deposit-i (Source : Malayan Banking Berhad’s website at http://www.maybank2u.com.my) <i>“The risk profile of the performance benchmark is not the same as the risk profile of the Fund”.</i>
FUND DISTRIBUTION POLICY	Income will distributed on an annual basis and subject to availability of distribution surplus. Generally, in the absence of written instructions from the Unit holders, income for the Fund will be automatically reinvested into additional Units of the Fund at NAV per Unit on income payment date. Unit holders who wish to realise any income can do so by redeeming Units held in the Fund. For reinvestment into additional units, no sales charges will be imposed.

2. FUND PERFORMANCE

Summary of performance data is as follows:

	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Portfolio Composition:			
- Shariah-compliant investments	19.41	30.15	31.02
- Liquid assets and others	80.59	69.85	68.98
Net Assets Value (RM)	55,425,918	65,063,362	25,607,317
Number of Units in Circulation	136,834,579	166,520,315	67,704,647
Net Asset Value per Units (RM)	0.4051	0.3907	0.3782
Highest NAV Price for the period under review (RM)	0.4051	0.3907	0.3782
Lowest NAV Price for the period under review (RM)	0.3908	0.3782	0.3701
Total Return for the period under review			
- Capital growth (%)	3.69	3.31	2.20
- Income distribution (RM)	35,405	Nil	Nil
Gross Distribution Per Unit (RM)	0.0003	Nil	Nil
Net Distribution Per Unit (RM)	0.0003	Nil	Nil
Total Expenses Ratio (TER) (%)	0.25*	0.25	0.25
<i>*there were no significant changes in the TER.</i>			
Portfolio Turnover Ratio (PTR) (times)	0.51*	1.76	1.11
<i>*the PTR for the financial year was lower compared with previous financial year as there were lower investment activities during the financial year under review.</i>			

	Total Return		Average Total Return	
	ADAK	Index	ADAK	Index
1 Year	3.75	2.26	3.75	2.26
3 Year	9.54	3.90	3.19	1.30
5 Year	15.70	6.84	3.14	1.37
Since Inception 18 May 2006	62.15	29.93	3.44	1.65

Annual total return for each of the last five financial year ended	ADAK	Index
30.06.2024	3.75	2.26
30.06.2023	3.31	0.30
30.06.2022	2.20	1.30
30.06.2021	2.38	1.40
30.06.2020	3.17	1.40

Source: Bloomberg

*Notes:

1. Total returns as at 30.06.2024. Total returns are calculated based in NAV per unit, adjusted for income distribution, if any.
2. The basis of calculation for the average total return is by dividing the total return by the numbers of years.

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

3. MANAGER'S REPORT

The Fund objective was to seek capital preservation, high level of liquidity and reasonable returns by investing on low risk Shariah-compliant instruments.

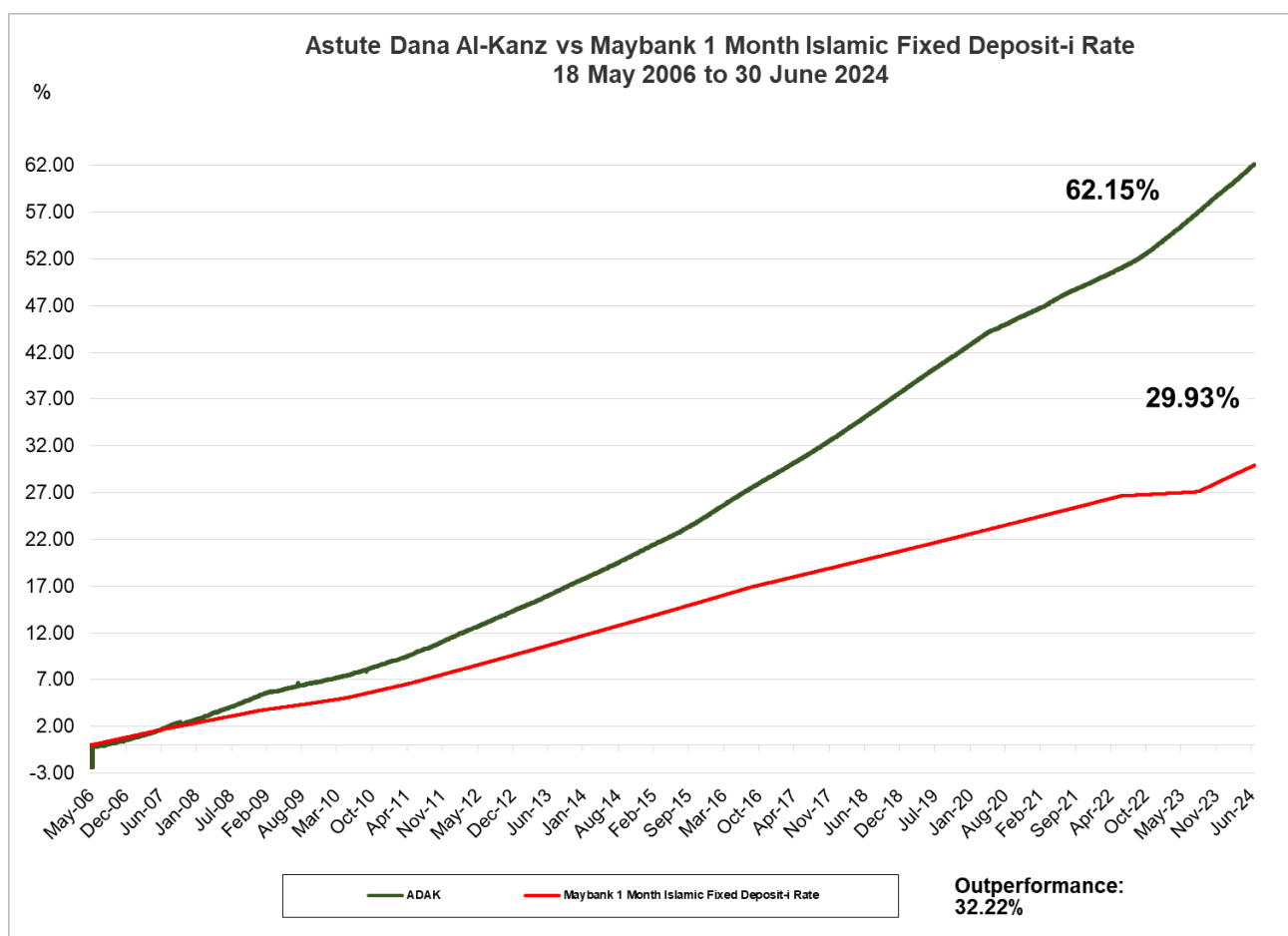
For the financial period of review, the Fund had achieved its investment objective. The Fund had provided a total return of 62.15% since its inception as compare to the benchmark return of 29.93%. Hence, the Fund had outperformed the benchmark by 32.22%.

PERFORMANCE ANALYSIS

The benchmark is based on Maybank Islamic Saving rate. For the 1 year period ending 30th June 2024, the Fund had provided a total return of 3.75%. The Fund had outperformed the benchmark total return of 2.26% for the same period by 1.49%. As at 30th June 2024, the Fund NAV had decreased to RM 55,425,918 from RM 65,063,362 as at 30th June 2023. The decrease on NAV was mainly due to decrease in the units in the circulation.

PERFORMANCE OF ASTUTE DANA AL-KANZ VS BENCHMARK INDEX SINCE 18 MAY 2006 TO 30 JUNE 2024

ADAK HAS OUTPERFORMED THE MAYBANK 1 MONTH ISLAMIC FIXED DEPOSIT-I RATE 32.22%

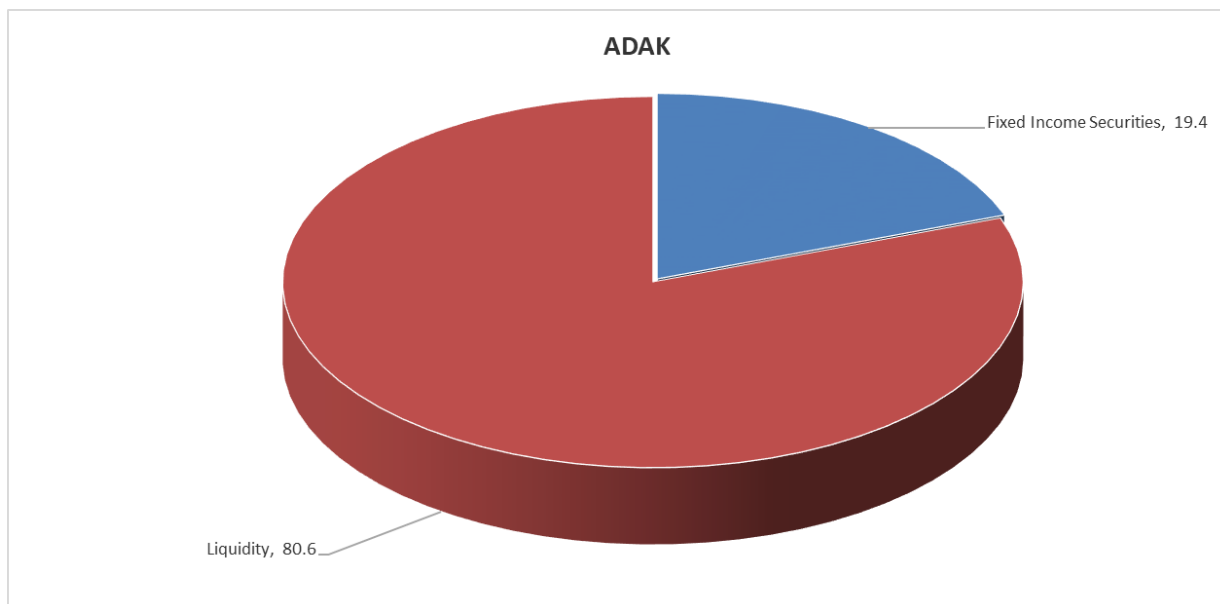


Source: Bloomberg

STRATEGIES EMPLOYED

Over the period under review, the Fund maintained a portfolio of short-term Islamic commercial papers and fixed deposits as it focused on providing investors high level of liquidity and capital preservation. Going forward, we will continue to ladder our fixed deposit placements and invest in quality short-term Islamic commercial papers issued by corporates with strong fundamentals.

ASSET ALLOCATION



ASSET ALLOCATION BY SECTOR AS AT 30 JUNE 2024

QUOTED SECURITIES	30 JUNE 2024	30 JUNE 2023
Liquidity	80.6	69.8
Fixed Income Securities	19.4	30.2

MARKET REVIEW (JUL-2023 TO JUN-2024)

The US Federal reserve hiked interest rates from 4.5% in February 2023 to 5.5% in July 2023. The robust US economy fuelled expectations of “higher for longer” interest rates. This put pressure on Asian currencies such as the Ringgit which fell to a 25 year low of RM4.79 in Sep-24. The latter in turn weighed down on Bursa Malaysia. Overall, the Ringgit declined by 1.0% against the USD to 4.72 in the period under review. The strong USD was a headwind for Asian equity markets.

The US 10-year bond yield ended 2023 at 3.88%, approximately the same level as the start of the year. The latter rose in 2024 due to a resilient US labour market. The 10 year yield peaked at 4.70% in Apr-24 before easing to 4.40% at the end of Jun-24. The resilient US economy provided strong support for US equity markets.

Between July 2023 and June 2024, Bank Negara kept the Overnight Policy Rate (“OPR”) at 3.0%. The KLCI declined by 2% to 1,455 in 2023. This was due to a lack of positive catalysts, unexciting earnings growth and a weak Ringgit. In 2023, foreigners net sold approximately RM2.3 billion worth of Malaysia equities. However, Bursa Malaysia rebounded by 9.3% in the first 6 months of 2024. This was driven by a confluence of data centre investments, robust FDIs, improved earnings outlook, reasonable valuations and local institutional buying.

MSCI Asia ex-Japan (MXAJ) rose 3.6% in 2023 and a further 8.9% in the first 6M of 2024. The key gainers were Taiwan, India and Korea in 1H 2024. China rallied by 20% from its low in February 2024 as sentiment on the equity market improved. In 2024, Beijing had rolled out a series of measures to revive the stock market and the economy including limiting short selling and promoting a new approach to real estate development while increasing construction spending. Also, the North Asian markets benefit from a bottoming out and anticipated recovery in the technology sector.

MARKET OUTLOOK

US 1Q24 GDP grew by a tepid +1.4% QoQ (3rd revision) in 1Q24. Recent US data show signs of a "Goldilocks" economy. Non-farm payrolls for Jun-24 came in at 206K, a tad higher than consensus. However, the surprise was the US unemployment rate for Jun-24 which came in at 4.1% (the highest since Oct-21). Other signs of cooler activity came from the core PCE numbers which increased by 0.083% in May-24 - the lowest increase since Nov-2020. Finally, June's core CPI of 0.1% MoM for Jun-24 was below consensus expectations of 0.20%. The recent flow of “cooler” data in the US economy raised hopes of a FED rate cut as early as Sep-2024 and provided conditions for equity markets to stay buoyant.

Given that developed economies had raised rates by a wider margin than Asian economies, we expect the former’s rate cuts to be relatively more significant. In our view, this will eventually lead to a weaker USD and stronger Asian currencies moving forward.

We believe the technology sector in Asia will continue to do well. The bottoming out of the export cycle and the recovery in semiconductor demand led by artificial intelligence will support valuations. MSCI AC Asia ex-Japan is trading at a 2024 PER of 13.9x which appears reasonable vs its 10Y range 11.5x to 20.5x [Source: Bloomberg].

For Malaysia, we see a convergence in positive thematises such as data centre investments, FDIs, supply chain relocation, Johor special economic zone and recovery in E&E exports. These themes will support the KLCI for the remainder of 2024.

Finally, we believe the KLCI's valuations remain undemanding i.e. 2024 PER of 14.7x (10Y range 12.4x to 21.7x), PBR of 1.4x (10Y range 1.2x to 2.3x) and 2024 forecast DY of 4.1% (10Y range 2.7% to 5.3%) [Source: Bloomberg]. Our strategy is to invest in companies which have a combination of re-rating potential, strong management and positive catalysts such as earnings, dividends or corporate restructuring. We believe the Malaysia market is capable of trending higher in the coming months.

DISTRIBUTIONS

For the financial year under review, the Fund has not declared any income distribution.

STATE OF AFFAIRS OF THE FUND

There were no significant changes in the state of affairs of the Fund during the financial year and up until the date of the 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 year under review.

DETAILS OF ANY UNIT SPLIT EXERCISE

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

CROSS TRADE TRANSACTIONS

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

SOFT COMMISSION

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

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

4. TRUSTEE'S REPORT
To the unit holders of ASTUTE DANA AL-KANZ



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 DANA AL-KANZ ("Fund")

We have acted as Trustee of the Fund for the financial year ended 30 June 2024 and hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Astute Fund Management Berhad has operated and managed the Fund during the financial year covered by these financial statements in accordance with the following:

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

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
[Company No.: 196301000109 (5004-P)]

A handwritten signature in black ink, appearing to be "N.H.", written over a horizontal line.

NORHAZLIANA BINTI MOHAMMED HASHIM
Head Unit Trust & Corporate Operations
Date: 26 August 2024

5. INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF ASTUTE DANA AL-KANZ



INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF ASTUTE DANA AL-KANZ

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

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
www.crowe.my

Opinion

We have audited the financial statements of **Astute Dana Al-Kanz** ("the Fund"), which comprise the statement of financial position of the Fund as at 30 June 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 15 to 41.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Fund in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

The Manager of the Fund is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

5. INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF ASTUTE DANA AL-KANZ (CONT'D)



INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF ASTUTE DANA AL-KANZ (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 AUDITORS' REPORT TO THE UNITHOLDERS OF ASTUTE DANA AL-KANZ (CONT'D)



INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF ASTUTE DANA AL-KANZ (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 AUDITORS' REPORT TO THE UNITHOLDERS OF ASTUTE DANA AL-KANZ (CONT'D)



INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF ASTUTE DANA AL-KANZ (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 August 2024

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

Choong Kok Keong
03461/11/2025 J
Chartered Accountant

6. SHARIAH ADVISER'S REPORT
To the unit holders of ASTUTE DANA AL-KANZ



SHARIAH ADVISER'S REPORT TO THE UNIT HOLDERS OF ASTUTE DANA AL-KANZ ("FUND")

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Astute Fund Management Berhad (the "Manager") has operated and managed Astute Dana Al-Kanz (the "Fund") for the period covered by these financial statements namely, the annual year ended 30 June 2024, in accordance with the Shariah principles and requirements and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters: and
2. The assets of the Fund comprise instruments that have been classified as Shariah compliant.
3. We also confirm that the investment portfolio of the Fund comprises securities which have been classified as Shariah compliant by the Shariah Advisory Council of the SC ("SACSC"). For securities not certified by the SACSC, we have reviewed the said securities and opine that the securities are designated as Shariah compliant.

For and on behalf of the Shariah Adviser,
ASTUTE FUND MANAGEMENT BERHAD

A handwritten signature in black ink, appearing to read 'EN. MOHD FADHLY MD. YUSOFF', written over a faint horizontal line.

EN. MOHD FADHLY MD. YUSOFF
Member of the Committee

Kuala Lumpur, Malaysia

Date: 26 August 2024

7. 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 financial statements of **Astute Dana Al-Kanz** 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 Dana Al-Kanz** as at 30 June 2024 and its financial performance, changes in net asset value and cash flows for the financial year then ended.

For and on behalf of the Manager,

ASTUTE FUND MANAGEMENT BERHAD

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

CLEMENT CHEW KUAN HOCK

Director

A handwritten signature in black 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 August 2024

7.1 STATEMENT OF AUDITED PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For The Financial Year Ended 30 June 2024

	Note	2024 RM	2023 RM
INVESTMENT INCOME			
Profit income:			
- Shariah-compliant investments		627,068	744,876
- Shariah-based deposits		2,045,410	763,553
		<u>2,672,478</u>	<u>1,508,429</u>
Other income		20,402	4,532
		<u>2,692,880</u>	<u>1,512,961</u>
LESS: EXPENSES			
Management fee	4	139,271	84,428
Trustee's fee	5	34,819	21,108
Auditors' remuneration		*	*
Tax agent's fee		*	*
		<u>174,090</u>	<u>105,536</u>
NET INCOME BEFORE TAXATION		<u>2,518,790</u>	<u>1,407,425</u>
INCOME TAX EXPENSE	6	-	-
NET INCOME AFTER TAXATION FOR THE FINANCIAL YEAR		<u>2,518,790</u>	<u>1,407,425</u>
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		<u>2,518,790</u>	<u>1,407,425</u>
Total comprehensive income for the financial year is made up as follows:			
- realised		2,518,790	1,407,425
- unrealised		-	-
DISTRIBUTION FOR THE FINANCIAL YEAR	7		
Net distribution		<u>35,405</u>	-
Net distribution per unit ("RM")		<u>0.0003</u>	-
Gross distribution per unit ("RM")		<u>0.0003</u>	-

* These expenses were absorbed by the Manager

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

7.2 STATEMENT OF AUDITED FINANCIAL POSITION
At 30 June 2024

	Note	2024 RM	2023 RM
ASSETS			
INVESTMENTS			
Shariah-compliant investments	8	10,754,633	19,613,393
Shariah-based deposits with licensed financial institutions	9	44,377,173	46,548,574
		<u>55,131,806</u>	<u>66,161,967</u>
OTHER ASSETS			
Sundry receivables		119,410	273,855
Bank balance		188,738	43,361
		<u>308,148</u>	<u>317,216</u>
TOTAL ASSETS		<u>55,439,954</u>	<u>66,479,183</u>
NET ASSET VALUE (“NAV”) AND LIABILITIES			
NAV			
Unitholders’ capital		42,476,666	54,597,495
Retained earnings		12,949,252	10,465,867
TOTAL NAV	10	<u>55,425,918</u>	<u>65,063,362</u>
LIABILITIES			
Sundry payables and accruals		2,633	1,402,633
Amount owing to Manager		9,122	10,551
Amount owing to Trustee		2,281	2,637
TOTAL LIABILITIES		<u>14,036</u>	<u>1,415,821</u>
TOTAL NAV AND LIABILITIES		<u>55,439,954</u>	<u>66,479,183</u>
NUMBER OF UNITS IN CIRCULATION	10.1	<u>136,834,579</u>	<u>166,520,315</u>
NAV PER UNIT (“RM”)		<u>0.4051</u>	<u>0.3907</u>

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

7.3 STATEMENT OF AUDITED CHANGES IN NET ASSET VALUE
For The Financial Year Ended 30 June 2024

	Note	Unitholders' capital RM	Retained earnings RM	Total NAV RM
Balance at 1 July 2022		16,548,875	9,058,442	25,607,317
Net income after taxation/Total comprehensive income for the financial year		-	1,407,425	1,407,425
Contribution by and distribution to the unitholders of the Fund:				
- creation of units	10.1	51,968,420	-	51,968,420
- cancellation of units	10.1	(13,919,800)	-	(13,919,800)
Total transactions with unitholders of the Fund		38,048,620	-	38,048,620
Balance at 30 June 2023/1 July 2023		54,597,495	10,465,867	65,063,362
Net income after taxation/Total comprehensive income for the financial year		-	2,518,790	2,518,790
Contribution by and distribution to the unitholders of the Fund:				
- creation of units	10.1	113,227,670	-	113,227,670
- cancellation of units	10.1	(125,348,499)	-	(125,348,499)
- distribution for the year	7	-	(35,405)	(35,405)
Total transactions with unitholders of the Fund		(12,120,829)	(35,405)	(12,156,234)
Balance at 30 June 2024		42,476,666	12,949,252	55,425,918

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

7.4 STATEMENT OF AUDITED CASH FLOWS
For The Financial Year Ended 30 June 2024

	Note	2024 RM	2023 RM
CASH FLOWS FROM/(FOR) OPERATING AND INVESTING ACTIVITIES			
Proceeds from redemption of investments on maturity		40,232,839	68,408,362
Purchase of investments		(31,374,079)	(80,078,292)
Profit income received		2,826,923	1,280,114
Management fee paid		(140,700)	(78,114)
Trustee's fee paid		(35,175)	(19,530)
Other income received		20,402	4,532
		<hr/>	<hr/>
NET CASH FROM/(FOR) OPERATING AND INVESTING ACTIVITIES		11,530,210	(10,482,928)
		<hr/>	<hr/>
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES			
Proceeds from units created		113,227,670	51,968,420
Payment for cancelled units		(126,748,499)	(12,560,807)
Distribution paid		(35,405)	-
		<hr/>	<hr/>
NET CASH (FOR)/FROM FINANCING ACTIVITIES		(13,556,234)	39,407,613
		<hr/>	<hr/>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(2,026,024)	28,924,685
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR			
		<hr/>	<hr/>
		46,591,935	17,667,250
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR			
	11	<hr/>	<hr/>
		44,565,911	46,591,935

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

7.5 NOTES TO THE AUDITED FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Astute Dana Al-Kanz (“the Fund”) was constituted pursuant to the execution of a Deed dated 28 March 2006 (“the Deed”), between the Manager, Astute Fund Management Berhad and the registered unitholders of the Fund. The First Supplemental Deed dated 3 August 2015 entered into between the Manager and MTrustee Berhad was further modified to include a provision relating to goods and services tax. The Second Supplemental Deed dated 15 April 2016 between the Astute Fund Management Berhad and the Trustee, Maybank Trustees Berhad modified the appointment date for the change of the trustee from MTrustee Berhad to Maybank Trustees Berhad. The Third Supplemental Deed dated 19 March 2018 between the Astute Fund Management Berhad and the Trustee, Maybank Trustees Berhad was further modified to bring it in line with terminology used for Shariah-compliant funds and the recent amendments to the relevant guidelines. The Fourth Supplemental Deed dated 22 April 2022 between the Astute Fund Management Berhad and the Trustee, Maybank Trustees Berhad modified the name of the Manager and the name of Fund. By a Fifth Supplemental Deed dated 11 January 2023 between the Manager and the Trustee, the Principal Deed was further modified to provide for the participation of Unit Holders in a Unit Holders’ meeting by any electronic communication facilities or technologies available and the amendments essentially entailed on the amendments to the provisions of the Principal Deed to be in line with the Guidelines on Unit Trust Funds revised on 28 November 2022. By a 6th Supplemental Deed dated 12 July 2024 between the Manager and Trustee, the Principal Deed was further modified that unit of the Fund will split into Class-A and Class-B where individual Unit Holders will categorise under Class-A and non-individual Unit Holders will categorise under Class-B.

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

The investment objective of the Fund is to seek capital preservation, a high level of liquidity and reasonable returns by investing in low risk Shariah-compliant instruments.

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

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

The financial statements were approved by the Board of Directors of the Manager on 26 August 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 (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

Amendments 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

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 Fund’s financial statements except as follows:-

Amendments to MFRS 101: Disclosure of Accounting Policies

The Amendments to MFRS 101 ‘Disclosure of Accounting Policies’ did not result in any changes to the existing accounting policies of the Fund. However, the amendments require the disclosure of ‘material’ rather than ‘significant’ accounting policies and provide guidance on how entities apply the concept of materiality in making decisions about the material accounting policy disclosures. The fund has made updates to the accounting policies presented in Note 3 to the financial statements in line with the amendments.

2. BASIS OF PREPARATION (CONT'D)

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

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
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
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accounting: Disclosures	1 January 2027

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 excepts as follow:-

MFRS 18 Presentation and Disclosure of Financial Statement

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.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

3.2 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 Liability

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.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.2 FINANCIAL INSTRUMENTS (CONT'D)

(c) Equity Instruments

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.

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 TAXES

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).

3.5 INCOME RECOGNITION

(a) 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.

(b) Profit Income

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

4. MANAGEMENT FEE

Clause 13.1 of the 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 maximum rate of 2.0% (2023 - 2.0%) per annum. The management fee recognised in the financial statements is computed based at 0.2% (2023 – 0.2%) 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. INCOME TAX EXPENSE

There was no income tax expense for the financial year as the Fund did not earn any chargeable income during the financial year.

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 RM	2023 RM
Net income before taxation	2,518,790	1,407,425
Tax at the statutory tax rate 24% (2023 - 24%)	604,510	337,782
Tax effects of:-		
Non-taxable income	(646,291)	(363,111)
Non-deductible expenses	41,781	25,329
	-	-

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

7. DISTRIBUTION FOR THE FINANCIAL PERIOD

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

	2024 RM
Non-taxable income	
Interest income from deposits	37,748
Other income	67
	<hr/>
Gross distribution amount	37,815
Less:-	
Expenses	2,410
Taxation	-
	<hr/>
Net distribution amount	35,405
	<hr/>
Units in circulation	118,018,351
Gross distribution per unit ("RM")	0.0003
Net distribution per unit ("RM")	0.0003
	<hr/>
Reinvestment/Entitlement date	21 September 2023
	<hr/>
Payment date	27 September 2023
	<hr/>

8. SHARIAH-COMPLIANT INVESTMENTS

	Note	2024 RM	2023 RM
Financial asset at FVPL			
At nominal value:-			
Islamic Commercial Papers	8.1	<u>11,000,000</u>	<u>20,000,000</u>
At fair value:-			
Islamic Commercial Papers	8.1	<u>10,754,633</u>	<u>19,613,393</u>

Details of the Shariah-compliant investments, as at 30 June were as follows:-

8.1 ISLAMIC COMMERCIAL PAPERS (“ICP”)

Maturity Date	Name of Issuer	Credit Rating	Nominal Value RM	Fair Value RM	Cost RM	Percentage of NAV %
2024						
16.08.2024	Gabungan AQRS @5.45% p.a.	MARC-1IS	6,000,000	5,917,578	5,917,578	10.68
27.12.2024	Gabungan AQRS @6.50% p.a.	MARC-1IS	5,000,000	4,837,055	4,837,055	8.73
			<u>11,000,000</u>	<u>10,754,633</u>	<u>10,754,633</u>	<u>19.41</u>

p.a. - per annum

8. SHARIAH-COMPLIANT INVESTMENTS (CONT'D)

Details of the Shariah-compliant investments, as at 30 June were as follows (Cont'd):-

8.1 ISLAMIC COMMERCIAL PAPERS ("ICP") (Cont'd)

Maturity Date	Name of Issuer	Credit Rating	Nominal Value RM	Fair Value RM	Cost RM	Percentage of NAV %
2023						
18.07.2023	SME Bank @3.75% p.a. Sabah Credit Corporation	MARC-1IS	5,000,000	4,953,767	4,953,767	7.62
14.08.2023	@4.05% p.a. Titijaya Berhad	P1	5,000,000	4,899,582	4,899,582	7.53
17.08.2023	@5.50% p.a. Gabungan AQRS	MARC-2IS	4,000,000	3,944,548	3,944,548	6.06
17.11.2023	@6.10% p.a.	MARC-1IS	6,000,000	5,815,496	5,815,496	8.94
			20,000,000	19,613,393	19,613,393	30.15

p.a. - per annum

9. SHARIAH-BASED DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

The Shariah-based deposits earn weighted average effective profit rate of 3.53% (2023 - 3.51%) per annum at the end of the reporting period. The maturity periods of the deposits at the end of the reporting period range from 6 to 37 days (2023 - 5 to 184 days).

10. TOTAL NET ASSET VALUE

	Note	2024 RM	2023 RM
Unitholders' capital	10.1	42,476,666	54,597,495
Retained earnings:			
- realised reserve	10.2	12,949,252	10,465,867
- unrealised reserve	10.3	-	-
		12,949,252	10,465,867
		<u>55,425,918</u>	<u>65,063,362</u>

10.1 UNITHOLDERS' CAPITAL

	2024		2023	
	Number of units	RM	Number of units	RM
As at beginning of the financial year	166,520,315	54,597,495	67,704,647	16,548,875
Creation of units	285,122,377	113,227,670	135,020,715	51,968,420
Cancellation of units	(314,808,113)	(125,348,499)	(36,205,047)	(13,919,800)
As at end of the financial year	<u>136,834,579</u>	<u>42,476,666</u>	<u>166,520,315</u>	<u>54,597,495</u>

10. TOTAL NET ASSET VALUE (CONT'D)

10.2 REALISED RESERVE – DISTRIBUTABLE

	2024 RM	2023 RM
Balance as at beginning of the financial year	10,465,867	9,059,942
Net income for the financial year	2,518,790	1,407,425
Net unrealised loss on valuation of Islamic bond papers transferred from unrealised reserve	-	(1,500)
	2,518,790	1,405,925
Distribution for the financial year	(35,405)	-
Balance as at end of the financial year	<u>12,949,252</u>	<u>10,465,867</u>

10.3 UNREALISED RESERVE - NON-DISTRIBUTABLE

	2024 RM	2023 RM
Balance as at beginning of the financial year	-	(1,500)
Net unrealised loss on valuation of Islamic bond papers transferred to realised reserve	-	1,500
Balance as at end of the financial year	<u>-</u>	<u>-</u>

11. CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:-

	2024 RM	2023 RM
Shariah-based deposits with licensed financial institutions	44,377,173	46,548,574
Bank balance	188,738	43,361
	<u>44,565,911</u>	<u>46,591,935</u>

12. TOTAL EXPENSE RATIO

	2024 %	2023 %
Total Expense Ratio ("TER")	<u>0.25</u>	<u>0.25</u>

The TER includes annual management fee, annual trustee's fee, auditors' remuneration and other administrative fees and expenses which is calculated as follows:

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

- A = Management fee
- B = Trustee's fee
- C = Auditors' remuneration
- D = Tax agent's fee
- E = Administrative fees and expense
- 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 RM69,553,514 (2023 – RM42,213,543).

13. PORTFOLIO TURNOVER RATIO

	2024 Times	2023 Times
Portfolio Turnover Ratio ("PTR")	<u>0.51</u>	<u>1.76</u>

The PTR is derived from the following calculation:

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

Where,

- total acquisitions for the financial year = RM31,374,079 (2023 - RM80,078,292)
- total redemptions for the financial year = RM40,232,839 (2023 - RM68,408,362)

14. OPERATING SEGMENTS

The Fund invested predominantly in Shariah-compliant investments and Shariah-based deposits in Malaysia hence no operating segment information is disclosed.

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

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

	2024		2023	
	Units	RM	Units	RM
<u>Astute Fund Management Berhad</u>				
- units held in the Fund at market value	17,400,272	7,048,850	17,390,201	6,794,351
	<hr/>	<hr/>	<hr/>	<hr/>
<u>R. Raevendren A/L S. Ramachandran</u>				
- units held in the Fund at market value	94	38	94	37
	<hr/>	<hr/>	<hr/>	<hr/>

16. RELATED PARTY DISCLOSURES

16.1 Identities of related parties:-

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

(b) The Fund also had related party relationship with:

- (i) a corporate shareholder of the Manager;
- (ii) a person related to the Director of the Manager;
- (iii) companies in which a Director of the Manager; and
- (iv) companies in which a Director of the manager is a shareholder.

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

	2024	2023
	RM	RM
Astute Fund Management Berhad:		
- management fee	139,271	84,428
	<hr/>	<hr/>
Maybank Trustees Berhad:		
- management fee	34,819	21,108
	<hr/>	<hr/>

16. RELATED PARTY DISCLOSURES (CONT'D)

16.2 In addition to the balances detailed elsewhere in the financial statements, the Fund carried out the following transactions with the related party during the financial year (Cont'd):-

	2024		2023	
	Units	RM	Units	RM
<u>Astute Fund Management Berhad</u>				
- distribution of units in the Fund	10,071	3,965	-	-
- purchase of units in the Fund	-	-	17,390,201	6,700,000
<hr/>				
<u>Corporate Shareholder of the Manager</u>				
- distribution of units in the Fund	2,159	850	-	-
<hr/>				
<u>Director of the Manager</u>				
- purchase of units in the Fund	-	-	248	95
- disposal of units in the Fund	-	-	154	60
<hr/>				
<u>Person related to the Director of the Manager</u>				
- purchase of units in the Fund	-	-	5,253,070	2,000,000
- disposal of units in the Fund	630,512	250,612	4,463,430	1,700,866
- distribution of units in the Fund	601	237	-	-
<hr/>				
<u>Companies connected to certain Directors of the Manager</u>				
- purchase of units in the Fund	-	-	16,739,710	6,350,000
- disposal of units in the Fund	14,068,669	20,986,530	14,550,487	5,601,112
- distribution of units in the Fund	13,475	5,505	-	-
<hr/>				

The Companies connected to the Manager are legal and beneficial owner of the units.

16. RELATED PARTY DISCLOSURES (CONT'D)

16.3 The units of the Fund at market value held by related parties at the end of the reporting period are as follows:

	2024		2023	
	Units	RM	Units	RM
Astute Fund Management Berhad	17,400,272	7,047,110	17,390,201	6,794,351
Corporate Shareholder of the Manager	3,730,319	1,510,779	3,728,160	1,456,592
Director of the Manager	94	38	94	37
Person related to the Director of the Manager	159,729	64,690	789,640	308,512
Companies connected to Directors of the Manager	12,016,296	4,866,600	26,071,489	10,186,131
	33,306,710	13,489,217	47,979,584	18,745,623

17. TRANSACTIONS BY THE FUND WITH FINANCIAL INSTITUTIONS

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

	2024		2023	
	Value of trade		Value of trade	
	RM	%	RM	%
Kenanga Investment Bank Berhad	61,753,569	86.24	65,023,857	43.79
Ambank Berhad	4,953,767	6.92	24,841,041	16.73
CIMB Bank Berhad	4,899,582	6.84	34,678,404	23.35
AmIslamic Bank Berhad	-	-	19,950,485	13.44
Maybank Berhad	-	-	3,992,866	2.69
	71,606,918	100.00	148,486,653	100.00

18. FINANCIAL INSTRUMENTS

The activities of the Fund are exposed to a variety of market risk (including foreign currency risk, profit 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.

18.1 FINANCIAL RISK MANAGEMENT POLICIES

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

(a) Foreign Currency Risk

The Fund does not have any transactions or balances denominated in foreign currencies and hence, are not exposed to foreign currency risk.

(b) Profit Rate Risk

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

The Fund's fixed deposits with licensed banks are carried at amortised cost. Therefore, they are not subject to profit rate risk as defined in MFRS 7 since neither the carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The Fund's deposits with financial institutions are usually rolled-over on a daily/monthly basis.

It is the Fund's policy not to enter into interest rate swap arrangements.

Profit risk sensitivity

Profit rate risk sensitivity is not presented as a reasonable possible change in profit rates will not have a significant impact on the net income for the financial year.

18. FINANCIAL INSTRUMENTS (CONT'D)

18.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Profit Rate Risk (Cont'd)

Profit rate risk exposure

The following table analyses the Fund's profit rate risk exposure. The Fund's assets and liabilities are included at fair value and categorised by the earlier of contractual re-pricing or maturity dates.

	0-3 months RM	Non-profit bearing RM	Total RM	Weighted Average Effective Profit Rate %
2024				
Financial Assets				
Shariah-compliant investments	10,754,633	-	10,754,633	5.98
Shariah-based deposits with licensed financial institutions	44,377,173	-	44,377,173	3.53
Other assets	119,410	188,738	308,148	-
	<hr/>	<hr/>	<hr/>	
	55,251,216	188,738	55,439,954	
Financial Liability				
Other liabilities	-	14,036	14,036	-
	<hr/>	<hr/>	<hr/>	
Total profit sensitivity gap	55,251,216	174,702	55,425,918	

18. FINANCIAL INSTRUMENTS (CONT'D)

18.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Profit Rate Risk (Cont'd)

Profit Rate Risk Exposure (Cont'd)

	0-3 months RM	Non-profit bearing RM	Total RM	Weighted Average Effective Profit Rate %
2023				
Financial Assets				
Shariah-compliant investments	19,613,393	-	19,613,393	4.85
Shariah-based deposits with licensed financial institutions	46,548,574	-	46,548,574	3.51
Other assets	273,855	43,361	317,216	-
	<hr/>	<hr/>	<hr/>	
	66,435,822	43,361	66,479,183	
Financial Liability				
Other liabilities	-	1,415,821	1,415,821	-
	<hr/>	<hr/>	<hr/>	
Total profit sensitivity gap	66,435,822	(1,372,460)	65,063,362	

(c) Particular Stock Risk

The Fund does not have any quoted investments and hence, is not exposed to equity price risk.

(d) Liquidity 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.

18. FINANCIAL INSTRUMENTS (CONT'D)

18.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(e) Fund Manager's Risk

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

(f) Credit Risk

The Fund has no exposure to credit risk, or the risk of counterparties defaulting, other than 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.

18. FINANCIAL INSTRUMENTS (CONT'D)

18.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(f) Credit Risk (Cont'd)

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

Receivables

The Fund applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all receivables.

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.

Deposits with Licensed Banks and Bank Balances

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

(g) Shariah Specific Risk

The risk that the investments do not conform to the principle of Shariah may result in those investments being not Shariah compliant. Should the situation arise, necessary steps shall be taken to dispose of such investments in accordance with the rules of divestment of non Shariah-compliant investments. If this occurs, the Fund could suffer losses from the disposal and thus, adversely affecting the value of the Fund.

18. FINANCIAL INSTRUMENTS (CONT'D)

18.2 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 adjustment 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.

18.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	2024	2023
	RM	RM
Financial Assets		
<u>Mandatorily at FVPL</u>		
Shariah-compliant investments	10,754,633	19,613,393
<u>Amortised Cost</u>		
Shariah-based deposits with licensed financial institutions	44,377,173	46,548,574
Sundry receivables	119,410	273,855
Bank balance	188,738	43,361
	<u>44,685,321</u>	<u>46,865,790</u>
Financial Liability		
<u>Amortised Cost</u>		
Sundry payables and accruals	2,633	1,402,633
Amount owing to Manager	9,122	10,551
Amount owing to Trustee	2,281	2,637
	<u>14,036</u>	<u>1,415,821</u>

18. FINANCIAL INSTRUMENTS (CONT'D)

18.4 GAINS AND LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	2024 RM	2023 RM
Financial Assets		
<u>Mandatorily at FVPL</u>		
Net gains recognised in profit or loss	627,068	744,876
<u>Amortised Cost</u>		
Net gains recognised in profit or loss	2,065,812	768,085

18.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Fund which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments. The fair value of the following financial asset is included in level 2 of the fair value hierarchy:-

	Fair Value 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> Shariah-compliant investments	-	10,754,633	-	10,754,633	10,754,633
2023					
<u>Financial Asset</u> Shariah-compliant investments	-	19,613,393	-	19,613,393	19,613,393

The fair value of the Islamic commercial paper is determined based on the market value obtained from licensed financial institutions.

In regard to financial instruments carried at fair value, there were no transfer between level 1 and level 2 during the financial year.

8. CORPORATE DIRECTORY

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

BUSINESS OFFICE
ASTUTE FUND MANAGEMENT BERHAD

3rd Floor, Menara Dungun
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Damansara Heights
50490 Kuala Lumpur