

Semi-Annual Report for

# AmCumulative Growth

31 December 2023



**AmInvest**

Growing Your Investments in a Changing World

## TRUST DIRECTORY

### **Manager**

AmFunds Management Berhad  
9<sup>th</sup> & 10<sup>th</sup> Floor, Bangunan AmBank Group  
55 Jalan Raja Chulan  
50200 Kuala Lumpur

### **Board of Directors**

Jeyaratnam A/L Tamotharam Pillai  
Ng Chih Kaye  
Jas Bir Kaur A/P Lol Singh  
Arnold Lim Boon Lay  
Goh Wee Peng

### **Investment Committee**

Arnold Lim Boon Lay  
Tracy Chen Wee Keng  
Goh Wee Peng

### **Trustee**

HSBC (Malaysia) Trustee Berhad

### **Auditors and Reporting Accountants**

Ernst & Young PLT

### **Taxation Adviser**

Deloitte Tax Services Sdn Bhd

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## MANAGER'S REPORT

Dear Unitholders,

We are pleased to present you the Manager's report and the unaudited accounts of AmCumulative Growth ("Fund") for the financial period from 1 July 2023 to 31 December 2023.

### Salient Information of the Fund

<b>Name</b>	AmCumulative Growth ("Fund")
<b>Category/ Type</b>	Equity / Growth
<b>Objective</b>	<p>The Fund aims to provide long-term capital growth mainly through investments in securities with superior growth potential*. As such, income** will be incidental to the overall capital growth objective and a substantial portion of the income from investments will be reinvested, rather than distributed.</p> <p><i>Notes:</i> <i>*Superior growth potential in this context refers to earnings growth higher than the market average.</i> <i>**The income could be in the form of units or cash.</i> <i>Any material change to the investment objective of the Fund would require Unit Holders' approval.</i></p>
<b>Duration</b>	<p>The Fund was established on 24 July 1996 and shall exist for as long as it appears to the Manager and the Trustee that it is in the interests of the unitholders for it to continue. In some circumstances, the unitholders can resolve at a meeting to terminate the Fund.</p>
<b>Performance Benchmark</b>	<p>MSCI Far East Ex-Japan Composite Index. ("MXFEJI") (Available at <a href="http://www.aminvest.com">www.aminvest.com</a>)</p> <p><i>Notes: The benchmark does not imply that the risk profile of the Fund is the same as the risk profile of the benchmark. Investors of the Fund will assume a higher risk compared to the benchmark. Hence, the returns of the Fund may be potentially higher due to the higher risk faced by the investors.</i></p> <p><i>Source: MSCI. The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (<a href="http://www.msci.com">www.msci.com</a>).</i></p>

<b>Income Distribution Policy</b>	Income distribution (if any) is incidental.
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### Fund Performance Data

<b>Portfolio Composition</b>	Details of portfolio composition of the Fund as at 31 December 2023 and for the past three financial years are as follows:				
		<b>As at 31.12.2023 %</b>	<b>As at 30 June</b>		
			<b>2023 %</b>	<b>2022 %</b>	<b>2021 %</b>
	Consumer discretionary	16.17	18.79	8.58	7.62
	Consumer staples	3.76	4.36	4.78	9.03
	Energy	0.01	-	3.25	1.46
	Financials	12.06	14.98	19.81	23.00
	Health care	1.14	-	-	1.68
	Industrials	-	-	3.60	1.18
	Information technology	36.34	24.96	14.21	16.16
	Materials	0.99	1.24	2.71	1.76
	Real estate/REITs	2.16	1.44	21.67	18.82
	Telecommunication services	16.83	20.52	4.80	3.55
	Utilities	0.01	0.93	0.02	0.65
	Collective investment schemes	5.04	4.76	5.47	5.57
Money market deposits and cash equivalents	5.49	8.02	11.10	9.52	
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	
	Note: The abovementioned percentages are calculated based on total net asset value.				

<b>Performance Details</b>	Performance details of the Fund for the financial period ended 31 December 2023 and three financial years ended 30 June are as follows:				
		<b>FPE 31.12.2023</b>	<b>FYE 2023</b>	<b>FYE 2022</b>	<b>FYE 2021</b>
	Net asset value (RM)	13,743,729*	14,642,693*	15,822,022	19,569,733
	Units in circulation	14,826,797*	15,259,550*	16,214,790	16,916,300
	Net asset value per unit (RM)	0.9270*	0.9596*	0.9758	1.1569
	Highest net asset value per unit (RM)	0.9811*	1.0229*	1.1601	1.2066
	Lowest net asset value per unit (RM)	0.8861*	0.8836*	0.9758	1.0531
	Benchmark performance (%)	-2.46	-0.62	-24.88	30.98
	Total return (%) <sup>(1)</sup>	-3.32	-1.66	-15.14	11.88
	- Capital growth (%)	-3.32	-1.66	-15.66	10.73
	- Income distribution (%)	-	-	0.52	1.15
	Gross distribution (sen per unit)	-	-	0.60	1.20
	Net distribution (sen per unit)	-	-	0.60	1.20

	FPE 31.12.2023	FYE 2023	FYE 2022	FYE 2021
Total expense ratio (%) <sup>(2)</sup>	0.99	2.13	2.15	1.81
Portfolio turnover ratio (times) <sup>(3)</sup>	0.24	0.77	0.76	0.55

\* Above prices and net asset value per unit are not shown as ex-distribution.

Note:

- (1) Total return is the actual return of the Fund for the respective financial years computed based on the net asset value per unit and net of all fees.
- (2) Total expense ratio ("TER") is calculated based on the total fees and expenses incurred by the Fund divided by the average fund size calculated on a daily basis.
- (3) Portfolio turnover ratio ("PTR") is calculated based on the average of the total acquisitions and total disposals of investment securities of the Fund divided by the average fund size calculated on a daily basis.

#### Average Total Return (as at 31 December 2023)

	AmCumulative Growth <sup>(a)</sup> %	MXFEJI <sup>(b)</sup> %
One year	-2.56	4.67
Three years	-6.26	-7.66
Five years	-0.57	1.93
Ten years	2.65	3.90

#### Annual Total Return

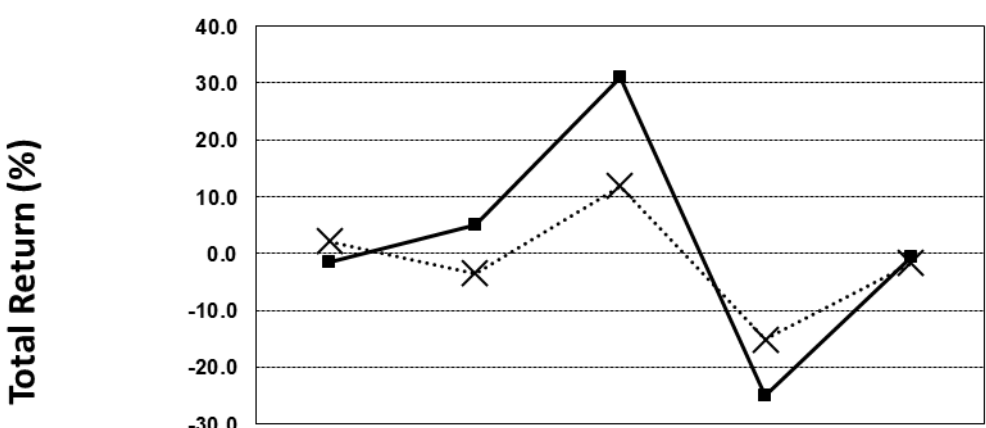
Financial Years Ended (30 June)	AmCumulative Growth <sup>(a)</sup> %	MXFEJI <sup>(b)</sup> %
2023	-1.66	-0.62
2022	-15.14	-24.88
2021	11.88	30.98
2020	-3.43	5.15
2019	2.20	-1.41

(a) Source: Novagni Analytics and Advisory Sdn. Bhd.

(b) MSCI Far East Ex-Japan Composite Index (MXFEJI)  
(Available at [www.aminvest.com](http://www.aminvest.com))

The Fund performance is calculated based on the net asset value per unit of the Fund. Average total return of the Fund and its benchmark for a period is computed based on the absolute return for that period annualised over one year.

**Note: Past performance is not necessarily indicative of future performance and that unit prices and investment returns may fluctuate.**

<b>Fund Performance</b>	<p>For the financial period under review, the Fund registered a negative return of 3.32% which is entirely capital in nature.</p> <p>Thus, the Fund's negative return of 3.32% has underperformed the benchmark's negative return of 2.46% by 0.86%.</p> <p>As compared with the financial year ended 30 June 2023, the net asset value ("NAV") per unit of the Fund decreased by 3.40% from RM0.9596 to RM0.9270, while units in circulation decreased by 2.84% from 15,259,550 units to 14,826,797 units.</p> <p>The following line chart shows comparison between the annual performances of AmCumulative Growth and its benchmark, MXFEJI, for the financial years ended 30 June.</p> <div style="text-align: center;">  <table border="1" style="margin: 0 auto;"> <thead> <tr> <th></th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>···x··· Fund</td> <td>2.20</td> <td>-3.43</td> <td>11.88</td> <td>-15.14</td> <td>-1.66</td> </tr> <tr> <td>—■— Benchmark</td> <td>-1.41</td> <td>5.15</td> <td>30.98</td> <td>-24.88</td> <td>-0.62</td> </tr> </tbody> </table> <p>Financial Years Ended (30 June)</p> </div> <p><b>Note: Past performance is not necessarily indicative of future performance and that unit prices and investment returns may fluctuate.</b></p>		2019	2020	2021	2022	2023	···x··· Fund	2.20	-3.43	11.88	-15.14	-1.66	—■— Benchmark	-1.41	5.15	30.98	-24.88	-0.62
	2019	2020	2021	2022	2023														
···x··· Fund	2.20	-3.43	11.88	-15.14	-1.66														
—■— Benchmark	-1.41	5.15	30.98	-24.88	-0.62														

<b>Strategies and Policies Employed</b>	<p>For the financial period under review, the Fund may invest 80% to 95% of its net asset value ("NAV") in equities. In managing the Fund, the Manager may opt to invest in the investment either directly or via collective investment schemes. Value-add from equities investments is derived from active stock selection with focus on undervalued stock relative to its earnings growth potential and/or its intrinsic value.</p> <p>The Fund invests in Malaysia and in foreign markets where the regulatory authorities are ordinary or associate members of the International Organization of Securities Commission (IOSCO).</p> <p>The Fund is actively managed. However, the frequency of its trading strategy will depend on investment opportunities.</p>
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<b>Portfolio Structure</b>	<p>The table below is the asset allocation of the Fund as at 31 December 2023 and 30 June 2023.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">As at 31.12.2023 %</th> <th style="text-align: center;">As at 30.06.2023 %</th> <th style="text-align: center;">Changes %</th> </tr> </thead> <tbody> <tr> <td>Consumer discretionary</td> <td style="text-align: center;">16.17</td> <td style="text-align: center;">18.79</td> <td style="text-align: center;">-2.62</td> </tr> <tr> <td>Consumer staples</td> <td style="text-align: center;">3.76</td> <td style="text-align: center;">4.36</td> <td style="text-align: center;">-0.60</td> </tr> </tbody> </table>		As at 31.12.2023 %	As at 30.06.2023 %	Changes %	Consumer discretionary	16.17	18.79	-2.62	Consumer staples	3.76	4.36	-0.60
	As at 31.12.2023 %	As at 30.06.2023 %	Changes %										
Consumer discretionary	16.17	18.79	-2.62										
Consumer staples	3.76	4.36	-0.60										

	As at 31.12.2023 %	As at 30.06.2023 %	Changes %
Energy	0.01	-	0.01
Financials	12.06	14.98	-2.92
Health care	1.14	-	1.14
Information technology	36.34	24.96	11.38
Materials	0.99	1.24	-0.25
Real estate/REITs	2.16	1.44	0.72
Telecommunication services	16.83	20.52	-3.69
Utilities	0.01	0.93	-0.92
Collective investment schemes	5.04	4.76	0.28
Money market deposits and cash equivalents	5.49	8.02	-2.53
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	

For the financial period under review, there were some changes to the sector weights, the most notable being the decrease in telecommunication services, financials, consumer discretionary, money market deposits and cash equivalents, utilities, consumer staples and materials whereby the weightings decreased by 3.69%, 2.92%, 2.62%, 2.53%, 0.92%, 0.60% and 0.25% respectively. These were offset by information technology, health care, real estate/ REITs, collective investment schemes and energy whereby the weightings were increased by 11.38%, 1.14%, 0.72%, 0.28% and 0.01% respectively.

<b>Securities Lending / Repurchase Transactions</b>	The Fund has not undertaken any securities lending or repurchase transactions (collectively referred to as "securities financing transactions").
<b>Cross Trade</b>	There were no cross trades undertaken during the financial period under review.
<b>Distribution/ Unit splits</b>	There is no income distribution and unit split declared for the financial period under review.
<b>State of Affairs</b>	There has been neither significant changes to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unitholders during the financial period under review.
<b>Rebates and Soft Commission</b>	<p>During the period, the management company received soft commissions by virtue of transactions conducted for the Fund, in the form of research services, systems and services relating to performance measurement of portfolios and subscription fees for fund's benchmark indices. All of these assist in the investment decision making process which are of demonstrable benefit to unitholders of the Fund.</p> <p>The company has soft commission arrangement with a total of 11 brokers, who execute trades for the Fund and other funds or investments managed by the company. The soft commission received would be in the form of research services, systems and services relating to performance measurement of portfolios and/or subscription fees for fund's benchmark indices. All of these assist in the investment decision making process which are of demonstrable benefit to unitholders of the Fund and other funds or investments managed by the company.</p> <p>Soft commissions received were for the benefit of the Fund and there was no churning of trades.</p>



<b>Market Review</b>	<p>The regional equity markets, as proxied by the MSCI Far East Ex Japan, commenced the financial period under review at 556.71 points. The index gained 6.24% in July 2023, as investors have grown increasingly more hopeful about a soft-landing scenario in the U.S. as economic data showed ongoing strength in the labor market and cooling inflation. Meanwhile, positive investor sentiment towards the Chinese politburo meeting policy tone emphasizing expanding domestic demand also helped.</p> <p>However, the positive momentum was short-lived. The MSCI Far East Ex Japan index fell in August, September and October, consecutively, amid a surprise downgrade of the US's long-term credit rating by Fitch, weak investor sentiment towards the news of a Chinese property developer missing its interest payments and global central banks' policy bias towards "higher for longer".</p> <p>The MSCI Far East Ex Japan rebounded in November, gaining 6.93%, triggered by a plunge in the U.S bond yields as signs mounted that policymakers managed to tame inflation without breaking the economy. With the Fed signaling an end to its rate-hiking campaign, the MSCI Far East ex-Japan Index went up marginally to 551.86 points in December, registering a decline of 0.87% (-2.46% in Ringgit terms) for the financial period under review.</p>
<b>Market Outlook</b>	<p>The US Fed fund rate is expected to ease in 2024, boding well to the Asia Pacific equity markets. However, corporate earnings will still be affected by the elevated interest rate level as they roll over debts that were financed at lower rates previously. Equity valuation though, remains reasonable with the region's price/earnings ratio below the long-term average. Among the key investment themes in focus in the region will be global supply chain relocation, energy transition, further tourism recovery as well as rate-sensitive sectors such as REITs. Markets are expected to remain volatile in 2024, driven by the Federal Reserve's move on interest rate, geopolitical concerns, as well as elections that are taking place in many countries. To ride through the macro headwinds, the portfolio will adopt a barbell strategy to balance value/ growth versus defensiveness, as well as the focus on geographies and sectors.</p>
<b>Additional Information</b>	<p>The following information was updated:</p> <ol style="list-style-type: none"> <li>1) Mr Tai Terk Lin, an Independent Non-Executive Director of AmFunds Management Berhad ('AFM'), has retired from the Board and the Fund Management Division's Audit and Risk Management Committee with effect from 15 December 2023.</li> <li>2) Mdm Jas Bir Kaur A/P Lol Singh, an Independent Non-Executive Director of AFM, has resigned as the Chairperson of the Investment Committee and has been appointed as a member of the Fund Management Division's Audit and Risk Management Committee with effect from 15 December 2023.</li> <li>3) Mr Arnold Lim Boon Lay has been appointed as an Independent Non-Executive Director of AFM and the Chairman of the Investment Committee with effect from 15 December 2023.</li> </ol>

Kuala Lumpur, Malaysia  
AmFunds Management Berhad

19 February 2024

## AmCumulative Growth

### STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	31.12.2023 (unaudited) RM	30.06.2023 (audited) RM
<b>ASSETS</b>			
Investments	4	12,988,830	13,468,835
Amount due from Manager	5(a)	991	3,531
Dividend/Distribution receivables		11,589	71,112
Tax recoverable		27,702	23,963
Deposit with a licensed financial institution	6	-	461,038
Cash at banks		752,486	687,640
<b>TOTAL ASSETS</b>		<u>13,781,598</u>	<u>14,716,119</u>
<b>LIABILITIES</b>			
Amount due to Manager	5(b)	22,178	18,350
Amount due to broker	7	-	39,344
Amount due to Trustee	8	573	609
Sundry payables and accruals		15,118	15,123
<b>TOTAL LIABILITIES</b>		<u>37,869</u>	<u>73,426</u>
<b>NET ASSET VALUE (“NAV”) OF THE FUND</b>		<u>13,743,729</u>	<u>14,642,693</u>
<b>EQUITY</b>			
Unit holders’ capital	10(a)	(63,878,805)	(63,473,632)
Retained earnings	10(b)(c)	77,622,534	78,116,325
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>	10	<u>13,743,729</u>	<u>14,642,693</u>
<b>UNITS IN CIRCULATION</b>	10(a)	<u>14,826,797</u>	<u>15,259,550</u>
<b>NAV PER UNIT (RM) - EX-DISTRIBUTION</b>		<u>0.9270</u>	<u>0.9596</u>

*The accompanying notes form an integral part of the unaudited financial statements.*

## AmCumulative Growth

### STATEMENT OF COMPREHENSIVE INCOME *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

	Note	01.07.2023 to 31.12.2023 RM	01.07.2022 to 31.12.2022 RM
<b>INVESTMENT LOSSES</b>			
Dividend/Distribution income		183,577	239,464
Interest income		8,829	6,808
Net losses from investments:			
– Financial assets at fair value through profit or loss (“FVTPL”)	9	(448,363)	(386,230)
Other net realised gain/(loss) on foreign currency exchange		2,903	(43,066)
Other net unrealised (loss)/gain on foreign currency exchange		(59)	537
		<u>(253,113)</u>	<u>(182,487)</u>
<b>EXPENDITURE</b>			
Manager’s fee	5	(98,636)	(106,696)
Trustee’s fee	8	(3,492)	(3,801)
Audit fee		(4,029)	(4,015)
Tax agent’s fee		(2,614)	(2,608)
Brokerage and other transaction fees		(26,667)	(36,836)
Custodian’s fee		(26,037)	(32,354)
Other expenses		(2,712)	(1,732)
		<u>(164,187)</u>	<u>(188,042)</u>
<b>Net losses before taxation</b>		(417,300)	(370,529)
<b>Taxation</b>	12	<u>(76,491)</u>	<u>(78,288)</u>
<b>Net losses after taxation representing total comprehensive losses for the financial period</b>		<u>(493,791)</u>	<u>(448,817)</u>
Total comprehensive losses comprises the following:			
Realised losses		(193,786)	(1,015,165)
Unrealised (loss)/gain		(300,005)	566,348
		<u>(493,791)</u>	<u>(448,817)</u>

*The accompanying notes form an integral part of the unaudited financial statements.*

## AmCumulative Growth

### STATEMENT OF CHANGES IN EQUITY *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

	Note	Unit holders' capital RM	Retained earnings RM	Total equity RM
At 1 July 2023		(63,473,632)	78,116,325	14,642,693
Total comprehensive loss for the financial period		-	(493,791)	(493,791)
Creation of units	10(a)	12,202	-	12,202
Cancellation of units	10(a)	(417,375)	-	(417,375)
Balance at 31 December 2023		<u>(63,878,805)</u>	<u>77,622,534</u>	<u>13,743,729</u>
At 1 July 2022		(62,568,811)	78,390,833	15,822,022
Total comprehensive loss for the financial period		-	(448,817)	(448,817)
Creation of units		12,482	-	12,482
Cancellation of units		(679,291)	-	(679,291)
Balance at 31 December 2022		<u>(63,235,620)</u>	<u>77,942,016</u>	<u>14,706,396</u>

*The accompanying notes form an integral part of the unaudited financial statements.*

## AmCumulative Growth

### STATEMENT OF CASH FLOWS (Unaudited) FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

	Note	01.07.2023 to 31.12.2023 RM	01.07.2022 to 31.12.2022 RM
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>			
Proceeds from sale of investments		3,326,979	4,825,265
Purchase of investments		(3,331,778)	(4,569,933)
Capital repayments received		-	18,416
Dividends/Distributions received		222,011	275,231
Interest received		8,829	6,808
Manager's fee paid		(99,793)	(108,082)
Trustee's fee paid		(3,528)	(3,864)
Custodian's fee paid		(26,037)	(32,354)
Tax paid		(59,201)	-
Payments for other expenses		(36,026)	(37,662)
Net cash generated from operating and investing activities		<u>1,456</u>	<u>373,825</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from creation of units		14,742	12,482
Payments for cancellation of units		(412,390)	(718,633)
Net cash used in financing activities		<u>(397,648)</u>	<u>(706,151)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(396,192)</b>	<b>(332,326)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>		<b><u>1,148,678</u></b>	<b><u>1,772,784</u></b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>		<b><u>752,486</u></b>	<b><u>1,440,458</u></b>
Cash and cash equivalents comprise:			
Deposit with a licensed financial institution	6	-	768,059
Cash at banks		752,486	672,399
		<u>752,486</u>	<u>1,440,458</u>

The accompanying notes form an integral part of the unaudited financial statements.

## AmCumulative Growth

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

#### 1. GENERAL INFORMATION

AmCumulative Growth (the “Fund”) was established pursuant to a Deed dated 19 January 1996 as amended by Deeds supplemental thereto (the “Deeds”), between AmFunds Management Berhad as the Manager, HSBC (Malaysia) Trustee Berhad as the Trustee and all unit holders.

The Fund was set up with the objective of providing investors with long term capital growth, mainly through investment in securities with superior growth potential. As provided in the Deeds, the financial year shall end on 30 June and the units in the Fund were first offered for sale on 24 July 1996.

The financial statements were authorised for issue by the Manager on 19 February 2024.

#### 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Fund have been prepared on a historical cost basis, except as otherwise stated in the accounting policies and comply with Malaysian Financial Reporting Standards 134: *Interim Financial Reporting* (“MFRS 134”) as issued by the Malaysian Accounting Standards Board (“MASB”).

##### Standards effective during the financial period

The adoption of the following MFRS which became effective during the financial period did not have any material financial impact to the financial statements.

Description	Effective for financial periods beginning on or after
MFRS 17 <i>Insurance Contracts and Amendments to MFRS 17*</i>	1 January 2023
Initial Application of MFRS 17 and MFRS 9 - <i>Comparative Information</i> (Amendments to MFRS 17 <i>Insurance Contracts</i> )*	1 January 2023
Amendments to MFRS 101 <i>Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current</i>	1 January 2023
Amendments to MFRS 101 <i>Presentation of Financial Statements: Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 112 <i>Income Taxes: International Tax Reform - Pillar Two Model Rules</i>	1 January 2023

## AmCumulative Growth

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

#### 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D.)

##### Standards issued but not yet effective

The standards and amendments to standards that have been issued but not yet effective up to the date of issuance of the Fund's financial statements are disclosed below. The Fund intends to adopt these new pronouncements, if applicable, when they become effective.

Description	Effective for financial periods beginning on or after
Amendments to MFRS 16 Leases: <i>Lease Liability in a Sale and Leaseback*</i>	1 January 2024
Amendments to MFRS 101 <i>Presentation of Financial Statements: Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 <i>Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 121 <i>The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*</i>	Deferred

\* These MFRS and Amendments to MFRSs are not relevant to the Fund.

#### 3. SUMMARY OF ACCOUNTING POLICIES

##### 3.1 Income recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at the fair value of consideration received or receivable.

(i) Dividend/Distribution income

Dividend/Distribution income is recognised when the Fund's right to receive payment is established.

(ii) Interest income

Interest income on short-term deposits is recognised on an accrual basis using the effective interest method.

(iii) Gain or loss on disposal of investments

On disposal of investments, the net realised gain or loss on disposal is measured as the difference between the net disposal proceeds and the carrying amount of the investments. The net realised gain or loss is recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023**

**3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)**

**3.2 Income tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current taxes 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 equity.

**3.3 Functional and presentation currency**

Functional currency is the currency of the primary economic environment in which the Fund operates that most faithfully represents the economic effects of the underlying transactions. The functional currency of the Fund is Ringgit Malaysia ("RM") which reflects the currency in which the Fund competes for funds, issues and redeems units. The Fund has also adopted RM as its presentation currency.

**3.4 Foreign currency transactions**

Transactions in currencies other than the Fund's functional currency (foreign currencies) are recorded in the functional currency using exchange rates prevailing at the transaction dates. At each reporting date, foreign currency monetary items are translated into RM at exchange rates ruling at the reporting date. All exchange gains or losses are recognised in profit or loss.

**3.5 Statement of cash flows**

The Fund adopts the direct method in the preparation of the statement of cash flows.

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to cash with insignificant risk of changes in value.

**3.6 Distribution**

Distributions are at the discretion of the Manager. A distribution to the Fund's unit holders is accounted for as a deduction from retained earnings and realised income. Realised income is the income earned from dividend/distribution income, interest income and net gain on disposal of investments after deducting expenses and taxation. A proposed distribution is recognised as a liability in the period in which it is approved. Distribution is either reinvested or paid in cash to the unit holders on the distribution payment date. Reinvestment of units is based on the NAV per unit on the distribution payment date, which is also the time of creation.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023**

**3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)**

**3.7 Capital repayment received**

Capital repayment received are cash received by the Fund as a result of capital reduction, a corporate action executed by a REIT entities in which the Fund is holding units of shares as its investments. A capital reduction is made out of an entity's contributed share capital. The shareholders will receive a return of capital and the cost of the shareholder's investments are reduced accordingly by the amount of capital returned.

Capital repayment received is a financial asset and reduces the Fund's cost of investment on the REITs entity.

**3.8 Unit holders' capital**

The unit holders' capital of the Fund meets the definition of puttable instruments and is classified as equity instruments under MFRS 132 *Financial Instruments: Presentation* ("MFRS 132").

**3.9 Financial assets – initial recognition and measurement**

(i) Initial recognition

Financial assets and financial liabilities are recognised when the Fund becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised using trade date accounting or settlement date accounting. The method used is applied consistently for all purchases and sales of financial assets that belong to the same category of financial assets.

(ii) Initial measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at FVTPL, transaction costs that are attributable to the acquisition of the financial asset. All financial liabilities are recognised initially at fair value and, in the case of financial liabilities not recorded at FVTPL, net of directly attributable transaction costs.

(iii) "Day 1" profit or loss

At initial measurement, if the transaction price differs from the fair value, the Fund immediately recognises the difference between the transaction price and fair value (a "Day 1" profit or loss) in profit or loss provided that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. Level 1 input) or based on a valuation technique that uses only data from observable markets. In all other cases, the difference between the transaction price and model value is recognised in profit or loss on a systematic and rational basis that reflects the nature of the instrument over its tenure.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023**

**3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)**

**3.10 Financial assets under MFRS 9**

Classification and measurement

The classification of financial assets depends on the Fund's business model of managing the financial assets in order to generate cash flows ("business model test") and the contractual cash flow characteristics of the financial instruments ("SPPI test"). The business model test determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both and the assessment is performed on a portfolio basis. The SPPI test determines whether the contractual cash flows are solely for payments of principal and interest and the assessment is performed on a financial instrument basis.

The Fund may classify its financial assets under the following categories:

*Financial assets at amortised cost*

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets include in this category are deposits with licensed financial institutions, cash at banks, amount due from Target Fund Manager, amount due from Manager, amount due from brokers/financial institutions, dividend/distribution receivables and other receivables.

*Financial assets at FVOCI*

A financial asset is measured at fair value through other comprehensive income ("FVOCI") if its business model is both to hold the asset to collect contractual cash flows and to sell the financial asset. In addition, the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding principal.

These investments are initially recorded at fair value and transaction costs are expensed in the profit or loss. Subsequent to initial recognition, these investments are remeasured at fair value. All fair value adjustments are initially recognised through OCI. Debt instruments at FVOCI are subject to impairment assessment.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023**

**3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)**

**3.10 Financial assets under MFRS 9 (cont'd.)**

Classification and measurement (cont'd.)

The Fund may classify its financial assets under the following categories: (cont'd.)

*Financial assets at FVTPL*

Any financial assets that are not measured at amortised cost or FVOCI are measured at FVTPL. Subsequent to initial recognition, financial assets at FVTPL are measured at fair value. Changes in the fair value of those financial instruments are recorded in "Net gain or loss on financial assets at FVTPL". Dividend/Distribution revenue and interest earned elements of such instruments are recorded separately in "Dividend/Distribution income" and "Interest income" respectively. Exchange differences on financial assets at FVTPL are not recognised separately in profit or loss but are included in net gain or net loss on changes in fair value of financial assets at FVTPL.

Instruments that qualify for amortised cost or FVOCI may be irrevocably designated as FVTPL, if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Equity instruments are normally measured at FVTPL, nevertheless, the Fund is allowed to irrevocably designate equity instruments that are not held for trading as FVOCI, with no subsequent reclassification of gains or losses to profit or loss.

The Fund subsequently measures its investments in equity investments and collective investment schemes ("CIS") at FVTPL. Dividends/Distributions earned whilst holding the investments are recognised in profit or loss when the right to receive the payment has been established. Gains and losses on investments, realised and unrealised, are included in profit or loss.

**3.11 Financial liabilities – classification and subsequent measurement**

Financial liabilities issued by the Fund are classified as financial liabilities at amortised cost, where the substance of the contractual arrangement results in the Fund having an obligation either to deliver cash or another financial asset to the holders. After initial measurement, financial liabilities are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023**

**3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)**

**3.12 Derecognition of financial instruments**

(i) Derecognition of financial asset

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired, or
- the Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either:
  - the Fund has transferred substantially all the risks and rewards of the asset, or
  - the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

For investments classified as FVOCI - debt instruments, the cumulative fair value change recognised in OCI is recycled to profit or loss.

(ii) Derecognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Gains and losses are recognised in profit or loss when the liabilities are recognised, and through the amortisation process.

**3.13 Financial instruments – expected credit losses (“ECL”)**

The Fund assesses the ECL associated with its financial assets at amortised cost using simplified approach. Therefore, the Fund does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The ECL in respect of financial assets at amortised cost, if any, is recognised in profit or loss.

Financial assets together with the associated allowance are written off when it has exhausted all practical recovery efforts and there is no realistic prospect of future recovery. The Fund may also write-off financial assets that are still subject to enforcement activity when there is no reasonable expectation of full recovery. If a write-off is later recovered, the recovery is credited to profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023**

**3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)**

**3.14 Determination of fair value**

For investments in local quoted equity securities, fair value is determined based on the closing price quoted on Bursa Malaysia Berhad. For investments in foreign listed securities, which are quoted in the respective stock exchanges, fair value will be determined based on the published market price quoted by the respective stock exchanges at the end of each business day. For investments in unquoted CIS, fair value is determined based on the closing NAV per unit of the CIS. Purchased cost is the quoted price that the Fund paid when buying its investments. The difference between the purchased cost and fair value is treated as unrealised gain or loss and is recognised in profit or loss. Unrealised gains or losses recognised in profit or loss are not distributable in nature.

**3.15 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 disposals of financial instruments classified at FVTPL are calculated using weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount.

**3.16 Significant accounting estimates and judgments**

The preparation of the Fund's financial statements requires the Manager to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in the future.

The Fund classifies its investments as financial assets at FVTPL as the Fund may sell its investments in the short-term for profit-taking or to meet unit holders' cancellation of units.

No major judgments have been made by the Manager in applying the Fund's accounting policies. There are no key assumptions 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 period.

## AmCumulative Growth

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

#### 4. INVESTMENTS

	31.12.2023 RM	30.06.2023 RM
<b>Financial assets at FVTPL</b>		
Quoted CIS - foreign	-	211,333
Quoted equity securities - local	180,180	158,340
Quoted equity securities - foreign	12,116,026	12,402,018
Unquoted CIS - local	692,624	697,144
	<u>12,988,830</u>	<u>13,468,835</u>

Details of investments as at 31 December 2023 are as follows:

Name of company	Number of shares	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
<b>Quoted equity securities - local</b>				
<b>Consumer discretionary</b>				
Genting Berhad	39,000	180,180	178,160	1.31
<b>Total quoted equity securities - local</b>	<u>39,000</u>	<u>180,180</u>	<u>178,160</u>	<u>1.31</u>
<b>Quoted equity securities - foreign</b>				
<b>Hong Kong</b>				
<b>Consumer discretionary</b>				
Alibaba Group Holding Limited	12,400	552,247	871,308	4.02
Galaxy Entertainment Group Limited	2,500	64,433	71,226	0.47
JD.Com, Inc.	3,995	264,764	422,500	1.93
Li Ning Company Limited	8,500	104,654	262,272	0.76
Shenzhou International Group Holdings Limited	7,800	369,437	408,927	2.69
Trip.Com Group Limited	400	65,414	60,442	0.47
Yum China Holdings, Inc.	1,100	215,270	269,605	1.56
	<u>36,695</u>	<u>1,636,219</u>	<u>2,366,280</u>	<u>11.90</u>

## AmCumulative Growth

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 31 December 2023 are as follows: (cont'd.)

Name of company	Number of shares	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
<b>Quoted equity securities - foreign (cont'd.)</b>				
<b>Hong Kong (cont'd.)</b>				
<b>Consumer staples</b>				
Budweiser Brewing Company APAC Limited	14,000	120,578	185,927	0.88
China Resources Beer (Holdings) Company Limited	8,000	161,178	242,094	1.17
	<u>22,000</u>	<u>281,756</u>	<u>428,021</u>	<u>2.05</u>
<b>Financials</b>				
AIA Group Limited	9,200	368,813	458,135	2.68
China Merchants Bank Co., Ltd.	13,000	208,306	331,912	1.51
CITIC Securities Company Limited	32,000	300,489	295,276	2.19
Huatai Securities Co.,Ltd.	39,000	226,533	202,740	1.65
	<u>93,200</u>	<u>1,104,141</u>	<u>1,288,063</u>	<u>8.03</u>
<b>Health care</b>				
WUXI Biologics (Cayman) INC.	9,000	156,937	239,370	1.14
<b>Information technology</b>				
BYD Electronic (International) Company Limited	8,500	183,269	181,427	1.33
Hua Hong Semiconductor Limited	9,000	100,100	157,032	0.73
Sunny Optical Technology (Group) Company Limited	7,100	296,339	376,411	2.16
	<u>24,600</u>	<u>579,708</u>	<u>714,870</u>	<u>4.22</u>
<b>Real estate</b>				
Ke Holdings Inc	8,200	209,166	218,738	1.52

## AmCumulative Growth

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 31 December 2023 are as follows: (cont'd.)

Name of company	Number of shares	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
<b>Quoted equity securities - foreign (cont'd.)</b>				
<b>Hong Kong (cont'd.)</b>				
<b>Telecommunication services</b>				
Baidu, Inc.	4,150	283,838	295,728	2.07
Kingsoft Corporation Limited	200	2,840	3,849	0.02
Tencent Holdings Limited	4,300	743,729	854,777	5.41
	<u>8,650</u>	<u>1,030,407</u>	<u>1,154,354</u>	<u>7.50</u>
<b>Total in Hong Kong</b>	<u>202,345</u>	<u>4,998,334</u>	<u>6,409,696</u>	<u>36.36</u>
<b>Indonesia</b>				
<b>Financials</b>				
PT Bank Central Asia Tbk	<u>35,000</u>	<u>98,075</u>	<u>96,174</u>	<u>0.71</u>
<b>Telecommunication services</b>				
PT Bank Mandiri (Persero) Tbk	<u>280,000</u>	<u>329,699</u>	<u>337,483</u>	<u>2.40</u>
<b>Total in Indonesia</b>	<u>315,000</u>	<u>427,774</u>	<u>433,657</u>	<u>3.11</u>
<b>Philippines</b>				
<b>Consumer discretionary</b>				
Jollibee Foods Corp.	<u>14,500</u>	<u>301,966</u>	<u>264,213</u>	<u>2.20</u>
<b>Real estate</b>				
SM Prime Holdings INC.	<u>32,000</u>	<u>87,211</u>	<u>81,188</u>	<u>0.64</u>
<b>Utilities</b>				
ACEN Corporation	<u>4,162</u>	<u>1,510</u>	<u>2,742</u>	<u>0.01</u>
<b>Total in Philippines</b>	<u>50,662</u>	<u>390,687</u>	<u>348,143</u>	<u>2.85</u>



## AmCumulative Growth

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 31 December 2023 are as follows: (cont'd.)

Name of company	Number of shares	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
<b>Quoted equity securities - foreign (cont'd.)</b>				
<b>Singapore</b>				
<b>Consumer discretionary</b>				
Genting Singapore Limited	30,000	104,373	86,774	0.76
<b>Financials</b>				
DBS Group Holdings, Limited	1,200	139,484	139,235	1.02
<b>Telecommunication services</b>				
Singapore Telecommunications Limited	39,100	336,001	325,944	2.44
<b>Total in Singapore</b>	<b>70,300</b>	<b>579,858</b>	<b>551,953</b>	<b>4.22</b>
<b>South Korea</b>				
<b>Energy</b>				
SK Innovation Co., Ltd.	1	496	761	0.01
<b>Information technology</b>				
LG Innotek Co.,Ltd.	274	232,050	262,597	1.69
Samsung Electronics Co., Ltd.	3,911	1,085,630	763,555	7.90
Samsung SDI Co., Ltd.	55	91,797	113,098	0.67
SK Hynix Inc.	346	173,124	142,747	1.26
	4,586	1,582,601	1,281,997	11.52
<b>Materials</b>				
LG Chem, Ltd	77	135,867	227,936	0.99
<b>Telecommunication services</b>				
Kakao Corp.	1,469	282,063	379,434	2.05
NAVER Corporation	423	335,053	371,148	2.44
	1,892	617,116	750,582	4.49
<b>Total in South Korea</b>	<b>6,556</b>	<b>2,336,080</b>	<b>2,261,276</b>	<b>17.01</b>

## AmCumulative Growth

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 31 December 2023 are as follows: (cont'd.)

Name of company	Number of shares	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
<b>Quoted equity securities - foreign (cont'd.)</b>				
<b>Taiwan</b>				
<b>Information technology</b>				
ASE Technology Holding Co., Ltd	6,000	121,270	116,611	0.88
Hon Hai Precision Industry Co., Ltd.	18,000	281,616	290,515	2.05
Media Tek Inc.	1,000	151,962	135,096	1.10
NANYA Technology Corporation	12,000	140,134	121,719	1.02
Realtek Semiconductor Corp.	5,000	352,955	283,811	2.57
Taiwan Semiconductor Manufacturing Company Limited	14,600	1,296,211	973,651	9.43
Unimicron Technology Corp.	8,000	210,800	181,164	1.53
Zhen Ding Technology Holding Limited	17,000	277,424	285,067	2.02
	<u>81,600</u>	<u>2,832,372</u>	<u>2,387,634</u>	<u>20.60</u>
<b>Total in Taiwan</b>	<u>81,600</u>	<u>2,832,372</u>	<u>2,387,634</u>	<u>20.60</u>
<b>Thailand</b>				
<b>Consumer staples</b>				
CP All Public Company Limited	31,500	235,508	267,710	1.71
<b>Financials</b>				
Kasikornbank Public Company Limited	17,500	315,413	325,337	2.30
<b>Total in Thailand</b>	<u>49,000</u>	<u>550,921</u>	<u>593,047</u>	<u>4.01</u>
<b>Total quoted equity securities - foreign</b>	<u>775,463</u>	<u>12,116,026</u>	<u>12,985,406</u>	<u>88.16</u>

## AmCumulative Growth

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 31 December 2023 are as follows: (cont'd.)

Name of trust	Number of units	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
<b>Unquoted CIS - local</b>				
Amlslamic Global SRI*	625,903	692,624	625,533	5.04
<b>Total unquoted CIS - local</b>	<b>625,903</b>	<b>692,624</b>	<b>625,533</b>	<b>5.04</b>
<b>Total financial assets at FVTPL</b>	<b>1,440,366</b>	<b>12,988,830</b>	<b>13,789,099</b>	<b>94.51</b>
<b>Shortfall of fair value over purchased cost</b>		<b>(800,269)</b>		

\* These CIS are managed by the Manager.

#### 5. AMOUNT DUE FROM/TO MANAGER

	Note	31.12.2023 RM	30.06.2023 RM
<b>(a) Due from Manager</b>			
Creation of units	(i)	991	3,531
<b>(b) Due to Manager</b>			
Cancellation of units	(ii)	4,985	-
Manager's fee payable	(iii)	17,193	18,350
		<b>22,178</b>	<b>18,350</b>

(i) This represents amount receivable from the Manager for units created.

(ii) This represents amount payable to the Manager for units cancelled.

The normal credit period in the previous financial year and current financial period for creation and cancellation of units is three business days.

(iii) Manager's fee is at a rate of 1.50% (30.06.2023: 1.50%) per annum on the NAV of the Fund, calculated on a daily basis. As the Fund invested in the unquoted CIS, the Manager's fee related to CIS has been charged by the Manager.

According to Securities Commission Malaysia's Guidelines on Unit Trust Funds, the management fee can only be charged once and hence, no Manager's fee can be charged on the NAV of the unquoted CIS of this Fund to avoid double charging of Manager's fee.

The normal credit period in the previous financial year and current financial period for Manager's fee payable is one month.

## AmCumulative Growth

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

#### 6. DEPOSIT WITH A LICENSED FINANCIAL INSTITUTION

	31.12.2023 RM	30.06.2023 RM
At nominal value:		
Short-term deposit	-	461,000
At carrying value:		
Short-term deposit	-	461,038

#### 7. AMOUNT DUE TO BROKER

Amount due to broker arose from the purchase of investments. The settlement period is within two business days from the transaction.

#### 8. AMOUNT DUE TO TRUSTEE

Trustee's fee is at a rate of 0.05% (30.06.2023: 0.05%) per annum on the NAV of the Fund, calculated on a daily basis.

The normal credit period in the previous financial year and current financial period for Trustee's fee payable is one month.

#### 9. NET LOSSES FROM INVESTMENTS

	01.07.2023 to 31.12.2023 RM	01.07.2022 to 31.12.2022 RM
Net losses on financial assets at FVTPL comprised:		
- Net realised losses on sale of investments	(279,923)	(1,171,758)
- Net realised gains on foreign currency exchange	131,506	219,717
- Net unrealised (loss)/gain on changes in fair value of investments	(74,695)	644,289
- Net unrealised losses on foreign currency fluctuation of investment denominated in foreign currency	(225,251)	(78,478)
	<u>(448,363)</u>	<u>(386,230)</u>

## AmCumulative Growth

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

#### 10. TOTAL EQUITY

Total equity is represented by:

	Note	31.12.2023 RM	30.06.2023 RM
Unit holders' capital	(a)	(63,878,805)	(63,473,632)
Retained earnings			
– Realised income	(b)	78,422,876	78,616,662
– Unrealised losses	(c)	(800,342)	(500,337)
		<u>13,743,729</u>	<u>14,642,693</u>

#### (a) Unit holders' capital/units in circulation

	31.12.2023		30.06.2023	
	Number of units	RM	Number of units	RM
At beginning of the financial period/year	15,259,550	(63,473,632)	16,214,790	(62,568,811)
Creation during the financial period/year	13,023	12,202	34,519	33,222
Cancellation during the financial period/year	(445,776)	(417,375)	(989,759)	(938,043)
At end of the financial period/year	<u>14,826,797</u>	<u>(63,878,805)</u>	<u>15,259,550</u>	<u>(63,473,632)</u>

The negative balance of unit holders' capital was due to the cancellation of units at a higher NAV per unit following the price appreciation of the Fund as compared to the units being created at a lower NAV per unit in prior financial periods.

#### (b) Realised – distributable

	31.12.2023 RM	30.06.2023 RM
At beginning of the financial period/year	78,616,662	80,381,536
Net realised losses for the financial period/year	(193,786)	(1,764,874)
At end of the financial period/year	<u>78,422,876</u>	<u>78,616,662</u>

#### (c) Unrealised – non-distributable

	31.12.2023 RM	30.06.2023 RM
At beginning of the financial period/year	(500,337)	(1,990,703)
Net unrealised (loss)/gain for the financial period/year	(300,005)	1,490,366
At end of the financial period/year	<u>(800,342)</u>	<u>(500,337)</u>

## AmCumulative Growth

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

#### 11. SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES

The related parties and their relationships with the Fund are as follows:

<u>Related parties</u>	<u>Relationships</u>
AmFunds Management Berhad	The Manager
AmInvestment Bank Berhad	Holding company of the Manager
AMMB Holdings Berhad (“AMMB”)	Ultimate holding company of the Manager
Subsidiaries and associates of AMMB as disclosed in its financial statements	Subsidiaries and associate companies of the ultimate holding company of the Manager

There are no units held by the Manager or any related party as at 31 December 2023 and 30 Juner 2023.

#### 12. TAXATION

	<b>01.07.2023 to 31.12.2023</b>	<b>01.07.2022 to 31.12.2022</b>
	<b>RM</b>	<b>RM</b>
Local tax	55,462	60,216
Foreign tax	21,029	18,072
	<u>76,491</u>	<u>78,288</u>

Income tax payable is calculated on investment income less deduction for permitted expenses as provided under Section 63B of the Income Tax Act, 1967.

Pursuant to the Finance Act 2021, income derived by a resident person from sources outside Malaysia and received in Malaysia from 1 January 2022 will no longer be exempted from tax. Foreign-sourced income (“FSI”) received in Malaysia will be taxed at the prevailing tax rate(s) of the taxpayer and based on applicable tax rules. Bilateral or unilateral tax credits may be allowed if the same income has suffered foreign tax, and where relevant conditions are met.

Withholding tax were charged to taxable dividend/distribution income derived from countries including Hong Kong, Indonesia, South Korea, Philippines, Taiwan and Thailand at the rates prevailing in these countries.

## AmCumulative Growth

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

#### 12. TAXATION (CONT'D.)

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

	<b>01.07.2023 to 31.12.2023 RM</b>	<b>01.07.2022 to 31.12.2022 RM</b>
Net losses before taxation	<u>(417,300)</u>	<u>(370,529)</u>
Taxation at Malaysian statutory rate of 24% (2022: 24%)	(100,152)	(88,927)
Tax effects of:		
Income not subject to tax	(1,944)	(177,972)
Losses not allowed for tax deduction	139,183	300,057
Restriction on tax deductible expenses for unit trust fund	22,176	23,914
Non-permitted expenses for tax purposes	14,765	18,559
Permitted expenses not used and not available for future financial periods	<u>2,463</u>	<u>2,657</u>
Tax expense for the financial period	<u>76,491</u>	<u>78,288</u>

#### 13. TOTAL EXPENSE RATIO (“TER”)

The Fund’s TER is as follows:

	<b>01.07.2023 to 31.12.2023 % p.a.</b>	<b>01.07.2022 to 31.12.2022 % p.a.</b>
Manager’s fee	0.71	0.70
Trustee’s fee	0.03	0.03
Fund’s other expenses	<u>0.25</u>	<u>0.27</u>
Total TER	<u>0.99</u>	<u>1.00</u>

The TER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis.

#### 14. PORTFOLIO TURNOVER RATIO (“PTR”)

The PTR of the Fund, which is the ratio of average total acquisitions and disposals of investments to the average NAV of the Fund calculated on a daily basis, is 0.24 times (2022: 0.32 times).

## AmCumulative Growth

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

#### 15. SEGMENTAL REPORTING

The Manager and Investment Committee of the Fund are responsible for allocating resources available to the Fund in accordance with the overall investment strategies as set out in the Investment Guidelines of the Fund. The Fund is managed by two segments:

- A portfolio of equity instruments, including CIS; and
- A portfolio of fixed income instruments, including deposit with a licensed financial institution.

The investment objective of each segment is to achieve consistent returns from the investments in each segment while safeguarding capital by investing in diversified portfolios. There have been no changes in reportable segments in the current financial period.

	01.07.2023 to 31.12.2023			01.07.2022 to 31.12.2022		
	Equity portfolio RM	Fixed income portfolio RM	Total RM	Equity portfolio RM	Fixed income portfolio RM	Total RM
Dividend/ Distribution income	183,577	-	183,577	239,464	-	239,464
Interest income	-	8,829	8,829	-	6,808	6,808
Net losses from investments: - Financial assets at FVTPL	(448,363)	-	(448,363)	(386,230)	-	(386,230)
Other net realised gain/ (loss) on foreign currency exchange	2,903	-	2,903	(43,066)	-	(43,066)
Other net unrealised (loss)/ gain on foreign currency exchange	(59)	-	(59)	537	-	537
Total segment investment (losses)/ income for the financial period	<u>(261,942)</u>	<u>8,829</u>	<u>(253,113)</u>	<u>(189,295)</u>	<u>6,808</u>	<u>(182,487)</u>



## AmCumulative Growth

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

#### 15. SEGMENTAL REPORTING (CONT'D.)

	31.12.2023			30.06.2023		
	Equity portfolio RM	Fixed income RM	Total RM	Equity portfolio RM	Fixed income portfolio RM	Total RM
Financial assets at FVTPL	12,988,830	-	12,988,830	13,468,835	-	13,468,835
Dividend/ Distribution receivables	11,589	-	11,589	71,112	-	71,112
Deposit with a licensed financial institution	-	-	-	-	461,038	461,038
<b>Total segment assets</b>	<b>13,000,419</b>	<b>-</b>	<b>13,000,419</b>	<b>13,539,947</b>	<b>461,038</b>	<b>14,000,985</b>
Amount due to broker	-	-	-	39,344	-	39,344
<b>Total segment liability</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,344</b>	<b>-</b>	<b>39,344</b>

Expenses of the Fund are not considered part of the performance of any investment segment. The following table provides reconciliation between the net reportable segment investment losses and net losses after taxation:

	01.07.2022 to 31.12.2023 RM	01.07.2022 to 31.12.2022 RM
Net reportable segment investment losses	(253,113)	(182,487)
Less: Expenses	(164,187)	(188,042)
Net losses before taxation	(417,300)	(370,529)
Taxation	(76,491)	(78,288)
Net losses after taxation	(493,791)	(448,817)

In addition, certain assets and liabilities are not considered to be part of the net assets or liabilities of an individual segment. The following table provides reconciliation between the net reportable segment assets and liabilities and total assets and liabilities of the Fund.

## AmCumulative Growth

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

#### 15. SEGMENTAL REPORTING (CONT'D.)

	31.12.2023	30.06.2023
	RM	RM
Total segment assets	13,000,419	14,000,985
Amount due from Manager	991	3,531
Tax recoverable	27,702	23,963
Cash at banks	752,486	687,640
Total assets of the Fund	<u>13,781,598</u>	<u>14,716,119</u>
Total segment liabilities	-	39,344
Amount due to Manager	22,178	18,350
Amount due to Trustee	573	609
Sundry payables and accruals	15,118	15,123
Total liabilities of the Fund	<u>37,869</u>	<u>73,426</u>

#### 16. TRANSACTIONS WITH THE MANAGER AND BROKERS

Details of transactions with the Manager and brokers for the financial period ended 31 December 2023 are as follows:

Manager/Brokers	Transaction value		Brokerage fee, stamp duty and clearing fee	
	RM	%	RM	%
Macquarie Securities (Australia) Limited	2,524,667	38.16	10,083	37.81
DBS Vickers Securities (Singapore) Pte Ltd.	1,575,974	23.82	5,908	22.16
Masterlink Securities Corporation	1,320,910	19.96	5,321	19.95
Daishin Securities Co., Ltd.	470,842	7.12	1,412	5.30
CLSA Limited (Hong Kong)	469,856	7.10	3,030	11.36
Instinet Pacific Limited Hong Kong Branch	159,819	2.41	622	2.33
CLSA Securities Korea Ltd.	64,628	0.98	194	0.73
Daiwa Securities SMBC Hong Kong Ltd.	28,564	0.43	97	0.36
AmFunds Management Berhad	1,249	0.02	-	-
Total	<u>6,616,509</u>	<u>100.00</u>	<u>26,667</u>	<u>100.00</u>

The Manager is of the opinion that the above transactions have been entered in the normal course of business and have been established under terms that are no less favourable than those arranged with independent third parties.

The above transactions are in respect of listed equity securities and CIS. Transactions in unquoted CIS do not involve any commission or brokerage.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023**

**17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Fund is exposed to a variety of risks that include market risk, credit risk, liquidity risk, single issuer risk, regulatory risk, country risk, management risk and non-compliance risk.

Risk management is carried out by closely monitoring, measuring and mitigating the above said risks, careful selection of investments coupled with stringent compliance to investment restrictions as stipulated by the Capital Market and Services Act 2007, Securities Commission Malaysia's Guidelines on Unit Trust Funds and the Deed as the backbone of risk management of the Fund.

**(a) Market risk**

The Fund's principal exposure to market risk arises primarily due to changes in the market environment, global economic and geo-political developments.

The Fund's market risk is affected primarily by the following risks:

**(i) Price risk**

Price risk refers to the uncertainty of an investment's future prices. In the event of adverse price movements, the Fund might endure potential loss on its quoted investments. In managing price risk, the Manager actively monitors the performance and risk profile of the investment portfolio.

**(ii) Interest rate risk**

Interest rate risk will affect the value of the Fund's investments, given the interest rate movements, which are influenced by regional and local economic developments as well as political developments.

Domestic interest rates on deposits and placements with licensed financial institutions are determined based on prevailing market rates.

Currency risk is associated with the Fund's assets and liabilities that are denominated in currencies other than the Fund's functional currency. Currency risk refers to the potential loss the Fund might face due to unfavorable fluctuations of currencies other than the Fund's functional currency against the Fund's functional currency.

## AmCumulative Growth

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

#### 17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

##### (a) Market risk (cont'd.)

##### (iii) Currency risk

The net unhedged financial assets and financial liability of the Fund that are not denominated in Fund's functional currency are as follows:

Assets/(liability) denominated in	31.12.2023		30.06.2023	
	RM equivalent	% of NAV	RM equivalent	% of NAV
<b>Australian Dollar</b>				
Cash at bank	-	-	103,442	0.71
<b>Hong Kong Dollar</b>				
Investments	4,998,334	36.37	6,562,896	44.82
Dividend/Distribution receivables	6,409	0.05	9,367	0.07
Cash at bank	1	-*	-	-
Amount due to brokers	-	-	(39,344)	(0.27)
	<u>5,004,744</u>	<u>36.42</u>	<u>6,532,919</u>	<u>44.62</u>
<b>Indonesian Rupiah</b>				
Investments	427,774	3.11	348,432	2.38
Dividend/Distribution receivables	-	-	11,676	0.08
	<u>427,774</u>	<u>3.11</u>	<u>360,108</u>	<u>2.46</u>
<b>New Taiwan Dollar</b>				
Investments	2,832,372	20.61	2,216,261	15.13
Dividend receivables	5,180	0.04	50,065	0.35
Cash at bank	118,005	0.86	-	-
	<u>2,955,557</u>	<u>21.51</u>	<u>2,266,326</u>	<u>15.48</u>
<b>Philippine Peso</b>				
Investments	390,687	2.84	397,553	2.72
<b>Singapore Dollar</b>				
Investments	579,858	4.22	548,219	3.74
<b>South Korean Won</b>				
Investments	2,336,080	17.00	1,697,316	11.59
Cash at bank	1	-*	1	-*
	<u>2,336,081</u>	<u>17.00</u>	<u>1,697,317</u>	<u>11.59</u>

## AmCumulative Growth

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

#### 17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

##### (a) Market risk (cont'd.)

##### (iii) Currency risk (cont'd.)

Assets/(liability) denominated in	31.12.2023		30.06.2023	
	RM equivalent	% of NAV	RM equivalent	% of NAV
<b>Thailand Baht</b>				
Investments	<u>550,921</u>	<u>4.00</u>	<u>842,674</u>	<u>5.76</u>
<b>United States Dollar</b>				
Cash at bank	<u>587,192</u>	<u>4.27</u>	<u>483,986</u>	<u>3.31</u>

\* represents less than 0.01%.

##### (b) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge an obligation. Credit risk applies to short-term deposits and dividend/distribution receivables. The issuer of such instruments may not be able to fulfill the required interest payments or repay the principal invested or amount owing. These risks may cause the Fund's investments to fluctuate in value.

For deposits with licensed financial institutions, the Fund makes placements with financial institutions with sound rating of P1/MARC-1 and above. Cash at banks are held for liquidity purposes and are not exposed to significant credit risk.

##### (c) Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected. The Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payment and cancellations of units by unit holders. Liquid assets comprise of deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 5 to 7 days. The Fund's policy is to always maintain a prudent level of liquid assets so as to reduce liquidity risk.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023**

**17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)**

**(d) Single issuer risk**

Internal policy restricts the Fund from investing in securities issued by any issuer of not more than a certain percentage of its NAV. Under such restriction, the risk exposure to the securities of any single issuer is diversified and managed based on internal/external ratings.

**(e) Regulatory risk**

Any changes in national policies and regulations may have effects on the capital market and the NAV of the Fund.

**(f) Country risk**

The risk of price fluctuation in foreign securities may arise due to political, financial and economic events in foreign countries. If this occurs, there is a possibility that the NAV of the Fund may be adversely affected.

**(g) Management risk**

Poor management of the Fund may cause considerable losses to the Fund that in turn may affect the NAV of the Fund.

**(h) Non-compliance risk**

This is the risk of the Manager or the Trustee not complying with their respective internal policies, the Deed and its Supplemental Deed, securities laws or guidelines issued by the regulators relevant to each party, which may adversely affect the performance of the Fund.

## **AmCumulative Growth**

### **STATEMENT BY THE MANAGER**

I, Goh Wee Peng, being the Director of and on behalf of the Board of Directors of AmFunds Management Berhad (the "Manager"), do hereby state that in the opinion of the Manager, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards 134: *Interim Financial Reporting* ("MFRS 134") so as to give a true and fair view of the financial position of AmCumulative Growth (the "Fund") as at 31 December 2023 and the comprehensive income, the changes in equity and cash flows for the financial period then ended.

For and on behalf of the Manager

**GOH WEE PENG**  
Executive Director

Kuala Lumpur, Malaysia  
19 February 2024

## **TRUSTEE'S REPORT**

### **TO THE UNIT HOLDERS OF AMCUMULATIVE GROWTH ("Fund")**

We have acted as Trustee of the Fund for the financial period ended 31 December 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AmFunds Management Berhad has operated and managed the Fund during the period 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 the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the Deeds; and
3. Any creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirement.

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat  
Manager, Investment Compliance Monitoring

Kuala Lumpur  
Date: 19 February 2024



## DIRECTORY

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Postal Address AmFunds Management Berhad  
P.O Box 13611, 50816 Kuala Lumpur

*For enquiries about this or any of the other Funds offered by AmFunds Management Berhad  
Please call 2032 2888 between 8.45 a.m. to 5.45 p.m. (Monday to Thursday),  
Friday (8.45 a.m. to 5.00 p.m.)*

