

Semi-Annual Report for

AmMalaysia Equity

30 April 2024



AmInvest

Growing Your Investments in a Changing World

TRUST DIRECTORY

Manager

AmFunds Management Berhad
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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 AmMalaysia Equity ("Fund") for the financial period from 1 November 2023 to 30 April 2024.

Salient Information of the Fund

Name	AmMalaysia Equity ("Fund")
Category/ Type	Equity / Growth
Objective	<p>The Fund's investment objective is to provide long-term capital appreciation by investing in equity securities of companies listed on Bursa Malaysia Berhad. The Fund will invest in companies across a wide range of industries with above average growth potential*.</p> <p><i>Note:</i> <i>*Above average growth potential in this context refers to the earnings growth higher than the market average.</i> <i>Any material change to the investment objective of the Fund would require Unit Holders' approval.</i></p>
Duration	The Fund was established on 17 March 2010 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.
Performance Benchmark	<p>FTSE Bursa Malaysia Emas Index ("FBM Emas") (Available at www.aminvest.com / www.bursamalaysia.com)</p> <p><i>Note: 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: FTSE International Limited ("FTSE") © FTSE 2024. "FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence. "BURSA MALAYSIA" is a trade mark of Bursa Malaysia Berhad ("BURSA MALAYSIA"). All intellectual property rights in the index values and constituent list vests in FTSE and BURSA MALAYSIA. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and / or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.</i></p>
Income Distribution Policy	Income distribution (if any) is incidental.

Fund Performance Data

Portfolio Composition	Details of portfolio composition of the Fund as at 30 April 2024 and for the past three financial years are as follows:			
	As at 30.04.2024 %	As at 31 October		
		2023 %	2022 %	2021 %
Consumer discretionary	4.19	7.96	6.72	7.95
Consumer staples	2.88	6.07	6.24	6.47
Energy	2.90	2.25	1.45	3.38
Exchange Traded Funds	-	-	-	1.87
Financials	28.45	26.92	31.65	28.97
Health care	7.80	3.28	2.62	1.82
Industrials	12.49	14.07	11.30	12.27
Information technology	10.92	11.88	8.92	10.71
Materials	5.64	5.70	4.37	6.67
REITs/Real estate	3.71	2.37	1.62	-
Telecommunication services	5.03	5.07	6.89	8.09
Utilities	7.43	6.40	4.79	4.67
Money market deposits and cash equivalents	8.56	8.03	13.43	7.13
Total	100.00	100.00	100.00	100.00

Note: The abovementioned percentages are calculated based on total net asset value.

Performance Details	Performance details of the Fund for the financial period ended 30 April 2024 and three financial years ended 31 October are as follows:			
	FPE 30.04.2024	FYE 2023	FYE 2022	FYE 2021
Net asset value (RM)	6,128,365	6,031,848	5,096,854	6,409,370
Units in circulation	3,046,142	3,259,777	2,841,024	3,265,070
Net asset value per unit (RM)	2.0118	1.8504	1.7940	1.9630
Highest net asset value per unit (RM)	2.0148	1.8968	1.9372	2.0084
Lowest net asset value per unit (RM)	1.8426	1.7616	1.7198	1.8216
Benchmark performance (%)	11.60	2.78	-10.45	8.91
Total return (%) ⁽¹⁾	8.72	3.70	-8.57	6.57
- Capital growth (%)	8.72	3.14	-8.57	6.57
- Income distribution (%)	-	0.56	-	-
Gross distribution (sen per unit)	-	1.00	-	-
Net distribution (sen per unit)	-	1.00	-	-
Total expense ratio (%) ⁽²⁾	1.03	1.96	1.90	1.81
Portfolio turnover ratio (times) ⁽³⁾	0.48	0.73	0.53	1.15

Note:

- (1) Total return is the actual return of the Fund for the respective financial period/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 30 April 2024)

	AmMalaysia Equity^(a) %	FBM Emas^(b) %
One year	10.94	14.20
Three years	1.29	0.21
Five years	5.74	0.37
Ten years	6.13	-0.86

Annual Total Return

Financial Years Ended (31 October)	AmMalaysia Equity^(a) %	FBM Emas^(b) %
2023	3.70	2.78
2022	-8.57	-10.45
2021	6.57	8.91
2020	22.14	-6.12
2019	4.33	-3.94

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

(b) FTSE Bursa Malaysia Emas Index ("FBM Emas")

(Available at www.aminvest.com / www.bursamalaysia.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 go down, as well as up.

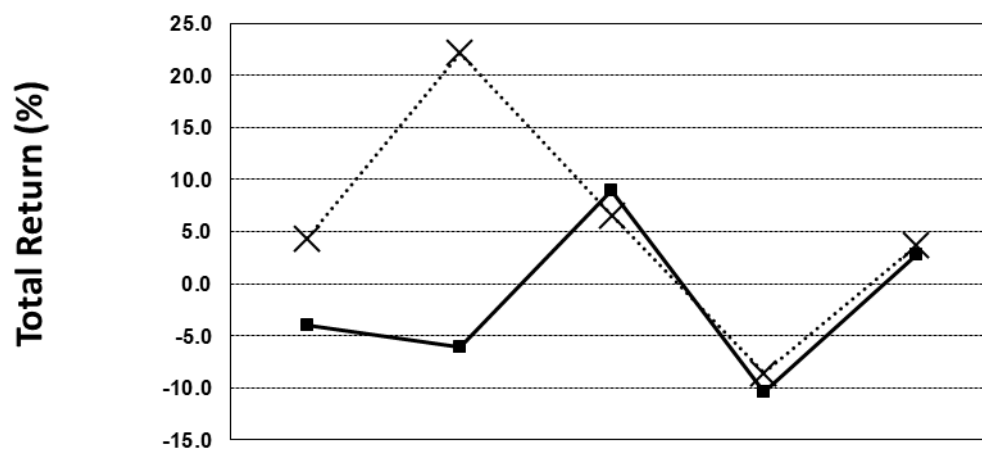
Fund Performance

For the financial period under review, the Fund registered a return of 8.72% which is entirely capital growth in nature.

Thus, the Fund's return of 8.72% has underperformed the benchmark's return of 11.60% by 2.88%.

As compared with the financial year ended 31 October 2023, the net asset value ("NAV") per unit of the Fund has increased by 8.72% from RM1.8504 to RM2.0118, while units in circulation have decreased by 6.55% from 3,259,777 units to 3,046,142 units.

The following line chart shows comparison between the annual performances of AmMalaysia Equity and its benchmark, FBM Emas, for the financial years ended 31 October.



	2019	2020	2021	2022	2023
...x... Fund	4.33	22.14	6.57	-8.57	3.70
—■— Benchmark	-3.94	-6.12	8.91	-10.45	2.78

Financial Years Ended (31 October)

Note: Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.

Strategies and Policies Employed

For the financial period under review, the Fund invested primarily in Malaysian equities. Liquid assets are strategically used for defensive measures in the short-term, if the Manager views market risk to be high.

The Manager adopted a top-down investment approach followed by both quantitative and qualitative screens for stock selection. The Fund will actively balance between 'growth' and 'defensive' stocks depending on the Manager's view of the market cycle. The asset allocation and stock selection will be reviewed periodically depending on the country's economic and stock market outlook.

Portfolio Structure

The table below is the asset allocation of the Fund as at 30 April 2024 and 31 October 2023.

	As at 30.04.2024 %	As at 31.10.2023 %	Changes %
Consumer discretionary	4.19	7.96	-3.77
Consumer staples	2.88	6.07	-3.19
Energy	2.90	2.25	0.65
Financials	28.45	26.92	1.53
Health care	7.80	3.28	4.52
Industrials	12.49	14.07	-1.58
Information technology	10.92	11.88	-0.96
Materials	5.64	5.70	-0.06
REITs/Real estate	3.71	2.37	1.34
Telecommunication services	5.03	5.07	-0.04
Utilities	7.43	6.40	1.03
Money market deposits and cash equivalents	8.56	8.03	0.53
Total	100.00	100.00	

At the end of the financial period under review, there were some changes to the portfolio, the most notable being the increase in exposure to Health care sector at the expense of Consumer Discretionary Sector.

Securities Lending/ Repurchase Transactions	The Fund has not undertaken any securities lending or repurchase transactions (collectively referred to as “securities financing transactions”).
Cross Trade	There were no cross trades undertaken during the financial period under review.
Distribution/ Unit Splits	There is no income distribution and unit split declared for the financial period under review.
State of Affairs	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.
Rebates and Soft Commission	<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 arrangements 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>
Market Review	<p>In 4Q2023, Malaysia’s domestic thematic continues to remain strong, leading the market in gains. It was evident that State-driven themes led the excitement, with the rhetoric remaining intact for 2024. Alongside new government policies (National Energy Transformation Roadmap, New Industrial Master Plan), the mega infrastructure projects have returned with gusto. In 4Q alone, progress has been made in terms of planning for the High-Speed Rail, MRT3, LRT3, Penang LRT. Meanwhile the States of Johor and Sarawak have also proposed their own State rails. More details are expected to be unveiled for the Johor Special Economic Zone early January, catalytic for infrastructure and property plays. Utilities remain a focus with the upcoming renewable shift alongside data centre demand. Meanwhile, Malaysia’s water sector will see reforms in terms of water tariff revisions, with Penang already announcing adjustments, coupled with the governments focus on fixing non-revenue water leakages.</p> <p>In the 1Q2024, Malaysia saw the continued exuberance in pre-existing tactics, though there seemed to be increasing favour in the data centre space, following increasing data centre construction awards in Malaysia. The Ringgit also took center stage in 1Q2024, hitting 26-year lows. The emphasis on the Malaysian Ringgit (MYR) was evident in Bank Negara Malaysia’s (BNM) Annual message, which focused more on the currency than on the economy. BNM highlighted that the tech upcycle and tourism recovery will be key drivers of economic growth in 2024 with quicker implementation of new and existing investments as upside risk. External factors such as trade, geopolitical issues and commodities pose downside risks.</p> <p>In April 2024, Energy Exchange Malaysia (ENEGEM) has been introduced, along with guidelines on cross-border electricity sales announced by the Ministry of Energy</p>

	Transition and Water Transformation (PETRA) for exports of green electricity from Malaysia to Singapore and Thailand.
Market Outlook	<p>We expect Bank Negara Malaysia (BNM) to remain on hold with the Overnight Policy Rate (OPR) at 3.0% through 2024 while inflation continues to stay below the policy rate of 3.0%. At its 9 May 2024 meeting, BNM maintained its policy wording that the current OPR is seen to be “supportive of the economy and is consistent with the current assessment of the inflation and growth prospects”, suggesting a neutral monetary policy stance.</p> <p>The recent reporting season for 1Q2024 earnings was better than expected, with 81% of companies reporting earnings that met or beat consensus expectations. Construction, property and oil and gas reported better than expected results. Most of the other sectors-consumer, financial institutions, healthcare, REITs, telecommunication, transport sectors-reported in-line earnings. However, technology and media companies reported underwhelming earnings.</p> <p>We maintain a positive bias on the market as the domestic economic reform initiatives announced last year continue to translate to positive momentum for the local market. The portfolio would selectively add weights on price weakness for stocks that are beneficiaries of the government initiatives.</p>
Additional Information	<p>The following information was updated:</p> <p>The Eleventh Supplementary Master Prospectus dated 1 March 2024 has been registered with the Securities Commission Malaysia. Notice of the issuance for the Eleventh Supplementary Master Prospectus dated 1 March 2024 was published on our website at www.aminvest.com and sent to the unit holders on 13 March 2024.</p>

Kuala Lumpur, Malaysia
AmFunds Management Berhad

18 June 2024

AmMalaysia Equity**STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2024**

	Note	30.04.2024 (unaudited) RM	31.10.2023 (audited) RM
ASSETS			
Investments	4	5,603,880	5,547,323
Dividend receivables		10,320	1,083
Amount due from brokers	5	27,927	-
Amount due from Manager	6(a)	6,326	-
Deposits with licensed financial institutions	7	488,040	505,041
Cash at banks		36,651	22,887
TOTAL ASSETS		<u>6,173,144</u>	<u>6,076,334</u>
LIABILITIES			
Amount due to brokers	5	23,819	24,833
Amount due to Manager	6(b)	8,772	8,696
Amount due to Trustee	8	250	257
Sundry payables and accruals		11,938	10,700
TOTAL LIABILITIES		<u>44,779</u>	<u>44,486</u>
NET ASSET VALUE (“NAV”) OF THE FUND		<u>6,128,365</u>	<u>6,031,848</u>
EQUITY			
Unit holders’ capital	10(a)	(64,613)	352,723
Retained earnings	10(b)(c)	6,192,978	5,679,125
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	10	<u>6,128,365</u>	<u>6,031,848</u>
UNITS IN CIRCULATION	10(a)	<u>3,046,142</u>	<u>3,259,777</u>
NAV PER UNIT (RM)		<u>2.0118</u>	<u>1.8504</u>

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

AmMalaysia Equity

STATEMENT OF COMPREHENSIVE INCOME *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024

	Note	01.11.2023 to 30.04.2024 RM	01.11.2022 to 30.04.2023 RM
INVESTMENT INCOME			
Dividend/Distribution income		109,581	113,135
Interest income		9,625	11,233
Net gains from investments:			
– Financial assets at fair value through profit or loss (“FVTPL”)	9	483,708	84,656
Other net realised gain/(loss) on foreign currency exchange		17	(9,932)
		<u>602,931</u>	<u>199,092</u>
EXPENDITURE			
Manager’s fee	6	(45,531)	(43,546)
Trustee’s fee	8	(1,518)	(1,452)
Audit fee		(2,727)	(2,716)
Tax agent’s fee		(2,586)	(2,579)
Brokerage and other transaction fees		(26,006)	(21,744)
Other expenses		(10,468)	(4,431)
		<u>(88,836)</u>	<u>(76,468)</u>
Net income before taxation		514,095	122,624
Taxation	12	(242)	(86)
Net income after taxation, representing total comprehensive income for the financial period		<u>513,853</u>	<u>122,538</u>
Total comprehensive income comprises the following:			
Realised income		162,382	5,660
Unrealised gains		351,471	116,878
		<u>513,853</u>	<u>122,538</u>

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

AmMalaysia Equity

STATEMENT OF CHANGES IN EQUITY *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024

	Note	Unit holders' capital RM	Retained earnings RM	Total equity RM
At 1 November 2023		352,723	5,679,125	6,031,848
Total comprehensive income for the financial period		-	513,853	513,853
Creation of units	10(a)	681,396	-	681,396
Cancellation of units	10(a)	(1,098,732)	-	(1,098,732)
Balance at 30 April 2024		<u>(64,613)</u>	<u>6,192,978</u>	<u>6,128,365</u>
At 1 November 2022		(385,388)	5,482,242	5,096,854
Total comprehensive income for the financial period		-	122,538	122,538
Creation of units		3,292,503	-	3,292,503
Cancellation of units		(2,711,772)	-	(2,711,772)
Balance at 30 April 2023		<u>195,343</u>	<u>5,604,780</u>	<u>5,800,123</u>

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

AmMalaysia Equity

STATEMENT OF CASH FLOWS *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024

	01.11.2023 to 30.04.2024 RM	01.11.2022 to 30.04.2023 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of investments	3,119,267	2,214,985
Purchases of investments	(2,721,041)	(2,411,729)
Dividends/Distributions received	100,102	106,161
Interest received	9,625	11,233
Manager's fee paid	(45,455)	(42,602)
Trustee's fee paid	(1,525)	(1,423)
Payments for other expenses	(40,548)	(30,250)
Net cash generated from/(used in) operating and investing activities	<u>420,425</u>	<u>(153,625)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	675,070	3,292,503
Payments for cancellation of units	(1,098,732)	(2,679,390)
Net cash (used in)/generated from financing activities	<u>(423,662)</u>	<u>613,113</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(3,237)	459,488
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>527,928</u>	<u>676,209</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>524,691</u>	<u>1,135,697</u>
Cash and cash equivalents comprise:		
Deposits with licensed financial institutions	488,040	926,209
Cash at banks	36,651	209,488
	<u>524,691</u>	<u>1,135,697</u>

AmMalaysia Equity

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024

1. GENERAL INFORMATION

AmMalaysia Equity (the “Fund”) was established pursuant to a Deed dated 3 October 2001 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 first set up with the objectives of providing medium to long-term investors with a vehicle to pool and invest their Funds in order to obtain reasonable returns through investing in securities with management and business philosophies of knowledge, innovation and technology. Pursuant to a unit holders’ meeting held on 2 December 2009 and the adjourned meeting on 22 December 2009, the Fund’s investment objective was modified to provide long-term capital appreciation by investing in equity securities of companies listed on Bursa Malaysia Securities Berhad. The Fund will invest in companies across a wide range of industries with above average growth potential.

The financial statements were authorised for issue by the Manager on 18 June 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 and amendments to 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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024**

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

Standards issued but not yet effective

The 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 <i>Leases: 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</i> and MFRS 7 <i>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 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024**

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

3.1 Income recognition (cont'd.)

- (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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024**

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

3.6 Distribution

Distribution is 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.

3.7 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").

3.8 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 NOVEMBER 2023 TO 30 APRIL 2024**

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

3.9 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 NOVEMBER 2023 TO 30 APRIL 2024**

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

3.9 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. Dividend/Distribution earned whilst holding the investments is recognised in profit or loss when the right to receive the payment has been established. Gains and losses on the investments, realised and unrealised, are included in profit or loss.

3.10 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.

3.11 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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024**

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

3.11 Derecognition of financial instruments (cont'd.)

(i) Derecognition of financial asset (cont'd.)

- 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.

3.12 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.

3.13 Determination of fair value

For the investments in local quoted equity securities and CIS, fair value is determined based on the closing price quoted on Bursa Malaysia Berhad. 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024**

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

3.14 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.

3.15 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.

4. INVESTMENTS

	30.04.2024	31.10.2023
	RM	RM
Financial assets at FVTPL		
Quoted CIS	69,600	112,450
Quoted equity securities	5,534,280	5,434,873
	<u>5,603,880</u>	<u>5,547,323</u>

AmMalaysia Equity

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024

4. INVESTMENTS (CONT'D.)

Details of investments as at 30 April 2024 are as follows:

Name of trust/company	Number of units/ shares	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
Quoted CIS				
REITs				
YTL Hospitality Real Investment Trust	58,000	69,600	56,795	1.13
Total quoted CIS	58,000	69,600	56,795	1.13
Quoted equity securities				
Consumer discretionary				
Genting Berhad	31,000	140,120	144,792	2.29
Genting Malaysia Berhad	23,000	60,720	63,210	0.99
Mr D.I.Y. Group (M) Berhad	36,000	56,160	73,390	0.91
	90,000	257,000	281,392	4.19
Consumer staples				
Kuala Lumpur Kepong Berhad	3,000	69,420	65,082	1.13
Sime Darby Plantation Berhad	24,000	107,280	103,373	1.75
	27,000	176,700	168,455	2.88
Energy				
Dialog Group Berhad	33,000	79,530	89,626	1.30
Yinson Holdings Berhad	40,000	98,000	94,523	1.60
	73,000	177,530	184,149	2.90
Financials				
CIMB Group Holdings Berhad	63,000	416,430	310,724	6.79
Malayan Banking Berhad	60,000	583,800	497,508	9.53
Public Bank Berhad	131,000	539,720	518,958	8.81
RHB Bank Berhad	37,000	203,500	212,867	3.32
	291,000	1,743,450	1,540,057	28.45

AmMalaysia Equity

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024

4. INVESTMENTS (CONT'D.)

Details of investments as at 30 April 2024 are as follows: (cont'd.)

Name of company	Number of shares	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
Quoted equity securities (cont'd.)				
Health care				
Alpha IVF Group Berhad	600,000	195,000	201,000	3.18
Focus Point Holdings Berhad	50,600	36,938	40,129	0.60
Hartalega Holdings Berhad	45,000	126,000	123,382	2.06
IHH Healthcare Berhad	19,000	120,270	118,465	1.96
	<u>714,600</u>	<u>478,208</u>	<u>482,976</u>	<u>7.80</u>
Industrials				
CTOS Digital Berhad	51,000	71,910	73,589	1.17
Ekovest Berhad	176,000	78,320	82,600	1.28
Engtex Group Berhad	7,000	7,140	6,543	0.12
Frontken Corporation Berhad	10,000	39,400	29,344	0.64
Gamuda Berhad	11,000	58,410	52,941	0.95
HSS Engineers Berhad	53,000	52,205	55,739	0.85
IJM Corporation Berhad	8,000	19,360	18,818	0.32
Kinergy Advancement Berhad	182,000	63,700	64,079	1.04
Malaysia Airports Holdings Berhad	1,000	10,000	9,872	0.16
Malaysian Resources Corporation Berhad	40,000	26,800	26,200	0.44
MISC Berhad	10,000	79,600	77,035	1.30
My E.G. Services Berhad	50,000	46,750	39,179	0.76
Pentamaster Corporation Berhad	25,000	106,750	118,430	1.74
Samaiden Group Berhad	9,000	11,610	11,880	0.19
Sunway Berhad	6,000	21,120	19,963	0.35
Sunway Construction Group Berhad	5,000	15,150	13,795	0.25
UWC Berhad	9,000	27,720	31,456	0.45
Volcano Berhad	45,000	29,250	38,455	0.48
	<u>698,000</u>	<u>765,195</u>	<u>769,918</u>	<u>12.49</u>

AmMalaysia Equity

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024

4. INVESTMENTS (CONT'D.)

Details of investments as at 30 April 2024 are as follows: (cont'd.)

Name of company	Number of shares	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
Quoted equity securities (cont'd.)				
Information technology				
Cape EMS Berhad	50,800	48,260	57,068	0.79
Cloudpoint Technology Berhad	60,000	38,700	38,146	0.63
D & O Green Technologies Berhad	17,000	56,440	60,404	0.92
Datasonic Group Berhad	249,500	114,770	115,724	1.87
Genetec Technology Berhad	42,000	80,640	101,466	1.32
Greotech Technology Berhad	23,000	103,500	114,091	1.69
Inari Amertron Berhad	20,000	61,800	58,888	1.01
Unisem (M) Berhad	18,000	65,700	74,201	1.07
V.S. Industry Berhad	109,000	99,190	102,899	1.62
	<u>589,300</u>	<u>669,000</u>	<u>722,887</u>	<u>10.92</u>
Materials				
PETRONAS Chemicals Group Berhad	24,000	162,720	209,240	2.65
Press Metal Aluminium Holdings Berhad	34,100	183,117	187,483	2.99
	<u>58,100</u>	<u>345,837</u>	<u>396,723</u>	<u>5.64</u>
Real estate				
Iskandar Waterfront City Berhad	13,200	9,900	9,718	0.16
Mah Sing Group Berhad	67,000	83,750	80,831	1.37
UEM Sunrise Berhad	60,000	64,200	64,675	1.05
	<u>140,200</u>	<u>157,850</u>	<u>155,224</u>	<u>2.58</u>
Telecommunication services				
Axiata Group Berhad	53,000	149,990	183,894	2.45
CelcomDigi Berhad	11,000	45,650	46,213	0.74
Telekom Malaysia Berhad	9,000	55,710	39,322	0.91
TIME dotCom Berhad	11,000	56,760	41,851	0.93
	<u>84,000</u>	<u>308,110</u>	<u>311,280</u>	<u>5.03</u>

AmMalaysia Equity

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024

4. INVESTMENTS (CONT'D.)

Details of investments as at 30 April 2024 are as follows: (cont'd.)

Name of company	Number of shares	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
Quoted equity securities (cont'd.)				
Utilities				
Tenaga Nasional Berhad	35,000	418,600	375,338	6.83
YTL Power International Berhad	8,000	36,800	31,352	0.60
	<u>43,000</u>	<u>455,400</u>	<u>406,690</u>	<u>7.43</u>
Total quoted equity securities	<u>2,808,200</u>	<u>5,534,280</u>	<u>5,419,751</u>	<u>90.31</u>
Total financial assets at FVTPL	<u>2,866,200</u>	<u>5,603,880</u>	<u>5,476,546</u>	<u>91.44</u>
Excess of fair value over purchased cost		<u>127,334</u>		

5. AMOUNT DUE FROM/TO BROKERS

Amount due from/to brokers arose from the sale/purchase of investments. The settlement period is within two business days from the transaction date.

6. AMOUNT DUE FROM/TO MANAGER

	Note	30.04.2024 RM	31.10.2023 RM
(a) Due from Manager			
Creation of units	(i)	<u>6,326</u>	<u>-</u>
(b) Due to Manager			
Manager's fee payable	(ii)	<u>8,772</u>	<u>8,696</u>

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024

6. AMOUNT DUE FROM/TO MANAGER (CONT'D.)

- (ii) Manager's fee is at a rate of 1.50% (31.10.2023: 1.50%) 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 Manager's fee payable is one month.

7. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

	30.04.2024 RM	31.10.2023 RM
At nominal value:		
Short-term deposits	<u>488,000</u>	<u>505,000</u>
At carrying value:		
Short-term deposits	<u>488,040</u>	<u>505,041</u>

Details of deposit with licensed financial institution are as follows:

Maturity date	Financial Institution	Nominal value RM	Carrying value RM	Carrying value as a percentage of NAV %
30.04.2024				
Short-term deposit				
02.05.2024	CIMB Bank Berhad	<u>488,000</u>	<u>488,040</u>	<u>7.96</u>

8. AMOUNT DUE TO TRUSTEE

Trustee's fee is at a rate of 0.05% (31.10.2023: 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.

AmMalaysia Equity

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024

9. NET GAINS FROM INVESTMENTS

	01.11.2023 to 30.04.2024 RM	01.11.2022 to 30.04.2023 RM
Net gains on financial assets at FVTPL comprised:		
– Net realised gain/(loss) on sale of investments	132,237	(32,222)
– Net unrealised gains on changes in fair value of investments	351,471	116,878
	<u>483,708</u>	<u>84,656</u>

10. TOTAL EQUITY

Total equity is represented by:

	Note	30.04.2024 RM	31.10.2023 RM
Unit holders' capital	(a)	(64,613)	352,723
Retained earnings			
– Realised income	(b)	6,065,644	5,903,262
– Unrealised gain/(loss)	(c)	127,334	(224,137)
		<u>6,128,365</u>	<u>6,031,848</u>

(a) Unit holders' capital/units in circulation

	30.04.2024		31.10.2023	
	Number of units	RM	Number of units	RM
At beginning of the financial period/year	3,259,777	352,723	2,841,024	(385,388)
Creation during the financial period/year	352,985	681,396	2,122,492	3,904,533
Reinvestment of distribution	-	-	17,610	32,519
Cancellation during the financial period/year	(566,620)	(1,098,732)	(1,721,349)	(3,198,941)
At end of the financial period/year	<u>3,046,142</u>	<u>(64,613)</u>	<u>3,259,777</u>	<u>352,723</u>

The negative balance of unit holders' capital is 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 years.

AmMalaysia Equity

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024

10. TOTAL EQUITY (CONT'D.)

(b) Realised – distributable

	30.04.2024	31.10.2023
	RM	RM
At beginning of the financial period/year	5,903,262	5,818,909
Net realised income for the financial period/year	162,382	116,872
Distribution out of realised income	-	(32,519)
At end of the financial period/year	<u>6,065,644</u>	<u>5,903,262</u>

(c) Unrealised – non-distributable

	30.04.2024	31.10.2023
	RM	RM
At beginning of the financial period/year	(224,137)	(336,667)
Net unrealised gains for the financial period/year	351,471	112,530
At end of the financial period/year	<u>127,334</u>	<u>(224,137)</u>

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 other related party as at 30 April 2024 and 31 October 2023.

12. TAXATION

	01.11.2023 to 30.04.2024	01.11.2022 to 30.04.2023
	RM	RM
Local tax	<u>242</u>	<u>86</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.

AmMalaysia Equity

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024

12. TAXATION (CONT'D.)

The taxation charged for the financial period is related to withholding tax derived from local REITs.

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

	01.11.2023 to 30.04.2024 RM	01.11.2022 to 30.04.2023 RM
Net income before taxation	<u>514,095</u>	<u>122,624</u>
Taxation at Malaysian statutory rate of 24% (2023: 24%)	123,383	29,430
Tax effects of:		
Income not subject to tax	(144,462)	(57,813)
Loss not allowed for tax deduction	-	10,117
Restriction on tax deductible expenses for unit trust fund	10,490	10,090
Non-permitted expenses for tax purposes	9,665	7,142
Permitted expenses not used and not available for future financial periods	<u>1,166</u>	<u>1,120</u>
Tax expense for the financial periods	<u>242</u>	<u>86</u>

13. TOTAL EXPENSE RATIO (“TER”)

The Fund’s TER is as follows:

	01.11.2023 to 30.04.2024 % p.a.	01.11.2022 to 30.04.2023 % p.a.
Manager’s fee	0.75	0.74
Trustee’s fee	0.02	0.02
Fund’s other expenses	<u>0.26</u>	<u>0.17</u>
Total TER	<u>1.03</u>	<u>0.93</u>

AmMalaysia Equity

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024

13. TOTAL EXPENSE RATIO (“TER”) (CONT'D.)

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 0.48 times (01.11.2022 to 30.04.2023: 0.39 times).

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 three segments:

- A portfolio of equity instruments;
- A portfolio of CIS; and
- A portfolio of fixed income instruments, including deposits with licensed financial institutions.

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.

	Equity portfolio RM	CIS portfolio RM	Fixed income portfolio RM	Total RM
01.11.2023 to 30.04.2024				
Dividend/Distribution income	107,158	2,423	-	109,581
Interest income	-	-	9,625	9,625
Net gains from investments:				
- Financial assets at FVTPL	467,158	16,550	-	483,708
Other net realised gain on foreign currency exchange	17	-	-	17
Total segment investment income for the financial period	<u>574,333</u>	<u>18,973</u>	<u>9,625</u>	<u>602,931</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024

15. SEGMENTAL REPORTING (CONT'D.)

	Equity portfolio RM	CIS portfolio RM	Fixed income portfolio RM	Total RM
01.11.2022 to 30.04.2023				
Dividend/Distribution income	112,278	857	-	113,135
Interest income	-	-	11,233	11,233
Net gains from investments:				
- Financial assets at FVTPL	79,209	5,447	-	84,656
Other net realised loss on foreign currency exchange	(9,932)	-	-	(9,932)
Total segment investment income for the financial period	<u>181,555</u>	<u>6,304</u>	<u>11,233</u>	<u>199,092</u>
30.04.2024				
Financial assets at FVTPL	5,534,280	69,600	-	5,603,880
Dividend receivables	10,320	-	-	10,320
Amount due from brokers	27,927	-	-	27,927
Deposits with licensed financial institutions	-	-	488,040	488,040
Total segment assets	<u>5,572,527</u>	<u>69,600</u>	<u>488,040</u>	<u>6,130,167</u>
Amount due to brokers	<u>23,819</u>	-	-	<u>23,819</u>
Total segment liability	<u>23,819</u>	-	-	<u>23,819</u>
31.10.2023				
Financial assets at FVTPL	5,434,873	112,450	-	5,547,323
Dividend receivables	1,083	-	-	1,083
Deposits with licensed financial institutions	-	-	505,041	505,041
Total segment assets	<u>5,435,956</u>	<u>112,450</u>	<u>505,041</u>	<u>6,053,447</u>
Amount due to brokers	<u>24,833</u>	-	-	<u>24,833</u>
Total segment liability	<u>24,833</u>	-	-	<u>24,833</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024

15. SEGMENTAL REPORTING (CONT'D.)

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 income and net income after taxation:

	01.11.2023 to 30.04.2024 RM	01.11.2022 to 30.04.2023 RM
Net reportable segment investment income	602,931	199,092
Less: Expenses	<u>(88,836)</u>	<u>(76,468)</u>
Net income before taxation	514,095	122,624
Taxation	<u>(242)</u>	<u>(86)</u>
Net income after taxation	<u>513,853</u>	<u>122,538</u>

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.

	30.04.2024 RM	31.10.2023 RM
Total segment assets	6,130,167	6,053,447
Amount due from Manager	6,326	-
Cash at banks	<u>36,651</u>	<u>22,887</u>
Total assets of the Fund	<u>6,173,144</u>	<u>6,076,334</u>
Total segment liabilities	23,819	24,833
Amount due to Manager	8,772	8,696
Amount due to Trustee	250	257
Sundry payables and accruals	<u>11,938</u>	<u>10,700</u>
Total liabilities of the Fund	<u>44,779</u>	<u>44,486</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024

16. TRANSACTIONS WITH BROKERS

Details of transactions with brokers for the financial period ended 30 April 2024 are as follows:

	Transaction value		Brokerage fee, stamp duty and clearing fee	
	RM	%	RM	%
Public Investment Bank Berhad	2,661,657	45.36	10,869	41.80
RHB Investment Bank Berhad	1,104,412	18.82	5,189	19.95
Maybank Investment Bank Berhad	898,492	15.31	4,180	16.07
Hong Leong Investment Bank Berhad	536,652	9.15	2,232	8.58
AmInvestment Bank Berhad*	436,170	7.44	2,587	9.95
Kenanga DMG Futures Sdn. Bhd.	199,006	3.39	817	3.14
Affin Investment Berhad	30,815	0.53	132	0.51
	<u>5,867,204</u>	<u>100.00</u>	<u>26,006</u>	<u>100.00</u>

* A financial institution related to the Manager.

The Manager is of the opinion that the above transactions have been entered into 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.

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 Deeds 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024**

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

(a) Market risk (cont'd.)

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.

(iii) Currency risk

Currency risk is associated with the Fund's financial assets and financial 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.

The net unhedged financial asset of the Fund that is not denominated in Fund's functional currency is as follows:

	30.04.2024		31.10.2023	
Financial asset denominated in	RM equivalent	% of NAV	RM equivalent	% of NAV
United States Dollar				
Cash at bank	2,383	0.04	109	-*

* 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 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 NOVEMBER 2023 TO 30 APRIL 2024**

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

(b) Credit risk (cont'd.)

For deposits with licensed financial institutions, the Fund makes placements with licensed 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 assets. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its financial liabilities or redeem its units earlier than expected. The Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellations of units by unit holders. Liquid assets comprise of cash at banks, 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.

(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 net asset value 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 Deeds and its Supplemental Deeds, securities laws or guidelines issued by the regulators relevant to each party, which may adversely affect the performance of the Fund.

AmMalaysia Equity

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 AmMalaysia Equity (the “Fund”) as at 30 April 2024 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
18 June 2024

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF AMMALAYSIA EQUITY ("Fund")

We have acted as Trustee of the Fund for the financial period ended 30 April 2024 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
18 June 2024

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Email: enquiries@aminvest.com

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.)*

