

RHB i-GLOBAL SUSTAINABLE DISRUPTORS FUND

ANNUAL REPORT 2024

For the financial year ended 31 January 2024

GENERAL INFORMATION ABOUT THE FUND

Name, Category and Type

Fund Name	-	RHB i-Global Sustainable Disruptors Fund
Fund Category	-	Equity Fund (Shariah – compliant)
Fund Type	-	Growth Fund

Investment Objective, Policy and Strategy

Objective of the Fund

The Fund aims to provide capital appreciation over the medium to long term* by investing in a portfolio of Shariah-compliant equities.

Note: * “medium to long term” in this context refers to a period of between 3 – 7 years.

Any material change to the investment objective would require Unit Holder’s approval.

Strategy

The Fund seeks to adopt an investment approach that integrates both Shariah principles as well as principles of sustainable investing.

The portfolio is constructed based on a bottom-up approach, focusing on innovation from a diverse number of securities within the Dow Jones Islamic Markets World Index. The Fund may also invest in listed depositary receipts including American Depositary Receipts (“ADRs”), Global Depositary Receipts (“GDRs”), European Depositary Receipts (“EDRs”) or other depositaries representing the constituent securities indicated in the Dow Jones Islamic Market World Index. The investment philosophy centres on the belief of long term earnings growth and the likelihood of the earnings growth being delivered by investing in good quality and sustainable companies that can potentially offer attractive and sustainable long term growth.

The portfolio will consist of Shariah-compliant global equities of both growth and quality companies that contain the following elements:

- Opportunity
To seek opportunity in large addressable market, complacent incumbents and secular trends in the market.

- Innovation
New technology enabling, better efficiency, choice and price for end users.
- Acceleration
Potential for rapid adoption and scalability.

The Fund will invest up to 95% of its Net Asset Value (“NAV”) in Shariah-compliant global equities. The balance of the Fund’s NAV shall be invested in Islamic liquid assets including Islamic money market instruments, Placements of Cash and Islamic collective investment schemes investing in Islamic money market instruments and Placements of Cash. The Fund will invest in Eligible Markets.

As the Fund is a qualified SRI fund, the investments of the Fund in Shariah-compliant global equities (including listed depositary receipts such as American depositary receipts, global depositary receipts, European depositary receipts and other depositaries representing the constituent securities indicated in the Dow Jones Islamic Market World Index) will be screened against the principles adopted by the United Nations Global Compact (“UNGC”) (e.g. areas of human rights, labour standards, the environment and anti-corruption) at each step of its investment process including the screening, selection, monitoring and realization of the Fund’s investments. The Manager, based on the advice of the Investment Adviser, will adopt the following strategy to ensure that the investments of the Fund in Shariah-compliant global equities (including listed depositary receipts such as American depositary receipts, global depositary receipts, European depositary receipts and other depositaries representing the constituent securities indicated in the Dow Jones Islamic Market World Index) are in line with the principles of UNGC adopted and the overall impact of such investments of the Fund is not inconsistent with any other sustainable principles:

1.	Research	<ul style="list-style-type: none"> • Investment Adviser’s proprietary views on ESG issues are based on ESG ratings provided by global rating agencies, Investment Adviser’s own research and company engagements. • Investment Adviser attributes a forward looking view on ESG trends at the company level: improving, stable or deteriorating. • This view can impact expectations of future earnings and valuation of the company and therefore the expected return of the company.
2.	Engagement	<ul style="list-style-type: none"> • The proprietary ESG assessment helps drive the agenda for active engagement with the company executives and board members. • While the discussions with the company management teams focus on drivers of franchise and financial strength, the Investment Adviser also seeks to influence corporate conduct around ESG issues.
3.	Portfolio Construction	<ul style="list-style-type: none"> • ESG considerations are embedded in the overall assessment of quality at the securities level.

For Islamic liquid assets, the Manager will identify and select Islamic money market instruments or Placement of Cash based on the issuer's or the financial institution's ESG score, as the case may be. The ESG scores[^] are derived based on the Manager's internal ESG framework and scorecard, which requires an assessment of the following various ESG-related factors:

- 1) ESG Data Disclosure – Level of ESG/sustainability disclosures made by the issuer or financial institution;
- 2) ESG Practices – Practices adopted by the issuer or financial institution to mitigate ESG risk or promote sustainability;
- 3) Sustainability Targets and Opportunities – Targets on ESG or sustainability practices or issues set by the issuer or financial institution and alignment of the issuer or financial institution towards sustainability goals; and
- 4) Controversies – Presence of controversies that heighten ESG risk surrounding the issuer or financial institution.

Each factor will be scored with a numerical value of 1 to 3. After assessing these factors, the weighted average score[^] will determine the overall ESG score of the issuer or financial institution and an overall ESG score of “Low” to “High” is assigned for the issuer or financial institution. Generally, a “Low” score (i.e. a weighted average score of 1.4 or lower) indicates that the issuer or financial institution has high level of ESG risk and has minimal measures in place to mitigate such risk; a “Medium” score (i.e. a weighted average score between 1.5 to 2.4) indicates that the issuer or financial institution has moderate level of ESG risk with some measures in place to mitigate such risk; a “High” score (i.e. a weighted average score of 2.5 or higher) indicates that the issuer or financial institution has limited ESG risk.

The Fund will maintain at least two-third (2/3) of the Fund's Net Asset Value in Shariah-compliant investments which are subject to the above ESG considerations. The Manager and the Investment Adviser will continuously monitor and evaluate the investments of the Fund on a daily basis to ensure that the Fund continues to comply with the sustainable investment process throughout its lifecycle.

If the companies that the Fund invests in show persistent decline in their ESG factors and/or sustainable scores or if the Fund breaches the minimum asset allocation of at least two thirds (2/3) of the Fund's Net Asset Value in Shariah-compliant investments that are subject to the above sustainable considerations, the Manager, in consultation with the Investment Adviser, will seek to dispose of the Fund's investments in such companies or rectify the breach within an appropriate timeframe not exceeding three (3) months from the date of the decision to dispose or breach unless otherwise specified in the Guidelines. The disposed securities will be replaced with other securities that are in line with the Fund's investment strategy in order to maintain the minimum two thirds (2/3) of the

Fund's Net Asset Value in Shariah-compliant investments that are subject to the above sustainable considerations at all times.

The risk management strategies and techniques employed by the Manager include diversification of the Fund's investments in terms of its exposure to various industries, sectors, countries and asset classes and/or type of investments (i.e. Shariah-compliant equities and Islamic money market instruments).

The Manager may take temporary defensive positions that may be inconsistent with the Fund's investment strategy in response to adverse economic, political or any other market conditions. In such circumstances, the Fund may hold up to 100% of its assets in Islamic liquid assets which are subject to the above sustainable considerations as a defensive strategy.

When appropriate for all Classes (except USD Class), the Manager may participate in Islamic financial derivatives, which include but is not limited to Islamic forwards and Islamic swaps, for the purpose of hedging the currency risk exposure (if any) of the various currency Classes and efficient portfolio management of the Fund. Such participation in Islamic financial derivatives shall commence only if the structure of the Islamic financial derivatives as well as the underlying financial instruments complies with Shariah requirements. The benefit of any upside of currency movement is limited when hedging the various currency Class exposures to foreign currency risk as the primary interest is to protect the value of the various currency Classes. The Fund's use of Islamic financial derivatives for hedging purposes will not be subject to the ESG screening methodology.

The Manager will notify the Securities Commission of any changes to the Fund immediately and use its best efforts to provide, without prior request, as soon as reasonably practicable, the relevant information which may include but is not limited to any event that could impact the Fund's ability to comply with the Guidelines on Sustainable and Responsible Investment Funds to the Securities Commission. When the Fund is found to be no longer in compliance with the Guidelines on Sustainable and Responsible Investment Funds, the Securities Commission may revoke the Fund's qualification as an SRI fund.

^ The ESG scores weightage is 50% for ESG data disclosure and 10% each for (i) ESG risk exposure, (ii) ESG practices, (iii) sustainability targets, (iv) sustainability opportunities and (v) controversies. The ESG scores weightage and the weighted average scores may be subject to further fine-tuning from time to time, if necessary.

The asset allocation of the Fund will be as follows:-

The Fund will invest up to 95% of its NAV in Shariah-compliant global equities.

The balance of the Fund's NAV shall be invested in Islamic liquid assets including Islamic money market instruments, Placements of Cash and Islamic collective investment schemes investing in Islamic money market instruments and Placements of Cash.

Performance Benchmark

The performance of the Fund is benchmarked against the Dow Jones Islamic Markets World Index. The Fund's benchmark is for performance comparison purpose only. Investors may refer to the Manager for this benchmark indicator.

Permitted Investments

This Fund will invest in Shariah-compliant equities listed on Bursa Malaysia or traded in or listed on any other market considered as an Eligible Market (including foreign markets), unlisted Shariah-compliant equities, Shariah-compliant equity related securities[^], Islamic collective investment schemes, Islamic financial derivatives, Islamic money market instruments and Placements of Cash, or the Fund may invest in any other Shariah-compliant investments which may be permitted by the Securities Commission from time to time.

Note: [^] Shariah-compliant equity related securities refers to Shariah-compliant warrants and Shariah-compliant convertibles that are capable of being converted into new shares.

Distribution Policy

Incidental. Distribution, if any, is declared at the end of financial year, or for any other period. Distribution, if any, will be at the discretion of the Manager.

Notification of Changes

In addition to the changes mentioned in the letter dated 2 February 2024, below are the remaining changes: -

General Amendments

The reference to "www.rhbgroup.com" wherever it appears in the Prospectuses will be amended to "www.rhbgroup.com/myinvest".

Chapter 1 – Fund Information, Section 1.4 – Shariah Methodology and Shariah Investment Guidelines

The Fund will invest in instruments that have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission and, where applicable the Shariah Advisory Council of Bank Negara Malaysia. For instruments that are not classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission or Shariah Advisory Council of Bank Negara Malaysia, the Shariah Adviser will determine whether the instruments are Shariah-compliant for investment by the Fund.

Chapter 1 – Fund Information, Section 1.4.2 – Shariah Investment Guidelines adopted by the Shariah Adviser, 5. Investment in Unlisted Shariah-compliant Securities

The Fund shall invest in unlisted Shariah-compliant securities (if any), and for domestic unlisted securities it shall follow the Shariah Advisory Council of the Securities Commission's methodology for listed securities in determining the Shariah status of such unlisted securities.

For foreign securities, the methodology in determining the Shariah status of the unlisted securities must be approved by the Shariah Adviser.

Chapter 1 – Fund Information, Section 1.4.2 – Shariah Investment Guidelines adopted by the Shariah Adviser, Shariah non-compliant investments, item a

If the Manager mistakenly invests the Fund in Shariah non-compliant investments, the Manager needs to dispose of these Shariah non-compliant investments within one (1) month upon becoming aware of the Shariah status of the investments. Any gain made in the form of capital gain and/or dividend and/or interest received before or after the disposal of the securities has to be channelled to baitulmal and/or charitable bodies as advised by the Shariah Adviser. The Fund has a right to retain only the investment cost. However, if the investment sustained a loss, the loss is to be borne by the Manager and the Manager is to reimburse the Fund the investment cost.

Note: investment cost may include brokerage cost and other related transaction cost.

Chapter 9 – Related-Party Transaction and Conflict of Interest, other confirmation, second paragraph

Deloitte Tax Services Sdn Bhd has given its confirmation that there are no existing or potential conflicts of interest in its capacity as the tax adviser for the Fund.

Chapter 10 – Tax Adviser’s Letter on the Taxation of the Fund and Unit Holders

The tax adviser’s letter has been updated.

MANAGER'S REPORT

EQUITY MARKET AND ECONOMIC REVIEW

Global equities gained in first quarter of year 2023 (1Q23), buoyed by receding recession worries in developed markets. Gains came despite the collapse of Silicon Valley Bank, Signature Bank and Credit Suisse, which caused significant volatility in bank shares. The Morgan Stanley Capital International All-Country World Index (“MSCI ACWI”) climbed 7.30% while the Dow Jones Islamic Market (“DJIM”) World Index gained 10.50%. Despite short-lived market turbulence surrounding the collapse of Silicon Valley Bank and Signature Bank, investor optimism ultimately led United States (“US”) stocks higher over the three months, as the Standard and Poor (“S&P”) 500 gained 7.50%. The Federal Reserve (“Fed”) raised rates by 25 basis points (“bps”) twice over the quarter, in February 2023 and March 2023, to combat inflation.

Morgan Stanley Capital International (“MSCI”) Europe gained 10.20% in 1Q23, despite volatility in the banking sector with Credit Suisse eventually being bought by Union Bank of Switzerland (“UBS”) in March 2023, a deal brokered by the Swiss authorities. Eurozone inflation declined to a one-year low of 6.90% in March 2023. In addition to the Fed’s two rate hikes during the quarter, the European Central Bank (“ECB”) also raised rates twice by 50bps. Japanese stocks rose in 1Q23 with the Topix up 5.60%. Throughout January 2023, investors were focused on the Bank of Japan (“BOJ”), following the surprise adjustment to the yield curve control policy announced in mid-December. In March 2023, Japanese financial stocks were severely hit by the Silicon Valley Bank and Signature Bank collapses, as well as the UBS purchase of Credit Suisse. However, the market rebounded toward the end of the quarter with weakness in Japanese Yen (“JPY”) supporting cyclical stocks. MSCI Asia Pacific ex-Japan advanced 4.10%, with strong gains by Taiwan, Singapore and South Korea offsetting weaker performances by Hong Kong, India and Malaysia. Notably, MSCI China rose 4.70% during the quarter, on investor optimism sparked by China’s reopening. Supportive property market measures and a loosening of the regulatory crackdown on China’s technology companies also bolstered investor sentiment. MSCI Emerging Markets (“EM”) returned 4.00% over the quarter, but lagged the MSCI World Index. The start of the year brought with it renewed optimism about EM, given the re-opening of China’s economy. However, February 2023 and March 2023 saw US-China tensions re-escalate and a widespread loss of confidence in US and European banks.

Commodities fell 6.50% in 1Q23. Energy and livestock prices declined while precious metals and industrial metals achieved price gains. Gold gained a strong 8.00% over the quarter as investors sought out a safe haven amidst banking sector stress. Within currencies, the US Dollar (“USD”) weakened by 1.00% (as measured by the US Dollar Index (“DXY”)), while the Malaysian Ringgit (“MYR”) depreciated 0.20% against the greenback during the quarter.

Global equities gained in second quarter of year 2023 (“2Q23”) with developed markets leading the advance, notably the US. Major central banks raised profit rates during the quarter while the US Fed elected to pause in June 2023. The MSCI ACWI climbed 6.20% while the DJIM World Index gained 7.60%. US equities ended the quarter higher with the S&P 500 gaining 8.70%. The advance came amid moderating inflation and signs that the US economy remains resilient.

MSCI Europe rose 2.80%. The ECB raised profit rates twice in the quarter, taking the main refinancing rate to 4.00%. Growth data also showed that the region experienced a mild recession, with Gross Domestic Product (“GDP”) declines of 0.10% in both fourth quarter of year 2022 (“4Q22”) and 1Q23. The strong momentum of Japan equities accelerated in June, with the Topix up 5.20% in 2Q23. The strong gain was driven by continuous buying from foreign investors, ongoing expectations of corporate governance reforms and structural shifts in the Japanese macro economy. JPY weakness and strength in the US equity market further supported a risk-on mode towards Japan equities. MSCI Asia Pacific ex-Japan declined 1.00% in 2Q23. Chinese equities were lower as its economic rebound started to slow due to lacklustre consumer spending in China and weak demand for exports following interest rate rises in the US and Europe. MSCI China declined 9.70%. Conversely, India equities achieved strong gains, driven by foreign inflows and steady earnings. Encouraging economic data also boosted sentiment towards the country. MSCI India advanced 12.30%. MSCI EM rose 0.90% but underperformed Developed Markets (“DM”). Geopolitical tensions and concerns on China’s economic recovery contributed towards its underperformance. US debt ceiling uncertainty further added to the negative mood, although this was resolved in early June 2023.

Commodities fell 3.80%. Industrial metals and energy were the worst performing sectors, while livestock prices rose during the quarter. Meanwhile, gold fell 2.50% as it faced challenging headwinds from resilient economic activity in the US. Within currencies, the USD strengthened by 0.40% (as measured by the DXY), while the MYR depreciated 5.50% against the greenback in 2Q23.

Global equity markets fell in the third quarter as higher profit rates and concerns about Chinese economic growth weakened investor sentiment. MSCI ACWI declined 3.40% while the DJIM World Index was down 4.10%. US equities were weaker in third quarter of year 2023 (“3Q23”) with S&P 500 falling 3.30%. Investors entered the quarter optimistic that the Fed had orchestrated a soft landing for the economy and that the era of policy tightening rates would soon end. However, that enthusiasm waned over the quarter as resilient economic activity and supply side pressure on oil proved inflation may take a bit more to be tamed. MSCI Europe dropped 5.10% amid worries over the negative effects of profit rate rises on economic growth. The somber mood was further fueled by the ECB’s announcement of a rate hike up to 4.00%, the highest since the Euro was established in year 1999. Japan equities fell 1.10% but demonstrated resilience during the market correction over the quarter which was triggered by rising profit rates and bond yields in both the US and Japan. Suggestions that the BOJ could announce an end to negative profit rates before wage negotiations next Spring as well as positive economic

stimulus packages cushioned the decline. MSCI Asia Pacific ex- Japan traded down - 3.40%. Hong Kong, Taiwan, and South Korea were the weakest markets, while Malaysia and India achieved gains. MSCI China declined 1.80%, due to renewed weakness in the country's real estate sector. This was further worsened by disappointing economic stimulus provided by the government which investors deemed insufficient to put the world's second-largest economy back on track. Although the quarter started off strongly, the MSCI Emerging Market Index ended the period 2.90%. Concerns over higher-for-longer profit rates coupled with weakness in the Chinese economy weighed on investor sentiment.

Commodities rose 3.30% with energy being the best-performing sector after Russia and Saudi Arabia cut oil production. Gold fell 3.70%. Within currencies, the USD strengthened 3.20% (as measured by the DYX) while MYR depreciated 0.60% against the greenback in 3Q23.

Global equities gained in the final quarter of the year as financial conditions improved. This was largely driven by consensus expectations of central banks moving away from tighter monetary policies in year 2024 with continued evidence of disinflation occurring across developed markets. The MSCI AC World Index rose 11.00% while the DJIM World Index rebounded 11.40%. US equities also returned positively in fourth quarter of year 2023 ("4Q23") with the S&P 500 advancing 11.70%. The prevailing soft-landing narrative supported by moderating economic activity and receding inflation saw the Fed soften their previously hawkish tone around future monetary policy. This sent treasury yields sharply lower, providing a favourable backdrop for the broad based rally in equities to continue.

MSCI Europe increased 11.30% over the quarter, supported by falling yields as investors grew increasingly sceptical over the longevity of the current hawkish monetary policy adopted by the ECB. Amid softening inflation, projected weaker economic growth and slowing manufacturing numbers, the ECB also left profit rates unchanged. Japan equities closed higher with the Topix up 8.20% despite significant JPY volatility. Shares were buoyed by anticipation that the BOJ would maintain its highly accommodative profit rate policy until there is evidence of sustainable wage and price growth. MSCI Asia Pacific ex-Japan traded up 7.80% as hopes that US profit rates may have peaked led to renewed investor appetite for risk assets across the region. All markets ended the quarter in positive territory apart from China. MSCI China fell 4.20% due to concerns over weaker economic growth and potential regulatory risk. Taiwan, South Korea, and India were the strongest markets over the quarter. Overall, EM equities also increased 7.90%, although this was a little behind their developed market counterparts. Despite the pressure early in the quarter due to rising bond yields and conflicts in the Middle East, signs of a soft landing for the US economy and increased expectations for profit rate cuts in year 2024 drove risk sentiment and EM equities higher.

Commodities declined 5.90% with price gains for precious metals and industrial metals failing to offset weaker prices for agriculture, energy, and livestock. Energy was the worst

performing component due to concerns over the fragility of Organization of Petroleum Exporting Countries (“OPEC”) production agreements and the rising crude production from non-OPEC nations including the US. Gold saw robust gains of 11.60% as investors flocked to the safe haven asset amidst expectations of future rate cuts and rising geopolitical uncertainty. Within currencies, the USD weakened 4.60% (as measured by the DXY) while the MYR appreciated 2.20% against the greenback over the quarter.

Global equities returned mixed in January 2024 amid signals from major central banks that profit rate cuts may not be forthcoming as soon as had been hoped. Against this backdrop, the MSCI ACWI and the DJIM World Index gained 0.60%.

S&P 500 traded to record highs in early January 2024, up 1.70%, as signs of an economic soft landing continue to play out through growth and positive inflation readings. However, investor sentiment weakened towards month-end after the Fed announced explicitly that a rate cut at the March meeting was unlikely. MSCI Europe declined 0.40%. Sectors that had rallied in late year 2023 on hopes of imminent rate cuts, including utilities and real estate, were among the weaker performers. Inflation eased again in January 2024 with the flash estimate at 2.80%, down from 2.90% in December 2023. The ECB kept rates steady at the January 2024 meeting but indicated that rate cuts are still expected to come later in the year. Japan equities enjoyed a strong start to year 2024, advancing 3.70%. The market reassessed expectations for higher rates after inflation was weaker than expected. The BOJ did not make any policy changes at the January meeting and the currency market reacted to this development, with the Japanese JPY depreciating. This depreciation further boosted the stock market, as a weaker JPY benefits exporters’ earnings. MSCI Asia Pacific ex-Japan fell 4.80%, as investors scaled back their expectations for swift global profit rate cuts and ongoing concerns about weaker economic growth in China. India and the Philippines achieved modest gains while most markets in the region declined. Chinese stocks weakened 10.60% amid refreshed concerns on US restrictions on Chinese companies and continued foreign outflows. Emerging Markets also declined 4.60% over fears that rates may stay higher-for-longer given signs of economic strength in the US.

Commodities declined 0.10% due to weaker prices in agriculture, industrial metals and precious metals. Gold fell 1.10% due to twin headwinds of higher Treasury yields and a stronger USD as remarks from the Fed dashed market expectations of early profit rate cuts. Within currencies, the USD appreciated 1.90% (as measured by the DYX) while the MYR depreciated 2.90% against the greenback in January 2024.

EQUITY MARKET OUTLOOK AND STRATEGY

As we head into year 2024, a combination of solid activity and falling inflation has seen the market narrative increasingly shift towards the prospects of a soft landing and earlier than expected rate cuts. The market has moved to price 150bps of rate cuts by the Fed in year 2024 with the first cut now expected by March 2024. However, it should be noted

that only once in the past 50 years (the mid-1980s) has this pace of rate cuts been observed without a recession.

Indeed, the risks to the global economy have certainly not disappeared and a quick look at the various macroeconomic indicators point to diminishing economic momentum. On top of these macro uncertainties, there are numerous political and geopolitical uncertainties. Wars are still ongoing on multiple frontiers that have the potential to deliver further commodity price shocks through the global economy and year 2024 is a big year for national elections, with 40 nations scheduled to go to the polls, which includes four of the world's five most populous countries. Hard fought elections will take place in the US and the United Kingdom ("UK"), while elections elsewhere, such as in Taiwan, may also be in focus given Chinese tensions.

Against this backdrop, economic growth looks set to moderate in year 2024 after surprising positively in year 2023. Cooling labor markets and tighter lending standards could limit growth in consumption, while the lagged effects of monetary tightening may challenge business spending.

Yet with this backdrop, the Investment Advisor is still forecasting 10.00% earnings growth globally in year 2024. While this may feel high in the context of weaker GDP, there are a number of robust bottom-up drivers of this growth and cause for excitement for fundamental stock pickers. In addition, valuations look reasonable on the long-term forecasts and are in line with historic averages suggesting good long-term returns for equities from here.

In the US, mega cap technology will need to continue to beat an ever-higher bar when it comes to high earnings expectations. A softer landing for the economy is likely to benefit more cyclical regions such as Europe and emerging markets, while in the event of a deeper downturn, the more defensive characteristics of the UK market may come to the fore. Additionally, expectations of corporate reform in Japan and a less conservative approach to balance sheet management and shareholder returns have revived enthusiasm for Japanese stocks, further supporting the case for international diversification.

After a broad market sell-off in year 2022, markets have seen solid gains in year 2023, but this rebound has not been evenly distributed. Therefore, it is important to assess both risks and opportunities as investors assess positioning for year 2024. The Investment Advisor's highest conviction view across equity markets is a focus on higher quality stocks, those with robust balance sheets, proven management teams and a stronger ability to defend margins. Naturally some of these will be found in the Technology sector, but there are also good examples in more Cyclical sectors such as Industrials and Financials, as well as more traditionally defensive sectors such as Healthcare.

STRATEGIES AND POLICIES EMPLOYED

For the financial period under review, the Fund has complied with the requirements of the Guidelines on Sustainable and Responsible Investment Funds (“SRI”). The Fund adopts an investment approach that integrates both Shariah principles as well as principles of sustainable investing. The Fund’s Investment Advisor address Environmental, Social and Governance (“ESG”) factors throughout its investment process, including research, company engagement and portfolio construction. Fundamental analysts incorporate ESG considerations into their analysis to gauge the sustainability of a business, the quality of management and the risks posed to minority shareholders. The Fund’s ESG views of specific companies are the product of Investment Advisor’s proprietary research and one-on-one engagement with companies. In addition, the Fund draw on data from external providers. ESG factors could influence our level of conviction and thus impact a stock’s position size during portfolio construction. Although precise methodologies will vary, ESG information is considered throughout the investment process. Apart from ESG considerations, the Fund invest in companies which are key beneficiaries of long term structural growth themes that focus on innovation.

REVIEW OF FUND PERFORMANCE DURING THE FINANCIAL YEAR

For the financial year under review, the Fund has generated a positive return of 22.50%* and 23.59%* against its benchmark positive return of 18.78%* and 31.71%* for USD Class and RM-Hedged Class respectively. Hence the USD Class has outperformed and MYR Class has underperformed. The Net Asset Value per unit of the Fund were USD0.9070, and USD0.2003 (2023: USD0.7404, and USD0.1797) as at 31 January 2024 for USD Class and RM-Hedged Class respectively.

The investment strategy and policy employed during the period under review were in line with the investment strategy and policy as stated in the prospectus.

** Source: Lipper Investment Management (“Lipper IM”), 8 February 2024*

PERFORMANCE DATA

	Annual Total Return Financial Year/Period ended 31 January		
	2024 %	2023 %	2022[^] %
RHB i-Global Sustainable Disruptors Fund – USD Class			
- Capital Return	22.50	(17.68)	(9.06)
- Income Return	-	-	2.91
- Total Return	22.50	(17.68)	(6.41)
Dow Jones Islamic Markets World Index	18.78	(11.53)	10.14

	Annual Total Return Financial Year/Period ended 31 January		
	2024 %	2023 %	2022[^] %
RHB i-Global Sustainable Disruptors Fund – RM-Hedged Class			
- Capital Return	23.59	(17.67)	(5.92)
- Income Return	-	-	2.82
- Total Return	23.59	(17.67)	(3.27)
Dow Jones Islamic Markets World Index	31.71	(9.83)	14.03

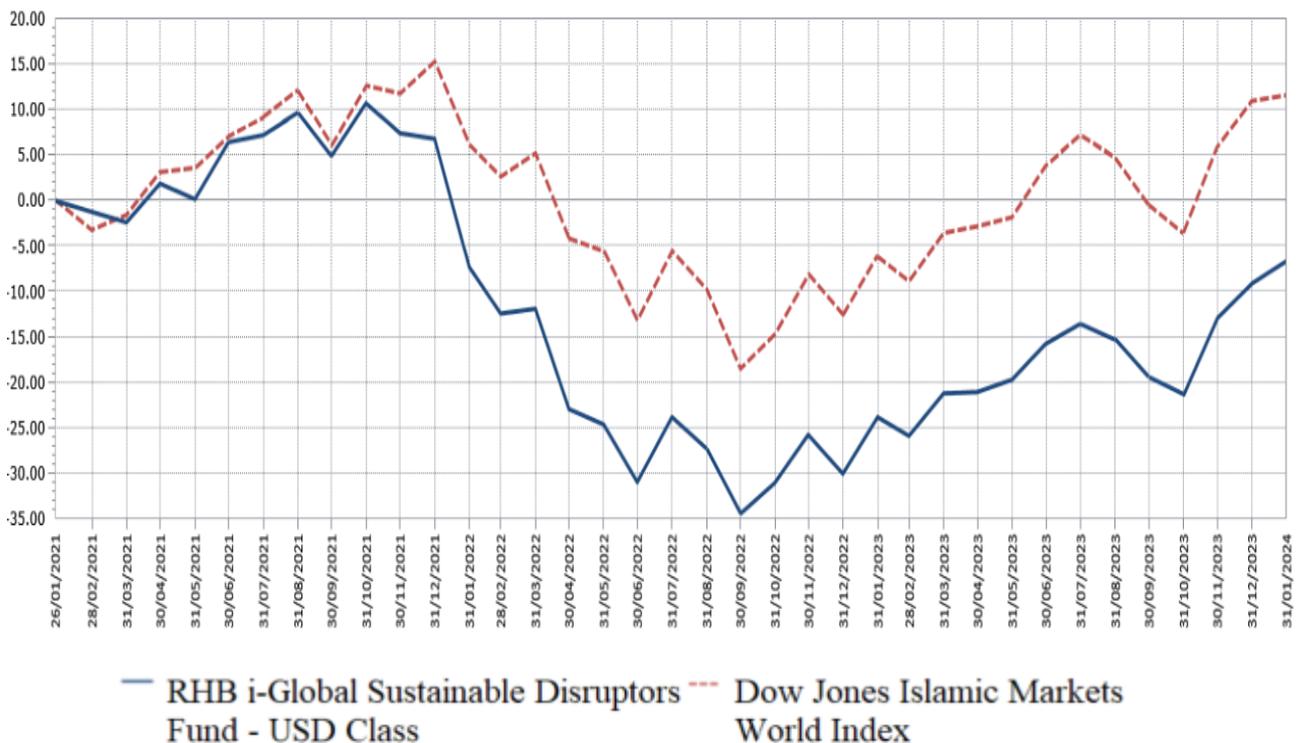
	Average Annual Return		
	1 Year 31.01.2023- 31.01.2024 %	3 Year 31.01.2021- 31.01.2024 %	Since Inception 26.01.2021**- 31.01.2024 %
RHB i-Global Sustainable Disruptors Fund – USD Class	22.50	(1.91)	(2.26)
Dow Jones Islamic Markets World Index	18.78	4.99	3.68

	Average Annual Return		
	1 Year 31.01.2023- 31.01.2024 %	3 Year 31.01.2021- 31.01.2024 %	Since Inception 26.01.2021**- 31.01.2024 %
RHB i-Global Sustainable Disruptors Fund – RM-Hedged Class	23.59	(0.53)	(0.89)
Dow Jones Islamic Markets World Index	31.71	10.64	9.17

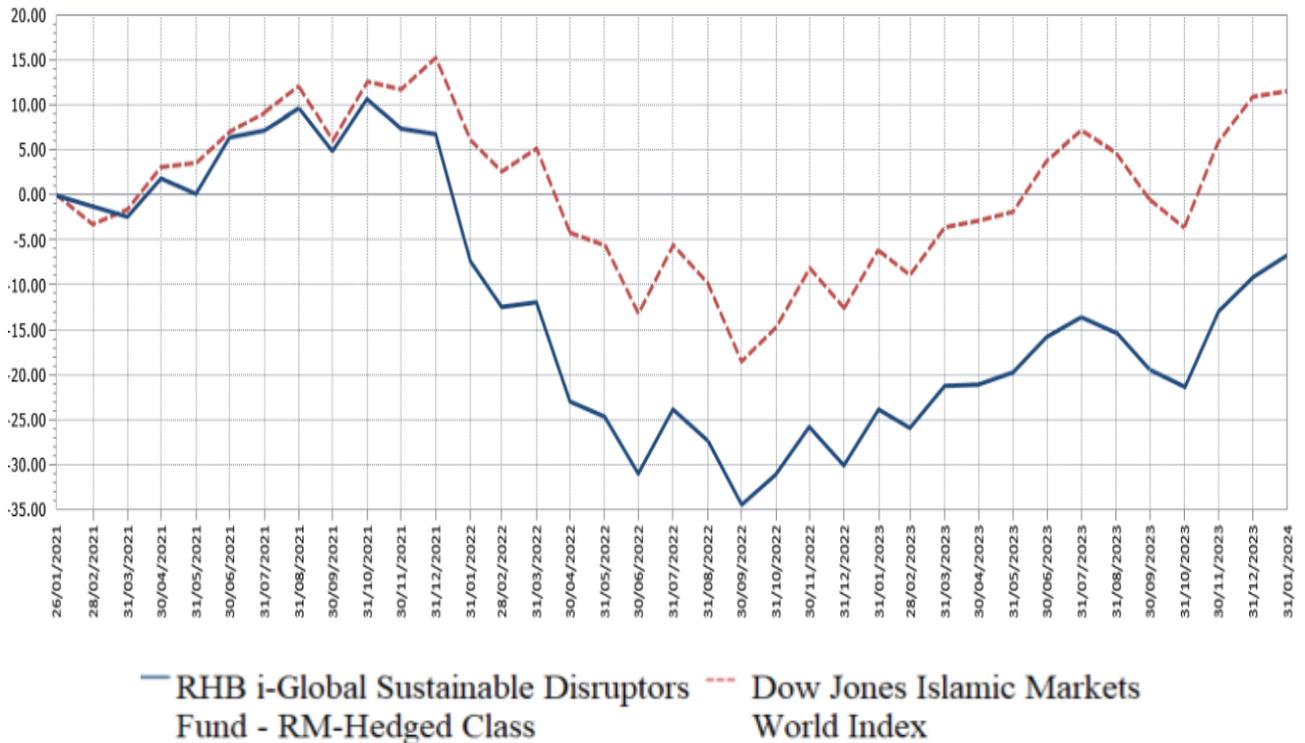
^ For the financial period since last day of Initial Offer Period

** Being the last day of Initial Offer Period

**Performance of RHB i-Global Sustainable Disruptors Fund – USD Class
for the period from 26 January 2021** to 31 January 2024
Cumulative Return Over The Period (%)**



**Performance of RHB i-Global Sustainable Disruptors Fund – RM-Hedged Class
for the period from 26 January 2021** to 31 January 2024
Cumulative Return Over The Period (%)**



** Being the last day of Initial Offer Period

Source: Lipper IM, 8 February 2024

The above mentioned performance figures are indicative returns based on daily Net Asset Value of a unit (as per Lipper Database) since inception.

The calculation of the above returns is based on computation methods of Lipper.

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

The above mentioned performance computations have been adjusted to reflect distribution payments and unit splits wherever applicable.

Fund Size – USD Class	As at 31 January		
	2024	2023	2022
Net Asset Value (USD million)	1.81	2.30	2.96*
Units In Circulation (million)	2.00	3.10	3.29
Net Asset Value Per Unit (USD)	0.9070	0.7404	0.8994*

Fund Size – RM-Hedged Class	As at 31 January		
	2024	2023	2022
Net Asset Value (USD million)	42.81	46.67	57.34*
Units In Circulation (million)	213.77	259.77	257.80
Net Asset Value Per Unit (USD)	0.2003	0.1797	0.2224*

Historical Data	Financial Year/Period Ended 31 January		
	2024	2023	2022
Unit Prices			
<u>USD Class</u>			
NAV - Highest (USD)	0.9180	0.9152	1.1554*
- Lowest (USD)	0.7161	0.6237	0.8481*
<u>RM-Hedged Class</u>			
NAV - Highest (RM)	0.9573	0.9466	1.1890*
- Lowest (RM)	0.7527	0.6787	0.8784*
Unit Split	-	-	-
Others			
Total Expense Ratio (TER) (%) #	1.89	1.91	2.11
Portfolio Turnover Ratio (PTR) (times) ##	0.69	0.97	1.84

* *The figures quoted are ex-distribution*

The TER for the financial year was lower compared with the previous financial year due to lower expenses incurred for the financial year under review

The PTR for the financial year was lower compared with the previous financial year due to lesser investments activities for the financial year under review

DISTRIBUTION

Distribution Date	Financial Period Ended 31 January			
	Gross Distribution Per Unit (cent)	Net Distribution Per Unit (cent)	NAV before distribution (cum)	NAV after distribution (ex)
<u>2022</u> <u>USD Class</u> 26.01.2022	2.5000	2.5000	0.8859	0.8579
<u>RM-Hedged</u> <u>Class</u> 26.01.2022	2.5000	2.5000	0.9155	0.8879

For the financial year under review, no distribution has been proposed by the Fund.

PORTFOLIO STRUCTURE

The asset allocations of the Fund as at reporting date were as follows:

Sectors	As at 31 January		
	2024 %	2023 %	2022 %
Equities			
Advanced Medical Equipment	-	4.89	1.81
Aerospace / Defense - Industry	1.06	-	-
Airlines	1.22	-	-
Apparel / Accessories	2.22	-	-
Auto/Truck Manufacturers	-	1.04	-
Beverages - Non-Alcoholic	2.81	1.58	-
Biotechnology & Medical Research	1.79	2.24	-
Business Support Services	-	3.09	2.57
Chemicals – Commodity	2.34	1.82	-
Chemicals – Diversified	1.30	1.05	-
Chemicals – Specialty	-	1.05	-
Construction - Supplies/Fixtures	1.05	1.73	-
Construction & Engineering	0.93	-	-
Diversified Industrial Goods Wholesalers	1.97	2.04	-
Electrical Components/Equipment	3.35	7.18	4.33
Electronic Equipments & Parts	-	3.78	5.33
Employment Services	-	0.39	1.54
Food Processing	2.26	3.73	-
Financial & Commodity Market Operators	-	-	1.45
Footwear	1.86	0.99	2.63
Healthcare Facilities	1.02	-	-
Heavy Electrical Equipment	2.09	-	-
Home Improvement Products & Services			
Retailers	1.58	-	-
IT Services/Consulting	3.50	2.65	2.65
Medical Equipment/Supplies/Distribution	2.38	5.24	7.25
Mining/Metals – Specialty	-	2.07	-
Oil/Gas Exploration/Production	2.20	3.80	-
Online Services	13.26	8.42	21.85
Personal Products	1.35	0.85	0.87
Pharmaceuticals – Diversified	3.94	3.91	3.27
Phones & Handheld Devices	3.82	1.56	3.52
Renewable Energy Equipment & Services	-	1.14	-
Retail - Department Stores	5.44	3.53	6.55
Retail - Discount Stores	1.33	1.90	-
Semiconductor Equipment/Testing	3.31	2.93	3.09
Semiconductors	11.87	5.75	6.92

PORTFOLIO STRUCTURE (CONTINUED)

The asset allocations of the Fund as at reporting date were as follows: (continued)

Sectors	As at 31 January		
	2024	2023	2022
Equities	%	%	%
Software	12.26	11.60	15.97
	<hr/>	<hr/>	<hr/>
	93.51	91.95	91.60
Islamic collective investment schemes	-	1.03	-
Islamic forward foreign currency contacts	(1.24)	1.19	(0.16)
Liquid assets and other net current assets	7.73	5.83	8.56
	<hr/>	<hr/>	<hr/>
	100.00	100.00	100.00

The assets allocation reflects the Fund's strategy to have maximum exposure to the investments.

SECURITIES FINANCING TRANSACTIONS

The Fund has not undertaken any securities lending or repurchase transactions for the financial year under review.

CROSS TRADE

The Fund has not carried out any cross trade transactions for the financial year under review.

SOFT COMMISSION

Soft commissions were received by the management company for the financial year under review from brokers/dealers who have also executed trades for other funds or investment managed by the management company or Fund Manager. The soft commissions were utilised for research data and materials that assist in the decision making process relating to the Fund's investment. The soft commissions received were for the benefit of the funds and there were no churning of trades.

RHB i-GLOBAL SUSTAINABLE DISRUPTORS FUND
STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2024

	<u>Note</u>	<u>2024</u> <u>USD</u>	<u>2023</u> <u>USD</u>
ASSETS			
Bank balances	5	2,079,089	2,732,360
Islamic deposits with licensed financial institutions	5	39,775	-
Investments	6	41,731,748	45,527,967
Amount due from brokers		1,881,013	1,974,771
Amount due from counterparties		234,429	383,760
Amount due from Manager		4,313	715
Dividend receivables		16,196	7,126
Other receivables		1,011	-
Tax recoverable		34,030	-
Islamic forward foreign currency contracts	7	1,596	636,685
TOTAL ASSETS		<u>46,023,200</u>	<u>51,263,384</u>
LIABILITIES			
Islamic forward foreign currency contracts	7	556,533	54,395
Amount due to brokers		470,270	1,763,341
Amount due to counterparties		232,930	384,370
Amount due to Manager		58,893	3,823
Accrued management fee		67,566	72,297
Amount due to Trustee		1,877	2,008
Tax payable		-	8,341
Other payables and accruals		7,285	10,062
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)		<u>1,395,354</u>	<u>2,298,637</u>
NET ASSET VALUE		<u>44,627,846</u>	<u>48,964,747</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>44,627,846</u>	<u>48,964,747</u>

The accompanying notes are an integral part of the financial statements.

RHB i-GLOBAL SUSTAINABLE DISRUPTORS FUND
STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2024 (CONTINUED)

	<u>Note</u>	<u>2024</u> USD	<u>2023</u> USD
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS :			
- USD Class		1,813,841	2,296,281
- RM-Hedged Class		42,814,005	46,668,466
		<u>44,627,846</u>	<u>48,964,747</u>
UNITS IN CIRCULATION:			
USD Class (UNITS)	9(a)	1,999,812	3,101,513
RM-Hedged Class (UNITS)	9(b)	213,774,912	259,765,425
		<u>215,774,724</u>	<u>262,866,938</u>
NET ASSET VALUE PER UNIT:			
- USD Class (USD)		0.9070	0.7404
- RM-Hedged Class (USD)		0.2003	0.1797
		<u>0.9070</u>	<u>0.7404</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES:			
- USD Class (USD)		0.9070	0.7404
- RM-Hedged Class (RM)		0.9468	0.7661
		<u>0.9070</u>	<u>0.7404</u>

The accompanying notes are an integral part of the financial statements.

RHB i-GLOBAL SUSTAINABLE DISRUPTORS FUND
STATEMENT OF INCOME AND EXPENSES
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024

	<u>Note</u>	<u>2024</u> USD	<u>2023</u> USD
INCOME/(LOSS)			
Dividend income		487,603	358,952
Profit income from Islamic deposits with licensed financial institutions		2,226	21,009
Net realised gain/(loss) on disposal		218,998	(11,345,293)
Net unrealised gain on changes in fair value		9,453,275	860,102
Net foreign currency exchange loss		(13,487)	(131,105)
Net loss on Islamic forward foreign currency contracts	7	(4,054,274)	(896,490)
		<u>6,094,341</u>	<u>(11,132,825)</u>
EXPENSES			
Management fee	10	(812,574)	(889,281)
Trustee's fee	11	(22,572)	(24,703)
Audit fee		(1,650)	(1,900)
Tax agent's fee		(4,300)	(11,395)
Transaction costs		(78,232)	(119,547)
Other expenses		(127,890)	(105,846)
		<u>(1,047,218)</u>	<u>(1,152,672)</u>
Net income/(loss) before taxation		5,047,123	(12,285,497)
Taxation	12	18,595	(21,411)
Net increase/(decrease) in net assets attributable to unit holders		<u>5,065,718</u>	<u>(12,306,908)</u>
Net increase/(decrease) in net assets attributable to unit holders is made up as follow:			
Realised amount		(3,264,129)	(13,728,999)
Unrealised amount		8,329,847	1,422,091
		<u>5,065,718</u>	<u>(12,306,908)</u>

The accompanying notes are an integral part of the financial statement.

**RHB i-GLOBAL SUSTAINABLE DISRUPTORS FUND
STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024**

	<u>2024</u> USD	<u>2023</u> USD
Net assets attributable to unit holders at the beginning of the financial year	48,964,747	60,301,721
Movement due to units created and cancelled during the financial year:		
Creation of units from applications		
- USD Class	95,085	114,104
- RM-Hedged Class	4,181,623	8,316,341
	<u>4,276,708</u>	<u>8,430,445</u>
Cancellation of units		
- USD Class	(972,991)	(244,632)
- RM-Hedged Class	(12,706,336)	(7,215,879)
	<u>(13,679,327)</u>	<u>(7,460,511)</u>
Net increase/(decrease) in net assets attributable to unit holders during the financial year	<u>5,065,718</u>	<u>(12,306,908)</u>
Net assets attributable to unit holders at the end of financial year	<u>44,627,846</u>	<u>48,964,747</u>

The accompanying notes are an integral part of the financial statements.

RHB i-GLOBAL SUSTAINABLE DISRUPTORS FUND
STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024

	<u>Note</u>	<u>2024</u> USD	<u>2023</u> USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		38,090,223	39,282,858
Purchase of investments		(25,901,385)	(40,387,260)
Dividends received		361,805	277,765
Profits received from Islamic deposits with licensed financial institutions		2,226	21,009
Management fee paid		(817,305)	(911,595)
Trustee's fee paid		(22,703)	(25,323)
Payment for other fees and expenses		(20,900)	(22,893)
Net realised foreign exchange (loss)		(27,285)	(16,317)
Net realised loss on Islamic forward foreign currency contracts		(2,917,047)	(1,573,267)
Tax paid		(23,776)	(13,070)
Net cash generated from/(used in) operating activities		8,723,853	(3,368,093)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		4,273,110	8,772,212
Cash paid for units cancelled		(13,624,257)	(7,465,386)
Cash paid for income distributions		-	(1,629)
Net cash (used in)/generated from financing activities		(9,351,147)	1,305,197
Net decrease in cash and cash equivalents		(627,294)	(2,062,896)
Foreign currency translation differences		13,798	(114,788)
Cash and cash equivalents at the beginning of the financial year		2,732,360	4,910,044
Cash and cash equivalents at the end of the financial year	5	2,118,864	2,732,360

The accompanying notes are an integral part of the financial statements.

**RHB i-GLOBAL SUSTAINABLE DISRUPTORS FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024**

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

The RHB i-Global Sustainable Disruptors Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of a Deed dated 7 October 2020 as modified via its first supplemental deed dated 7 February 2023 (collectively referred to as “the Deeds”) between RHB Islamic International Asset Management Berhad (“the Manager”) and HSBC (Malaysia) Trustee Berhad (“the Trustee”).

The Fund was launched on 6 January 2021 and will continue its operations until it terminated according to the conditions in the Deed. The principal activity of the Fund is to invest in Permitted Investments as defined under the Deed.

The main objective of the Fund is to provide capital appreciation over the medium to long term by investing in a portfolio of Shariah-compliant equities.

All investments will be subject to the Securities Commission Malaysia (“SC”)’s Guidelines on Unit Trust Funds, SC’s requirements, the Deed, except where exemptions or variations have been approved by the SC, internal policies and procedures and objective of the Fund.

The Fund’s activities shall be conducted strictly in accordance with the requirement of the Shariah principles and shall be monitored by the Shariah Adviser of the Fund.

The Manager, a company incorporated in Malaysia, is a wholly-owned subsidiary of RHB Asset Management Sdn Bhd, effective 1 December 2013. Its principal activities include rendering of Islamic fund management services and management of Islamic unit trust funds.

These financial statements were authorised for issue by the Manager on 22 March 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation of the financial statements

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

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 income and expenses during the financial year. 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. There were no areas involving higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

a) Standards and amendments to existing standards effective 1 February 2023

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 February 2023 that have a material effect on the financial statements of the Fund.

(b) New standards, amendments and interpretations effective after 1 February 2023 and have not been early adopted

A number of new standards and amendments to standards and interpretations are effective for the financial year beginning after 1 February 2023. None of these is expected to have a significant effect on the financial statements of the Fund, except the following set out below:

- Amendments to MFRS 101 ‘Classification of liabilities as current or non-current’ clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity’s expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

The amendment is effective for the annual financial reporting period beginning on or after 1 February 2024.

The amendment shall be applied retrospectively.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Financial assets

Classification

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

- those to be measured subsequently at fair value through profit or loss (“FVTPL”), 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 financial assets measured at fair value through other comprehensive income. The contractual cash flows of the Fund’s debt securities are solely payments of principal and profit, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund’s business model’s objective. Consequently, all investments and derivatives are measured at fair value through profit or loss.

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

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Financial assets (continued)

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. Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of income and expenses.

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

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. 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 statement of income and expenses within net gain or losses on investments in the year in which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of income and expenses within dividend income when the Fund's right to receive payments is established.

Quoted Shariah-compliant investments and Islamic collective investment scheme are initially recognised at fair value and subsequently re-measured at fair value based on the market price quoted on the relevant stock exchanges at the close of the business on the valuation day, where the close price falls within the bid-ask spread. In circumstances where the close price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

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 securities are valued as determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Financial assets (continued)

Recognition and measurement (continued)

Islamic deposits with licensed financial institutions are stated at cost plus accrued profit calculated on the effective profit method over the year from the date of placement to the date of the statement of financial position, which is a reasonable estimate of fair value due to the short-term nature of the deposits.

Islamic derivative financial instruments comprise Islamic forward foreign currency contracts. Islamic financial derivative position will be “marked to market” at the close of each valuation day. Foreign exchange gains and losses on the Islamic forward foreign currency contracts are recognised in the statement of income and expenses when settled or at the date of the statement of financial position at which they are included in the measurement of the Islamic derivative financial instrument.

Financial assets at amortised cost, except for forward foreign currency contracts are subsequently carried at amortised cost using the effective profit method.

Impairment of financial assets

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 the 12-month expected credit losses as any such impairment would be wholly insignificant to the Fund.

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 or a counterparty credit rating which has fallen below BBB/Baa.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Financial assets (continued)

Definition of default and credit-impaired financial assets

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

Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on the 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 year.

2.3 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of MFRS 9, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

The Fund's financial liabilities which include amount due to brokers, amount due to counterparties, amount due to Manager, accrued management fee, amount due to Trustee, other payables and accruals and net assets attributable to unit holders are recognised initially at fair value plus directly attributable transaction cost and subsequently measured at amortised cost using the effective profit method.

The Fund's policies on Islamic derivative instruments are stated in Note 2.2 and Note 2.12.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in statement of income and expenses when the liabilities are derecognised, and through the amortisation process.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 Creation and cancellation of units

The unit holders' contribution to the Fund meet the definition of puttable instruments classified as financial liability under MFRS132 "Financial Instruments: Presentation".

The Fund issues two classes of cancellable units, which are cancelled at the unit holders' option and do not have identical features subject to restrictions as stipulated in the Prospectus and the SC's Guidelines on Unit Trust Funds. The units are classified as financial liabilities.

Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's net asset value attributable to the unit class. The outstanding units are carried at the redemption amount that is payable at the statement of financial position date if the unit holders exercise the right to put the unit back to the Fund.

Units are created and cancelled at the unit holder's option at prices based on the Fund's net asset value per share of the respective classes at the close of business on the relevant dealing day. The Fund's net asset value per share of the respective classes is calculated by dividing the net assets attributable to the unit holders of each class of units with the total number of outstanding units for each respective class.

2.5 Income recognition

Dividend income from quoted Shariah-compliant investments and Islamic collective investment scheme are recognised when the Fund's right to receive payment is established. Dividend income is received from financial assets measured at FVTPL.

Profit income from short-term Islamic deposits with licensed financial institutions is recognised on an accrual basis using the effective profit method.

Profit income is calculated by applying the effective profit 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 profit rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5 Income recognition (continued)

Realised gain or loss on sale of quoted Shariah-compliant investments and Islamic collective investment scheme are arrived at after accounting for cost of investments, determined on the weighted average cost method.

Realised gain or loss on Islamic forward foreign currency contracts are measured by the net settlement amount as per the Islamic forward foreign currency contract.

Net income or loss is the total of income less expenses.

2.6 Taxation

Current tax expense is determined according to Malaysian tax laws at the current rate and includes all taxes based upon the taxable income earned during the financial year.

2.7 Cash and cash equivalents

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

2.8 Amount due from/to brokers and counterparties

Amounts due from/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 date of the statement of financial position respectively. The amount due from brokers balance is held for collection.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Amount due from/to brokers and counterparties (continued)

Amounts due from/to counterparties represent forward/spot contract receivables/payables and profit receivables/payables for cross-currency swap agreements that have been contracted for but not yet settled or delivered on the date of the statement of financial position respectively. The amount due from counterparties 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 amounts due from brokers and counterparties 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-month expected credit losses. Significant financial difficulties of the brokers and counterparties, probability that the brokers and counterparties will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

2.9 Presentation and functional 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 United States Dollar (“USD”), which is the Fund’s presentation and functional currency.

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in USD primarily due to the following factors:

- Part of the Fund’s cash is denominated in USD for the purpose of making settlement of the foreign trades.
- The Fund’s significant expenses are denominated in USD.
- The Fund’s investments are significantly denominated in USD.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.10 Foreign currency translation

Foreign currency transactions in the Fund are accounted for at exchange rates prevailing at the transaction dates. Foreign currency monetary assets and liabilities are translated at exchange rates prevailing at the reporting date. Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are recognised in statement of income and expenses

2.11 Increase/decrease in net assets attributable to unit holders

Income not distributed is included in net assets attributable to unit holders.

2.12 Islamic derivative financial instruments

The Fund's Islamic derivative financial instruments comprise Islamic forward foreign currency contracts. Islamic derivative financial instruments are initially recognised at fair value on the date derivative contracts are entered into and are subsequently re-measured at their fair value.

The fair value of Islamic forward foreign currency contracts is determined using forward exchange rates at the date of the statement of financial position, with the resulting value discounted back to present value.

The method of recognising the resulting gain or loss depends on whether the Islamic derivative financial instrument is designated as a hedging instrument, and the nature of the item being hedged. Islamic derivative financial instruments that do not qualify for hedge accounting are classified as FVTPL and accounted for in accordance with the accounting policy set out in Note 2.2.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks, which include market risk, price risk, profit rate risk, currency risk, credit risk, liquidity risk, Shariah specific 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 SC's Guidelines on Unit Trust Funds.

Market risk

Securities may decline in value due to factors affecting securities markets generally or particular industries represented in the securities markets. The value of a security may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in profit or currency rates or adverse investors' sentiment generally. They may also decline due to factors that affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry. Equity securities generally have greater price volatility than unquoted sukuk. The market price of securities owned by a unit trust fund might go down or up, sometimes rapidly or unpredictably.

Price risk

Price risk is the risk that the fair value of the investments of the Fund will fluctuate because of changes in market prices.

The Fund is exposed to quoted Shariah-compliant investments and Islamic collective investment scheme (other than those arising from profit rate risk) price risk for its investments of USD41,731,748 (2023: USD45,527,967) in quoted Shariah-compliant investments and Islamic collective investment scheme.

The sensitivity analysis is based on the assumption that the price of the quoted Shariah-compliant investments and Islamic collective investment scheme fluctuate by +/-(-) 5% with all other variables held constant, the impact on the statement of income and expenses and net asset value is +/-(-) USD2,086,587 (2023: USD2,276,398)

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Profit rate risk

Profit rate risk is the risk that cost or the value of the financial instruments will fluctuate due to changes in market profit rates. The Fund's exposure to the profit rate risk is mainly from short term Islamic placements with licensed financial institutions. The Manager overcomes the exposure by way of maintaining Islamic deposits on short-term basis. Therefore, exposure to profit rate fluctuation is minimal.

Currency risk

Currency risk is associated with financial instruments that are quoted and/or priced in foreign currency denomination. Malaysian based investor should be aware that if the Ringgit Malaysia appreciates against the currencies in which the portfolio of the investment is denominated, this will have an adverse effect on the net asset value of the Fund and vice versa. Investors should note any gains or losses arising from the movement of foreign currencies against its home currency may therefore increase or decrease the capital gains of the financial instruments. Nevertheless, investors should realise that currency risk is considered as one of the major risks to financial instruments in foreign assets due to the volatile nature of the foreign exchange market.

The sensitivity of the Fund's net asset value attributable to unit holders as at reporting date to changes in foreign exchange movements is assessed at the end of each financial year. The analysis is based on the assumption that the foreign exchange rate fluctuates by +/- 5%, with all other variables remain constants, the impact on statement of income and expenses and net asset value is -USD3,384,423/+USD3,377,215 (2023: -USD2,852,217/+USD2,858,289).

Investors who are converting from Ringgit Malaysia ("RM") to USD to invest into the USD class of Fund will be subject to currency risk. The base currency of the Fund is USD. Investors are exposed to currency risk as the distribution and payment at maturity is in USD. When USD moves unfavourably against the RM, investors may face currency losses if they convert from USD to RM.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Currency risk (continued)

The following table sets out the currency risk concentration and counterparties of the Fund:

	<u>Investments</u> USD	<u>Cash and cash equivalents</u> USD	<u>Islamic forward foreign currency contracts</u> USD	<u>Other financial asset/ (liabilities)*</u> USD	<u>Net assets attributable to unit holders</u> USD	<u>Total</u> USD
2024						
Danish Krone	1,226,792	-	-	-	-	1,226,792
Euro	4,981,934	-	-	-	-	4,981,934
Hong Kong Dollar	408,479	-	-	-	-	408,479
Indian Rupee	457,582	105,865	-	-	-	563,447
Japanese Yen	1,883,532	-	-	-	-	1,883,532
Korean Won	988,382	-	-	3,828	-	992,210
Malaysian Ringgit	-	50,537	(554,937)	(52,828)	(42,814,005)	(43,371,233)
Pound Sterling	1,046,186	-	-	-	-	1,046,186
Singapore Dollar	-	-	-	(19)	-	(19)
Swedish Krona	544,815	-	-	-	-	544,815
Swiss Franc	1,266,198	-	-	(265,652)	-	1,000,546
Taiwan Dollar	1,551,991	103,229	-	(103,229)	-	1,551,991
	<u>14,355,891</u>	<u>259,631</u>	<u>(554,937)</u>	<u>(417,900)</u>	<u>(42,814,005)</u>	<u>(29,171,320)</u>

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Currency risk (continued)

The following table sets out the currency risk concentration and counterparties of the Fund: (continued)

	<u>Investments</u>	<u>Cash and</u>	<u>Islamic</u>	<u>Other</u>	<u>Net assets</u>	
	<u>equivalents</u>	<u>cash</u>	<u>forward</u>	<u>financial</u>	<u>attributable</u>	
	<u>USD</u>	<u>USD</u>	<u>foreign</u>	<u>asset/</u>	<u>to unit</u>	<u>Total</u>
			<u>contracts</u>	<u>(liabilities)</u>	<u>holders</u>	<u>USD</u>
			<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
				<u>*</u>		
<u>2023</u>						
Australia						
n Dollar	1,513,219	-	-	-	-	1,513,219
Danish						
Krone	1,652,623	-	-	479,177	-	2,131,800
Euro	3,722,230	-	-	(193,631)	-	3,528,599
Japanese						
Yen	3,096,966	-	-	-	-	3,096,966
Korean						
Won	1,384,906	-	-	1,624	-	1,386,530
Malaysian						
Ringgit	-	16,925	582,290	(47,411)	(46,668,466)	(46,116,662)
Pound						
Sterling	1,755,732	-	-	-	-	1,755,732
Singapore						
Dollar	-	-	-	(19)	-	(19)
Swiss						
Franc	2,342,066	-	-	25,676	-	2,367,742
Taiwan						
Dollar	1,813,324	35,948	-	(35,948)	-	1,813,324
	<u>17,281,066</u>	<u>52,873</u>	<u>582,290</u>	<u>229,468</u>	<u>(46,668,466)</u>	<u>(28,522,769)</u>

* Comprise of amount due from/(to) brokers, amount due from/(to) counterparties, amount due from/(to) Manager, dividend receivables, amount due to Manager, accrued management fee, amount due to Trustee, distribution payables, and other payables and accruals.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk

Credit risk refers to the possibility that the issuer of a particular investment will not be able to make timely or full payments of principal or income due on that investment. The credit risk arising from cash and cash equivalents is managed by ensuring that the Fund will only maintain cash balances and place Islamic deposit with reputable licensed financial institutions. For amount due from brokers, the settlement terms are governed by the relevant rules and regulations as prescribed by the 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.

For amount due from Fund Manager of collective investment scheme, the settlement terms are governed by the relevant rules and regulations as prescribed by the relevant regulatory authority in its home jurisdiction.

The following table sets out the credit risk concentration and counterparties of the Fund:

	Cash and cash equivalents	Islamic forward foreign currency contracts	Other financial assets*	Total
	USD	USD	USD	USD
<u>2024</u>				
AAA	2,118,864	1,596	-	2,120,460
Others	-	-	2,136,962	2,136,962
	<u>2,118,864</u>	<u>1,596</u>	<u>2,136,962</u>	<u>4,257,422</u>
<u>2023</u>				
AAA	2,732,360	636,685	-	3,369,045
Others	-	-	2,366,372	2,366,372
	<u>2,732,360</u>	<u>636,685</u>	<u>2,366,372</u>	<u>5,735,417</u>

* Comprise of amount due from brokers, amount due from counterparties, amount due from Manager, dividend receivables and other receivables.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations.

Liquidity risk exists when particular investments are difficult to sell. As such, the Fund may not be able to sell such illiquid investments at an advantageous time or price to meet its liquidity requirements. Unit trust funds with principal investment strategies that involve securities or securities with substantial market and/or credit risk tend to have the greater exposure to liquidity risk. As part of its risk management, the Manager will attempt to manage the liquidity of the Fund through asset allocation and diversification strategies within the portfolio. The Manager will also conduct constant fundamental research and analysis to forecast future liquidity of its investments.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period from 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 USD	Between 1 month to 1 year USD
<u>2024</u>		
Islamic forward foreign currency contracts	55,442	501,091
Amount due to brokers	470,270	-
Amount due to Manager	58,893	-
Amount due to counterparties	232,930	-
Accrued management fee	67,566	-
Amount due to Trustee	1,877	-
Other payables and accruals	-	7,285
Net assets attributable to unit holders*	44,627,846	-
	<u>45,514,824</u>	<u>508,376</u>
<u>2023</u>		
Islamic forward foreign currency contracts	35,217	19,178
Amount due to brokers	1,763,341	-
Amount due to counterparties	384,370	-
Amount due to Manager	3,823	-
Accrued management fee	72,297	-
Amount due to Trustee	2,008	-
Other payables and accruals	-	10,062
Net assets attributable to unit holders*	48,964,747	-
	<u>51,225,803</u>	<u>29,240</u>

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk (continued)

- * Outstanding units are redeemed on demand at the unit holder's option. However, the Manager does not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as unit holders of these instruments typically retain them for the medium to long term.

Shariah specific risk

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

Capital risk

The capital of the Fund is represented by net assets attributable to unit holders of USD 44,627,846 (2023: USD48,964,747). The amount of net assets attributable to unit holders 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.

4. 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 and financial liabilities traded in an active market (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the financial year end date.

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

4. FAIR VALUE ESTIMATION (CONTINUED)

The fair value of financial assets and financial liabilities that are not traded in an active market is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each financial year end date. Valuation techniques used for non-standardised financial instruments such as options, currency swaps and other over-the-counter derivatives, include the use of comparable recent transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

The fair values are based on the following methodologies and assumptions:

- (i) For bank balances and Islamic deposits with licensed financial institutions with maturities less than 1 year the carrying value is a reasonable estimate of fair value.
- (ii) The carrying value of receivables and payables are assumed to approximate their fair values due to their short term nature.

Fair value hierarchy

The Fund adopted MFRS 13 “Fair Value Measurement” in respect of disclosures about the degree of reliability of fair value measurement. This requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- 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)

4. FAIR VALUE ESTIMATION (CONTINUED)

Fair value hierarchy (continued)

The following table analyses within the fair value hierarchy the Fund's financial assets and financial liabilities at fair value through profit or loss (by class) measured at fair value:

	<u>Level 1</u> <u>USD</u>	<u>Level 2</u> <u>USD</u>	<u>Level 3</u> <u>USD</u>	<u>Total</u> <u>USD</u>
<u>2024</u>				
Financial assets at FVTPL:				
- Quoted Shariah-compliant investments	41,731,748	-	-	41,731,748
- Islamic forward foreign currency contracts	-	1,596	-	1,596
	<u>41,731,748</u>	<u>1,596</u>	<u>-</u>	<u>41,733,344</u>
Financial liabilities at FVTPL:				
- Islamic forward foreign currency contracts	-	(556,533)	-	(556,533)
<u>2023</u>				
Financial assets at FVTPL:				
- Quoted Shariah-compliant investments	45,023,824	-	-	45,023,824
- Islamic collective investment schemes	504,143	-	-	504,143
- Islamic forward foreign currency contracts	-	636,685	-	636,685
	<u>45,527,967</u>	<u>636,685</u>	<u>-</u>	<u>46,164,652</u>
Financial liabilities at FVTPL:				
- Islamic forward foreign currency contracts	-	(54,395)	-	(54,395)

4. FAIR VALUE ESTIMATION (CONTINUED)

Fair value hierarchy (continued)

Investments in active listed equities, i.e. quoted Shariah-compliant investments and Islamic collective investment scheme whose values are based on quoted and published market prices in active markets are classified within Level 1. The Fund does not adjust the quoted prices for these instruments.

Financial instruments that trade in markets that are considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. This includes Islamic forward foreign currency contracts. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

The Fund's policies on valuation of these financial assets and financial liabilities are stated in Note 2.2 and Note 2.12.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise:

	<u>2024</u> USD	<u>2023</u> USD
Bank balances	2,079,089	2,732,360
Islamic deposits with licensed financial institutions	39,775	-
	<u>2,118,864</u>	<u>2,732,360</u>

6. INVESTMENTS

	<u>2024</u> USD	<u>2023</u> USD
Investments:		
- Quoted Shariah-compliant investments - foreign	41,731,748	45,023,824
- Islamic collective investment schemes - foreign	-	504,143
	<u>41,731,748</u>	<u>45,527,967</u>

6. INVESTMENTS (CONTINUED)

Investments as at 31 January 2024 are as follows:

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of</u> <u>Net Asset</u> <u>Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS – FOREIGN				
<u>DENMARK</u>				
Pharmaceuticals - Diversified				
Novo Nordisk A/S	10,863	743,046	1,226,792	2.75
TOTAL DENMARK		743,046	1,226,792	2.75
<u>FRANCE</u>				
Apparel / Accessories				
Hermes International	465	855,792	988,760	2.22
Electrical Components/ Equipment				
Schneider Electric SE	2,854	444,758	566,941	1.27
IT Services/Consulting				
Capgemini SE	2,306	426,421	518,942	1.16
Personal Products				
L'Oreal	1,246	464,065	601,804	1.35
TOTAL FRANCE		2,191,036	2,676,447	6.00
<u>GERMANY</u>				
Footwear				
Adidas AG	4,339	663,435	829,981	1.86
TOTAL GERMANY		663,435	829,981	1.86

6. INVESTMENTS (CONTINUED)

Investments as at 31 January 2024 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of</u> <u>Net Asset</u> <u>Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN (CONTINUED)				
<u>HONGKONG</u>				
Online Services				
Tencent Holdings Ltd	11,800	467,868	408,479	0.91
TOTAL HONGKONG		467,868	408,479	0.91
<u>INDIA</u>				
Healthcare Facilities				
Apollo Hospitals Enterprise Ltd	5,981	318,394	457,582	1.02
TOTAL INDIA		318,394	457,582	1.02
<u>JAPAN</u>				
Chemicals – Diversified				
Shin-Etsu Chemical Co Ltd	14,400	337,773	578,818	1.30
Electrical Components/ Equipment				
Keyence Corporation	1,100	534,509	501,081	1.12
Medical Equipment/Supplies/ Distribution				
Hoya Corporation	6,200	702,716	803,633	1.80
TOTAL JAPAN		1,574,998	1,883,532	4.22

6. INVESTMENTS (CONTINUED)

Investments as at 31 January 2024 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of</u> <u>Net Asset</u> <u>Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS – FOREIGN (CONTINUED)				
<u>KOREA</u>				
Phones & Handheld Devices				
Samsung Electronics Co Ltd	18,143	899,331	988,382	2.21
TOTAL KOREA		899,331	988,382	2.21
<u>NETHERLANDS</u>				
Semiconductor				
Equipment/Testing				
ASML Holding N.V.	1,702	1,053,341	1,475,506	3.31
TOTAL NETHERLANDS		1,053,341	1,475,506	3.31
<u>SWEDEN</u>				
Heavy Electrical Equipment				
Atlas Copco	33,711	527,723	544,815	1.22
TOTAL SWEDEN		527,723	544,815	1.22
<u>SWITZERLAND</u>				
Food Processing				
Nestle SA	8,758	987,658	1,006,399	2.26
Medical				
Equipment/Supplies/ Distribution				
Straumann Holding AG	1,683	263,433	259,799	0.58
TOTAL SWITZERLAND		1,251,091	1,266,198	2.84

6. INVESTMENTS (CONTINUED)

Investments as at 31 January 2024 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of</u> <u>Net Asset</u> <u>Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS – FOREIGN (CONTINUED)				
<u>TAIWAN</u>				
Electrical				
Components/Equipment				
Voltronic Power Technology	10,000	595,008	428,197	0.96
Semiconductors				
Taiwan Semiconductor Manufacturing Co Ltd	56,000	1,184,112	1,123,794	2.52
TOTAL TAIWAN		1,779,120	1,551,991	3.48
<u>UNITED KINGDOM</u>				
IT Services/Consulting				
RELX PLC	25,190	761,217	1,046,186	2.34
TOTAL UNITED KINGDOM		761,217	1,046,186	2.34
<u>UNITED STATES</u>				
Aerospace / Defense - Industry				
Howmet Aerospace Inc	8,396	464,939	472,359	1.06
Airlines				
Rynair Holdings. Co	4,062	430,988	542,683	1.22
Beverages - Non-Alcoholic				
Coca-Cola Co	13,475	810,873	801,628	1.80
Monster Beverage Corporation	8,186	409,564	450,394	1.01
		1,220,437	1,252,022	2.81

6. INVESTMENTS (CONTINUED)

Investments as at 31 January 2024 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of</u> <u>Net Asset</u> <u>Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN (CONTINUED)				
<u>UNITED STATES (CONTINUED)</u>				
Biotechnology & Medical Research				
Regeneron Pharmaceuticals Inc	846	597,344	797,592	1.79
Chemicals - Commodity				
New Linde PLC	2,582	771,072	1,045,271	2.34
Construction – Supplies/Fixture				
Ferguson PLC	2,483	424,244	466,456	1.05
Construction & Engineering				
Quanta Services Inc	2,133	383,131	413,909	0.93
Diversified Industrial Goods Wholesalers				
Trane Technologies PLC	3,488	521,617	879,150	1.97
Heavy Electrical Equipment				
Otis Worldwide Corp	4,390	378,973	388,252	0.87
Home Improvement Products & Services Retailers				
Lowe's Companies Inc	3,310	722,002	704,500	1.58
Oil/Gas Exploration/Production				
EOG Resources Inc	8,648	1,092,535	984,056	2.20

6. INVESTMENTS (CONTINUED)

Investments as at 31 January 2024 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of</u> <u>Net Asset</u> <u>Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN (CONTINUED)				
<u>UNITED STATES (CONTINUED)</u>				
Online Services				
Alphabet Inc	5,185	579,273	726,419	1.63
Mastercard Inc	3,788	1,327,619	1,701,683	3.81
Meta Platforms Inc	4,128	810,667	1,610,498	3.61
Trade Desk Inc	6,583	499,560	450,475	1.01
Uber Technologies Inc	15,690	561,039	1,024,086	2.29
		<u>3,778,158</u>	<u>5,513,161</u>	<u>12.35</u>
Pharmaceuticals - Diversified				
Abbvie Inc	3,223	509,585	529,861	1.19
Phones & Handheld Devices				
Apple Inc	3,906	649,556	720,266	1.61
Retail - Department Stores				
Amazon.com Inc	15,647	2,336,228	2,428,414	5.44
Retail - Discount Stores				
Tjx Companies Inc	6,282	558,258	596,225	1.33
Semiconductors				
Advanced Micro Devices Inc	3,957	419,251	663,549	1.49
Analog Devices Inc	3,033	541,043	583,428	1.31
Nvidia Corporation	3,296	746,359	2,027,930	4.54
NXP Semiconductors	4,253	758,726	895,554	2.01
		<u>2,465,379</u>	<u>4,170,461</u>	<u>9.35</u>

6. INVESTMENTS (CONTINUED)

Investments as at 31 January 2024 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of</u> <u>Net Asset</u> <u>Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN (CONTINUED)				
<u>UNITED STATES (CONTINUED)</u>				
Software				
Adobe Inc	682	399,144	421,326	0.94
Cadence Design Systems Inc	2,921	426,535	842,592	1.89
Microsoft Corporation	8,609	2,359,069	3,422,766	7.67
Servicenow Inc	1,025	541,095	784,535	1.76
		<u>3,725,843</u>	<u>5,471,219</u>	<u>12.26</u>
TOTAL UNITED STATES		<u>21,030,289</u>	<u>27,375,857</u>	<u>61.35</u>
TOTAL QUOTED SHARIAH- COMPLIANT INVESTMENTS – FOREIGN		<u>33,260,889</u>	<u>41,731,748</u>	<u>93.51</u>
TOTAL INVESTMENTS		<u>33,260,889</u>	<u>41,731,748</u>	<u>93.51</u>

6. INVESTMENTS (CONTINUED)

Investments as at 31 January 2023 are as follows:

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of</u> <u>Net Asset</u> <u>Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS – FOREIGN				
<u>AUSTRALIA</u>				
Business Support Services				
IDP Education Ltd	68,844	1,344,708	1,513,219	3.09
TOTAL AUSTRALIA		1,344,708	1,513,219	3.09
<u>DENMARK</u>				
Medical Equipment/Supplies/ Distribution				
Coloplast A/S	4,030	590,832	484,045	0.99
Pharmaceuticals - Diversified				
Novo Nordisk A/S	8,487	1,161,047	1,168,578	2.39
TOTAL DENMARK		1,751,879	1,652,623	3.38
<u>FRANCE</u>				
Electrical Components/ Equipment				
Schneider Electric SE	8,620	1,343,312	1,388,343	2.84
Personal Products				
L'Oreal	1,019	322,047	418,324	0.85
TOTAL FRANCE		1,665,359	1,806,667	3.69
<u>GERMANY</u>				
Footwear				
Adidas AG	3,019	414,861	483,161	0.99
TOTAL GERMANY		414,861	483,161	0.99

6. INVESTMENTS (CONTINUED)

Investments as at 31 January 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of</u> Net Asset <u>Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN (CONTINUED)				
<u>JAPAN</u>				
Chemicals – Diversified				
Shin-Etsu Chemical Company Ltd	3,500	403,149	513,439	1.05
Electrical Components/ Equipment				
Keyence Corporation	2,900	1,409,160	1,322,095	2.70
Employment Services				
Recruit Holdings Co Ltd	6,000	292,173	191,217	0.39
Medical Equipment/Supplies/ Distribution				
Hoya Corporation	9,800	1,117,563	1,070,215	2.18
TOTAL JAPAN		3,222,045	3,096,966	6.32
<u>KOREA</u>				
Electronic Equipments & Parts				
Samsung SDI Company Limited	2,490	1,397,869	1,384,906	2.83
TOTAL KOREA		1,397,869	1,384,906	2.83
<u>NETHERLANDS</u>				
Semiconductor				
Equipment/Testing ASML Holding N.V.	2,189	1,304,495	1,432,402	2.93
TOTAL NETHERLANDS		1,304,495	1,432,402	2.93

6. INVESTMENTS (CONTINUED)

Investments as at 31 January 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of</u> <u>Net Asset</u> <u>Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS – FOREIGN (CONTINUED)				
<u>SWITZERLAND</u>				
Chemicals - Specialty				
Sika AG	1,825	406,089	514,163	1.05
Food Processing				
Nestle SA	15,062	1,695,223	1,827,903	3.73
TOTAL SWITZERLAND		2,101,312	2,342,066	4.78
<u>TAIWAN</u>				
Electrical				
Components/Equipment				
Voltronic Power Technology	16,000	952,013	804,797	1.64
Semiconductors				
Taiwan Semiconductor Manufacturing Company Ltd	58,000	1,229,196	1,008,527	2.06
TOTAL TAIWAN		2,181,209	1,813,324	3.70
<u>UNITED KINGDOM</u>				
IT Services/Consulting				
RELX PLC	34,288	1,006,779	1,013,767	2.07
Pharmaceuticals - Diversified				
Astrazeneca PLC	5,692	714,930	741,965	1.52
TOTAL UNITED KINGDOM		1,721,709	1,755,732	3.59

6. INVESTMENTS (CONTINUED)

Investments as at 31 January 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of</u> <u>Net Asset</u> <u>Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN (CONTINUED)				
<u>UNITED STATES</u>				
Advanced Medical Equipment				
Intuitive Surgical Inc	4,134	1,240,097	1,015,682	2.07
Thermo Fisher Scientific Inc	2,421	1,379,984	1,380,769	2.82
		<u>2,620,081</u>	<u>2,396,451</u>	<u>4.89</u>
Auto/Truck Manufacturers				
Tesla Inc	2,936	864,357	508,574	1.04
Beverages - Non-Alcoholic				
Coca-Cola Co	12,652	764,345	775,821	1.58
Biotechnology & Medical Research				
Regeneron Pharmaceuticals Inc	1,443	1,018,874	1,094,472	2.24
Chemicals – Commodity				
Linde PLC	2,692	769,462	890,890	1.82
Construction - Supplies/Fixtures				
Ferguson PLC	5,966	833,655	849,200	1.73
Diversified Industrial Goods Wholesalers				
Trane Technologies PLC	5,588	835,664	1,000,923	2.04

6. INVESTMENTS (CONTINUED)

Investments as at 31 January 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of</u> <u>Net Asset</u> <u>Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN (CONTINUED)				
<u>UNITED STATES (continued)</u>				
Electronic Equipments & Parts				
Zebra Technologies Corporation	1,466	660,243	463,520	0.95
IT Services/Consulting				
Globant SA	1,759	390,692	285,275	0.58
Medical Equipment/Supplies/ Distribution				
Masimo Corporation	5,951	1,387,010	1,012,146	2.07
Mining/Metals - Specialty				
Freeport- McMoRan Inc	22,751	707,639	1,015,150	2.07
Oil/Gas Exploration/Production				
Conocophillips	6,697	886,444	816,163	1.67
EOG Resources Inc	7,901	982,628	1,044,907	2.13
		1,869,072	1,861,070	3.80
Online Services				
Alphabet Inc	13,343	1,490,691	1,318,822	2.69
Mastercard Inc	4,366	1,508,605	1,618,040	3.30
Uber Technologies Inc	38,453	1,388,961	1,189,351	2.43
		4,388,257	4,126,213	8.42
Phones & Handheld Devices				
Apple Inc	5,307	842,997	765,747	1.56

6. INVESTMENTS (CONTINUED)

Investments as at 31 January 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of</u> <u>Net Asset</u> <u>Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS – FOREIGN (CONTINUED)				
<u>UNITED STATES (continued)</u>				
Renewable Energy				
Equipment & Services				
Enphase Energy Inc	2,510	422,897	555,664	1.14
Retail - Department Stores				
Amazon.com Inc	16,771	2,715,919	1,729,593	3.53
Retail - Discount Stores				
Burlington Stores Inc	4,049	814,934	930,582	1.90
Semiconductors				
Nvidia Corporation	3,114	496,535	608,382	1.24
NXP Semiconductors	6,514	1,103,982	1,200,595	2.45
		1,600,517	1,808,977	3.69
Software				
Cadence Design Systems Inc	6,549	922,389	1,197,354	2.45
Microsoft Corporation	10,759	2,863,035	2,666,188	5.45
MSCI Inc	1,383	616,666	735,147	1.50
Servicenow Inc	880	456,353	400,514	0.82
Workday Inc	3,711	601,208	673,287	1.38
		5,459,651	5,672,490	11.60
TOTAL UNITED STATES		28,966,266	27,742,758	56.65
TOTAL QUOTED SHARIAH-COMPLIANT INVESTMENTS – FOREIGN		46,071,712	45,023,824	91.95

6. INVESTMENTS (CONTINUED)

Investments as at 31 January 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of</u> Net Asset <u>Value</u> %
ISLAMIC COLLECTIVE INVESTMENT SCHEMES – FOREIGN				
<u>UNITED STATES</u>				
Real Estate Investment Trust				
Equinix Inc REIT	683	438,671	504,143	1.03
TOTAL UNITED STATES		438,671	504,143	1.03
TOTAL ISLAMIC COLLECTIVE INVESTMENT SCHEMES – FOREIGN				
		438,671	504,143	1.03
TOTAL INVESTMENTS		46,510,383	45,527,967	92.98

7. ISLAMIC FORWARD FOREIGN CURRENCY CONTRACTS

As at 31 January 2024, there were twenty (2023: fourteen) Islamic forward foreign currency contracts outstanding with HSBC Amanah Malaysia Berhad. The notional principal amount of the outstanding Islamic forward foreign currency contracts amounted to USD39,000,000 (2023: USD28,000,000.)

The Islamic foreign currency forward agreement entered into is for hedging against the currency exposure arising from the investment in the quoted Shariah-compliant investments denominated in USD.

7. ISLAMIC FORWARD FOREIGN CURRENCY CONTRACTS (CONTINUED)

As the Fund has not adopted hedge accounting, the change in the fair value of the Islamic foreign currency forward contracts is recognised immediately in the statement of income and expenses.

Net loss on Islamic forward foreign currency contracts is as follows:

	<u>2024</u> USD	<u>2023</u> USD
Net loss on Islamic forward foreign currency contracts comprised:		
- Net realised loss on Islamic forward foreign currency contracts	(2,917,048)	(1,573,267)
- Net unrealised (loss)/gain on Islamic forward foreign currency contracts	(1,137,226)	676,777
	<u>(4,054,274)</u>	<u>(896,490)</u>

Islamic forward foreign currency contracts as at 31 January 2024 are as follows:

<u>Counterparties</u>	<u>Receivables</u> USD	<u>Payables</u> USD	<u>Fair Value</u> USD	<u>% of Net Asset Value</u> %
HSBC Amanah Malaysia Berhad	28,612,487	(29,000,000)	(387,513)	(0.87)
RHB Islamic Bank Berhad	9,832,576	(10,000,000)	(167,424)	(0.38)
	<u>38,445,063</u>	<u>(39,000,000)</u>	<u>(554,937)</u>	<u>(1.25)</u>

Islamic forward foreign currency contracts as at 31 January 2023 are as follows:

<u>Counterparties</u>	<u>Receivables</u> USD	<u>Payables</u> USD	<u>Fair Value</u> USD	<u>% of Net Asset Value</u> %
HSBC Amanah Malaysia Berhad	28,582,290	(28,000,000)	582,290	1.19

8. SHARIAH INFORMATION OF THE FUND

The following are the Shariah information of the Fund.

(a) Investment Portfolio

The Shariah Adviser has confirmed that investment portfolio of the Fund is Shariah-compliant, which comprises:

- (i) Equity securities listed in Bursa Malaysia which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission of Malaysia;
- (ii) Equity securities in foreign markets which have been classified as Shariah-compliant under the Shariah screening methodology accepted and duly verified by the Shariah Adviser and/or these securities which have been reviewed and classified as Shariah-compliant by the Shariah Adviser;
- (iii) Investment or cash placements in Islamic liquid assets in local market, including Islamic money market, Islamic deposits with Islamic financial institutions, Islamic financial derivatives and/or Islamic collective investment schemes.

(b) Interest from foreign currency accounts shall not be recognised as income.

A portion of the cash is maintained in foreign currency accounts outside Malaysia to facilitate the purchase and selling of securities in a particular country. Interest earned, if any, from these accounts shall not be recognised as income to the Fund. The Fund will compute the interest amount received and the interest will be channelled to *Baitulmal* or any other charitable bodies as advised by the Shariah Adviser as part of the Fund's cleansing process.

There is nil interest amount received during the financial year of the Fund.

9. UNITS IN CIRCULATION

(a) USD Class

	<u>2024</u> Units	<u>2023</u> Units
At the beginning of the financial year	3,101,513	3,292,678
Creation of units during the financial year:		
Arising from applications	112,332	141,266
Cancellation of units during the financial year	(1,214,033)	(332,431)
At the end of the financial year	<u>1,999,812</u>	<u>3,101,513</u>

(b) RM-Hedged Class

	<u>2024</u> Units	<u>2023</u> Units
At the beginning of the financial year	259,765,425	257,804,682
Creation of units during the financial year:		
Arising from applications	22,674,993	43,906,511
Cancellation of units during the financial year	(68,665,506)	(41,945,768)
At the end of the financial year	<u>213,774,912</u>	<u>259,765,425</u>

10. MANAGEMENT FEE

In accordance with the Prospectus, the management fee provided in the financial statements are as follows based on the net asset value of the Fund, calculated on a daily basis for the financial year.

Class	Management fee rate
USD Class	Up to 1.80% per annum
RM-Hedged Class	Up to 1.80% per annum

11. TRUSTEE'S FEE

In accordance with the Prospectus, the Trustee's fee provided in the financial statements is up to 0.05% (2023:0.05%) per annum based on the net asset value of the Fund, calculated on a daily basis for the financial year.

12. TAXATION

(a) Tax charge for the financial year

	<u>2024</u> USD	<u>2023</u> USD
Current taxation	2,816	21,411
Overprovision of tax in prior year	(21,411)	-
	<u>(18,595)</u>	<u>21,411</u>

(b) Numerical reconciliation of income tax expense

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

	<u>2024</u> USD	<u>2023</u> USD
Net income/(loss) before finance cost and taxation	<u>5,047,123</u>	<u>(12,285,497)</u>
Tax calculated at a statutory income tax rate of 24%	1,211,310	(2,948,519)
Tax effects of:		
- Investment loss not brought to tax /(Investment income not subject to tax)	(1,462,642)	2,714,145
- Expenses not deductible for tax purposes	57,745	62,852
- Restriction on tax deductible expenses	196,403	189,763
- Income subject to different tax rate	-	3,170
- Overprovision of tax in prior year	(21,411)	-
Tax expense	<u>(18,595)</u>	<u>21,411</u>

13. TOTAL EXPENSE RATIO (“TER”)

	<u>2024</u>	<u>2023</u>
	%	%
TER	1.89	1.91

The TER ratio is calculated based on total expenses excluding investment transaction related costs of the Fund to the average net asset value of the Fund calculated on a daily basis.

14. PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2024</u>	<u>2023</u>
PTR (times)	0.69	0.97

The PTR ratio is calculated based on average of acquisition and disposals of the Fund for the financial year to the average net asset value of the Fund calculated on a daily basis.

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

The number of units held by the related parties are as follows:

	<u>2024</u>		<u>2023</u>	
	Units	USD	Units	USD
RHB Bank Berhad				
- USD Class	838,249	760,292	871,939	645,584
- RM-Hedged Class	74,576,560	14,937,685	86,468,902	15,538,462
RHB Nominees (Tempatan) Sdn Bhd				
- USD Class	199,188	180,663	1,193,709	883,822
- RM-Hedged Class	55,131,581	11,042,856	70,831,794	12,728,473

15. UNITS HELD BY THE MANAGER AND RELATED PARTIES TO THE MANAGER (CONTINUED)

The Manager is of the opinion that all transactions with the related parties have been entered into in the normal course of business at agreed terms between the related parties.

The units held by RHB Bank Berhad, the ultimate holding company of the manager and RHB Nominees (Tempatan) Sdn Bhd, a wholly owned subsidiary of RHB Investment Bank Berhad, are under nominee structure.

Other than the above, there were no units held by the Manager, Directors or parties related to the Manager.

The holding company and the penultimate holding company of the Manager are RHB Asset Management Sdn Bhd and RHB Investment Bank Berhad respectively. The ultimate holding company of the Manager is RHB Bank Berhad. The Manager treats RHB Bank Berhad group of companies including RHB Investment Bank Berhad and its subsidiaries as related parties.

16. TRANSACTIONS BY THE FUND

Details of transactions by the Fund for the financial year ended 31 January 2024 are as follows:

<u>Brokers/Financial institutions</u>	<u>Value of trades</u> USD	<u>Percentage of total trades</u> %	<u>Brokerage fees</u> USD	<u>Percentage of total brokerage fees</u> %
The Depository Trust Company	22,864,476	36.52	6,200	10.35
Citicorp Investment Bank Singapore Ltd	11,036,108	17.63	11,567	19.32
Instinet Europe Ltd, London	5,759,308	9.20	11,256	18.80
Instinet LLC	5,436,106	8.68	1,051	1.76
Macquarie Capital (Europe) Ltd, London	5,378,449	8.59	10,757	17.96
RHB Investment Bank Berhad*	2,299,424	3.67	2,299	3.84
CIMB Securities Ltd, Korea	1,219,436	1.95	2,439	4.07
Macquarie Securities Ltd, Seoul	1,046,038	1.67	2,092	3.49
Citibank NA New York	983,467	1.57	984	1.64
Macquarie Bank Ltd Sydney	880,730	1.41	1,761	2.94
Others	5,707,287	9.11	9,478	15.83
	<u>62,610,829</u>	<u>100.00</u>	<u>59,884</u>	<u>100.00</u>

16. TRANSACTIONS BY THE FUND (CONTINUED)

Details of transactions by the Fund for the financial year ended 31 January 2023 are as follows:

<u>Brokers/Financial institutions</u>	<u>Value of trades</u> USD	<u>Percentage of total trades</u> %	<u>Brokerage fees</u> USD	<u>Percentage of total brokerage fees</u> %
The Depository Trust Company	17,390,695	20.66	6,207	7.58
Citibank, N.A.	15,658,551	18.61	4,975	6.07
Citicorp Investment Bank Singapore Ltd	13,050,217	15.51	13,050	15.93
RHB Investment Bank Berhad*	6,130,195	7.28	6,795	8.29
Pershing Securities Ltd, London	5,741,222	6.82	11,470	14.00
Macquarie Capital (Europe) Ltd, London	5,617,895	6.68	11,098	13.55
Instinet LLC	3,732,575	4.44	627	0.77
Instinet Europe Ltd, London	2,640,691	3.14	5,152	6.29
Citibank NA New York	2,062,190	2.45	2,062	2.52
Credit Lyonnais Securities (Asia) Ltd, Taipei	1,877,944	2.23	3,756	4.58
Others	10,252,364	12.18	16,732	20.42
	<u>84,154,539</u>	<u>100.00</u>	<u>81,924</u>	<u>100.00</u>

* Included in transactions by the Fund are trades with RHB Investment Bank Berhad, the penultimate holding company of the Manager. The Manager is of the opinion that all transactions with the related parties have been entered into in the normal course of business at agreed terms between the related parties.

17. FINANCIAL INSTRUMENTS BY CATEGORIES

	<u>2024</u> USD	<u>2023</u> USD
Financial assets		
Financial assets at FVTPL		
• Quoted Shariah-compliant investments	41,731,748	45,023,824
• Islamic collective investment schemes	-	504,143
• Islamic forward foreign currency contracts	1,596	636,685
	<u>41,733,344</u>	<u>46,164,652</u>
Financial assets at amortised cost		
• Bank balances	2,079,089	2,732,360
• Islamic deposits with licensed financial Institutions	39,775	-
• Amount due from brokers	1,881,013	1,974,771
• Amount due from counterparties	234,429	383,760
• Amount due from Manager	4,313	715
• Dividend receivables	16,196	7,126
• Other receivables	1,011	-
	<u>4,254,815</u>	<u>5,098,732</u>
Financial liabilities		
Financial liabilities at FVTPL		
• Islamic forward foreign currency contracts	<u>556,533</u>	<u>54,395</u>
Financial liabilities at amortised cost		
• Amount due to brokers	470,270	1,763,341
• Amount due to counterparties	232,930	384,370
• Amount due to Manager	58,893	3,823
• Accrued management fee	67,566	72,297
• Amount due to Trustee	1,877	2,008
• Other payables and accruals	7,285	10,062
• Net assets attributable to unit holders	44,627,846	48,964,747
	<u>45,466,667</u>	<u>51,200,648</u>

STATEMENT BY MANAGER
RHB i-GLOBAL SUSTAINABLE DISRUPTORS FUND

We, Dato' Darawati Hussain and Mohd Farid Bin Kamarudin, two of the Directors of RHB Islamic International Asset Management Berhad, do hereby state that in the opinion of the Directors of the Manager, the accompanying statement of financial position, statement of income and expenses, statement of changes in net asset value, statement of cash flows and the accompanying notes, are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of the Fund as at 31 January 2024 and of its financial performance and cash flows for the financial year then ended and comply with the provisions of the Deeds.

On behalf of the Manager,

Dato' Darawati Hussain
Director

Mohd Farid Bin Kamarudin
Director

22 March 2024

TRUSTEE'S REPORT

To the unit holders of RHB i-Global Sustainable Disruptors Fund (“Fund”)

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

1. Limitations imposed on the investment powers of the Management Company under the 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
22 March 2024

REPORT OF THE SHARIAH ADVISER RHB I-GLOBAL SUSTAINABLE DISRUPTORS FUND

To the unit holders of RHB i-Global Sustainable Disruptors Fund (“the Fund”).

We have acted as the Shariah Adviser of the Fund. Our responsibility is to ensure that the procedures and processes employed by RHB Islamic International Asset Management Berhad (“the Manager”) and that the provisions of the Deeds are in accordance with Shariah principles.

To the best of our knowledge, after having made all reasonable enquiries, the Manager has operated and managed the Fund in accordance with Shariah principles and requirement and complied with the applicable guidelines, rulings and decisions issued by the Securities Commission Malaysia pertaining to Shariah matters for the financial year ended 31 January 2024.

In addition, we also confirm that the investment portfolio of the Fund comprises instruments which have been classified as Shariah-compliant.

I, Azizi Che Seman , hereby confirm that all members of the Shariah Committee have been consulted and made aware of all the Shariah issues in relation to this report.

For and on behalf of Shariah Committee of RHB Islamic Bank Berhad
(Company No: 200501003283)

Azizi Che Seman
Member
Shariah Committee of RHB Islamic Bank Berhad

22 March 2024

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF RHB i-GLOBAL SUSTAINABLE DISRUPTORS FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of RHB i-Global Sustainable Disruptors Fund (“the Fund”) give a true and fair view of the financial position of the Fund as at 31 January 2024 and of its financial performance and its cash flows for the financial year then ended accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 January 2024, and the statement of income and expenses, statement of changes in net asset value and statement of cash flows for the financial year then ended, and notes to the financial statements, comprising a summary of material accounting policies and other explanatory information, as set out on pages 20 to 66.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the “Auditors’ responsibilities for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

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

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF RHB i-GLOBAL SUSTAINABLE DISRUPTORS FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the Manager for the financial statements

The Manager of the Fund is responsible for the preparation of the financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to terminate the Fund, or has no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF RHB i-GLOBAL SUSTAINABLE DISRUPTORS FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF RHB i-GLOBAL SUSTAINABLE DISRUPTORS FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

- (d) Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

OTHER MATTERS

This report is made solely to the unit holders of the Fund, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
22 March 2024

CORPORATE INFORMATION

MANAGER

RHB Islamic International Asset Management Berhad

REGISTERED OFFICE

Level 10, Tower One, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur

PRINCIPAL AND BUSINESS OFFICE

Level 8, Tower Two & Three, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur

Email address: rhbiiam.enquiry@rhbgroup.com

Tel: 03 – 9205 8000

Fax: 03 – 9205 8107

Website: <https://rhbgroup.com/myinvest>

BOARD OF DIRECTORS

Mr Yap Chee Meng (*Independent Non-Executive Chairman*)

(*Resigned with effect from 22 May 2023*)

Mr Chin Yoong Kheong (*Independent Non-Executive Director*)

(*Redesignated with effect from 22 May 2023*)

YBhg Dato' Darawati Hussain (*Senior Independent Non-Executive Director*)

(*Redesignated with effect from 22 May 2023*)

Encik Mohd Farid Bin Kamarudin (*Non-Independent Non-Executive Director*)

(*Redesignated with effect from 1 August 2023*)

Tuan Syed Ahmad Taufik Albar (*Non-Independent Non-Executive Director*)

(*Resigned with effect from 29 February 2024*)

Puan Hijah Arifakh Binti Othman (*Independent Non-Executive Director*)

(*Appointed with effect from 1 December 2022*)

(*Resigned with effect from 1 June 2023*)

Puan Sharizad Binti Juma'at (*Independent Non-Executive Director*)

(*Appointed with effect from 22 May 2023*)

INVESTMENT COMMITTEE MEMBERS

Mr Yap Chee Meng (*Independent Chairman*)

(*Resigned with effect from 22 May 2023*)

YBhg Dato' Darawati Hussain (*Independent Chairperson*)

(*Redesignated with effect from 22 May 2023*)

Puan Hijah Arifakh Binti Othman)

(*Resigned with effect from 1 June 2023*)

Mr Chin Yoong Kheong (*Appointed with effect from 22 May 2023*)

Puan Sharizad Binti Juma'at (*Appointed with effect from 22 May 2023*)

CORPORATE INFORMATION (CONTINUED)

ACTING CHIEF EXECUTIVE OFFICER

Encik Mohd Farid Bin Kamarudin

(Redesignated with effect from 1 August 2023)

SECRETARIES

Encik Azman Shah Md Yaman (LS No. 0006901)

Izafaniz Binti Abdullah Kamir (MACS01851)

TRUSTEE	HSBC (Malaysia) Trustee Berhad
SHARIAH ADVISER	RHB Islamic Bank Berhad
PRINCIPAL BANKER	RHB Islamic Bank Berhad
AUDITORS	PricewaterhouseCoopers PLT
TAX ADVISER	KPMG Tax Services Sdn Bhd
DISTRIBUTORS	RHB Asset Management Sdn Bhd RHB Bank Berhad RHB Islamic Bank Berhad RHB Investment Bank Berhad Affin Bank Berhad Areca Capital Sdn Bhd iFAST Capital Sdn Bhd Kenanga Investors Berhad OCBC Al-Amin Bank Berhad OCBC Bank (M) Berhad Phillip Mutual Berhad Standard Chartered Saadiq Berhad UOB Kay Hian Securities (M) Sdn Bhd