

EASTSPRING INVESTMENTS SMALL-CAP FUND

SEMI-ANNUAL REPORT

FOR THE SIX MONTHS FINANCIAL PERIOD
ENDED 30 JUNE 2024



Dear Valued Investor,

Greetings from Eastspring Investments Berhad!

First and foremost, we would like to take this opportunity to thank you for choosing to invest with Eastspring Investments Berhad.

We are pleased to enclose a copy of the Annual/Semi-annual/Quarterly Fund Reports of Eastspring Investments Berhad's fund(s) for the reporting period ended 30 June 2024.

You may also download these reports from our website at www.eastspring.com/my

Should you require any assistance, please do not hesitate to contact our Client Services at 03-2778 1000.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Sioh' followed by a stylized flourish.

YAP SIOK HOON

Executive Director/Chief Executive Officer

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FUND INFORMATION

Name of Fund	Eastspring Investments Small-cap Fund (the "Fund")
Fund Category/ Type	Equity (small-cap)/growth
Fund Objective	<p>The Fund seeks to provide investors with maximum capital appreciation by investing principally in small market capitalisation companies which will appreciate in value.</p> <p>Note: The Fund will invest in small market capitalisation companies at the point of acquisition.</p> <p>ANY MATERIAL CHANGES TO THE FUND'S OBJECTIVE WOULD REQUIRE UNIT HOLDERS' APPROVAL.</p>
Performance Benchmark	<p>The performance benchmark of the Fund is FTSE Bursa Malaysia Small Cap Index ("FBMSC").</p> <p>Source: www.bursamalaysia.com</p> <p>Note: The risk profile of the Fund is different from the risk profile of the performance benchmark.</p>
Fund Income Distribution Policy	Incidental

KEY PERFORMANCE DATA

FOR THE FINANCIAL PERIOD ENDED

Category	2024	2023	2022
	(%)	(%)	(%)
Quoted securities			
Construction	2.84	2.41	3.52
Consumer Products & Services	25.87	23.09	19.43
Energy	2.88	0.80	2.97
Financial Services	4.58	4.43	3.86
Health Care	2.28	2.31	2.68
Industrial Products & Services	17.08	16.84	20.43
Plantation	1.28	3.62	3.00
Property	3.12	4.19	3.62
Real Estate Investment Trust	1.70	1.98	2.47
Technology	20.91	21.63	21.65
Telecommunications & Media	-	0.88	1.50
Transportation & Logistics	0.80	0.45	0.30
Utilities	2.15	2.08	2.61
	85.49	84.71	88.04
Cash and other assets	14.51	15.29	11.96
Total	100.00	100.00	100.00

KEY PERFORMANCE DATA (CONTINUED)

Category	2024	2023	2022
Net Asset Value (NAV) (RM'000)	964,128	827,112	797,718
Units In Circulation (Units '000)	1,276,655	1,284,509	1,229,493
Net Asset Value Per Unit (RM)	0.7552	0.6439	0.6488
Highest Net Asset Value Per Unit (RM)	0.7764	0.6865	0.7646
Lowest Net Asset Value Per Unit (RM)	0.6400	0.6338	0.6232
Total Return (%)			
- Capital Growth	17.63	(1.26)	(14.18)
- Income Distribution	-	-	-
Total Return (%)	17.63	(1.26)	(14.18)
Gross Distribution Per Unit (RM)	-	-	-
Net Distribution Per Unit (RM)	-	-	-
Total Expense Ratio (TER) (%)*	0.79	0.79	0.79
Portfolio Turnover Ratio (PTR) (times)^	0.25	0.21	0.21

* There were no significant changes to the TER during the period under review.

^ There were no significant changes to the PTR during the period under review.

KEY PERFORMANCE DATA (CONTINUED)

	1 year 1.7.2023 to 30.6.2024	3 years 1.7.2021 to 30.6.2024	5 years 1.7.2019 to 30.6.2024
	(%)	(%)	(%)

Average total return	23.24	5.19	8.96
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Year ended	1.1.2023 to 31.12.2023	1.1.2022 to 31.12.2022	1.1.2021 to 31.12.2021	1.1.2020 to 31.12.2020	1.1.2019 to 31.12.2019
	(%)	(%)	(%)	(%)	(%)

Annual total return	3.45	(9.86)	8.83	19.36	18.03
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Source: The above total return of the Fund was sourced from Lipper for Investment Management.

Bases of calculation and assumptions made in calculating returns:

$$\begin{aligned} \text{Percentage growth} &= \frac{\text{NAV}_t - \text{NAV}_0}{\text{NAV}_0} - 1 \\ \text{NAV}_t &= \text{NAV at the end of the period} \\ \text{NAV}_0 &= \text{NAV at the beginning of the period} \\ \text{Performance annualised} &= (1 + \text{Percentage Growth})^{1/n} - 1 \\ &\quad \text{Adjusted for unit split and distribution paid out for the period} \\ n &= \text{Number of years} \end{aligned}$$

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

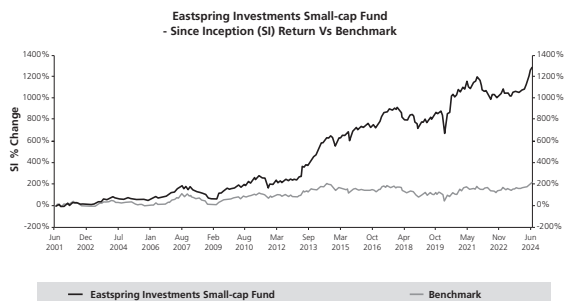
MANAGER'S REPORT

Fund Performance

Over the 5-year period, the Fund recorded a return of 53.68%, outperforming the benchmark return of 48.43% by 5.25%.

During the period under review, the Fund recorded a return of 17.63%, underperforming the benchmark return of 17.96% by 0.33%.

The underperformance was mainly due to underweight in construction and property stocks.



The performance is calculated on NAV-to-NAV basis with gross income or dividend reinvested.

Benchmark: FTSE Bursa Malaysia Small Cap Index ("FBMSC")

Source: Lipper for Investment Management and www.bursamalaysia.com, as at 30 June 2024.

Past performance of the Fund is not necessarily indicative of its future performance.

MANAGER'S REPORT (CONTINUED)

Analysis of Fund Performance

For the financial period ended 30 June 2024:

Income Return	Capital Return*	Total Return	Total Return of Benchmark
(%)	(%)	(%)	(%)
0.00	17.63	17.63	17.96

* Capital return components (NAV per unit to NAV per unit).

**Distribution/
Unit Split**

No distribution or unit split were declared for the financial period ended 30 June 2024.

Investment Strategy During the Period Under Review

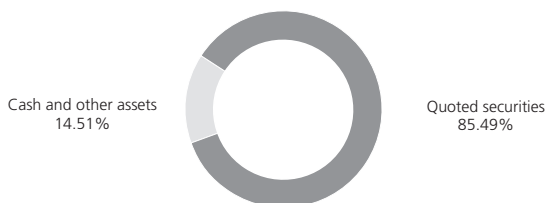
Malaysian equity market did well in 1H24. The Fund stayed invested during the period as domestic liquidity remains ample. Interest on domestic market was driven by policy reforms and strong foreign direct investments into the country. Malaysia is a clear beneficiary of US-China trade war. During the quarter, we stayed invested in technology stocks as we believe the recovery in the semiconductor cycle is imminent and remains a multi-year bull cycle. We continue to adopt a bottom-up approach in stock selection and avoid companies with weak balance sheet.

MANAGER'S REPORT (CONTINUED)

Asset Allocation

Asset Allocation	30-Jun 2024	31-Dec 2023	Changes
	(%)	(%)	(%)
Quoted securities	85.49	84.12	1.37
Cash and other assets	14.51	15.88	(1.37)

Asset Allocation as at 30 June 2024



There were no significant changes in asset allocation of the Fund for the period under review.

State of Affairs of the Fund

There have been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unit holders during the period under review.

MARKET REVIEW

Malaysian equities started 2024 well, outperforming regional markets as one of the best performing markets. During January, the Johor-Singapore Special Economic Zone ("JS-SEZ") MoU was signed between Malaysia and Singapore. The agreement with details to develop the economic zone will be signed at the Malaysia-Singapore Leader's Retreat taking place end of 2024. The key initiatives mentioned as part of this SEZ include the formation of a one-stop business/investment services centre in Johor to facilitate the application process of various approvals and licenses necessary for Singapore businesses to set up in Johor; an adoption/ implementation of a passport-free QR code clearance system on both sides; adoption of digitized processed for cargo clearance at land checkpoints; and facilitate the cooperation for renewable energy. On the 31 January 2024, Malaysia saw the installation of a new King, the Sultan of Johor, Sultan Ibrahim, with Sultan Nazrin (the ruler of the state of Perak) was re-elected as deputy King.

The Malaysian equity markets continued its uptrend, reporting a gain for the second month in 2024, and has been reporting monthly gains for the last 5 consecutive months. The Lunar New Year holidays were in February, making a short month even shorter. February also saw corporate earnings reported which were a bit mixed, with weak earnings from plantations and petrochemicals companies. The changes to the MSCI indices as a result of their quarterly index rebalance saw YTL Corp and YTL Power added to the MSCI Asia Pacific Index, whilst Dialog was deleted. The Malaysian Ringgit hit a 26-year low versus the US dollar during the month, at levels last seen during the Asian Financial Crisis.

Taking a breather in March, the Malaysian equity markets, saw foreign investors become net sellers in March of RM2.8b, reversing 4 consecutive months net equity inflows. News flow in March was focused on infrastructure. The Cabinet approved the Penang LRT, and there was news that there were three concept proposals for the high-speed rail ("HSR"). The government finally inked a new operating agreement ("OA") with Malaysia Airports Holdings Berhad, which also saw the additional transit passenger charge approved, and changes to the passenger service charges for KLIA terminal 1, 2 and other airports across Malaysia.

The Malaysian equity markets continued its positive performance in the beginning of 2Q2024, outperforming Emerging Markets and Asia Ex-Japan, amidst the turbulence in the Middle East, recently exacerbated by the Iran-Israel conflict, and the US Fed renewed rhetoric of "higher for longer". On the 13 April 2024, Iran launched dozens of drones towards Israel, escalating tensions and setting the state for a direct military confrontation between the two nations. Thankfully, on the intervention of their allies, this de-escalated quickly post the incident. Domestically, the news for the month was the launch of the Energy Exchange ("ENEGEM") by the Ministry of Energy Transition and

Water Transformation, inviting interested parties to participate in the inaugural auction for purchasing green electricity from Malaysia's supply system to be supplied to Singapore. The auction will begin with a 100MW pilot run, utilizing the existing interconnection between Singapore and Peninsular Malaysia. On 25 April, EPF announced the restructuring of contributors' accounts, to introduce a new Account 3, which will allow for the flexibility of withdrawals for those members below age 55 years old starting 11 May.

By the middle of the 2Q2024, Malaysian equities continued to register positive performance. The continued uptrend could be due to decent 1Q2024 earnings season, and M&A activities proposed which provided some excitement to the market. May also saw an influx of data centre announcements from tech giants, as Microsoft CEO committed to USD2bn in investments, and this was followed by Google's USD2bn investments for data centres and cloud services. The technology sector saw significant gains in May, fuelled by net purchases from foreign investors, responding positively to the launch of Malaysia's National Semiconductor Strategy on 28 May. EPF restructured their members contribution accounts to include an Account 3 (Flexible), for members to contribute 10% of their EPF savings (if they opt in) to Account 3, and future EPF contributions will automatically allocate 10% to Account 3. This together with the PM's announcement of a revised salary scheme for civil servants which will see a hike of up to 13% may help consumer spending to remain resilient.

By the end of 2Q2024, the Malaysian equity markets saw some consolidation which could be related to profit taking activities, following the strong 1H24 performance thus far, where the KLCI outperformed most markets. In the month of June diesel retail price at the pump was raised to RM3.35/litre from RM2.15/litre effective 10 June 2024 across Peninsular Malaysia. June also saw a flurry of news regarding Data Centres with the sale of land by Eco World and UEM Sunrise, and Telekom announced their partnership Singtel's Data Centre unit Nxera to develop data centres. China's Premier Li Qiang was in Malaysia for a three-day maiden visit mid-June, and witnessed the signing of 14 memoranda of understanding and agreements involving nine Malaysian ministries.

The FBM KLCI closed the period under review at 1,590.09 points, up 9.3%. The broader FBM Emas ("FBMEmas") Index closed the period under review higher by 12.9%. The MSCI Asia Pacific ex-Japan Index rose by 7.2% in USD terms.¹

¹ Source: Bloomberg: World indices

REBATES AND SOFT COMMISSIONS

During the period under review, the Manager, and its delegates (if any) received soft commissions from brokers/dealers in the form of goods and services which directly assist the investment management of the Fund, including research and advisory services, market analyses, data and quotation services, and computer hardware and software used for and/or in support of the investment process of fund managers. Such soft commissions received are utilised in the investment management of the Fund and are of demonstratable benefit to the Fund and Unitholders. There were no churning of trades.

The Manager and its delegates (if any) have not received any rebates or shared any commissions from any brokers during the same period under review.

SECURITIES LENDING OR REPURCHASE TRANSACTIONS

No securities lending or repurchase transaction have been carried out during the financial period under review.

EASTSPRING INVESTMENTS SMALL-CAP FUND

UNAUDITED FINANCIAL STATEMENTS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2024

STATEMENT BY THE MANAGER

We, Yap Siok Hoon and John Campbell Tupling, being two of the Directors of Eastspring Investments Berhad, do hereby state that, in the opinion of the Manager, the accompanying unaudited financial statements set out on pages 14 to 59 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 June 2024 and of its financial performance, changes in equity and cash flows for the six months financial period ended on that date in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,

EASTSPRING INVESTMENTS BERHAD

YAP SIOK HOON

Executive Director/Chief Executive Officer

JOHN CAMPBELL TUPLING

Independent, Non-Executive Director

Kuala Lumpur

Date: 23 August 2024

TRUSTEE'S REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS SMALL-CAP FUND ("Fund")

We have acted as Trustee of the Fund for the financial period ended 30 June 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Eastspring Investments 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 deed, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

For Deutsche Trustees Malaysia Berhad

Ng Hon Leong
Head, Fund Operations

Sylvia Beh
Chief Executive Officer

Kuala Lumpur
Date: 23 August 2024

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME **FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2024**

	Note	6-months financial period ended 30.6.2024	6-months financial period ended 30.6.2023
		RM	RM
INVESTMENT INCOME/(LOSS)			
Gross dividend income		14,191,932	13,961,555
Interest income from deposits with licensed financial institutions		2,314,088	1,999,747
Net gain/(loss) on financial assets at fair value through profit or loss	6	135,657,559	(18,867,503)
		<u>152,163,579</u>	<u>(2,906,201)</u>
EXPENSES			
Management fee	3	(6,604,104)	(6,292,224)
Trustee fee	4	(352,219)	(335,585)
Audit fee		(4,177)	(4,165)
Tax agent fee		(1,840)	(1,687)
Other expenses		(69,519)	(53,754)
Transaction cost		(1,192,808)	(1,065,564)
		<u>(8,224,667)</u>	<u>(7,752,979)</u>
PROFIT/(LOSS) BEFORE TAXATION		143,938,912	(10,659,180)
TAXATION	5	-	-
PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS)		<u>143,938,912</u>	<u>(10,659,180)</u>
Profit/(loss) after taxation is made up of the following:			
Realised amount		40,043,294	14,170,689
Unrealised amount		103,895,618	(24,829,869)
		<u>143,938,912</u>	<u>(10,659,180)</u>

The accompanying material accounting policy information and notes to the unaudited financial statements form an integral part of these unaudited financial statements.

UNAUDITED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Note	2024	2023
		RM	RM
ASSETS			
Cash and cash equivalents	7	135,068,735	118,579,005
Financial assets at fair value through profit or loss	6	824,002,830	700,638,227
Amount due from Manager		6,391,681	1,846,846
Amount due from brokers		-	5,947,456
Dividends receivable		1,731,720	2,315,542
TOTAL ASSETS		967,194,966	829,327,076
LIABILITIES			
Accrued management fee		1,180,410	1,022,333
Amount due to Manager		1,140,123	1,121,579
Amount due to Trustee		62,955	54,524
Amount due to brokers		668,805	-
Other payables and accruals		14,856	17,060
TOTAL LIABILITIES		3,067,149	2,215,496
NET ASSET VALUE OF THE FUND		964,127,817	827,111,580
EQUITY			
Unit holders' capital		623,857,722	644,998,628
Retained earnings		340,270,095	182,112,952
NET ASSET ATTRIBUTABLE TO UNIT HOLDERS		964,127,817	827,111,580
NUMBER OF UNITS IN CIRCULATION	8	1,276,654,888	1,284,509,289
NET ASSET VALUE PER UNIT (RM)		0.7552	0.6439

The accompanying material accounting policy information and notes to the unaudited financial statements form an integral part of these unaudited financial statements.

UNAUDITED STATEMENT OF CHANGES IN EQUITY **FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2024**

	Unit holders' capital	Retained earnings	Total
	RM	RM	RM
Balance as at 1 January 2024	645,110,922	196,331,183	841,442,105
Movement in unit holders' contribution:			
Creation of units from applications	77,176,243	-	77,176,243
Cancellation of units	(98,429,443)	-	(98,429,443)
Total comprehensive income for the financial period	-	143,938,912	143,938,912
Balance as at 30 June 2024	<u>623,857,722</u>	<u>340,270,095</u>	<u>964,127,817</u>
Balance as at 1 January 2023	649,290,277	192,772,132	842,062,409
Movement in unit holders' contribution:			
Creation of units from applications	54,774,447	-	54,774,447
Cancellation of units	(59,066,096)	-	(59,066,096)
Total comprehensive loss for the financial period	-	(10,659,180)	(10,659,180)
Balance as at 30 June 2023	<u>644,998,628</u>	<u>182,112,952</u>	<u>827,111,580</u>

The accompanying material accounting policy information and notes to the unaudited financial statements form an integral part of these unaudited financial statements.

UNAUDITED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2024

	Note	6-months financial period ended 30.6.2024	6-months financial period ended 30.6.2023
		RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		229,996,796	166,048,359
Purchase of investments		(209,181,283)	(193,144,722)
Dividends received		14,930,163	14,630,153
Interest received from deposits			
with licensed financial institutions		2,314,088	1,999,747
Management fee paid		(6,484,992)	(6,343,397)
Trustee fee paid		(345,867)	(338,315)
Payment for other fees and expenses		(34,492)	(39,022)
Net cash generated from/(used in) operating activities		<u>31,194,413</u>	<u>(17,187,197)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		73,361,817	55,233,821
Payments for cancellation of units		(98,571,079)	(58,668,050)
Net cash used in from financing activities		<u>(25,209,262)</u>	<u>(3,434,229)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		5,985,151	(20,621,426)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD			
		<u>129,083,584</u>	<u>139,200,431</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD			
	7	<u>135,068,735</u>	<u>118,579,005</u>

The accompanying material accounting policy information and notes to the unaudited financial statements form an integral part of these unaudited financial statements.

MATERIAL ACCOUNTING POLICY INFORMATION

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2024

The following accounting policies have been used in dealing with items which are considered material in relation to the financial statements.

A. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS"). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reported financial period. It also requires the Manager to exercise their judgement in the process of applying the Fund's accounting policies. Although these estimates and judgement are based on the Manager's best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note J.

a. Standards and amendments to existing standards effective 1 January 2024:

There are no other standards, amendments to standards or interpretations that are effective for financial period beginning on 1 January 2024 that have a material effect on the financial statements of the Fund.

b. New standards, amendments and interpretations effective after 1 January 2024 and have not been early adopted:

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2024 and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

B. INCOME RECOGNITION

Interest income from short-term deposits placed with licensed financial institutions is recognised on an accrual basis using the effective interest rate method.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividend income is recognised on the ex-dividend date, when the right to receive the dividend has been established.

Realised gain or loss on disposal of quoted securities are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, which is determined on a weighted average cost basis.

C. TAXATION

Current tax expense is determined according to the Malaysian tax laws at the current rate based upon the taxable income during the financial period.

D. FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). The financial statements are presented in Ringgit Malaysia (“RM”), which is the Fund’s functional and presentation currency.

E. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

i. Classification

The Fund classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those to be measured at amortised cost

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from Manager, amount due from brokers and dividends receivable as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

The Fund classifies accrued management fee, amount due to Manager, amount due to Trustee, amount due to brokers and other payables and accruals as financial liabilities measured at amortised cost.

ii. Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value and transaction costs are expensed in the statement of comprehensive income.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the quoted financial instrument.

Financial liabilities are derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Gains or losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are presented in the statement of comprehensive income within “net gain/(loss) on financial assets at fair value through profit or loss” in the financial period in which they arise.

Quoted securities in Malaysia are valued at the last done market price quoted on the Bursa Malaysia Securities Berhad (“Bursa Securities”) at the date of the statement of financial position.

If a valuation based on the market price does not represent the fair value of the securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the quoted securities are valued as determined in good faith by the Manager, based on the methods or basis approved by the Trustee after appropriate technical consultation.

Financial assets and other financial liabilities are subsequently carried at amortised cost using the effective interest rate method.

iii. Impairment for assets carried at amortised costs

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any expected credit loss. Management considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12 months expected credit losses as any such impairment would be wholly insignificant to the Fund.

iv. Significant increase in credit risk

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

v. Definition of default and credit-impaired financial assets

Any contractual payment which is more than 90 days past due is considered credit impaired.

vi. Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial period.

F. CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, cash and cash equivalents comprise bank balances and deposits with licensed financial institutions with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

G. UNIT HOLDERS' CAPITAL

The unit holders' contributions to the Fund meet the criteria to be classified as equity instruments under MFRS 132 "Financial Instruments: Presentation". Those criteria include:

- the units entitle the holder to a proportionate share of the Fund's net asset value;
- the units are the most subordinated class and class features are identical;
- there are no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial period if unit holder exercises the right to put the unit back to the Fund.

Units are created and cancelled at prices based on the Fund's net asset value per unit at the time of creation or cancellation. The Fund's net asset value per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.

H. AMOUNT DUE FROM/(TO) BROKERS

Amount due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. The amount due from brokers balance is held for collection.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amount due from brokers at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12 months expected credit losses. Significant financial difficulties of the brokers, probability that the brokers will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

Any contractual payment which is more than 90 days past due is considered credit impaired.

I. TRANSACTION COSTS

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisors, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

J. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information contents on the estimates, certain key variables that are anticipated to have material impacts to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgements are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the Securities Commission's ("SC") Guidelines on Unit Trust Funds.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2024

1. INFORMATION ON THE FUND

Eastspring Investments Small-cap Fund (the “Fund”) was constituted pursuant to the execution of Master Deed dated 4 May 2001, Supplemental Master Deed dated 26 May 2003, Supplemental Master Deed dated 15 February 2006, Master Supplemental Deed dated 25 July 2007 and Second Supplemental Master Deed dated 30 November 2009 between BHLB Trustee Berhad (“BHLB Trustee”) and Eastspring Investments Berhad (the “Manager”). The Fund replaced BHLB Trustee with Deutsche Trustees Malaysia Berhad (the “Trustee”) effective 1 October 2010. A Supplemental Master Deed was entered into between Eastspring Investments Berhad (the “Manager”) and Deutsche Trustees Malaysia Berhad (the “Trustee”) on 30 July 2010 to effect the change of trustee from BHLB Trustee to the Trustee, followed by Second Supplemental Master Deed dated 28 January 2011, Third Supplemental Master Deed dated 9 March 2011, Fourth Supplemental Master Deed dated 20 January 2012, Fifth Supplemental Master Deed dated 26 March 2014, Sixth Supplemental Master Deed dated 2 January 2015, Seventh Supplemental Master Deed dated 11 July 2016, Eighth Supplemental Master Deed dated 25 January 2017, Ninth Supplemental Master Deed dated 11 December 2017, Tenth Supplemental Master Deed dated 4 June 2018, Eleventh Supplemental Master Deed dated 30 September 2021, Twelfth Supplemental Master Deed dated 29 June 2022 and Thirteenth Supplemental Master Deed dated 29 November 2022 (collectively referred to as the “Deeds”).

The Fund was launched on 29 May 2001 and will continue its operations until terminated as provided under Part 12 of the Deed.

The main objective of the Fund seeks to provide investors with maximum capital appreciation by investing principally in small market capitalisation companies which will appreciate in value.

The Fund will principally invest in small market capitalisation companies.

All investments will be subjected to the Securities Commission’s (“SC”) Guidelines on Unit Trust Funds, the Deeds and the objective of the Fund.

The Manager is a company incorporated in Malaysia and is related to Prudential Plc., a public listed company in the United Kingdom. The principal activity of the Manager is the establishment and management of unit trust funds and asset management.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks which include market risk (inclusive of price risk and interest rate risk), stock/issuer risk, fund management risk, liquidity risk, non-compliance risk, credit/default risk and capital risk.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated in the Deeds.

Financial instruments of the Fund are as follows:

	Note	Financial assets at amortised cost	Financial assets at fair value through profit or loss	Total
		RM	RM	RM
<u>2024</u>				
Cash and cash equivalents	7	135,068,735	-	135,068,735
Quoted securities	6	-	824,002,830	824,002,830
Amount due from Manager		6,391,681	-	6,391,681
Dividends receivable		1,731,720	-	1,731,720
		<u>143,192,136</u>	<u>824,002,830</u>	<u>967,194,966</u>
<u>2023</u>				
Cash and cash equivalents	7	118,579,005	-	118,579,005
Quoted securities	6	-	700,638,227	700,638,227
Amount due from Manager		1,846,846	-	1,846,846
Amount due from brokers		5,947,456	-	5,947,456
Dividends receivable		2,315,542	-	2,315,542
		<u>128,688,849</u>	<u>700,638,227</u>	<u>829,327,076</u>

All liabilities are financial liabilities which are carried at amortised cost.

Market risk

i. Price risk

Price risk arises mainly from the uncertainty about future prices of investments. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Manager manages the risk of unfavourable changes in prices by continuous monitoring of the performance and risk profile of the investment portfolio.

The table below shows assets of the Fund as at 30 June which are exposed to price risk:

	2024	2023
	RM	RM
Financial assets at fair value through profit or loss:		
Quoted securities	824,002,830	700,638,227

The following table summarises the sensitivity of the Fund's profit/(loss) after tax and net asset value to movements in prices of quoted securities at the end of each reporting financial period. The analysis is based on the assumptions that the market price of the quoted securities increased by 5% and decreased by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities, having regard to the historical volatility of the prices.

% Change in price	Market value	Impact on profit/(loss) after tax and net asset value
	RM	RM
<u>2024</u>		
+5%	865,202,972	41,200,142
-5%	782,802,689	(41,200,142)
<u>2023</u>		
+5%	735,670,138	35,031,911
-5%	665,606,316	(35,031,911)

ii. Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Fund's investments in deposits with licensed financial institutions are short-term in nature. Therefore, exposure to interest rate fluctuations is minimal.

As at the end of the financial period, the Fund does not hold any other financial instruments that expose it to interest rate risk.

Stock/Issuer risk

The Fund is restricted to investment in securities issued by and securities relating to any issuer of not more than ten percent (10%) of its net asset value. Furthermore, the Fund is restricted to invest in securities issued by and securities relating to any group of companies of not more than twenty percent (20%) of its net asset value. Under such restrictions, the exposure risk to the securities of any single issuer or any one group of companies is minimised.

Fund management risk

There is the risk that the management company may not adhere to the investment mandate of the respective Funds. With close monitoring by the investment committee, back office system being incorporated with limits and controls, and regular reporting to the senior management team, the management company is able to manage such risk. The Trustee has an oversight function over management of the Fund by the management company to safeguard the interest of unit holders.

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. Generally, all investments are subject to a certain degree of liquidity risk depending on the nature of the investment instruments, market, sector and other factors. For the purpose of the Fund, the Manager will attempt to balance the entire portfolio by investing in a mix of assets with satisfactory trading volume and those that occasionally could encounter poor liquidity. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

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 bank balances and deposits with licensed financial institutions and other instruments which are capable of being converted into cash within 7 days.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period as at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Less than 1 month	Between 1 month to 1 year	Total
	RM	RM	RM
<u>2024</u>			
Accrued management fee	1,180,410	-	1,180,410
Amount due to Manager	1,140,123	-	1,140,123
Amount due to Trustee	62,955	-	62,955
Amount due to brokers	668,805	-	668,805
Other payables and accruals	-	14,856	14,856
Contractual undiscounted cash outflows	3,052,293	14,856	3,067,149
<u>2023</u>			
Accrued management fee	1,022,333	-	1,022,333
Amount due to Manager	1,121,579	-	1,121,579
Amount due to Trustee	54,524	-	54,524
Other payables and accruals	-	17,060	17,060
Contractual undiscounted cash outflows	2,198,436	17,060	2,215,496

Non-compliance risk

Non-compliance risk arises when the Manager and others associated with the Fund are not compliant to the rules set out in the Fund's constitution or the laws that govern the Fund or applicable internal control procedures, or acts of fraudulence or dishonesty.

Non-compliance may expose the Fund to higher risks which may result in a fall in the value of the Fund which in turn may affect its investment goals. However, the risk can be mitigated by the internal controls and compliance monitoring undertaken by the Manager.

Credit/Default risk

Credit risk refers to the ability of an issuer or a counter party to make timely payments of interest income, principals and proceeds from realisation of investments.

Credit risk arising from cash and bank balances is managed by ensuring that they are held by parties with credit rating of AA1 or higher.

The credit risk arising from placements of deposits with licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions. For amount due from brokers, the settlement terms are governed by the relevant rules and regulations as prescribed by Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC's Guidelines on Unit Trust Funds.

The credit/default risk is minimal as all transactions in quoted securities are settled/paid upon delivery using approved brokers.

The following table sets out the credit risk concentrations and counterparties of the Fund.

	Cash and cash equivalents	Dividends receivable	Amount due from Manager	Total
	RM	RM	RM	RM
<u>2024</u>				
Construction				
- NR	-	340,226	-	340,226
Consumer Products & Services				
- NR	-	631,167	-	631,167
Energy				
- NR	-	128,904	-	128,904
Financial Services				
- AAA	133,907,139	-	-	133,907,139
- AA1	1,161,596	-	-	1,161,596
Industrial Products & Services				
- NR	-	182,232	-	182,232
Property				
- NR	-	68,055	-	68,055
Technology				
- NR	-	381,136	-	381,136
Other				
- NR	-	-	6,391,681	6,391,681
	<u>135,068,735</u>	<u>1,731,720</u>	<u>6,391,681</u>	<u>143,192,136</u>

	Cash and cash equivalents	Dividends receivable	Amount due from Manager	Amount due from brokers	Total
	RM	RM	RM	RM	RM
<u>2023</u>					
Construction					
- NR	-	375,981	-	-	375,981
Consumer Products & Services					
- NR	-	551,206	-	-	551,206
Energy					
- NR	-	57,445	-	-	57,445
Financial Services					
- AAA	116,717,687	-	-	-	116,717,687
- AA1	1,861,318	-	-	-	1,861,318
Industrial Products & Services					
- NR	-	316,662	-	-	316,662
Plantation					
- NR	-	522,866	-	-	522,866
Property					
- NR	-	61,250	-	-	61,250
Technology					
- NR	-	430,132	-	-	430,132
Other					
- NR	-	-	1,846,846	5,947,456	7,794,302
	118,579,005	2,315,542	1,846,846	5,947,456	128,688,849

None of these financial assets are past due or impaired.

Capital risk

The capital of the Fund is represented by equity consisting of unit holders' capital of RM623,857,722 (2023: RM644,998,628) and retained earnings of RM340,270,095 (2023: RM182,112,952). The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

Fair value estimation

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

The fair value of financial assets traded in active market (such as trading securities) are based on quoted market prices at the close of trading on the financial period end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is representative of the fair value.

An active market is a market in which transactions for the asset take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques.

i. Fair value hierarchy

The following table analyses financial instruments carried at fair value by valuation method.

The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 : Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes “observable” requires significant judgement by the Fund. The Fund considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy of the Fund's financial assets (by class) measured at fair value:

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
<u>2024</u>				
Financial assets at fair value through profit or loss:				
Quoted securities	824,002,830	-	-	824,002,830
<u>2023</u>				
Financial assets at fair value through profit or loss:				
Quoted securities	700,638,227	-	-	700,638,227

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active quoted securities. The Fund does not adjust the quoted prices for these instruments. The Fund's policies on valuation of these financial assets are stated in Note E to the financial statements.

- ii. The carrying value of cash and cash equivalents, amount due from Manager, amount due from brokers, dividends receivable and all liabilities are a reasonable approximation of their fair values due to their short-term nature.

3. MANAGEMENT FEE

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 3.00% per annum of the net asset value of the Fund accrued and calculated on daily basis.

For the financial period ended 30 June 2024, the management fee is recognised at a rate of 1.50% (2023: 1.50%) per annum on the net asset value of the Fund, calculated on daily basis.

There will be no further liability to the Manager in respect of the management fee other than the amounts recognised above.

4. TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to an annual fee at a rate not exceeding 0.20% per annum of the net asset value of the Fund, subject to a minimum fee of RM35,000 per annum.

For the financial period ended 30 June 2024, the Trustee fee is recognised at a rate of 0.08% (2023: 0.08%) subject to a minimum fee of RM35,000 per annum on the net asset value of the Fund, inclusive of local custodian fee, calculated on daily basis.

There will be no further liability to the Trustee in respect of the Trustee fee other than the amounts recognised above.

5. TAXATION

	6-months financial period ended 30.6.2024	6-months financial period ended 30.6.2023
	RM	RM

Tax charged for the financial period:

Current taxation

-

-

The numerical reconciliation between profit/(loss) before taxation multiplied by the Malaysian statutory tax rate and tax expense of the Fund is as follows:

	6-months financial period ended 30.6.2024	6-months financial period ended 30.6.2023
	RM	RM
Profit/(loss) before taxation	143,938,912	(10,659,180)
Tax at Malaysian statutory rate of 24% (2023: 24%)	34,545,339	(2,558,203)
Tax effects of:		
(Investment income not subject to tax)/		
investment loss not deductible for tax purposes	(36,519,259)	697,488
Expenses not deductible for tax purposes	387,933	349,582
Restriction on the tax deductible expenses for Unit Trust Funds	1,585,987	1,511,133
Taxation	-	-

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024	2023
	RM	RM
Financial assets at fair value through profit or loss:		
Quoted securities	824,002,830	700,638,227
Net gain/(loss) on financial assets at fair value through profit or loss:		
Realised gain on disposals	31,761,941	5,962,366
Change in unrealised fair value gain/(loss)	103,895,618	(24,829,869)
	135,657,559	(18,867,503)

Quoted securities

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%

Construction

Kerjaya Prospek Group Berhad	13,810,658	12,390,484	24,997,291	2.59
Muhibbah Engineering (M) Berhad	2,461,600	1,974,142	2,363,136	0.25
	16,272,258	14,364,626	27,360,427	2.84

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Consumer Products & Services</u>				
Apollo Food Holdings Berhad	2,574,200	18,018,054	17,272,882	1.79
Bermaz Auto Berhad	4,794,140	9,458,626	12,033,291	1.25
Bonia Corporation Berhad	4,369,400	7,564,397	7,340,592	0.76
DKSH Holdings (Malaysia) Berhad	2,206,900	10,010,200	11,873,122	1.23
DRB-HICOM Berhad	7,005,100	11,584,490	9,526,936	0.99
DXN Holdings Berhad	24,161,400	16,522,681	15,463,296	1.60
Focus Point Holdings Berhad	3,000,000	2,070,000	2,460,000	0.26
Guan Chong Berhad	1,658,000	4,148,539	6,101,440	0.63
Hong Leong Industries Berhad	2,585,800	26,467,756	28,754,096	2.98
Magni-Tech Industries Berhad	9,500,133	18,188,991	22,325,313	2.32
Malayan Flour Mills Berhad	17,545,300	12,525,444	15,001,232	1.56
MSM Malaysia Holdings Berhad	7,290,200	22,165,603	16,986,166	1.76
Oriental Food Industries Holdings Berhad	9,993,700	12,075,820	20,187,274	2.09
Padini Holdings Berhad	2,770,300	9,387,131	10,111,595	1.05
Poh Huat Resources Holdings Berhad	7,350,500	10,963,063	10,658,225	1.11
Power Root Berhad	5,948,000	12,210,182	9,338,360	0.97
Sports Toto Berhad	11,812,295	20,328,924	18,309,057	1.90
Three-A Resources Berhad	16,639,075	18,209,158	15,640,731	1.62
	141,204,443	241,899,059	249,383,608	25.87

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Energy</u>				
Hibiscus Petroleum Berhad	6,445,220	17,038,211	15,017,363	1.56
Velesto Energy Berhad	48,000,000	13,020,000	12,720,000	1.32
	54,445,220	30,058,211	27,737,363	2.88
<u>Financial Services</u>				
Alliance Bank Malaysia Berhad	5,273,100	15,737,057	19,985,049	2.07
Hong Leong Capital Berhad	2,955,700	14,281,887	12,709,510	1.32
Kenanga Investment Bank Berhad	9,858,700	13,699,322	11,436,092	1.19
	18,087,500	43,718,266	44,130,651	4.58
<u>Health Care</u>				
Alpha IVF Group Berhad	40,765,400	12,985,007	12,637,274	1.31
Duopharma Biotech Berhad	7,390,454	10,483,968	9,311,972	0.97
	48,155,854	23,468,975	21,949,246	2.28

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Industrial Products & Services</u>				
Ancom Nylex Berhad	17,146,844	16,184,384	18,690,060	1.94
BP Plastics Holding Berhad	5,479,300	7,793,913	7,232,676	0.75
Cahya Mata Sarawak Berhad	3,782,200	4,920,168	5,257,258	0.55
Cape EMS Berhad	11,000,000	11,728,100	10,285,000	1.07
Chin Well Holdings Berhad	4,150,200	6,828,166	5,063,244	0.53
Dufu Technology Corp. Berhad	4,858,900	5,190,858	12,487,373	1.30
HSS Engineers Berhad	4,176,900	4,222,273	3,988,940	0.41
Malaysia Smelting Corporation Berhad	3,929,500	8,250,305	10,059,520	1.04
P.I.E. Industrial Berhad	5,567,200	19,279,728	34,850,672	3.61
Scicom (MSC) Berhad	5,346,300	5,933,455	4,838,402	0.50
SLP Resources Berhad	10,004,200	13,604,114	9,904,158	1.03
Thong Guan Industries Berhad	10,376,200	20,804,245	20,337,352	2.11
United U-Li Corporation Berhad	10,479,750	13,233,642	21,588,285	2.24
	96,297,494	137,973,351	164,582,940	17.08

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Plantation</u>				
Hap Seng Plantations Holdings Berhad	7,019,000	17,954,053	12,353,440	1.28
<u>Property</u>				
Avaland Berhad	10,351,200	3,081,240	3,571,164	0.37
Mah Sing Group Berhad	6,309,600	7,704,124	10,915,608	1.13
Matrix Concepts Holdings Berhad	2,722,200	3,008,851	4,845,516	0.50
Skyworld Development Berhad	16,672,200	9,999,383	10,836,930	1.12
	36,055,200	23,793,598	30,169,218	3.12
<u>Real Estate Investment Trust</u>				
Axis Real Estate Investment Trust	3,102,089	5,413,968	5,676,823	0.59
Sunway Real Estate Investment Trust	6,912,300	11,085,394	10,714,065	1.11
	10,014,389	16,499,362	16,390,888	1.70

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Technology</u>				
Cnnergz Berhad	11,813,900	9,890,323	7,619,966	0.79
Genetec Technology Berhad	3,802,700	8,728,490	8,518,048	0.88
Globetronics Technology Berhad	5,166,200	9,359,023	7,645,976	0.79
Inari Amertron Berhad	13,264,313	10,794,528	49,077,958	5.09
Malaysian Pacific Industries Berhad	713,900	6,951,070	28,141,938	2.92
Oppstar Berhad	5,830,100	8,715,762	7,695,732	0.80
SNS Network Technology Berhad	31,210,600	9,180,078	23,564,003	2.44
TT Vision Holdings Berhad	14,508,800	16,918,523	15,669,504	1.63
UWC Berhad	1,473,900	4,511,566	4,392,222	0.46
ViTrox Corporation Berhad	10,147,600	14,435,092	41,808,112	4.34
Vstecs Berhad	1,762,400	2,374,351	7,402,079	0.77
	99,694,413	101,858,806	201,535,538	20.91

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Transportation & Logistics</u>				
Tasco Berhad	8,352,900	7,023,589	7,726,432	0.80
<u>Utilities</u>				
Gas Malaysia Berhad	5,745,300	16,561,267	20,683,079	2.15
TOTAL QUOTED SECURITIES	<u>541,343,971</u>	675,173,163	<u>824,002,830</u>	85.49
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>148,829,667</u>		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>824,002,830</u>		

Quoted securities

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Construction</u>				
Kerjaya Prospek Group				
Berhad	18,799,058	16,606,697	19,927,001	2.41

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Consumer Products & Services</u>				
Berjaya Food Berhad	10,606,700	6,819,725	6,470,087	0.78
Bermaz Auto Berhad	7,494,740	14,786,790	16,713,270	2.02
DKSH Holdings (Malaysia) Berhad	1,725,200	7,846,456	8,643,252	1.04
DRB-HICOM Berhad	3,277,000	6,397,236	4,391,180	0.53
DXN Holdings (Malaysia) Berhad	5,199,100	3,639,370	3,795,343	0.46
Farm Fresh Berhad	5,810,600	9,006,230	7,321,356	0.89
Guan Chong Berhad	1,614,400	4,362,377	3,729,264	0.45
Hong Leong Industries Berhad	3,026,000	31,212,264	27,112,960	3.28
InNature Berhad	14,386,400	6,975,363	7,552,860	0.91
Magni-Tech Industries Berhad	9,500,133	18,188,991	17,860,250	2.16
Oriental Food Industries Holdings Berhad	9,246,600	10,837,660	9,801,396	1.19
Padini Holdings Berhad	5,185,800	17,555,900	20,120,904	2.43
Poh Huat Resources Holdings Berhad	7,350,500	10,963,063	9,555,650	1.16
Power Root Berhad	4,822,500	10,033,806	9,982,575	1.21
Senheng New Retail Berhad	10,323,100	8,533,562	3,767,932	0.46
Sports Toto Berhad	11,336,074	19,956,338	15,076,978	1.82
Three-A Resources Berhad	17,239,275	18,865,994	13,101,849	1.58
Yoong Onn Corporation Berhad	4,448,500	5,869,584	5,916,505	0.72
	<u>132,592,622</u>	<u>211,850,709</u>	<u>190,913,611</u>	<u>23.09</u>

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Energy</u>				
Hibiscus Petroleum Berhad	7,659,300	8,151,273	6,625,295	0.80
<u>Financial Services</u>				
AEON Credit Service (M) Berhad	157,700	1,844,911	1,775,702	0.21
Alliance Bank Malaysia Berhad	5,273,100	15,737,057	17,559,423	2.12
Kenanga Investment Bank Berhad	6,888,200	10,322,898	5,958,293	0.72
RCE Capital Berhad	5,170,000	4,411,376	11,425,700	1.38
	17,489,000	32,316,242	36,719,118	4.43
<u>Health Care</u>				
Duopharma Biotech Berhad	5,390,454	7,819,568	7,007,590	0.85
Kossan Rubber Industries Berhad	5,506,500	9,112,818	7,103,385	0.86
Nova Wellness Group Berhad	7,160,900	6,381,431	4,941,021	0.60
	18,057,854	23,313,817	19,051,996	2.31

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Industrial Products & Services</u>				
Ancom Nylex Berhad	14,420,000	13,529,000	13,699,000	1.66
BP Plastics Holding Berhad	3,962,700	5,914,287	4,794,867	0.58
Cape EMS Berhad	4,619,400	5,242,260	6,005,220	0.73
Chin Well Holdings Berhad	5,902,000	9,710,336	7,790,640	0.94
Dufu Technology Corp. Berhad	8,465,600	9,043,966	16,084,640	1.94
Malaysia Smelting Corporation Berhad	2,358,000	4,733,758	4,621,680	0.56
P.I.E. Industrial Berhad	3,832,800	12,684,234	11,230,104	1.36
Rohas Tecnic Berhad	6,663,700	6,422,611	1,732,562	0.21
SAM Engineering & Equipment (M) Berhad	1,000,000	4,500,000	4,590,000	0.55
Scicom (MSC) Berhad	7,101,400	7,895,810	8,237,624	1.00
SKP Resources Berhad	10,742,100	19,501,746	11,708,889	1.42
SLP Resources Berhad	10,004,200	13,604,114	8,753,675	1.06
Thong Guan Industries Berhad	10,376,200	20,804,245	22,205,068	2.68
United U-Li Corporation Berhad	10,449,250	13,192,467	10,449,250	1.26
V.S. Industry Berhad	8,079,700	10,038,825	7,352,527	0.89
	107,977,050	156,817,659	139,255,746	16.84

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Plantation</u>				
Hap Seng Plantations Holdings Berhad	5,436,000	14,923,513	10,110,960	1.22
Sarawak Oil Palms Berhad	2,452,650	6,528,675	6,008,993	0.73
TSH Resources Berhad	15,028,300	17,005,466	13,826,036	1.67
	22,916,950	38,457,654	29,945,989	3.62
<u>Property</u>				
Eco World Development Group Berhad	16,311,200	12,649,268	13,212,072	1.60
Eco World Development Group Berhad - Warrant	4,872,820	520,119	536,010	0.06
Matrix Concepts Holdings Berhad	2,722,200	3,008,851	3,838,302	0.46
Sime Darby Property Berhad	36,877,700	21,320,892	17,148,131	2.07
	60,783,920	37,499,130	34,734,515	4.19
<u>Real Estate Investment Trust</u>				
Axis Real Estate Investment Trust	3,085,753	5,386,197	5,646,928	0.68
Sunway Real Estate Investment Trust	6,912,300	11,085,394	10,783,188	1.30
	9,998,053	16,471,591	16,430,116	1.98

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Technology</u>				
Cnenergiz Berhad	10,951,700	9,414,819	9,473,221	1.15
CTOS Digital Berhad	2,538,800	3,471,125	3,528,932	0.43
Genetec Technology Berhad	1,890,300	4,660,177	4,385,496	0.53
Globetronics Technology Berhad	7,166,200	12,982,198	9,029,412	1.09
Inari Amertron Berhad	14,233,213	11,583,021	38,999,004	4.72
ITMax System Berhad	5,749,500	8,052,919	8,049,300	0.97
Malaysian Pacific Industries Berhad	1,341,400	13,060,885	37,317,748	4.51
Oppstar Berhad	2,046,100	2,378,884	3,867,129	0.47
TT Vision Holdings Berhad	5,377,100	5,989,535	5,753,497	0.70
Unisem (M) Berhad	4,243,700	12,225,991	12,688,663	1.53
ViTrox Corporation Berhad	5,073,800	14,435,092	40,488,924	4.90
Vstecs Berhad	3,843,500	5,197,777	5,227,160	0.63
	64,455,313	103,452,423	178,808,486	21.63
<u>Telecommunications & Media</u>				
Astro Malaysia Holdings Berhad	12,077,900	10,708,085	7,246,740	0.88

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Transportation & Logistics</u>				
Tasco Berhad	4,510,500	3,876,492	3,743,714	0.45
<u>Utilities</u>				
Gas Malaysia Berhad	5,745,300	16,561,267	17,235,900	2.08
TOTAL QUOTED SECURITIES	<u>483,062,820</u>	676,083,039	<u>700,638,227</u>	84.71
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>24,555,188</u>		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>700,638,227</u>		

7. CASH AND CASH EQUIVALENTS

	2024	2023
	RM	RM
Bank balance with a licensed bank	1,161,596	1,861,318
Deposits with licensed financial institutions	133,907,139	116,717,687
	<u>135,068,735</u>	<u>118,579,005</u>

The effective weighted average interest rate of short-term deposits with licensed financial institutions per annum as at the date of the financial position are as follow:

	2024	2023
	%	%
Deposits with licensed financial institutions	<u>3.59</u>	<u>3.69</u>

The deposits have an average maturity of 12 days (2023: 29 days).

8. UNITS IN CIRCULATION

	2024	2023
	No. of units	No. of units
At the beginning of the financial period	1,310,781,387	1,291,268,303
Creation of units arising from applications during the financial period	108,860,571	83,296,010
Cancellation of units during the financial period	<u>(142,987,070)</u>	<u>(90,055,024)</u>
At the end of the financial period	<u>1,276,654,888</u>	<u>1,284,509,289</u>

9. TRANSACTIONS WITH BROKERS

Details of transactions with the top 10 brokers are as follows:

Name of brokers	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage fees
	RM	%	RM	%
<u>2024</u>				
RHB Investment Bank Berhad	84,158,675	19.21	143,773	17.09
CLSA Securities Malaysia Sdn Bhd	51,005,233	11.65	96,910	11.52
UBS Securities Malaysia Sdn Bhd	44,341,596	10.12	84,249	10.01
Kenanga Investment Bank Berhad	42,790,270	9.77	79,897	9.50
Maybank Investment Bank Berhad	40,434,943	9.23	72,580	8.63
J.P. Morgan Securities (Malaysia) Sdn Bhd	39,370,427	8.99	74,804	8.89
CGS International Securities Malaysia Sdn Bhd	36,784,479	8.40	69,891	8.31
UOB Kay Hian Securities (M) Sdn Bhd	21,812,407	4.98	41,443	4.92
Affin Hwang Investment Bank Berhad	21,678,768	4.95	41,190	4.90
CIMB Securities Sdn Bhd	20,929,108	4.78	39,765	4.73
Others	34,693,952	7.92	96,753	11.50
	<u>437,999,858</u>	<u>100.00</u>	<u>841,255</u>	<u>100.00</u>

Name of brokers	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage fees
	RM	%	RM	%
<u>2023</u>				
Kenanga Investment Bank Berhad	53,951,835	14.93	102,508	13.18
RHB Investment Bank Berhad	51,236,449	14.18	97,349	12.52
CLSA Securities Malaysia Sdn Bhd	42,860,456	11.86	136,872	17.60
J.P. Morgan Securities (Malaysia) Sdn Bhd	40,543,598	11.22	77,033	9.91
Maybank Investment Bank Berhad	26,899,150	7.45	65,059	8.36
Hong Leong Investment Bank Berhad	26,756,044	7.41	65,959	8.48
Macquarie Capital Securities Malaysia) Sdn Bhd	21,678,278	6.00	41,189	5.30
KAF Equities Sdn Bhd	20,239,723	5.60	38,456	4.95
CGS – CIMB Securities Sdn Bhd	19,883,288	5.50	37,778	4.86
UOB Kay Hian Securities (M) Sdn Bhd	14,401,187	3.99	27,362	3.52
Others	42,844,813	11.86	88,079	11.32
	<u>361,294,821</u>	<u>100.00</u>	<u>777,644</u>	<u>100.00</u>

All brokers highlighted above are not related to the Manager.

10. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

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

Related parties	Relationship
Director of Eastspring Investments Berhad	Director of the Manager
Eastspring Investments Berhad	The Manager
Eastspring Investments Group Private Limited	Immediate holding company of the Manager
Prudential Plc	Ultimate holding company of the Manager

Units held by Manager and parties related to the Manager:

	2024		2023	
	No. of units	RM	No. of units	RM
Eastspring Investments Berhad	7,515	5,676	7,152	4,605
Director of Eastspring Investments Berhad	140,557	106,149	-	-

The above units were transacted at the prevailing market price.

The units are held legally and beneficially by the Manager and are within the prescribed limit allowed by the SC's Guidelines on Unit Trust Funds. Other than the above, there were no units held by the Directors or parties related to the Manager.

In addition to the related parties disclosure mentioned in the financial statements, there were no other significant related parties transactions and balances.

11. TOTAL EXPENSE RATIO ("TER")

	2024	2023
	%	%
TER	0.79	0.79

TER is derived from the following calculation:

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

A = Management fee

B = Trustee fee

C = Audit fee

D = Tax agent fee

E = Other expenses (excluding sales and service tax on transaction cost and withholding tax)

F = Average net asset value of the Fund calculated on a daily basis

The average net asset value of the Fund for the financial period calculated on a daily basis is RM885,098,356 (2023: RM845,922,996).

12. PORTFOLIO TURNOVER RATIO ("PTR")

	2024	2023
PTR (times)	0.25	0.21

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisitions for the financial period} + \text{total disposals for the financial period}) \div 2}{\text{Average net asset value of the Fund for the financial period calculated on a daily basis}}$$

where:

total acquisitions for the financial period = RM209,265,108 (2023: RM190,306,164)

total disposals for the financial period = RM228,734,750 (2023: RM171,084,408)

13. APPROVAL OF FINANCIAL STATEMENTS

The unaudited financial statements have been approved for issue by the Manager on 23 August 2024.

CORPORATE DIRECTORY

THE MANAGER

NAME

EASTSPRING INVESTMENTS BERHAD

COMPANY NO.

200001028634 (531241-U)

REGISTERED OFFICE

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BUSINESS OFFICE

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TRUSTEE

NAME

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