

**RHB ISLAMIC ASEAN MEGATREND FUND**

**SEMI-ANNUAL REPORT 2023**

For the financial period ended 30 November 2023

## GENERAL INFORMATION ABOUT THE FUND

### Name, Category and Type

Fund Name - RHB Islamic ASEAN Megatrend Fund

Fund Category - Equity Fund (Shariah – compliant)

Fund Type - Growth

### Investment Objective, Policy and Strategy

#### Objective of the Fund

This Fund aims to achieve medium to long term\* capital appreciation through investments in Shariah-compliant securities of companies with high growth potential.

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

#### Strategy

The Fund seeks to achieve its investment objective by investing primarily<sup>^</sup> in the Shariah-compliant securities of companies that are expected to benefit from the on-going development and growth of the ASEAN region (i.e. Malaysia, Singapore, Thailand, Philippines, Indonesia, Vietnam, Myanmar, Cambodia, Laos and Brunei) and opportunistically<sup>^</sup> from the on-going development and growth in Asia (i.e. India, China, Hong Kong, South Korea, Taiwan and Japan). In managing the Fund, the Manager will seek out companies that are exposed to the key development and growth trends that the Manager identifies as drivers of business and security markets performance.

#### Explanatory note:

<sup>^</sup> “primarily” refers to at least 70% of Net Asset Value in the securities of companies that are expected to benefit from the on-going development and growth of the ASEAN region and “opportunistically” means investing up to 30% of Net Asset Value in the securities of companies which are exposed to the investment themes identified by the Manager that influence the performance of the Asian capital markets.

The asset allocation of the Fund will be as follows:

- 70% - 98% of Net Asset Value - Investments in Shariah-compliant equities and equity related securities.
- 2% - 30% of Net Asset Value - Investments in liquid assets including Islamic money market instruments and Islamic deposits with licensed financial institutions.

## Performance Benchmark

The performance of the Fund is benchmarked against the FTSE Shariah ASEAN Index (Islamic).

## Permitted Investments

This Fund may invest or participate in Shariah-compliant securities listed on the Bursa Malaysia or any other market considered as an eligible market, Shariah-compliant securities not listed in or traded under the rules of an eligible market (“unlisted Shariah-compliant securities”), Islamic collective investment schemes, Islamic financial derivatives, Islamic liquid assets (including Islamic money market instruments and placements of cash) and any other Shariah-compliant investments permitted by the Shariah Advisory Council of the Securities Commission Malaysia (“SACSC”) and/or the Shariah Adviser from time to time. Consequently, all investments for this Fund are to be designated as Shariah-compliant and in this regard, the Shariah Adviser will advise on the selection of investments to ensure compliance with Shariah requirements.

## Distribution Policy

Subject to the availability of income, distribution, if any will be declared annually.

## Notification of Changes

In addition to the changes mentioned in the letter dated 10 July 2023, below are the remaining changes : -

### General Amendment

- (a) All references to “**interim report(s)**”, wherever they appear in the Principal Prospectus, are hereby amended to “**semi-annual report(s)**”.
- (b) All references to “**Shariah-compliant liquid assets**”, wherever they appear in the Principal Prospectus, are hereby amended to “**Islamic liquid assets**”.

### “DEFINITIONS”

Eligible Market	An exchange, government securities market or an over-the-counter market that is regulated by a regulatory authority of that jurisdiction, that is open to the public or to a substantial number of market participants and on which financial instruments are regularly traded.
EPF	Employees Provident Fund.

EPF-MIS	Employees Provident Fund – Members’ Investment Scheme.
financial institution(s)	(a) If the institution is in Malaysia – (i) licensed bank or licensed investment bank as defined under the Financial Services Act 2013; or (ii) licensed Islamic bank as defined under the Islamic Financial Services Act 2013; or (b) If the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services.
Guidelines	Guidelines on Unit Trust Funds issued by the Securities Commission including all amendments and/or revision thereto issued by the Securities Commission and any other relevant guidelines issued by the Securities Commission.
IUTA(s)	Institutional Unit Trust Scheme Adviser(s).
Repurchase Price	The price (before deducting any repurchase charge) payable by the Manager to a Unit Holder pursuant to the repurchase of a Unit. The Repurchase Price shall be the Net Asset Value per Unit as at the next valuation point of the Fund’s relevant Business Day (“forward pricing”) after the complete repurchase request is received by the Manager. A repurchase charge, if any, will be computed separately based on the withdrawal amount/repurchase amount, net of bank charges (if any).
Selling Price	The price (before adding any sales charge) payable by an investor or a Unit Holder for the purchase of a Unit. The Selling Price shall be the Net Asset Value per Unit as at the next valuation point of the Fund’s relevant Business Day (“forward pricing”) after the application for Units is received by the Manager. A sales charge, if any, will be computed separately based on the investment amount/purchase amount, net of bank charges (if any).
US Person	A US Person as defined in Section 7701 (a) (30) of the Internal Revenue Code and includes an individual who is a citizen or resident of the United States of America.

#### Chapter 1 – Fund Information, Section 1.2.5 – Islamic Collective Investment Schemes

The Manager will only make such investments that are consistent with the objective and enhance the performance of this Fund. In addition, the Manager will only make such investments if the Islamic collective investment scheme is authorised or recognised by the Securities Commission, or is registered or authorised or approved by the relevant regulatory authority in its home jurisdiction as the case may be, and which operates within the general investment principles of the Guidelines. The Fund’s investments in Islamic collective investment schemes (if any) shall always be made subject to the restrictions stipulated in section 1.3 (f), (g), (n) and (r).

#### Chapter 1 – Fund Information, Section 1.2.6 – Islamic Financial Derivatives

The Manager may participate in Islamic financial derivatives such as Islamic currency forwards, Islamic swaps or any other categories of financial derivatives which are structured in Shariah-compliant manner, permitted by the relevant authorities from time to time for hedging purposes, when appropriate. The Fund’s participation in Islamic financial derivatives is to hedge the portfolio from exposure to foreign currency volatility. Hence, the benefit of any upside of currency movements is limited. The purpose is to protect the value of the portfolio. When participating in such Islamic financial derivatives, the Manager will monitor the Islamic financial derivatives’ valuation and credit ratings of the financial institutions as counterparty to the Islamic financial derivatives, where applicable and take appropriate actions to mitigate any risk associated with such Islamic financial derivatives. This may extend to unwinding of the Islamic financial derivative in the event where there is a need to terminate current position due to reversal in market movement, redemptions in Units or upon downgrade of the credit ratings of the financial institutions. Commitment approach is used to calculate the Fund’s net market exposure. It is calculated as the sum of the (a) absolute value of the exposure of each individual Islamic financial derivative not involved in netting or hedging arrangements; (b) absolute value of the net exposure of each individual Islamic financial derivative after netting or hedging arrangements; and (c) the values of cash collateral received pursuant to the reduction of exposure to counterparties of over-the-counter (“OTC”) Islamic financial derivatives. The Fund’s investments in Islamic financial derivatives (if any) shall always be subject to the restrictions stipulated in section 1.3 (e), (o), (p) and (q).

#### Chapter 1 – Fund Information, Section 1.2.7 – Foreign Shariah-compliant Securities, first paragraph

The Manager may invest up to 98% of Net Asset Value in Shariah-compliant securities of companies listed on or traded in foreign Eligible Market. The Fund will invest in Shariah-compliant securities of companies whose business are in ASEAN and Asian countries and whose Shariah-compliant securities are listed on or traded in ASEAN and Asian markets namely Singapore, Thailand, Philippines, Indonesia, Vietnam, India, China, Hong Kong, South Korea, Taiwan and Japan. The Fund’s investments in Shariah-compliant foreign securities also include Shariah-compliant securities issued by companies with businesses in ASEAN and Asian countries that are not listed on or traded in ASEAN and Asian markets, such as US, United Kingdom and Australia.

## Chapter 1 – Fund Information, Section 1.3 – Permitted Investments and Restrictions

This Fund may invest or participate in Shariah-compliant securities listed on the Bursa Malaysia or any other market considered as an Eligible Market, Shariah-compliant securities not listed in or traded under the rules of an Eligible Market (“unlisted Shariah-compliant securities”), Islamic collective investment schemes, Islamic financial derivatives, Islamic liquid assets (including Islamic money market instruments and Placements of Cash) and any other Shariah-compliant investments permitted by the SACSC and/or the Shariah Adviser from time to time. Consequently, all investments for this Fund are to be designated as Shariah-compliant and in this regard, the Shariah Adviser will advise on the selection of investments to ensure compliance with Shariah requirements.

The acquisition of such permitted investments is subject to the following restrictions:

- a) The aggregate value of the Fund’s investments in Shariah-compliant transferable securities that are not traded or dealt in or under the rules of an Eligible Market (i.e., unlisted Shariah-compliant securities) must not exceed fifteen (15) per cent of the Fund’s Net Asset Value, subject to a maximum limit of ten (10) per cent of the Fund’s Net Asset Value in a single issuer, or any other limit as may be prescribed by the Securities Commission from time to time.
- b) The value of the Fund’s investments in Shariah-compliant ordinary shares issued by any single issuer must not exceed ten (10) per cent of the Fund’s Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- c) The value of the Fund’s investments in Shariah-compliant transferable securities (i.e. Shariah-compliant equities, sukuk and Shariah-compliant warrants) and Islamic money market instruments issued by any single issuer must not exceed fifteen (15) per cent of the Fund’s Net Asset Value (“single issuer limit”), or any other limit as may be prescribed by the Securities Commission from time to time. In determining the single issuer limit, the value of the Fund’s investments in instruments in paragraph (a) issued by the same issuer must be included in the calculation.
- d) The value of the Fund’s placement in Islamic deposits with any single financial institution must not exceed twenty (20) per cent of the Fund’s Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- e) The aggregate value of the Fund’s investments in, or exposure to, a single issuer through Shariah-compliant transferable securities, Islamic money market instruments, Islamic deposits, underlying assets of Islamic financial derivatives and counterparty exposure arising from the use of OTC Islamic financial derivatives must not exceed twenty-five (25) per cent of the Fund’s Net Asset Value (“single issuer aggregate limit”), or any other limit as may be prescribed by the Securities Commission from time to time. In determining the single issuer aggregate limit, the value of the Fund’s investments in instruments in paragraph (a) issued by the same issuer must be included in the calculation.
- f) The value of the Fund’s investments in units or shares of an Islamic collective investment scheme must not exceed twenty (20) per cent of the Fund’s Net Asset Value, provided that the Islamic collective investment scheme complies with paragraphs (r)(i), (ii) and (iii), excluding Islamic collective investment scheme that invests in real estate, or any other limit as may be prescribed by the Securities Commission from time to time.
- g) The value of the Fund’s investments in units or shares of an Islamic collective investment scheme that invests in real estate pursuant to paragraph (r)(iii) must not exceed fifteen (15) per cent of the Fund’s Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- h) The value of the Fund’s investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any group of companies must not exceed twenty (20) per cent of the Fund’s Net Asset Value (“group limit”), or any other limit as may be prescribed by the Securities Commission from time to time. In determining the group limit, the value of the Fund’s investments in instruments in paragraph (a) issued by the issuers within the same group of companies must be included in the calculation.
- i) The single issuer limit in paragraph (c) may be raised to thirty-five (35) per cent of the Fund’s Net Asset Value if the issuing entity is, or the issue is guaranteed by, either a foreign government, foreign government agency, foreign central bank or supranational, that has a minimum long-term credit rating of investment grade (including gradation and subcategories) by an international rating agency, or any other limit as may be prescribed by the Securities Commission from time to time. Where the single issuer limit is increased to thirty-five (35) per cent of the Fund’s Net Asset Value, the single issuer aggregate limit in paragraph (e) may be raised, subject to the group limit in paragraph (h) not exceeding thirty-five (35) per cent of the Fund’s Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- j) The single financial institution limit in paragraph (d) does not apply to placements of Islamic deposits arising from:
  - (i) subscription monies received prior to the commencement of investment by the Fund;
  - (ii) liquidation of investments prior to the termination of the Fund, where the placement of Islamic deposits with various financial institutions would not be in the best interests of Unit Holders; or
  - (iii) monies held for the settlement of redemption or other payment obligations, where the placement of Islamic deposits with various financial institutions would not be in the best interest of Unit Holders.
- k) The Fund’s investments in Shariah-compliant shares or Shariah-compliant securities equivalent to shares must not exceed ten (10) per cent of the Shariah-compliant shares or Shariah-compliant securities equivalent to shares, as the case may be, issued by any single issuer, or any other limit as may be prescribed by the Securities Commission from time to time.

- l) The Fund's investments in sukuk must not exceed twenty (20) per cent of the sukuk issued by a single issuer, or any other limit as may be prescribed by the Securities Commission from time to time. This limit may be disregarded at the time of acquisition if at that time of acquisition the gross amount of sukuk in issue cannot be determined.
- m) The Fund's investments in Islamic money market instruments must not exceed ten (10) per cent of the instruments issued by any single issuer, or any other limit as may be prescribed by the Securities Commission from time to time. This limit does not apply to Islamic money market instruments that do not have a pre-determined issue size.
- n) The Fund's investments in Islamic collective investment scheme must not exceed twenty-five (25) per cent of the units or shares in the Islamic collective investment scheme, or any other limit as may be prescribed by the Securities Commission from time to time.
- o) The counterparty of an OTC Islamic financial derivative must be a financial institution with a minimum long-term credit rating of investment grade (including gradation and subcategories). Subject to the aggregate limit as stipulated in the Guidelines, the maximum exposure of the Fund to the counterparty must not exceed ten (10) per cent of the Fund's Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time based on the maximum potential loss that may be incurred by the Fund if the counterparty defaults and not on the basis of the notional value of the OTC Islamic financial derivative. The total exposure to a single counterparty is calculated by summing the exposure arising from all OTC Islamic financial derivative transactions entered into with the same counterparty.
- p) The Fund's exposure to the underlying assets (vide the Islamic financial derivatives) must not exceed the investment limits and restrictions applicable to such underlying assets as stipulated in the Guidelines, or any other limit as may be prescribed by the Securities Commission from time to time.
- q) The Fund's global exposure from its Islamic financial derivatives positions must not exceed the Fund's Net Asset Value at all times, or any other limit as may be prescribed by the Securities Commission from time to time.
- r) The Fund may invest in other Islamic collective investment scheme that fall within the following categories:
  - (i) an Islamic collective investment scheme authorised or recognised by the Securities Commission; or
  - (ii) an Islamic collective investment scheme that meets the following criteria:
    - the Islamic collective investment scheme is constituted and regulated in a jurisdiction where the laws and practices provide the level of investor protection that is at least equivalent to that offered in Malaysia;
    - the rules on investments, borrowing and lending are substantially similar to the requirements in the Guidelines. This would exclude hedge funds;
    - the assets of the Islamic collective investment scheme are managed by an entity which is approved, authorised or licensed by a securities regulator to conduct fund management activities; and
    - the business of the Islamic collective investment scheme is reported in semi-annual and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period; or
  - (iii) an Islamic collective investment scheme that meets the following criteria:
    - the Islamic collective investment scheme invests in permissible investments under the Guidelines, physically-backed metal exchange traded funds that comply with the Guidelines, or real estate;
    - the Islamic collective investment scheme meets the criteria imposed on transferable securities as prescribed under the Guidelines;
    - the units or shares in the Islamic collective investment scheme are listed for quotation and traded on a stock exchange that is an Eligible Market; and
    - the Islamic collective investment scheme is not an inverse or leveraged product.

The limits and restrictions mentioned herein must be complied with at all times based on the most up-to-date value of the Fund's Shariah-compliant investments. The Manager must notify the Securities Commission within seven (7) Business Days of any breach of investment limits and restrictions with the steps taken to rectify and prevent such breach from recurring. However, any breach as a result of (a) appreciation or depreciation in value of the Fund's Shariah-compliant investments; (b) repurchase of Units or payment made out of the Fund; (c) change in capital of a corporation in which the Fund has invested in; or (d) downgrade in or cessation of a credit rating, need not be reported to the Securities Commission but must be rectified as soon as practicable within three (3) months from the date of the breach unless otherwise specified in the Guidelines. The three (3) -month period may be extended if it is in the best interest of Unit Holders and the Trustee's consent is obtained. Such extension must be subject to at least a monthly review by the Trustee. The limits and restrictions in this Section 1.3 however, do not apply to Shariah-compliant securities or Shariah-compliant instruments that are issued or guaranteed by the Malaysian government or Bank Negara Malaysia.

Note: If the Fund is eligible to be invested via the EPF-MIS and you transfer your moneys from your EPF account to invest in the Fund, the investments made by the Fund as well as your investment in the Fund from your EPF account will be subject to the EPF's requirements. Please refer to the website at <http://www.kwsp.gov.my> for updated information.

### Chapter 3 – Valuation of Assets

The Fund must be valued at least once every Business Day. As the Fund invests in foreign markets, which may have different time zones from that of Malaysia, the valuation of the Fund for a Business Day will be conducted by 5:00 p.m. (or such other time as may be determined by the Manager from time to time) on the following day on which the Manager is open for business.

Accordingly, the price of the Fund for a particular Business Day will not be published online on the Manager's website on the next day but will instead be published the next following day (i.e. price will be two (2) days old). This will be specifically indicated on the Manager's website.

#### Illustration

When markets are closed for trading on 18 April 2023 (Tuesday), the valuation date will be the next day on which the Manager is open for business, i.e. 19 April 2023 (Wednesday). Thus, the publication date for the price as at 18 April 2023 (Tuesday) will be on 20 April 2023 (Thursday) on the Manager's website.

Investors may obtain the most current computed prices by contacting the Manager directly or visiting the Manager's website, **www.rhbgroup.com** [please refer to section 5.6 (g) (Availability of Information on Investment)].

In undertaking any of the Fund's investments, the Manager will ensure that all the assets of the Fund will be valued at fair value and at all times in compliance with the relevant laws (including approved accounting standards).

Accordingly, where applicable:

- (i) Listed Shariah-compliant securities will be valued daily based on the last done market price or such other basis as may be prescribed by the relevant laws from time to time including approved accounting standards.

However, if: -

- (a) a valuation based on the market price does not represent the fair value of the Shariah-compliant securities, for example during abnormal market conditions; or
- (b) no market price is available, including in the event of a suspension in the quotation of Shariah-compliant securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee,

then the Shariah-compliant securities would be valued at fair value, as determined in good faith by the Manager based on the methods or bases approved by the Trustee after appropriate technical consultation.

- (ii) Investments in unlisted Shariah-compliant securities will be valued at fair value as determined in good faith by the Manager based on the methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.
- (iii) Investments in unlisted sukuk denominated in Ringgit Malaysia will be valued on a daily basis by reference to the fair value prices quoted by a bond pricing agency ("BPA") registered with the Securities Commission. However, where quotations are not available, such unlisted sukuk will be valued at fair value by reference to the average indicative yield quoted by three independent and reputable financial institutions in OTC markets at the close of trading. These institutions include investment banks and commercial banks dealing in sukuk.

Investments in unlisted sukuk denominated in foreign currencies are valued daily using the Bloomberg Generic Price ("BGN price") provided by Bloomberg. Where BGN prices are not available on any Business Day, these unlisted sukuk will be valued by reference to the average indicative yield quoted by three independent and reputable financial institutions.

In a case where the Manager is of the view that the price quoted by BPA or the BGN price for a specific unlisted sukuk differs from the market price (i.e. the Manager's view of the market yield) by more than 20 basis points, the Manager may use the market price, provided that the Manager records its basis for using a non BPA price or non BGN price, obtains necessary internal approvals to use the non BPA price or non BGN price and keeps an audit trail of all decisions and basis for adopting the market price.

However, when the Manager, after taking all reasonable efforts, is unable to obtain quotations from BPA or any BGN price or quotations from three independent and reputable financial institutions due to circumstances such as extreme market conditions, such unlisted sukuk (denominated in Ringgit Malaysia and denominated in foreign currencies) will be valued at fair value as determined in good faith by the Manager based on the methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

- (iv) Islamic collective investment schemes which are quoted on an approved exchange shall be valued daily based on the last done market price. When investing in unlisted Islamic collective investment schemes, the value shall be determined by reference to the last published repurchase price of a unit of that unlisted Islamic collective investment scheme.
- (v) Exchange traded Islamic financial derivatives positions will be "marked-to-market" at the close of each trading day.

- (vi) Islamic deposits will be valued each day by reference to the principal value of such investments and the profits accrued thereon for the relevant period.
- (vii) Islamic money market instruments that are held for collecting contractual cash flow purpose i.e. Islamic money market placements which have a remaining term to maturity of not more than 90 days at the time of acquisition will be measured on an ongoing basis at amortised cost. The risk of using amortised cost accounting is the mismatch between the fair value and book value of an Islamic money market instrument. The Manager will monitor closely and consider prompt action to discontinue the use of amortised cost method and adopt the fair value, i.e., the discounted net present value, as the valuation for Islamic money market instrument in the event the variance is above 3%.  
  
Islamic money market instruments other than the aforesaid will be valued on a daily basis by reference to the fair value prices quoted by a BPA registered with the Securities Commission.
- (viii) Foreign exchange translation of foreign investments for a particular Business Day is determined based on bid rate quoted by Bloomberg or Reuters at 4:00 p.m. (United Kingdom time) or such other time as may be prescribed from time to time by the relevant laws.
- (ix) Any other Shariah-compliant investments as may be held by the Fund will be valued based on fair value as determined in good faith by the Manager, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

#### Chapter 4 – Fees, Charges and Expenses, Section 4.1(a) – Sales Charge

The Manager will impose a sales charge<sup>1</sup> which can be levied on an investor's investment amount / purchase amount, net of bank charges (if any) on each Class as follows:

Class	% of investment amount
USD-A1	None.
USD-A	1%.
USD-B	Up to 5%.
RM	Up to 5%.

An investor can expect differing sales charge to be levied when buying Units from the various distribution channels and within each distribution channel for Class USD-B and Class RM, subject to the maximum sales charge stipulated above. This is due to the different levels of services provided by each distribution channel and/or the size of the investment undertaken.

#### Illustration

If an investor purchased 20,000 Units at the Selling Price of RM 1.0000 for Class RM and 20,000 Units at the Selling Price of USD 1.0000 for Class USD-B from a distributor which levies a sales charge of 5%, he would have paid a sum of RM21,000.00 for Class RM and USD21,000.00 for Class USD-B which is made up of:-

	<u>Class RM</u>	<u>Class USD-B</u>
Investment amount	RM20,000.00	USD20,000.00
Sales charge at 5%	RM1,000.00	USD1,000.00
Total amount paid by the investor	<u>RM21,000.00</u>	<u>USD21,000.00</u>
The investor will be allotted with 20,000 Units calculated as follows:	<u>RM20,000.00</u> RM1.0000 <sup>2</sup> = 20,000.00 Units <sup>3</sup>	<u>USD20,000.00</u> USD1.0000 <sup>2</sup> = 20,000.00 Units <sup>3</sup>

Notes:

<sup>1</sup> All fees and charges payable to the Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the Malaysian government from time to time.

<sup>2</sup> Unit price is rounded to the nearest 4 decimal places.

<sup>3</sup> Units computed are rounded to the nearest 2 decimal places.

<sup>4</sup> If the Fund is an EPF-MIS approved fund and you invest via EPF-MIS, you will be levied a sales charge of up to 3.00% of the investment amount or any other rate as may be determined by the EPF from time to time.

From the sales charge received from investors, the Manager pays no more than the entire sales charge as mentioned above as selling commission to its distributors for the Fund.

#### Chapter 4 – Fees, Charges and Expenses, Section 4.1(c) – Other Charges

##### (i) Switching of Units

This is not applicable as there is no switching facility available for the Fund.



**(ii) Transfer of Units**

USD-A1	Not applicable.
USD-A	Not applicable.
USD-B	USD 5.00 per transfer <sup>1</sup> .
RM	RM 5.00 per transfer <sup>1</sup> .

Transfer is allowed for the above Classes (except for Class USD-A1 and Class USD-A). Please refer to section 5.6 (e) for transaction details on any transfer of Units.

(iii) Any bank charges imposed by the relevant financial institutions will be borne by the Unit Holders.

Note: <sup>1</sup>All fees and charges payable to the Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the Malaysian government from time to time.

**Chapter 4 – Fees, Charges and Expenses, Section 4.2 – Fees and Expenses**

The fees and expenses indirectly incurred by an investor when investing in the Fund are as follows:

**(a) Management Fee**

The Manager is entitled to the following applicable management fee<sup>1</sup> that is payable for the respective Class based on the Net Asset Value of the respective Class calculated on a daily basis, before deducting the management fee and Trustee's fees for that particular day.

USD-A1	Up to 0.75% of the Net Asset Value per annum <sup>1</sup>
USD-A	1.25% of the Net Asset Value per annum <sup>1</sup>
USD-B	1.80% of the Net Asset Value per annum <sup>1</sup>
RM	1.80% of the Net Asset Value per annum <sup>1</sup>

**(b) Trustee's Fee**

The Trustee is entitled to a trustee fee<sup>1</sup> of up to zero point zero six per cent (0.06%) per annum of the Net Asset Value of the respective Class, calculated on a daily basis before deducting the management fee and Trustee's fees for that particular day (including local custodian fees and charges but excluding foreign custodian fee and charges).

**(c) Other Expenses Directly Related to the Fund**

In administering the Fund, there are expenses directly related to the Fund. These expenses include the cost of the auditors' fees and other relevant professional fees, foreign custodial charges, cost of distribution of semi-annual and annual reports, tax certificates, reinvestment statements and other notices to Unit Holders. In addition, there are expenses that are directly related and necessary to the business of the Fund as set out in the Deed, such as commissions or fees paid to dealers or brokers, other transaction costs and taxes, if any, that are also paid out of the Fund.

All expenses pursuant to the issuance of this prospectus will be borne by the Manager.

Note: <sup>1</sup> All fees and charges payable to the Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the Malaysian government from time to time.

**Chapter 4 – Fees, Charges and Expenses, Section 4.4 – Policy on Rebates and Soft Commissions**

It is the Manager's policy to credit all rebates to the account of the Fund.

However, goods and services ("soft commissions") provided by any broker or dealer may be retained by the Manager or the fund manager if:

- (a) the soft commissions bring direct benefit or advantage to the management of the Fund and may include research and advisory related services;
- (b) any dealing with broker or dealer is executed on terms which are the most favourable for the Fund; and
- (c) the availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and the Manager or fund manager must not enter into unnecessary trades to achieve a sufficient volume of transactions to qualify for soft commissions.

**Chapter 4 – Fees, Charges and Expenses, Section 4.5 – Tax**

All fees and charges payable to the Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the Malaysian government from time to time.

Based on the Finance Act 2021, income derived by the Fund from foreign sources and received in Malaysia from 1 January 2022 onwards will be subject to Malaysian income tax. A transitional tax rate of 3% is accorded on the gross amount of the foreign income received in Malaysia from 1 January 2022 to 30 June 2022. From 1 July 2022 onwards, the prevailing tax rate of 24% will apply to the chargeable income computed in respect of the foreign source income remitted into Malaysia by the Fund.

Where the same foreign income has been taxed in both Malaysia and the foreign country, a tax credit in the form of bilateral relief under a Double Tax Agreement (“DTA”) or unilateral relief under the domestic law (if there is no available DTA or a limited DTA which does not provide such relief) may be given in respect of such income, subject to conditions.

*There are fees and charges involved and investors are advised to consider them before investing in the Fund.*

**Chapter 5 – Transaction Information, Section 5.3 – Computation of Selling Price**

The Selling Price shall be the Net Asset Value per Unit of the respective Class as at the next valuation point of the Fund’s relevant Business Day after the request for Units is received by the Manager (“forward pricing”). A sales charge<sup>1</sup> will be computed separately based on the investment amount / purchase amount, net of bank charges (if any).

Illustration

If an investor invests RM20,000 and USD20,000 respectively, and purchased Units at the Selling Price of RM0.9899 for Class RM and USD1.8610 for Class USD-B (which is the Net Asset Value per Unit of the respective Class as at the next valuation point); and a distributor levies a sales charge of 5%, he would have paid a sum of RM21,000 for Class RM and USD21,000 for Class USD-B, which is made up of:-

	<u>Class RM</u>	<u>Class USD-B</u>
Investment amount	RM20,000.00	USD20,000.00
Sales charge at 5%	RM1,000.00	USD1,000.00
Total amount paid by the investor	RM21,000.00	USD21,000.00
The investor will be allotted with Units calculated as follows:	<u>RM20,000.00</u> RM0.9899 <sup>2</sup>	<u>USD20,000.00</u> USD1.8610 <sup>2</sup>
	= 20,204.06 Units <sup>3</sup>	= 10,746.91 Units <sup>3</sup>

Notes:

<sup>1</sup> All fees and charges payable to the Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the Malaysian government from time to time

<sup>2</sup> Unit price is rounded to the nearest 4 decimal places.

<sup>3</sup> Units computed are rounded to the nearest 2 decimal places.

**Chapter 5 – Transaction Information, Section 5.5 – Pricing Error Policy, last paragraph**

However, reimbursement of money shall only apply if the error is at or above the significant threshold of 0.5% of the Net Asset Value per Unit of the respective Class and the amount to be reimbursed is equivalent to RM10.00 (in the case of a foreign currency Class, 10.00 denominated in the currency denomination of the foreign currency Class) or more.

**Chapter 5 – Transaction Information, Section 5.6(b) – Cooling-off Period**

The cooling-off right refers to the right of an individual investor to obtain a refund of his investment if he so requests within the cooling-off period. The cooling-off right is only given to an individual investor, other than those listed below, who is investing in any unit trust funds managed by the Manager for the first time:

- (i) a staff of the Manager; and/or
- (ii) a person registered with a body approved by the Securities Commission to deal in unit trust funds.

The refund to the investor pursuant to the exercise of his cooling-off right must be as follows:

- a) the Net Asset Value per Unit at the point of exercise of the cooling-off right (“market price”), if the Net Asset Value per Unit on the day the Units were purchased (“original price”) is higher than the market price; or
- b) the original price, if the market price is higher than the original price.

If the market price is higher than the original price paid by the investor, the Manager may agree to pay the investor the excess amount, provided that such amount is not paid out of the Fund or the assets of the Fund.

The Manager must also refund the sales charge originally imposed on the day the Units were purchased.

The cooling-off period shall be within six (6) Business Days which shall be effective from the date of receipt of the application by the Manager. Where applicable, if you have invested via the EPF-MIS, the cooling-off period shall be subject to EPF's terms and conditions.

The cooling-off right allows investors the opportunity to reverse an investment decision which could have been unduly influenced by certain external elements or factors.

Withdrawal proceeds will only be paid to the investors once the Manager has received cleared funds for the original investment. For investors who paid by cheque, the refund will be made upon clearance of the cheque. The Manager shall refund the investor in cash within seven (7) Business Days of receiving the cooling-off notice. Where applicable, if you have invested via the EPF-MIS, the refund will be credited back into your EPF accounts.

#### **Chapter 5 – Transaction Information, Section 5.6(c) – Where Units can be Purchased or Redeemed**

Units can be purchased or redeemed at the Manager's registered/principal office or any of its branches or from any of its participating IUTAs and any other authorised distributors or channels as the Manager may decide from time to time. For further information, please call us at 03-9205 8000 at any time during our office hours: Mondays through Fridays from 9.00 a.m. – 5.00 p.m. Alternatively, investors may e-mail their enquiries to [rhbiiam.enquiry@rhbgroup.com](mailto:rhbiiam.enquiry@rhbgroup.com).

Please refer to our Directory of Outlets for Purchase and Sale of Units at the end of this prospectus. Application forms, redemption forms and this prospectus are also available from these distributors.

#### **Chapter 5 – Transaction Information, Section 5.6(e) – How to Transfer Ownership of Units, last paragraph**

However, the Manager may refuse to register any partial transfer of Units if the registration would result in the transferor or the transferee holding less than one hundred (100) Units or such other lower quantity as the Manager may from time to time decide (the minimum investment balance). The Manager may also refuse an entry of transfer during the fourteen (14) days preceding an income distribution date.

#### **Chapter 5 – Transaction Information, Section 5.6(f) – Unclaimed Monies**

All money payable to a Unit Holder may be paid by electronic payments or cheques. However, after the lapse of one (1) year from the date of the cheque or any moneys payable to Unit Holders which remain unclaimed for such period of time, the Manager shall file and pay the unrepresented payments to the Registrar of Unclaimed Moneys in accordance with the requirements of the Unclaimed Moneys Act 1965. Thereafter, the Unit Holders are to claim such monies from the Registrar of Unclaimed Moneys.

#### **Chapter 5 – Transaction Information, Section 5.6(g) – Availability of Information on Investment**

After purchasing Units, the value of the investment can be monitored easily as the Unit price is published online daily on the Manager's website, [www.rhbgroup.com](http://www.rhbgroup.com).

Unit Holders will receive an unaudited semi-annual report and an audited annual report of the Fund from the Manager within two (2) months after the end of the financial period/financial year end that the report covers. The Manager may also issue updates on the performance of the Fund either quarterly or semi-annually, or as and when appropriate.

Customers or investors may call us at 03-9205 8000 at any time during our office hours: Mondays through Fridays from 9.00 a.m. – 5.00 p.m. Alternatively, investors may e-mail their enquiries to [rhbiiam.enquiry@rhbgroup.com](mailto:rhbiiam.enquiry@rhbgroup.com).

Investors may also refer to FIMM for any queries and/or concerns regarding their investments in unit trust funds.

*Investors must not make payment in cash to any individual agent when purchasing Units of the Fund.*

*The Fund's annual report is available upon request.*

#### **Chapter 5 – Transaction Information, Section 5.6(h) – Dealing Hours**

9:00 a.m. to 4:00 p.m. (Malaysia time) on any Business Day or such later time as the Manager may determine provided always that complete applications for the Fund are received before the next valuation point. The Manager may also vary the dealing hours as it may deem appropriate. Investors will be notified on the change of dealing hours via email or notification published on the Manager's website.

#### **Chapter 5 – Transaction Information, Section 5.7 – Mode of Distribution, first paragraph**

Distributions, if any, after deduction of taxation and expenses (i.e. net distribution), will be reinvested to purchase additional Units based on the Net Asset Value per Unit as at the first Business Day after Units are quoted ex-entitlement. Allotment of such Units shall be within two (2) weeks thereafter.

## **Chapter 6 – Salient Terms of the Deed, Section 6.1.2 – Rights of Unit Holders**

Unit Holders shall have the right in respect of the Fund in which they hold Units, amongst others, to the following:

- (a) to receive distributions of the Fund (if any), and if entitled to that Class, to participate in any increase in the value of the Units and to enjoy such other rights and privileges as set out in the Deed;
- (b) to call for Unit Holders' meetings, and to vote for the removal of the Trustee or the Manager through a special resolution as provided for in the Deed;
- (c) to exercise the cooling-off right, if applicable; and
- (d) to receive annual reports, semi-annual reports or any other reports of the Fund.

No Unit Holder shall be entitled to require the transfer to him of any assets of the Fund or be entitled to interfere with or question the exercise by the Trustee, or the Manager on the Trustee's behalf, of the rights of the Trustee as the registered owner of such assets.

Note: If your investments are made through an IUTA which adopts the nominee system of ownership, you would not be deemed to be a Unit Holder under the Deed and as a result, you may not exercise all the rights ordinarily conferred to a Unit Holder (e.g. the right to call for Unit Holders' meetings and the right to vote at a Unit Holders' meeting). Accordingly, the Manager will only recognise the IUTA as a Unit Holder and the IUTA shall be entitled to all the rights conferred to it under the Deed.

## **Chapter 7 – The Management and Administration of the Fund, Section 7.2 – Board of Directors**

The board of directors of the Manager takes an active part in the affairs of the Manager and the unit trust funds under its management. The board of directors of the Manager meets at least once every three (3) months to receive recommendations and reports on investment activities from the committee undertaking the oversight function of the Fund, set policies and guidelines of the Manager and to review performance, financial and audit reports of the Manager. Additional meetings shall also be convened, should the need arise.

The list of board of directors are available on the Manager's website, [www.rhbgroup.com](http://www.rhbgroup.com).

## **Chapter 7 – The Management and Administration of the Fund, Section 7.3 – Functions of the Manager**

The Manager is responsible for the day-to-day administration of the Fund in accordance with the provisions of the Deed. The main roles, duties and responsibilities of the Manager include:

- Selecting and managing investments of the Fund;
- Executing, supervising and valuing investments of the Fund;
- Arrangement of sale and repurchase of Units;
- Keeping proper records of the Fund;
- Issuing the Fund's semi-annual and annual reports to Unit Holders;
- Distribution of income to Unit Holders (if any); and
- Marketing the Fund to potential investors.

The Manager is a member of FIMM. It maintains a tied sales agency force which is duly registered with FIMM which markets and distributes its proprietary unit trust funds to prospective investors. It also has an IUTA arrangement with RHB Bank Berhad and/or such other approved distributors as may be appointed by the Manager from time to time.

The **Functions of the Investment Committee** under **Chapter 7 – The Management and Administration of the Fund, Section 7.4 – The Investment Committee** is hereby deleted.

## **Chapter 7 – The Management and Administration of the Fund, Section 7.5 – The Investment Team**

The investment team is jointly responsible for the overall investment decisions made on behalf of the Fund. The key member of the investment team is as follows:

**The designated fund manager of the Fund is Chong Eu Shing.**

Chong Eu Shing joined RHB Islamic International Asset Management Berhad ("RHBIAM") in September 2022 as the senior equity portfolio manager. She has more than 13 years of experience in the financial services industry with a combination of equity research and portfolio management skill sets. She first started as quantitative analyst carrying out funds' performance attribution and factor back testing in 2009, before she advanced to equities research to cover Malaysia healthcare and consumer sector in AmIslamic Funds Management. Subsequently, she progressed to fund management by managing local client funds and eventually expand to ASEAN and Asia Pacific portfolios. Prior to joining RHBIAM, she was managing Asia Pacific ex Japan mandate for institutional funds. She holds a Bachelor degree in Financial Engineering (Hons) from Multimedia University, Cyberjaya and became a Chartered Financial Analyst Charterholder in 2015. She is also a Capital Markets Services Representative's Licence holder for fund management.

The designated fund manager of the Fund is supported by our investment team comprising of a team of experienced fund managers who are responsible to actively manage the Fund in accordance with the investment objective of the Fund and the provision of the

Deed. The investment team shall have discretionary authority over the investments of the Fund subject to the rules and guidelines issued by the relevant authorities.

#### **Chapter 7 – The Management and Administration of the Fund, Section 7.7 – The Shariah Adviser, “Roles and Responsibilities of the Shariah Adviser” and “Members of RHB Islamic Bank’s Shariah Committee”**

##### **Roles and Responsibilities of the Shariah Adviser**

The Shariah Adviser is backed by the respective Shariah Committee of RHB Islamic Bank, which comprises eminent Shariah scholars from various jurisdictions. The Shariah Adviser also conducts monthly review of the Fund to ensure compliance with Shariah principle.

In line with the Securities Commission’s guidelines, the roles and responsibilities of the Shariah Adviser are:

- 1) To ensure that the Fund is managed and administered in accordance with Shariah principles.
- 2) To provide expertise and advice in all matters relating to Shariah principles, including the Fund’s deed and prospectus, its structure and ensure that all aspect of the Fund are in accordance with Shariah requirement.
- 3) To consult with Securities Commission where there is any ambiguity or uncertainty as to any Shariah matters.
- 4) To ensure that all applicable Shariah rulings, principles and concepts endorsed by the SACSC are complied with.
- 5) To act with due care, skill and diligence in carrying out its duties and responsibilities.
- 6) To review the report of compliance officer or any investment transaction reports provided by, or duly approved by, the Trustee to ensure that the Fund’s management business and investments activities are Shariah-compliant.
- 7) To prepare a report to be included in the Fund’s semi-annual and annual reports certifying whether the Fund have been managed and administered in accordance with Shariah principles for the respective periods concerned.
- 8) To apply ijthid (intellectual reasoning) to ensure all aspects relating to the Fund are in compliance with Shariah, in the absence of any rulings, principles and concepts endorsed by the Securities Commission.

##### **Members of RHB Islamic Bank’s Shariah Committee**

The members of RHB Islamic Bank’s Shariah Committee are the designated persons responsible for the Shariah matters of the Fund. The list of members of RHB Islamic Bank’s Shariah Committee are available on the Manager’s website, [www.rhbgroup.com](http://www.rhbgroup.com).

#### **Chapter 7 – The Management and Administration of the Fund, Section 7.8 – Other Information**

Further information on the Manager and the Shariah Adviser is provided on the Manager’s website, [www.rhbgroup.com](http://www.rhbgroup.com).

##### **Chapter 8 – The Trustee of the Fund**

The Trustee is HSBC (Malaysia) Trustee Berhad, a company incorporated in Malaysia since 1937 and registered as a trust company under the Trust Companies Act 1949, with its registered address at Level 19, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur, Malaysia.

##### **Chapter 8 – The Trustee of the Fund, Section 8.8 Trustee’s Delegate**

The Trustee has appointed The Hongkong And Shanghai Banking Corporation Limited as the custodian of both the local and foreign assets of the Fund. For quoted and unquoted local investments of the Fund, the assets are held through their nominee company, HSBC Nominees (Tempatan) Sdn Bhd and/or HSBC Bank Malaysia Berhad. The Hongkong And Shanghai Banking Corporation Limited is a wholly owned subsidiary of HSBC Holdings Plc, the holding company of the HSBC Group. The custodian’s comprehensive custody and clearing services cover traditional settlement processing and safekeeping as well as corporate related services including cash and security reporting, income collection and corporate events processing. All investments are registered in the name of the Trustee or to the order of the Trustee. The custodian acts only in accordance with instructions from the Trustee.

The Trustee shall be responsible for the acts and omissions of its delegate as though they were its own acts and omissions.

However, the Trustee is not liable for the acts, omissions or failure of third party depository including central securities depositories, or clearing and/or settlement systems and/or authorised depository institutions, where the law or regulations of the relevant jurisdiction requires the Trustee to deal or hold any asset of the Fund through such third parties.

##### **Particulars of the Trustee’s Delegate**

For foreign asset:

The Hongkong And Shanghai Banking Corporation Limited  
6/F, Tower 1,  
HSBC Centre,  
1 Sham Mong Road, Hong Kong.  
Telephone No: (852)2288 1111

For local asset:

The Hongkong And Shanghai Banking Corporation Limited (As Custodian) and assets held through HSBC Nominees (Tempatan) Sdn Bhd (Registration No: 199301004117 (258854-D))  
Level 21, Menara IQ  
Lingkaran TRX  
55188 Tun Razak Exchange  
Kuala Lumpur, Malaysia  
Telephone No: (603)2075 3000 Fax No: (603)8894 2588

The Hongkong and Shanghai Banking Corporation Limited (As Custodian) and assets held through HSBC Bank Malaysia Berhad (Registration No.: 198401015221(127776-V))  
Level 21, Menara IQ  
Lingkaran TRX  
55188 Tun Razak Exchange  
Kuala Lumpur, Malaysia  
Telephone No: (603)2075 3000 Fax No: (603) 8894 2588

#### **Chapter 9 – Related-Party Transaction and Conflict of Interest, first paragraph**

The directors and officers of the Manager, and the person(s) or members of a committee undertaking the oversight function of the Fund should avoid any conflict of interest arising, and if any conflict arises, should ensure that the Fund is not disadvantaged by the transaction concerned. Any transaction carried out by or on behalf of the Fund should be executed on terms which are the best available for the Fund and which are no less favourable to the Fund than an arm's length transaction between independent parties. In the event the interest of any directors and employees of the Manager, and the person(s) or members of a committee undertaking the oversight function of the Fund is directly or indirectly involved, he or she would abstain from being involved with any decision making process of the said transaction.

#### **Chapter 9 – Related-Party Transaction and Conflict of Interest, HSBC (Malaysia) Trustee Berhad, first paragraph**

As the trustee for the Fund, there may be related party transaction involving or in connection with the Fund in the following events:-

- 1) where the Fund invests in instruments offered by the related party of the Trustee (e.g placement of monies, transferable securities, etc);
- 2) where the Fund is being distributed by the related party of the Trustee as IUTA;
- 3) where the assets of the Fund are being custodised by the related party of the Trustee both as sub-custodian and/or global custodian of the Fund (Trustee's delegate); and
- 4) where the Fund obtains financing as permitted under the Guidelines, from the related party of the Trustee.

#### **Chapter 10 – Tax Adviser's Letter on the Taxation of the Fund and Unit Holders**

Tax adviser's letter has been updated.

#### **Chapter 14 – Consent**

The Trustee, solicitors and the Shariah Adviser have given their consent for the inclusion of their names and statements in the form and context in which they appear in the Prospectuses and this Second Supplementary Prospectus and have not withdrawn such consent.

The tax adviser has given its consent for the inclusion of its name and tax adviser's letter in the form and context in which they appear in this Second Supplementary Prospectus and have not withdrawn such consent.

## **MANAGER'S REPORT**

### **EQUITY MARKET REVIEW**

For the month of June 2023, Financial Times Stock Exchange (“FTSE”) Shariah Association of Southeast Asian Nations (“ASEAN”) Index was flat at +0.15% in United States Dollar (“USD”). Sentiment was dampened due to the weak China manufacturing data which raised concerns over the strength of its economic recovery as well as spill-over effect to ASEAN countries. The weak Malaysian Ringgit (“MYR”) and the states election added to the cautious sentiment. Separately, there were several government announcements made including plans to phase out blanket subsidies in favour of targeted subsidies for electricity, gasoline and diesel. It also announced steps to boost the Malaysian capital markets in order to improve confidence and underpin any significant downside via stamp duty reduction, promoting corporate ventures and easing the exchange listing process. Separately Thailand faces pressure ahead of the election as Move Forward Party (“MFP”) is unlikely to secure Senate support which may create a political vacuum and delay in the process. There is speculation that if MFP is unable to form a government, Pheu Thai Party, a major coalition partner could step up and present their own Prime Minister (“PM”) candidate to secure Senate support. Bank Indonesia (“BI”) held its benchmark interest rate for a fifth straight month at 5.75% to head off pressure on the Indonesian Rupiah amid the Federal Reserve (“Fed”)’s hawkish overtures and a slow recovery in China. Indonesia’s annual inflation rate eased to 4.00% in May 2023, matching the upper end of the central bank's target range earlier than expected. BI also lowers its inflation target next year to a 1.50% to 3.50%. The Fund Manager think this provides ample room for BI to start cutting rates in first quarter of year 2024.

For the third quarter of year 2023 (“3Q23”), FTSE Shariah ASEAN market started the July month 2023 strongly +6.78% in USD term but then tapered down and recorded -4.09% and -3.91% in the month of August 2023 and September 2023 respectively. Malaysia recorded largest monthly gain in July 2023 since February 2022 and MYR strengthened to 4.507 up 3.42%. The Fund Manager see the foreign investors turned net buyers after having sold the market for ten consecutive months. FTSE Bursa Malaysia Emas Shariah (“FBMS”) Index gained 5.20% month-on-month (“MoM”) in July 2023 the best month seen in recent month. Brent Crude oil rebounded strongly in July 2023 up by 14.23% to close at USD85.56/barrels. The benign inflation print coupled with resilient Gross Domestic Product (“GDP”) data and employment numbers helped to push the markets further upwards. United States (“US”) core Consumer Price Index rose by 0.16% for the month, marking the smallest increase since February 2021 and below consensus estimates. This allowed sentiments to improve with the expectations of easing inflationary pressure and a less hawkish US Fed policy. Both the US Fed and the European Central Bank hiked rates by 25 basis points (“bps”) in July 2023, in line with market expectation and reiterated stances to be data dependent going forward. Monetary Policy Committee

of Bank Negara Malaysia (“BNM”) decided to maintain the overnight policy rate (“OPR”) at 3.00%. Meanwhile, the launch of National Energy Transition Roadmap (“NETR”), which comprise of RM25 billion worth of national projects in its first phase to support the government’s structural reforms to the economy could provide new opportunities to Malaysia’s utilities and renewable energy companies. Positively, foreign investors became net buyers in July 2023 after having sold the market for ten consecutive months. Singapore (Financial Times Stock Exchange Straits Times Index), Indonesia (Jakarta Stock Exchange Composite Index.2), Thailand (Stock Exchange of Thailand) and Philippines (Philippines Stock Exchange PSEi Index) also recorded strong gain recording +5.20%, +4.00%, +2.67% and +1.90% respectively. Thailand Baht has strengthened to 34.20 (+3.00% MoM) against USD (US Dollar Index has weakened). The Constitutional Court will rule on 3rd August 2023 whether Parliament’s decision to reject the renomination of Pita Limjaroenrat (19th July 2023) is constitutional. The parliament is expected to vote for PM again on 4th August 2023. If the court holds parliament’s decision to not let Pita stand for a renomination, Pheu Thai is expected to put up their own PM for a vote. There is speculation in the market that Pheu Thai may leave the current coalition (leave MFP) and join the old conservative coalition to secure Senate support.

In August 2023, China’s weak economic data have significantly affected sentiment in the region, while woes in its property segment (including Country Garden) worsened matters further. Sentiment improved towards the second half of the month on decent results by the large caps and Chinese officials trying to ease policies. Forex wise, most currencies weakened against USD. For the upcoming Fed meeting in September 2023, market is pricing in no change in Fed rates. Srettha Thavisin was elected as Thailand’s 30th Prime Minister on 22nd August 2023. Srettha received an overwhelming 482 votes versus the required 375. Pheu Thai led an 11-party coalition (includes Bhumjai Thai, Palang Prachart and United Thai Nation). In September 2023, global equity markets saw further correction upon the Fed’s hawkish, higher-for-longer interest rate environment commentary. Indonesia and Thailand led the decline whereas Philippines, Singapore gave positive returns in September 2023. Malaysia was relatively flat. Most ASEAN currencies depreciated against the USD. Over in Malaysia, the FBMS Index declined by -0.40% respectively on a MoM basis in line with regional market weakness. BNM maintained OPR at 3.00% in line with expectations, as Malaysia’s headline inflation stayed at 2.00% Year-on-Year in August 2023. The government tabled the 12th Malaysia Plan, which is expected to boost the current mega infrastructure pipeline and support the economic growth for the country. For the 3Q23, West Texas Intermediate (“WTI”) rose 28.50%, marked the best quarter since year 2022 as WTI traded as high as USD95 a barrel as Russia’s invasion of Ukraine opened the way for Western sanctions on Moscow that began the long-running disruption in global commodity flows.

The FTSE Shariah ASEAN Index saw further correction in October 2023, having declined 4.08% on a MoM basis on renewed concerns that the strong US



macroeconomic indicators would enable high-for-long monetary policy stances, as well as risk of escalation of the Middle East conflict. Chairman Powell's speech also confirmed that there will be no move at the November 2023 meeting, but left the door open for later hikes. Over in Malaysia, the government unveiled Budget 2024, which aims to broaden its revenue base while pushing for reform agendas. Malaysia was the only market ended positive in the month in the region while other ASEAN market slumped as escalating conflict in Middle East weighed on investor sentiment.

November 2023 turned favourable where ASEAN Index up 3.33% in USD term. Market now expecting Fed to be closer to its pivot point, now pricing in zero chance of another hike, while a -50bps cut is priced in by mid year 2024. On commodities, oil price declined as Organization of Petroleum Exporting Countries and their allies ("OPEC+") meetings got delayed, dimming hopes of supply intervention. Eyes also on China December 2023 Politburo meeting and the Central Economic Work Conference, where GDP target would be set. Over in Malaysia, the FBMS Index gained 0.80%. The government is set to roll out a targeted RON95 subsidy program in the second half of year 2024. Alongside the subsidy changes, the Economy Ministry will present the Progressive Wage Policy to Parliament, addressing low wages in Malaysia and emphasizing the need for productivity-driven wage growth through upskilling efforts. Lastly, the government is setting aside the generation endgame component in the revised tobacco bill. BI kept the benchmark interest rate unchanged at 6.00% as muted inflation and the Indonesian Rupiah's gradual recovery give policymakers scope to support the economy. BI kept its forecast for GDP expansion this year at a range of 4.50% to 5.30%, and gains are seen stronger in year 2024. Over in research, three pairs of presidential and vice presidential candidates have been registered, heading into elections on 14th February 2024. Prabowo-Gibran is the pair that seems to have tactically conveyed the most similar path with President Jokowi.

## **EQUITY MARKET OUTLOOK AND STRATEGY**

In the near term as uncertainties linger in the Middle East, oil price likely to remain volatile. USD is likely to hold to its gains as long as the US Treasury yields remain high and US economic data remain strong. However, the Fund Manager would expect that MYR is likely to strengthen going forward as US interest rate is close to its peak. The recent rise in US long-term Treasury yields may indicate less need for the Fed to raise rates again. The real yield has turned positive. Economic activity has shown some signs of stabilization in China in recent weeks as government support began to take hold as a drop in exports is slowing and household consumption is recovering. Nevertheless, China economy is still weak as the lower than expected China's factory activity and services sector which fell back into contraction in October 2023 signaled that China's economy remained fragile and more stimulus measures needed.

In the longer run, the expectations that USD is likely to weaken would push investors to lean towards assets in ASEAN given its cheaper valuation and undervalued market from fundamental valuations and economic perspective. In Malaysia, the economy is expected to improve further in year 2024, supported by the services sector, which would remain the key driver of the overall economic performance. Malaysia labour market conditions remained encouraging as unemployment remained at pandemic low and it is supported by decent wage growth. While there is potential upside risk to inflation rate next year mainly due to further subsidy rationalization, specifically targeted fuel (diesel and RON95) subsidy rationalization will be rolled out in second half of year 2024 (“2H24”), after the targeted electricity subsidy and the end of chicken price subsidy this year, the Fund Manager do not think inflation would be a major concern as the consensus is looking at marginal increase in the inflation numbers in year 2024 of 3.00% compared with year 2023 of 2.60%. Indonesia Election next year will be benefiting consumption in 2H24 while investment will only pick up after election.

Overall, the Fund Manager like ASEAN as the US-China trade tensions beneficiary with foreign direct investment (“FDI”) and stable domestic economy and politics. The Fund Manager like Malaysia as the equity market is likely to be supported as low foreign holdings couple with bottoming earnings downward revision would provide the support to the index. The Fund Manager take opportunity to position on market weakness for decent returns in longer run due to expectations of better corporate earnings in year 2024 and cheap market valuation. The Fund Manager like infrastructure and industrial play in Malaysia, Thailand tourism recovery and FDI investment. Sector wise, the Fund Manager overweight industrial, consumption, energy and healthcare as a sector play. However, the Middle East tensions and China’s recovery likely to sustain the market volatility, with liquidity the main market driver in the short term. Should US achieve soft landing, commodity-based country like Malaysia and Indonesia would benefit and ASEAN currencies likely to recover and driving inflows of funds, overall these would be positive for the equity market in the long term.

## **REVIEW OF FUND PERFORMANCE DURING THE FINANCIAL PERIOD**

For the financial period under review, the Fund registered a return of 24.67%\*, -3.15%\* and -2.19%\* against its benchmark return of -0.56%\*, -0.56\* and 0.39%\* for USD-A Class, USD-B Class and RM Class respectively. Hence, the Fund has outperformed its benchmark by 25.23% in USD-A class, meanwhile the Fund has underperformed by 2.59% and 2.58% USD-B class and RM class respectively. The Net Asset Value per unit of the Fund were Nil, USD0.8983 and USD0.1807 (31 May 2023: USD0.8021, USD0.9275 and USD0.1865) as at 30 November 2023 for USD-A class, USD-B class and RM class respectively.

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

*\* Source: Lipper Investment Management (“Lipper IM”), 12 December 2023*

## PERFORMANCE DATA

	<b>31.05.2023 - 30.11.2023</b> %	<b>Annual Total Returns Financial Year Ended 31 May</b>				
		<b>2023</b> %	<b>2022</b> %	<b>2021</b> %	<b>2020</b> %	<b>2019</b> %
RHB Islamic ASEAN Megatrend Fund – USD-A Class						
- Capital Return	24.67	(5.12)	(1.89)	16.65	(19.06)	(14.00)
- Income Return	-	-	-	-	-	-
- Total Return	24.67	(5.12)	(1.89)	16.65	(19.06)	(14.00)
FTSE Shariah ASEAN Index (Islamic) (USD)	(0.56)	(3.56)	(0.10)	13.64	(12.85)	(4.06)

	<b>31.05.2023 - 30.11.2023</b> %	<b>Annual Total Returns Financial Year Ended 31 May</b>				
		<b>2023</b> %	<b>2022</b> %	<b>2021</b> %	<b>2020</b> %	<b>2019</b> %
RHB Islamic ASEAN Megatrend Fund – USD-B Class						
- Capital Return	(3.15)	(5.66)	22.47	15.98	(19.49)	(14.56)
- Income Return	-	-	-	-	-	-
- Total Return	(3.15)	(5.66)	22.47	15.98	(19.49)	(14.56)
FTSE Shariah ASEAN Index (Islamic) (USD)	(0.56)	(3.56)	(0.10)	13.64	(12.85)	(4.06)

	<b>31.05.2023 - 30.11.2023</b> %	<b>Annual Total Returns</b> <b>Financial Year Ended 31 May</b>				
		<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
		<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
RHB Islamic ASEAN Megatrend Fund – RM Class						
- Capital Return	(2.19)	(0.58)	3.62	15.71	(19.76)	(9.96)
- Income Return	-	-	-	-	-	-
- Total Return	(2.19)	(0.58)	3.62	15.71	(19.76)	(9.96)
FTSE Shariah ASEAN Index (Islamic) (MYR)	0.39	1.66	6.05	7.82	(9.58)	1.01

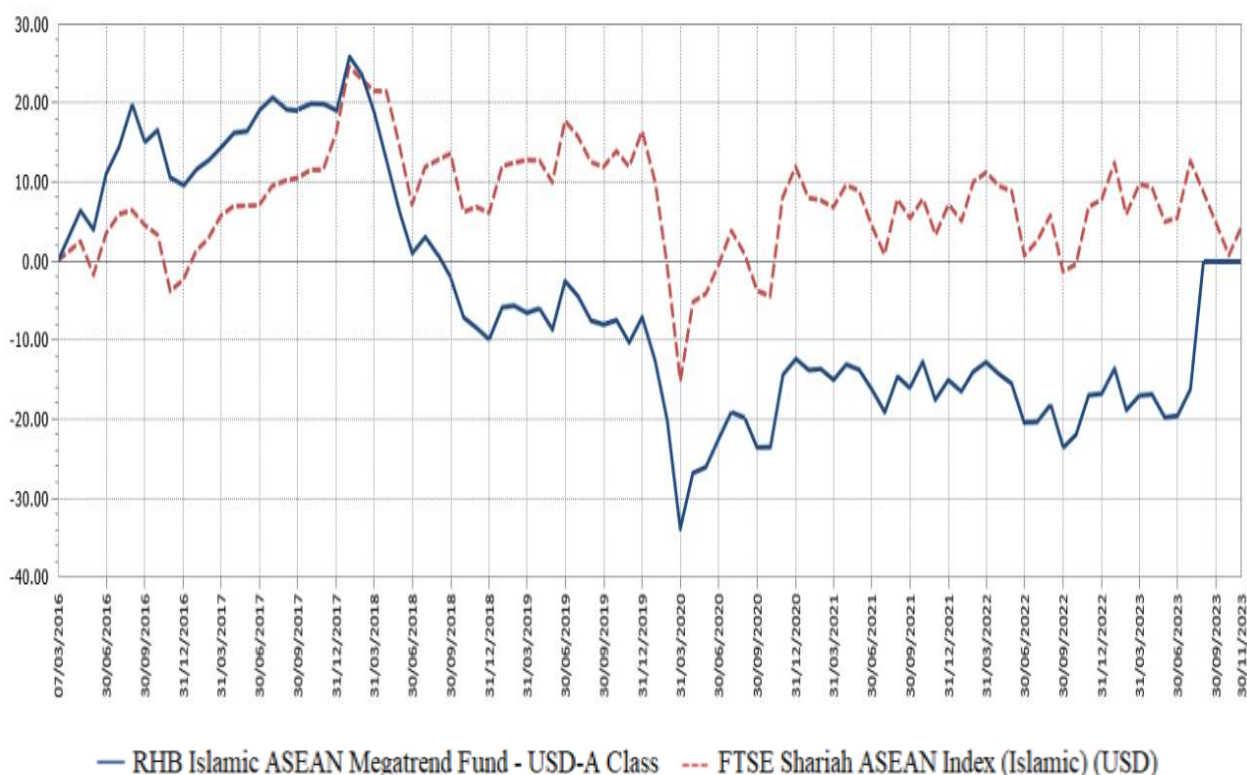
	<b>Average Annual Returns</b>			
	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>Since</b>
	<b>30.11.2022 - 30.11.2023</b> %	<b>30.11.2020 - 30.11.2023</b> %	<b>30.11.2018 - 30.11.2023</b> %	<b>Inception 07.03.2016** - 30.11.2023</b> %
RHB Islamic ASEAN Megatrend Fund – USD-A Class	20.45	5.34	1.79	-
FTSE Shariah ASEAN Index (Islamic) (USD)	(2.30)	(1.16)	(0.47)	0.55

	<b>Average Annual Returns</b>			
	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>Since</b>
	<b>30.11.2023 - 30.11.2023</b> %	<b>30.11.2020 - 30.11.2023</b> %	<b>30.11.2018 - 30.11.2023</b> %	<b>Inception 16.05.2016** - 30.11.2023</b> %
RHB Islamic ASEAN Megatrend Fund – USD-B Class	(6.70)	3.98	0.75	(1.41)
FTSE Shariah ASEAN Index (Islamic) (USD)	(2.30)	(1.16)	(0.47)	0.77

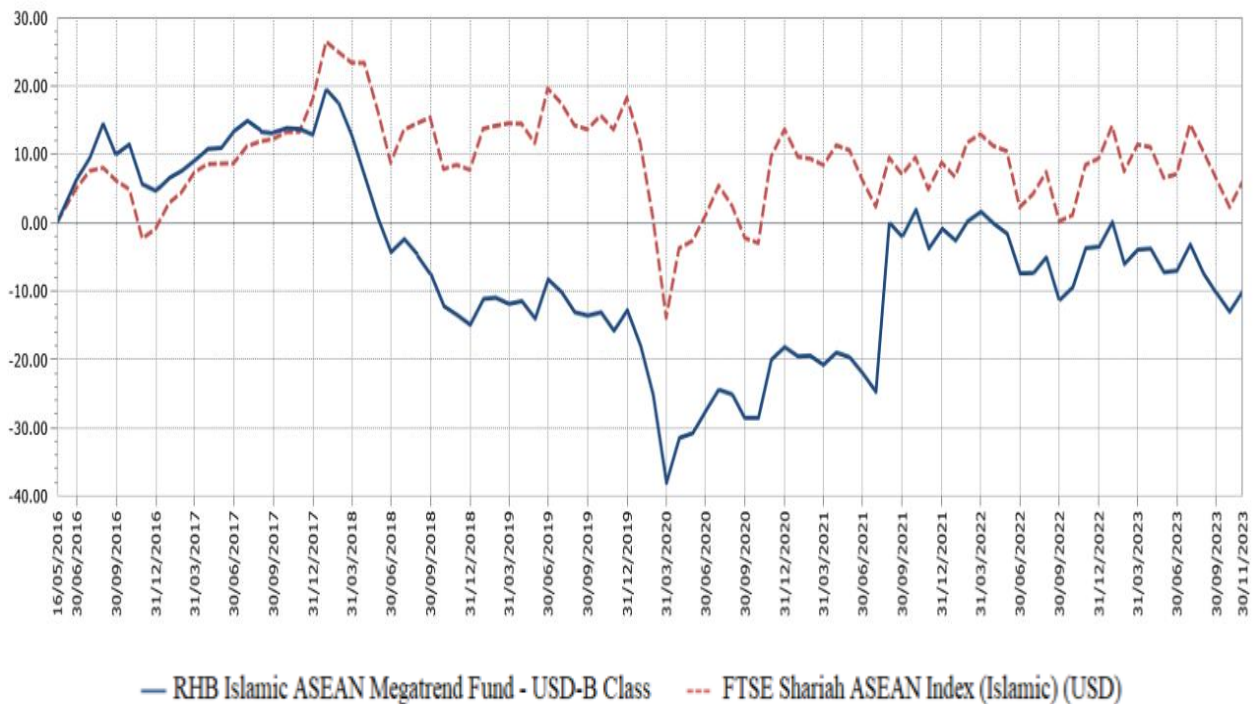
	Average Annual Returns			
	1 Year 30.11.2022 - 30.11.2023 %	3 Years 30.11.2020 - 30.11.2023 %	5 Years 30.11.2018 - 30.11.2023 %	Since Inception 16.05.2016** - 30.11.2023 %
RHB Islamic ASEAN Megatrend Fund – RM Class	(2.17)	0.69	(1.41)	(2.26)
FTSE Shariah ASEAN Index (Islamic) (MYR)	2.35	3.36	1.69	2.72

\*\* *Being the last day of Initial Offer Period*

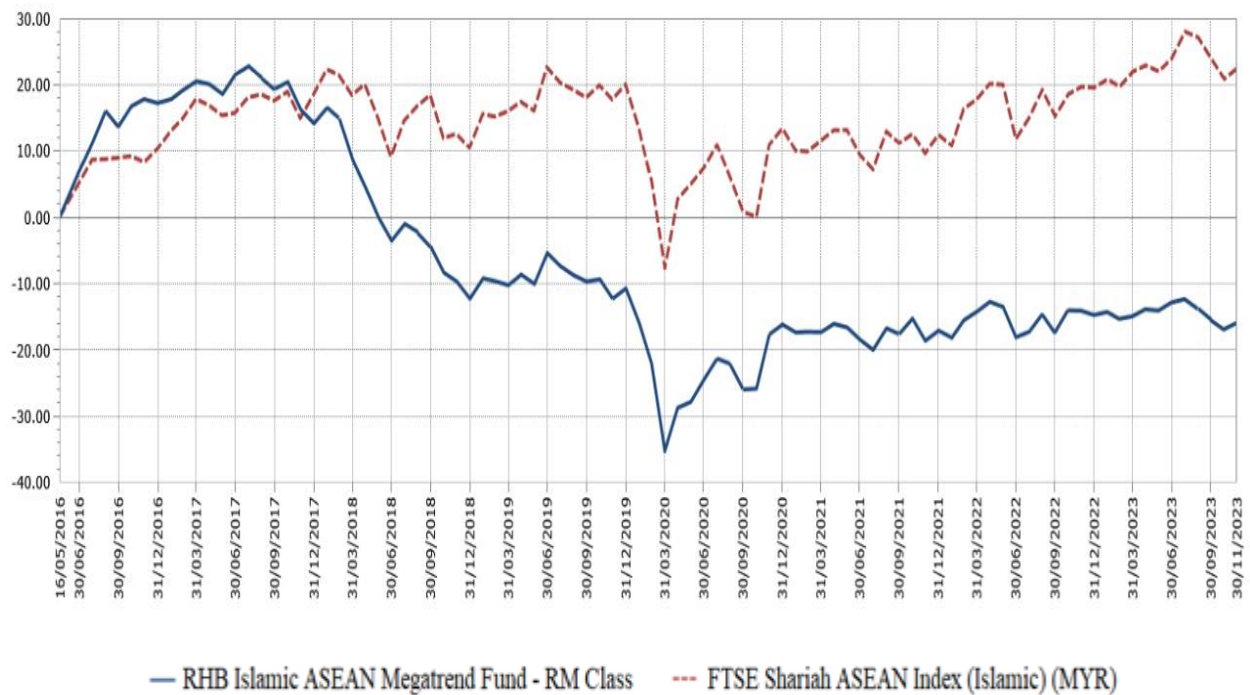
**Performance of RHB Islamic ASEAN Megatrend Fund – USD-A Class  
for the period from 7 March 2016\*\* to 30 November 2023  
Cumulative Return Over The Period (%)**



**Performance of RHB Islamic ASEAN Megatrend Fund – USD-B Class  
for the period from 16 May 2016\*\* to 30 November 2023  
Cumulative Return Over The Period (%)**



**Performance of RHB Islamic ASEAN Megatrend Fund – RM Class  
for the period from 16 May 2016\*\* to 30 November 2023  
Cumulative Return Over The Period (%)**



\*\* Being the last day of the Initial Offer Period

Source: Lipper IM, 12 December 2023

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

<b>Fund Size - USD-A Class</b>	<b>As at 30.11.2023</b>	<b>As at 31 May</b>		
		<b>2023</b>	<b>2022</b>	<b>2021</b>
Net Asset Value (USD million)	-	1.25	1.97	2.01
Units In Circulation (million)	-	1.56	2.33	2.33
Net Asset Value Per Unit (USD)	-	0.8021	0.8454	0.8617

<b>Fund Size - USD-B Class</b>	<b>As at 30.11.2023</b>	<b>As at 31 May</b>		
		<b>2023</b>	<b>2022</b>	<b>2021</b>
Net Asset Value (USD million)	0.01	0.01	0.04	0.07
Units In Circulation (million)	0.01	0.01	0.04	0.09
Net Asset Value Per Unit (USD)	0.8983	0.9275	0.9831	0.8027

<b>Fund Size - RM Class</b>	<b>As at 30.11.2023</b>	<b>As at 31 May</b>		
		<b>2023</b>	<b>2022</b>	<b>2021</b>
Net Asset Value (USD million)	0.96	1.20	1.55	2.35
Units In Circulation (million)	5.29	6.42	7.85	11.58
Net Asset Value Per Unit (USD)	0.1807	0.1865	0.1977	0.2026



<b>Historical Data</b>	<b>01.06.2023 - 30.11.2023</b>	<b>Financial Year Ended 31 May</b>		
		<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>Unit Prices</b>				
<u>USD-A1 Class</u>				
NAV Price - Highest (USD)	-	-	-	0.8444
- Lowest (USD)	-	-	-	0.7677
<u>USD-A Class</u>				
NAV Price - Highest (USD)	0.8384	0.8735	0.8832	0.9030
- Lowest (USD)	-	0.7464	0.8082	0.7506
<u>USD-B Class</u>				
NAV Price - Highest (USD)	0.9688	1.0120	1.0306	0.8430
- Lowest (USD)	0.8572	0.8661	0.7522	0.7032
<u>RM Class</u>				
NAV Price - Highest (RM)	0.8878	0.8724	0.8777	0.8669
- Lowest (RM)	0.8222	0.7987	0.8010	0.7327
<b>Distribution and Unit Split</b>	-	-	-	-
<b>Others</b>				
Total Expense Ratio (TER) (%) #	1.07	1.93	2.29	1.39
Portfolio Turnover Ratio (PTR) (times) ##	0.96	0.92	1.17	1.98

# The TER for the financial period was higher compared with the previous financial period due to lower average net asset value for the financial period under review.

## The PTR for the financial period was higher compared with previous financial period due to lower average net asset value for the financial period under review.

## **DISTRIBUTION**

For the financial period 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	As at 31 May		
	30 November 2023 %	2023 %	2022 %	2021 %
<b>Equities</b>				
Airlines	-	6.06	2.65	-
Aluminium	3.26	2.17	2.33	2.35
Auto/Truck Manufacturers	-	-	0.80	-
Auto Vehicles, Parts & Service Retailers	-	1.97	-	-
Beverages - Non-Alcoholic	-	2.66	-	-
Chemicals - Commodity	-	-	-	4.24
Computer Hardware	-	-	0.46	-
Coal - Industry	2.90	-	-	3.04
Construction & Engineering	9.44	3.29	2.98	2.66
Construction Materials - Industry	4.20	0.69	2.70	8.28
Consumer Products & Services	6.12	4.35	4.69	1.60
Courier/Postal/Air Freight & Land-Based Logistics	-	-	1.69	-
Design, Manufacturing & Distribution	-	-	1.21	2.01
Electronic Equipments & Parts	-	-	1.77	3.80
Engineering & Construction Services	4.88	5.21	3.06	1.98
Fabricated Metal & Hardware	0.51	-	-	-
Fishing/Farming	-	0.58	-	-
Food Processing	10.93	2.89	-	5.65
Healthcare Facilities	5.70	7.48	4.66	3.82
Home Improvement Products & Services Retailers	-	1.47	-	-
Independent Power Producers	-	-	-	1.04
Industrial Products & Services	-	-	2.00	2.15
Insurance/Takaful-Multiline	-	-	0.70	-
Integrated Telecommunications Services	10.67	11.29	15.36	13.21
Marine Port Services	-	-	2.41	-

## PORTFOLIO STRUCTURE (CONTINUED)

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

Sectors (continued)	As at	As at 31 May		
	30 November 2023 %	2023 %	2022 %	2021 %
<b>Equities (continued)</b>				
Medical Equipment/Supplies/ Distribution	2.10	-	-	1.40
Mining/Metal-Speciality	-	-	-	2.19
Non-Paper Containers/Packaging	-	2.13	-	-
Oil/Gas	-	-	0.72	-
Oil/Gas Exploration/Production	5.11	3.39	2.31	2.86
Oil/Gas Refining/Marketing	6.73	6.59	7.40	9.56
Oil Related Services/Equipment	5.46	3.82	1.84	1.57
Online Services	-	-	-	1.76
Passenger Transportation, Ground & Sea	-	-	2.46	1.39
Pharmaceuticals - Diversified	-	-	3.67	2.28
Phones & Handheld Devices	-	-	-	2.14
Plantation	-	3.06	5.67	3.00
Real Estate Rental, Development & Operations	4.82	5.31	2.98	1.50
Retail - Apparel/Accessories	-	-	3.42	0.64
Retail - Department Stores	-	2.50	1.40	-
Retail - Discretionary	3.18	2.59	1.72	-
Semiconductor Equipment/Testing	3.08	-	-	1.16
Semiconductors	-	-	-	1.76
Utilities - Electric	4.86	1.33	1.76	2.70
Utilities - Natural Gas	-	-	0.99	-
Wireless Telecommunications Services	-	1.82	2.93	3.83
	93.95	82.65	88.74	95.57
Islamic collective investment scheme	-	1.32	2.51	2.24
Liquid assets and other net current assets	6.05	16.03	8.75	2.19
	100.00	100.00	100.00	100.00

The assets allocation was reflective of the Manager's stance to risk manage its portfolio in an environment of relative markets

## **SECURITIES FINANCING TRANSACTIONS**

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

## **CROSS TRADE**

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

## **SOFT COMMISSION**

Soft commissions were received by the management company for the financial period 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 ISLAMIC ASEAN MEGATREND FUND**  
**UNAUDITED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 NOVEMBER 2023**

	<u>Note</u>	<u>30.11.2023</u> USD	<u>31.05.2023</u> USD
<b>ASSETS</b>			
Bank balances	5	50,037	362,985
Islamic deposits with licensed financial institutions	5	-	123,921
Investments	6	904,210	2,058,635
Amount due from brokers		22,444	13
Amount due from counterparties		-	74,706
Amount due from Manager		1,523	1,357
Dividend receivables		861	4,272
<b>TOTAL ASSETS</b>		<u>979,075</u>	<u>2,625,889</u>
<b>LIABILITIES</b>			
Amount due to brokers		-	74,706
Amount due to counterparties		-	74,639
Accrued management fee		1,406	3,266
Amount due to Trustee		47	129
Tax payable		4,804	4,389
Other payables and accruals		5,563	6,513
Payables for donation to charitable bodies		4,824	10,620
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)</b>		<u>16,644</u>	<u>174,262</u>
<b>NET ASSET VALUE</b>		<u>962,431</u>	<u>2,451,627</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>962,431</u>	<u>2,451,627</u>
<b>REPRESENTED BY:</b>			
<b>FAIR VALUE OF OUTSTANDING UNITS:</b>			
- USD-A Class		-	1,248,012
- USD-B Class		6,587	6,802
- RM Class		955,844	1,196,813
		<u>962,431</u>	<u>2,451,627</u>

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

**RHB ISLAMIC ASEAN MEGATREND FUND**  
**UNAUDITED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 NOVEMBER 2023 (CONTINUED)**

	<u>Note</u>	<u>30.11.2023</u> USD	<u>31.05.2023</u> USD
<b>UNITS IN CIRCULATION:</b>			
- USD-A Class (Units)	8(a)	-	1,556,019
- USD-B Class (Units)	8(b)	7,333	7,333
- RM Class (Units)	8(c)	5,290,705	6,416,760
		<u>5,298,038</u>	<u>7,980,112</u>
<b>NET ASSET VALUE PER UNIT:</b>			
- USD-A Class (USD)		-	0.8021
- USD-B Class (USD)		0.8983	0.9275
- RM Class (USD)		0.1807	0.1865
		<u>0.1807</u>	<u>0.1865</u>
<b>NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES:</b>			
- USD-A Class (USD)		-	0.8021
- USD-B Class (USD)		0.8983	0.9275
- RM Class (RM)		0.8415	0.8603
		<u>0.8415</u>	<u>0.8603</u>

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

**RHB ISLAMIC ASEAN MEGATREND FUND**  
**UNAUDITED STATEMENT OF INCOME AND EXPENSES**  
**FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2023**

	<u>Note</u>	<u>01.06.2023-</u> <u>30.11.2023</u> USD	<u>01.06.2022-</u> <u>30.11.2022</u> USD
<b>INCOME/(LOSS)</b>			
Dividend income		29,910	52,609
Profit income from Islamic deposits with licensed financial institutions		477	591
Net realised loss on disposal		(29,419)	(137,138)
Net unrealised gain on changes in fair value		58,968	79,880
Net foreign currency exchange loss		(11,481)	(11,230)
		<u>48,455</u>	<u>(15,288)</u>
<b>EXPENSES</b>			
Management fee	9	(12,584)	(24,251)
Trustee's fee	10	(459)	(979)
Audit fee		(777)	(752)
Tax agent's fee		(727)	(2,301)
Transaction cost		(11,102)	(17,523)
Other expenses		(4,584)	(5,383)
Donation to charitable bodies		-	(850)
		<u>(30,233)</u>	<u>(52,039)</u>
Net income/(loss) before taxation		18,222	(67,327)
Taxation	11	(5,815)	(7,329)
Net increase/(decrease) in net assets attributable to unit holders		<u>12,407</u>	<u>(74,656)</u>
Net increase/(decrease) in net assets attributable to unit holders is made up as follow:			
Realised amount		(39,483)	(146,578)
Unrealised amount		51,890	71,922
		<u>12,407</u>	<u>(74,656)</u>

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

**RHB ISLAMIC ASEAN MEGATREND FUND**  
**UNAUDITED STATEMENT OF CHANGES IN NET ASSET VALUE**  
**FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2023**

	<b><u>01.06.2023-</u></b> <b><u>30.11.2023</u></b> <b>USD</b>	<b><u>01.06.2022-</u></b> <b><u>30.11.2022</u></b> <b>USD</b>
Net assets attributable to unit holders at the beginning of the financial period	2,451,627	3,568,085
Movement due to units created and cancelled during the financial period:		
Creation of units from applications		
- RM Class	29,475	21,349
	<u>29,475</u>	<u>21,349</u>
Cancellation of units		
- USD-A Class	(1,296,516)	-
- USD-B Class	-	(26,753)
- RM Class	(234,562)	(140,203)
	<u>(1,531,078)</u>	<u>(166,956)</u>
Net increase/(decrease) in net assets attributable to unit holders during the financial period	<u>12,407</u>	<u>(74,656)</u>
Net assets attributable to unit holders at the end of financial period	<u>962,431</u>	<u>3,347,822</u>

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



**RHB ISLAMIC ASEAN MEGATREND FUND**  
**UNAUDITED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2023**

	<b>01.06.2023- 30.11.2023</b>	<b>01.06.2022- 30.11.2022</b>
	<b>USD</b>	<b>USD</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from sale of investments	2,008,611	2,180,617
Purchase of investments	(932,808)	(2,042,138)
Dividends received	30,503	46,642
Profit received from Islamic deposits with licensed financial institutions	477	591
Management fee paid	(14,444)	(24,857)
Trustee's fee paid	(541)	(1,002)
Payment for other fees and expenses	(4,222)	(4,456)
Payment for donation to charitable bodies	(5,796)	(24,011)
Net realised foreign exchange loss	(4,403)	(3,272)
(Tax paid)/Tax recoverable	(5,399)	282
Net cash generated from operating activities	<u>1,071,978</u>	<u>128,396</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash proceeds from units created	29,309	21,349
Cash paid for units cancelled	(1,531,078)	(166,720)
Net cash used in financing activities	<u>(1,501,769)</u>	<u>(145,371)</u>
Net decrease in cash and cash equivalents	(429,791)	(16,975)
Foreign currency translation differences	(7,078)	(7,958)
Cash and cash equivalents at the beginning of the financial period	<u>486,906</u>	<u>358,120</u>
Cash and cash equivalents at the end of the financial period	<u>50,037</u>	<u>333,187</u>

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

**RHB ISLAMIC ASEAN MEGATREND FUND  
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2023**

**1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES**

The RHB Islamic ASEAN Megatrend Fund (hereinafter referred to as (“the Fund”)) was constituted pursuant to the execution of a Deed dated 11 December 2014 as amended via its First Supplemental Deed dated 17 April 2015 and Second Supplemental Deed dated 7 February 2023 between RHB Islamic International Asset Management Berhad (“the Manager”) and HSBC (Malaysia) Trustee Berhad (“the Trustee”).

The Fund was launched on 16 February 2016 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 achieve medium to long term capital appreciation through investments in Shariah-compliant securities of companies with high growth potential.

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.

All investments will be subject to the Securities Commission Malaysia (“SC”)’s Guidelines on Unit Trust Funds, SC’s requirements, the Deeds, except where exemptions or variations have been approved by the SC, internal policies and procedures and objective 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 23 January 2024.

## **2. SUMMARY OF SIGNIFICANT 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 significant 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 period. It also requires the Manager to exercise its 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 judgment or complexity, or areas where assumptions and estimates are significant to the financial statements.

#### **(a) Standards and amendments to existing standards effective 1 June 2023**

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

#### **(b) New standards, amendments and interpretations effective after 1 June 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 June 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 June 2024.

The amendment shall be applied retrospectively.

## **2. SUMMARY OF SIGNIFICANT 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 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 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 and dividend receivables as financial assets measured at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

#### 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.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **2.2 Financial assets (continued)**

#### Recognition and measurement (continued)

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 period 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.

Islamic deposits with licensed financial institutions are stated at cost plus accrued profit calculated on the effective profit method over the period 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.

Financial assets at amortised cost are subsequently carried at amortised cost using the effective profit method.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **2.2 Financial assets (continued)**

#### 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.

#### 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 period.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **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, accrued management fee, amount due to Trustee, other payables and accruals, payables for donation to charitable bodies and net asset attributable to unit holder are recognised initially at fair value plus directly attributable transaction cost and subsequently measured at amortised cost using the effective profit method.

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.

### **2.4 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 three classes of cancellable units, which are cancelled at the unit holders' option. The units are classified as financial liabilities as they do not have identical features subject to restrictions as stipulated in the SC Guidelines on Unit Trust Funds. 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 exercises 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **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 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).

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.

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 period.

### **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 SIGNIFICANT 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 interest 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:

- Significant portion 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.

## **2. SUMMARY OF SIGNIFICANT 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.

## **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 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.

### **3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**

#### 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 equity securities and Islamic collective investment scheme (other than those arising from profit rate risk) price risk for its investments of USD 904,210 (31.05.2023: USD2,058,635) 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 +/- USD45,211 (31.05.2023: USD102,932).

#### 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.

### 3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### Currency risk (continued)

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 period. 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 (-)/+ USD 1,352 (31.05.2023: +/-) USD49,276).

Investors who are converting from Ringgit Malaysia ("RM") to USD to invest into the USD-A Class and USD-B 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.

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

	<u>Investments</u> USD	<u>Cash and cash equivalents</u> USD	<u>Other financial assets/ (liabilities)*</u> USD	<u>Net assets attributable to unit holders</u> USD	<u>Total</u> USD
<b><u>30.11.2023</u></b>					
Indonesian Rupiah	221,198	-	-	-	221,198
Malaysian Ringgit	318,862	10,619	13,105	(955,844)	(613,258)
Philippine Peso	33,067	-	-	-	33,067
Singapore Dollar	85,250	-	861	-	86,111
Thailand Baht	245,833	-	-	-	245,833
	<b>904,210</b>	<b>10,619</b>	<b>13,966</b>	<b>(955,844)</b>	<b>(27,049)</b>
<b><u>31.05.2023</u></b>					
Indonesian Rupiah	290,859	-	-	-	290,859
Malaysian Ringgit	736,896	135,386	(12,121)	(1,196,813)	(336,652)
Philippine Peso	106,806	-	-	-	106,806
Singapore Dollar	379,736	-	442	-	380,178
Thailand Baht	544,338	-	-	-	544,338
	<b>2,058,635</b>	<b>135,386</b>	<b>(11,679)</b>	<b>(1,196,813)</b>	<b>985,529</b>

\* Comprise of amount due from/to brokers, amount due from Manager, dividend receivables, other payable and accruals, and payables for donation to charitable bodies.

### 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 deposits 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 Guidelines on Unit Trust Funds.

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

	<b>Cash and cash equivalents USD</b>	<b>Other financial assets* USD</b>	<b>Total USD</b>
<b><u>30.11.2023</u></b>			
AAA	50,037	-	50,037
Other	-	24,828	24,828
	50,037	24,828	74,865
<b><u>31.05.2023</u></b>			
AAA	486,906	-	486,906
Other	-	80,348	80,348
	486,906	80,348	567,254

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

	<b>Less than 1 <u>month</u> USD</b>	<b>Between 1 <u>month to 1 year</u> USD</b>
<b><u>30.11.2023</u></b>		
Accrued management fee	1,406	-
Amount due to Trustee	47	-
Other payables and accruals	-	5,563
Payables for donation to charitable bodies	-	4,824
Net assets attributable to unit holders*	962,431	-
	<u>963,884</u>	<u>10,387</u>

### 3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### Liquidity risk (continued)

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. (continued)

	<b>Less than 1 <u>month</u> USD</b>	<b>Between 1 <u>month to 1 year</u> USD</b>
<b><u>31.05.2023</u></b>		
Amount due to brokers	74,706	-
Amount due to counterparties	74,639	-
Accrued management fee	3,266	-
Amount due to Trustee	129	-
Other payables and accruals	-	6,513
Payables for donation to charitable bodies	-	10,620
Net assets attributable to unit holders*	2,451,627	-
	<u>2,604,367</u>	<u>17,133</u>

\* Outstanding units are redeemed on demand at the 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 liquidate of such investments in accordance with the rules of divestment of non Shariah-compliant investments. If this occurs, the Fund could suffer losses from the liquidation and thus, adversely affecting the value of the Fund.

#### Capital risk

The capital of the Fund is represented by net asset attributable to unit holders of USD 962,431 (31.05.2023: USD2,451,627). The amount of net asset 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 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 period 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.

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 period 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.



#### 4. FAIR VALUE ESTIMATION (CONTINUED)

##### Fair value hierarchy (continued)

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)

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

	<u>Level 1</u> USD	<u>Level 2</u> USD	<u>Level 3</u> USD	<u>Total</u> USD
<b><u>30.11.2023</u></b>				
<b>Financial assets at FVTPL:</b>				
- Quoted Shariah-compliant investments	904,210	-	-	904,210
	<u>904,210</u>	<u>-</u>	<u>-</u>	<u>904,210</u>
<b><u>31.05.2023</u></b>				
<b>Financial assets at FVTPL:</b>				
- Quoted Shariah-compliant investments	2,026,282	-	-	2,026,282
- Islamic collective investment scheme	32,353	-	-	32,353
	<u>2,058,635</u>	<u>-</u>	<u>-</u>	<u>2,058,635</u>

Investments in active listed equities, i.e. quoted investments and Islamic collective investment scheme whose values are based on quoted market prices in active markets are classified within Level 1. The Fund does not adjust the quoted prices for these instruments. The Fund's policies on valuation of these financial assets are stated in Note 2.2.

## 5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise:

	<u>30.11.2023</u> USD	<u>31.05.2023</u> USD
Bank balances	50,037	362,985
Islamic deposits with licensed financial institutions	-	123,921
	<u>50,037</u>	<u>486,906</u>

## 6. INVESTMENTS

	<u>30.11.2023</u> USD	<u>31.05.2023</u> USD
Investments:		
- Quoted Shariah-compliant investments - local	318,862	736,896
- Quoted Shariah-compliant investments - foreign	585,348	1,289,386
- Islamic collective investment scheme - foreign	-	32,353
	<u>904,210</u>	<u>2,058,635</u>

## 6. INVESTMENTS (CONTINUED)

Investments as at 30 November 2023 are as follows:

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> <u>USD</u>	<u>Fair Value</u> <u>USD</u>	<u>% of Net</u> <u>Asset</u> <u>Value</u> <u>%</u>
<b>QUOTED SHARIAH-COMPLIANT INVESTMENTS – LOCAL</b>				
<b><u>MALAYSIA</u></b>				
<b>Aluminium</b>				
Press Metal Aluminium Holdings Berhad	30,400	26,911	31,334	3.26
<b>Construction &amp; Engineering</b>				
AME Elite Consortium Berhad	143,400	43,848	51,423	5.34
IJM Corporation Berhad	101,500	34,153	39,449	4.10
		78,001	90,872	9.44
<b>Fabricated Metal &amp; Hardware</b>				
CPE Technology Berhad	21,400	4,924	4,917	0.51
<b>Food Processing</b>				
Sime Darby Plantation Berhad	43,900	43,702	42,514	4.42
<b>Medical Equipment/ Supplies/Distribution</b>				
Hartalega Holdings Berhad	39,300	17,088	20,253	2.10
<b>Oil Related Services/Equipment</b>				
Dayang Enterprise Holdings Berhad	28,000	9,760	9,740	1.01
Dialog Group Berhad	90,300	46,380	42,852	4.45
		56,140	52,592	5.46
<b>Semiconductor Equipment/Testing</b>				
Inari Amertron Berhad	31,100	18,830	19,500	2.03
MI Technovation Berhad	25,600	9,463	10,115	1.05
		28,293	29,615	3.08

## 6. INVESTMENTS (CONTINUED)

Investments as at 30 November 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of Net</u> <u>Asset</u> <u>Value</u> %
<b>QUOTED SHARIAH-COMPLIANT INVESTMENTS - LOCAL (CONTINUED)</b>				
<b><u>MALAYSIA (CONTINUED)</u></b>				
<b>Utilities - Electric</b>				
Tenaga Nasional Berhad	21,800	42,348	46,765	4.86
<b>TOTAL QUOTED SHARIAH-COMPLIANT INVESTMENTS - LOCAL</b>		<b>297,407</b>	<b>318,862</b>	<b>33.13</b>
<b>QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN</b>				
<b><u>INDONESIA</u></b>				
<b>Coal - Industry</b>				
PT United Tractors Tbk	19,800	35,092	27,966	2.90
<b>Construction Materials – Industry</b>				
PT Semen Indonesia (Persero) Tbk	96,340	43,511	40,388	4.20
<b>Consumer Products &amp; Services</b>				
PT Charoen Pokphand Indonesia Tbk	46,500	18,396	15,595	1.62
PT Indofood Sukses Makmur Tbk	104,500	51,299	43,303	4.50
		69,695	58,898	6.12
<b>Food Processing</b>				
PT Mayora Indah Tbk	179,600	31,227	29,537	3.07

## 6. INVESTMENTS (CONTINUED)

Investments as at 30 November 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of Net</u> <u>Asset</u> <u>Value</u> %
<b>QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN (CONTINUED)</b>				
<b><u>INDONESIA (CONTINUED)</u></b>				
<b>Integrated Telecommunications Services</b>				
PT Telekomunikasi Indonesia (Persero) Tbk	265,600	65,694	64,409	6.69
<b>TOTAL INDONESIA</b>		<b>245,219</b>	<b>221,198</b>	<b>22.98</b>
<b><u>PHILIPPINES</u></b>				
<b>Food Processing</b>				
Monde Nissin Corporation Ltd	218,400	33,809	33,067	3.44
<b>TOTAL PHILIPPINES</b>		<b>33,809</b>	<b>33,067</b>	<b>3.44</b>
<b><u>SINGAPORE</u></b>				
<b>Engineering &amp; Construction Services</b>				
Keppel Corporation Ltd	9,400	25,955	46,989	4.88
<b>Integrated Telecommunications Services</b>				
Singapore Telecommunications Ltd	22,100	46,617	38,261	3.98
<b>TOTAL SINGAPORE</b>		<b>72,572</b>	<b>85,250</b>	<b>8.86</b>
<b><u>THAILAND</u></b>				
<b>Healthcare Facilities</b>				
Bangkok Dusit Medical Services Public Company Ltd	74,200	58,146	54,854	5.70

## 6. INVESTMENTS (CONTINUED)

Investments as at 30 November 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> <u>USD</u>	<u>Fair Value</u> <u>USD</u>	<u>% of Net</u> <u>Asset</u> <u>Value</u> <u>%</u>
<b>QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN (CONTINUED)</b>				
<b><u>THAILAND (CONTINUED)</u></b>				
<b>Oil/Gas</b>				
<b>Exploration/Production</b>				
PTT Exploration and Production Public Company Ltd	11,500	39,529	49,211	5.11
<b>Oil/Gas Refining/Marketing</b>				
PTT Public Company Ltd	34,000	34,678	33,352	3.47
Thai Oil Public Company Ltd	21,400	33,224	31,336	3.26
		67,902	64,688	6.73
<b>Real Estate Rental, Development &amp; Operations</b>				
Central Pattana Public Company Ltd	24,100	42,823	46,425	4.82
<b>Retail - Discretionary</b>				
Home Product Center Public Company Ltd	90,600	37,905	30,655	3.18
<b>TOTAL THAILAND</b>		<b>246,305</b>	<b>245,833</b>	<b>25.54</b>
<b>TOTAL QUOTED SHARIAH - COMPLIANT INVESTMENTS - FOREIGN</b>		<b>597,905</b>	<b>585,348</b>	<b>60.82</b>
<b>TOTAL INVESTMENT</b>		<b>895,312</b>	<b>904,210</b>	<b>93.95</b>

## 6. INVESTMENTS (CONTINUED)

Investments as at 31 May 2023 are as follows:

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of Net</u> <u>Asset</u> <u>Value</u> %
<b>QUOTED SHARIAH-COMPLIANT INVESTMENTS – LOCAL</b>				
<b><u>MALAYSIA</u></b>				
<b>Aluminium</b>				
Press Metal Aluminium Holdings Berhad	53,300	47,182	53,265	2.17
<b>Auto Vehicles, Parts &amp; Service Retailers</b>				
Bermaz Auto Berhad	102,800	50,033	48,358	1.97
<b>Beverages - Non-Alcoholic</b>				
Fraser and Neave Holdings Berhad	11,900	54,976	65,266	2.66
<b>Construction &amp; Engineering</b>				
Gamuda Berhad	83,668	69,128	80,530	3.29
<b>Fishing/Farming</b>				
TSH Resources Berhad	70,000	16,860	14,188	0.58
<b>Healthcare Facilities</b>				
IHH Healthcare Berhad	62,000	85,176	77,550	3.16
<b>Integrated Telecommunications Services</b>				
Telekom Malaysia Berhad	34,700	38,841	38,363	1.57
<b>Non-Paper Containers/Packaging</b>				
Thong Guan Industries Berhad	109,000	65,560	52,220	2.13

## 6. INVESTMENTS (CONTINUED)

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

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> <u>USD</u>	<u>Fair Value</u> <u>USD</u>	<u>% of Net</u> <u>Asset</u> <u>Value</u> <u>%</u>
<b>QUOTED SHARIAH-COMPLIANT INVESTMENTS - LOCAL (CONTINUED)</b>				
<b><u>MALAYSIA (CONTINUED)</u></b>				
<b>Oil Related</b>				
<b>Services/Equipment</b>				
Dayang Enterprise Holdings Berhad	76,300	18,967	19,352	0.79
Dialog Group Berhad	158,700	81,512	74,310	3.03
		<u>100,479</u>	<u>93,662</u>	<u>3.82</u>
<b>Plantation</b>				
Kuala Lumpur Kepong (Malaysia) Berhad	16,576	81,487	75,029	3.06
<b>Retail - Department Stores</b>				
Aeon Company Berhad	214,000	70,148	61,236	2.50
<b>Utilities – Electric</b>				
Tenaga Nasional Berhad	15,800	28,609	32,573	1.33
<b>Wireless</b>				
<b>Telecommunications Services</b>				
Axiata Group Berhad	74,100	46,379	44,656	1.82
<b>TOTAL QUOTED SHARIAH-COMPLIANT INVESTMENTS - LOCAL</b>		<b><u>754,858</u></b>	<b><u>736,896</u></b>	<b><u>30.06</u></b>



## 6. INVESTMENTS (CONTINUED)

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

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of Net Asset Value</u> %
<b>QUOTED SHARIAH-COMPLIANT INVESTMENTS – FOREIGN</b>				
<b><u>INDONESIA</u></b>				
<b>Construction Materials- Industry</b>				
PT Semen Indonesia (Persero) Tbk	43,840	22,617	16,968	0.69
<b>Consumer Products &amp; Services</b>				
PT Charoen Pokphand Indonesia Tbk	81,600	32,282	26,955	1.10
PT Indofood Sukses Makmur Tbk	168,100	82,298	79,647	3.25
		114,580	106,602	4.35
<b>Integrated Telecommunications Services</b>				
PT Telekomunikasi Indonesia (Persero) Tbk	620,500	153,476	167,289	6.82
<b>TOTAL INDONESIA</b>		<b>290,673</b>	<b>290,859</b>	<b>11.86</b>
<b><u>PHILIPPINES</u></b>				
<b>Food Processing</b>				
Monde Nissin Corporation Ltd	490,400	74,958	70,743	2.89
<b>Home Improvement Products &amp; Services Retailers</b>				
Wilcon Depot Inc	71,300	37,963	36,063	1.47
<b>TOTAL PHILIPPINES</b>		<b>112,921</b>	<b>106,806</b>	<b>4.36</b>

## 6. INVESTMENTS (CONTINUED)

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

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> <u>USD</u>	<u>Fair Value</u> <u>USD</u>	<u>% of Net</u> <u>Asset</u> <u>Value</u> <u>%</u>
<b>QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN (CONTINUED)</b>				
<b><u>SINGAPORE</u></b>				
<b>Airlines</b>				
Singapore Airlines Ltd	31,400	119,933	148,596	6.06
<b>Engineering &amp; Construction Services</b>				
Keppel Corporation Ltd	27,400	77,646	127,644	5.21
<b>Integrated Telecommunications Services</b>				
Singapore Telecommunications Ltd	38,700	81,632	71,143	2.90
<b>TOTAL SINGAPORE</b>		<b>279,211</b>	<b>347,383</b>	<b>14.17</b>
<b><u>THAILAND</u></b>				
<b>Healthcare Facilities</b>				
Bangkok Dusit Medical Services Public Company Ltd	130,400	102,187	105,865	4.32
<b>Oil/Gas Exploration/ Production</b>				
PTT Exploration And Production Public Company Ltd	20,100	69,090	83,179	3.39
<b>Oil/Gas Refining/Marketing</b>				
PTT Public Company Ltd	184,300	284,072	161,540	6.59

## 6. INVESTMENTS (CONTINUED)

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

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> USD	<u>Fair Value</u> USD	<u>% of Net</u> <u>Asset</u> <u>Value</u> %
<b>QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN (CONTINUED)</b>				
<b><u>THAILAND (CONTINUED)</u></b>				
<b>Real Estate Rental, Development &amp; Operations</b>				
Central Pattana Public Company Ltd	67,100	111,735	130,161	5.31
<b>Retail - Discretionary</b>				
Home Product Centre Public Company Ltd	159,200	66,606	63,593	2.59
<b>TOTAL THAILAND</b>		<b>633,690</b>	<b>544,338</b>	<b>22.20</b>
<b>TOTAL QUOTED SHARIAH - COMPLIANT INVESTMENTS – FOREIGN</b>		<b>1,316,495</b>	<b>1,289,386</b>	<b>52.59</b>
<b>ISLAMIC COLLECTIVE INVESTMENT SCHEME – FOREIGN</b>				
<b><u>SINGAPORE</u></b>				
<b>Commercial REITs</b>				
Mapletree Industrial Trust	19,305	37,352	32,353	1.32
<b>TOTAL SINGAPORE</b>		<b>37,352</b>	<b>32,353</b>	<b>1.32</b>

## 6. INVESTMENTS (CONTINUED)

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

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> <u>USD</u>	<u>Fair Value</u> <u>USD</u>	<u>% of Net</u> <u>Asset</u> <u>Value</u> <u>%</u>
<b>TOTAL ISLAMIC COLLECTIVE INVESTMENT SCHEME - FOREIGN</b>		37,352	32,353	1.32
<b>TOTAL INVESTMENTS</b>		<b>2,108,705</b>	<b>2,058,635</b>	<b>83.97</b>

## 7. 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.

## 7. SHARIAH INFORMATION OF THE FUND (CONTINUED)

- (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 period of the Fund.

- (c) Purification process of the Fund during the financial period.

The Fund has recognised an amount of USD Nil (01.06.2022-30.11.2022: USD850) in statement of income and expenses under donation to charitable bodies during the financial period ended 30 November 2023 as part of the Fund's cleansing process.

## 8. UNITS IN CIRCULATION

### (a) USD-A Class

	<u>30.11.2023</u> Units	<u>31.05.2023</u> Units
At the beginning of the financial period/year	1,556,019	2,334,028
Cancellation of units during the financial period/year	<u>(1,556,019)</u>	<u>(778,009)</u>
At the end of the financial period/year	<u>-</u>	<u>1,556,019</u>

### (b) USD-B Class

	<u>30.11.2023</u> Units	<u>31.05.2023</u> Units
At the beginning of the financial period/year	7,333	44,556
Creation of units arising from applications during the financial period/year	-	2,580
Cancellation of units during the financial period/year	-	<u>(39,803)</u>
At the end of the financial period/year	<u>7,333</u>	<u>7,333</u>

## 8. UNITS IN CIRCULATION (CONTINUED)

### (c) RM Class

	<u>30.11.2023</u> Units	<u>31.05.2023</u> Units
At the beginning of the financial period/year	6,416,760	7,847,239
Creation of units arising from applications during the financial period/year	158,562	193,801
Cancellation of units during the financial period/year	<u>(1,284,617)</u>	<u>(1,624,280)</u>
At the end of the financial period/year	<u>5,290,705</u>	<u>6,416,760</u>

## 9. 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 period

Class	Management fee rate
USD-A Class	1.25% per annum
USD-B Class	1.80% per annum
RM Class	1.80% per annum

## 10. TRUSTEE'S FEE

In accordance with the Prospectus, the Trustee's fee provided in the financial statements is up to 0.06% (01.06.2022-30.11.2022: 0.06%) per annum based on the net asset value of the Fund, calculated on a daily basis for the financial period.

## 11. TAXATION

### (a) Tax charge for the financial period

	<u>01.06.2023- 30.11.2023</u> USD	<u>01.06.2022- 30.11.2022</u> USD
Current taxation	<u>5,815</u>	<u>7,329</u>

## 11. TAXATION (CONTINUED)

### (b) Numerical reconciliation of income tax expense

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

	<b><u>01.06.2023-</u> <u>30.11.2023</u></b> USD	<b><u>01.06.2022-</u> <u>30.11.2022</u></b> USD
Net income/(loss) before taxation	<u>18,222</u>	<u>(67,327)</u>
Tax calculated at a statutory income tax rate of 24%	4,373	(16,158)
Tax effects of:		
- (Income not subject to tax)/Loss not deductible for tax purposes	(5,814)	3,669
- Expenses not deductible for tax purpose	3,978	6,488
- Restriction on tax deductible expenses	3,278	6,001
- Income subject to different tax rate	-	7,329
Tax expense	<u>5,815</u>	<u>7,329</u>

## 12. TOTAL EXPENSE RATIO (“TER”)

	<b><u>01.06.2023-</u> <u>30.11.2023</u></b> %	<b><u>01.06.2022-</u> <u>30.11.2022</u></b> %
TER	<u>1.07</u>	<u>0.96</u>

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.

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

	<u>01.06.2023- 30.11.2023</u>	<u>01.06.2022- 30.11.2022</u>
PTR (times)	<u>0.96</u>	<u>0.66</u>

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

### 14. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

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

	<u>30.11.2023</u>		<u>31.05.2023</u>	
	Units	USD	Units	USD
RHB Investment Bank Berhad - USD-A Class	-	-	1,556,019	1,248,083
RHB Bank Berhad* - RM Class	519,480	93,870	530,876	99,008
RHB Nominees (Tempatan) Sdn Bhd - RM Class	-	-	3,223,589	601,199
RHB Asset Management Sdn Bhd – Direct - RM Class	2,945,937	532,331	-	-

\* *Ultimate holding company of the Manager*

The units held by 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.



## 15. TRANSACTIONS BY THE FUND

Details of transactions by the Fund for the financial period ended 30 November 2023 are as follows:

<b>Brokers/Financial <u>institutions</u></b>	<b>Value of <u>trades</u> USD</b>	<b>Percentage of total <u>trades</u> %</b>	<b>Brokerage <u>fees</u> USD</b>	<b>Percentage of total brokerage <u>fees</u> %</b>
RHB Investment Bank Berhad*	678,480	23.45	2,091	26.66
Kim Eng Securities (Thailand) Public Company Ltd	515,152	17.80	1,288	16.42
Affin Investment Bank Berhad	379,488	13.11	1,138	14.51
Kim Eng Ong Asia Securities Pte Ltd	337,195	11.65	843	10.75
Maybank Kim Eng Securities Pte Ltd	308,504	10.66	617	7.87
Maybank Investment Bank Berhad	243,310	8.41	730	9.31
CIMB Investment Bank Berhad	110,970	3.84	333	4.24
Macquarie (M) Sdn Bhd	79,581	2.75	239	3.05
CLSA Securities Malaysia Sdn Bhd	76,416	2.64	153	1.95
PT CIMB Securities, Indonesia	42,379	1.46	106	1.35
Others	122,381	4.23	305	3.89
	<u>2,893,856</u>	<u>100.00</u>	<u>7,843</u>	<u>100.00</u>

## 15. TRANSACTIONS BY THE FUND (CONTINUED)

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

<b><u>Brokers/Financial institutions</u></b>	<b><u>Value of trades</u> USD</b>	<b><u>Percentage of total trades</u> %</b>	<b><u>Brokerage fees</u> USD</b>	<b><u>Percentage of total brokerage fees</u> %</b>
RHB Investment Bank Berhad*	1,600,594	29.04	4,758	32.47
Kim Eng Ong Asia Securities Pte Ltd	820,817	14.89	2,052	14.00
Maybank Kim Eng Securities Pte Ltd	550,393	9.99	1,101	7.51
Macquarie (M) Sdn Bhd	407,866	7.40	1,132	7.73
Maybank Investment Bank Berhad	345,017	6.26	1,035	7.06
UOB Kay Hian Securities (M) Sdn Bhd	290,495	5.27	581	3.97
MIDF Amanah Investment Bank Berhad	282,997	5.14	849	5.79
PT CIMB Securities, Indonesia	221,630	4.02	554	3.78
Kim Eng Securities (Thailand) Public Company Ltd	215,530	3.91	539	3.68
CIMB Investment Bank Berhad	204,485	3.71	613	4.18
Others	571,430	10.37	1,440	9.83
	<b>5,511,254</b>	<b>100.00</b>	<b>14,654</b>	<b>100.00</b>

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

## 16. FINANCIAL INSTRUMENTS BY CATEGORIES

	<u>30.11.2023</u>	<u>31.05.2023</u>
	USD	USD
<b>Financial assets</b>		
Financial assets at FVTPL		
• Quoted Shariah-compliant investments	904,210	2,026,282
• Islamic collective investment scheme	-	32,353
	<u>904,210</u>	<u>2,058,635</u>
Financial assets at amortised cost		
• Bank balances	50,037	362,985
• Islamic deposits with licensed financial institutions	-	123,921
• Amount due from brokers	22,444	13
• Amount due from counterparties	-	74,706
• Amount due from Manager	1,523	1,357
• Dividend receivables	861	4,272
	<u>74,865</u>	<u>567,254</u>
<b>Financial liabilities</b>		
Financial liabilities at amortised cost		
• Amount due to brokers	-	74,706
• Amount due to counterparties	-	74,639
• Accrued management fee	1,406	3,266
• Amount due to Trustee	47	129
• Other payables and accruals	5,563	6,513
• Payables for donation to charitable bodies	4,824	10,620
• Net asset attributable to unit holders	962,431	2,451,627
	<u>974,271</u>	<u>2,621,500</u>

**STATEMENT BY MANAGER**  
**RHB ISLAMIC ASEAN MEGATREND 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 unaudited statement of financial position, unaudited statement of income and expenses, unaudited statement of changes in net asset value, unaudited 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 30 November 2023 and of its financial performance and cash flows for the financial period then ended and comply with the provisions of the Deeds.

On behalf of the Manager,

Dato' Darawati Hussain  
Director

Mohd Farid Bin Kamarudin  
Director

23 January 2024

## TRUSTEE'S REPORT

To the unit holders of RHB Islamic ASEAN Megatrend Fund (“Fund”),

We have acted as Trustee of the Fund for the financial period ended 30 November 2023 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 period covered by these financial statements in accordance with the following:

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

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat  
Manager, Investment Compliance Monitoring

Kuala Lumpur  
23 January 2024

**REPORT OF THE SHARIAH ADVISER  
RHB ISLAMIC ASEAN MEGATREND FUND**

To the unit holders of RHB Islamic ASEAN Megatrend 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 the Shariah principles and requirements and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters for the financial period ended 30 November 2023.

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,  
Chairman  
Shariah Committee of RHB Islamic Bank Berhad

23 January 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](mailto:rhbiiam.enquiry@rhbgroup.com)

Tel: 03 – 9205 8000

Fax: 03 – 9205 8107

Website: [www.rhbgroup.com](http://www.rhbgroup.com)

### 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 Chairman*)  
(*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*)

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 Auguts 2023)*

### **SECRETARIES**

Encik Azman Shah Md Yaman (LS No. 0006901)

Izafaniz Binti Abdullah Kamir (MACS01851)



<b>TRUSTEE</b>	HSBC (Malaysia) Trustee Berhad
<b>SHARIAH ADVISER</b>	RHB Islamic Bank Berhad
<b>PRINCIPAL BANKER</b>	RHB Islamic Bank Berhad
<b>AUDITORS</b>	PricewaterhouseCoopers PLT
<b>TAX ADVISER</b>	PricewaterhouseCoopers Taxation Services Sdn Bhd
<b>DISTRIBUTORS</b>	RHB Asset Management Sdn Bhd RHB Bank Berhad RHB Investment Bank Berhad RHB Islamic Bank Berhad Al-Rajhi Banking and Investment Corporation (Malaysia) Berhad Areca Capital Sdn Bhd iFAST Capital Sdn Bhd Kenanga Investors Berhad OCBC Bank (Malaysia) Berhad OCBC Al-Amin Bank Berhad Phillip Mutual Berhad UOB Kay Hian Securities (M) Sdn Bhd