



Manulife

Investment Management

Manulife
Investment Shariah
Asia-Pacific
ex Japan Fund

Annual Report

for the financial year ended
30 September 2024

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1. GENERAL INFORMATION

1.1 THE FUND

The Fund commenced operations on 16 January 2008 and will continue its operations until terminated as provided under Clause 48.2 of the Deed.

1.2 FUND TYPE / CATEGORY

Growth / Equity (Shariah-compliant)

1.3 BASE CURRENCY

Ringgit Malaysia (RM)

1.4 OBJECTIVE OF THE FUND

The Fund aims to provide long-term capital appreciation through investments in Shariah-compliant equities and equity-related securities of companies in the Asia-Pacific ex Japan region.

Note: Any material change to the Fund's investment objective would require Unit Holders' approval.

1.5 DISTRIBUTION POLICY

Distribution of income, if any, is incidental.

1.6 PERFORMANCE BENCHMARK

FTSE Shariah Asia Pacific Ex-Japan Index. Prior to 10 August 2020, the performance benchmark was FTSE Shariah Asia Pacific Ex Japan, India and Pakistan Index. The change in performance benchmark is to better reflect the Fund's broader investable universe.

The performance benchmark above is only used as a reference for investment performance comparison purpose. The risk profile of the Fund is not the same as the risk profile of this performance benchmark. The performance benchmark information is available on www.manulifeim.com.my.

1.7 INVESTMENT STYLE AND STRATEGY

The Fund will invest 70% to 98% of its net asset value (NAV) in a diversified portfolio of Shariah-compliant equities and Shariah-compliant equity-related securities of companies domiciled in/ listed in or having significant operations* in the APxJ Region (despite being listed outside the region), including but not limited to Australia, China, Hong Kong, India, Indonesia, Malaysia, New Zealand, the Philippines, Singapore, South Korea, Taiwan, Thailand and Vietnam, with emphasis on high growth potential and/or undervalued Shariah-compliant securities relative to their assessed true value. Islamic money market instruments are only used to maintain liquidity position and also as a short-term alternative should the Shariah-compliant equity markets become extremely volatile. The Fund may invest in these investments directly or via Islamic collective investment schemes (CISs).

* Significant operations mean the revenue, earnings, production facilities, assets and/ or investments of a company are based in/ derived from the APxJ Region. The level of significance will be determined by the Manager on a case-by-case basis based on his/ her research and judgement.

The Fund is actively managed based on research fundamentals in meeting the investment objective of the Fund.

The investment process of the Fund employs both qualitative and quantitative analysis in identifying potential companies for investment. In doing so, the Manager adopts a bottom-up approach which relies on fundamentals research – the fundamentals are assessed from a broad range of criteria including the company's growth and value profile, its cash-flow generation ability and its management.

The Manager may take a temporary defensive view in attempting to respond to adverse market, economic, political or any other conditions by reducing the Fund's investments in Shariah-compliant equities and Shariah-compliant equity-related securities to lower than 70%, but not less than 50% of the Fund's NAV.

During the financial year under review, the Fund remained guided by its investment objective as it kept a close tab on investment opportunities within the Asia-Pacific region. This was based on its assessment of the individual market, sector and Shariah compliant stock fundamentals as well as prospects vis-à-vis valuation, while also taking into account the outlook of respective currencies.

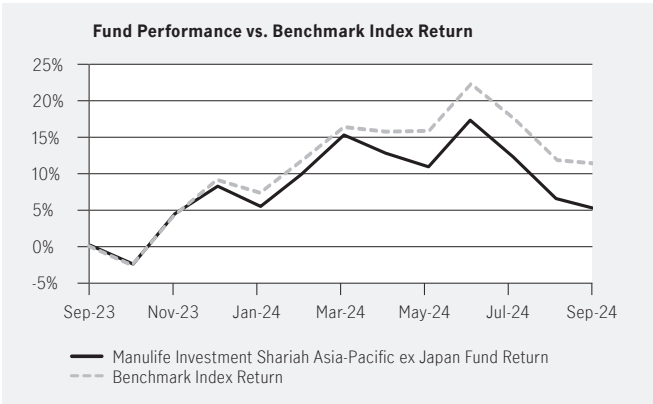
2. MANAGER’S REPORT

2.1 FUND PERFORMANCE

For the financial year ended 30 September 2024, the Fund generated a return of 5.02%. The Fund underperformed it the benchmark, which increased by 11.24%. The Fund underperformed its benchmark on the back of stock selection and asset allocation decisions at the geographic and sector levels. Stock selection in Hong Kong, India and Taiwan, and the overweight to Indonesia were the primary detractors. Stock selection in China and the underweight to China were the primary contributors.

The distribution of 3.26sen per unit on 26 September 2024 reduced the NAV per unit of the Fund. The ex-distribution NAV per unit were RM0.4127.

The graph below compares the 12-month performance of the Fund against its benchmark return:



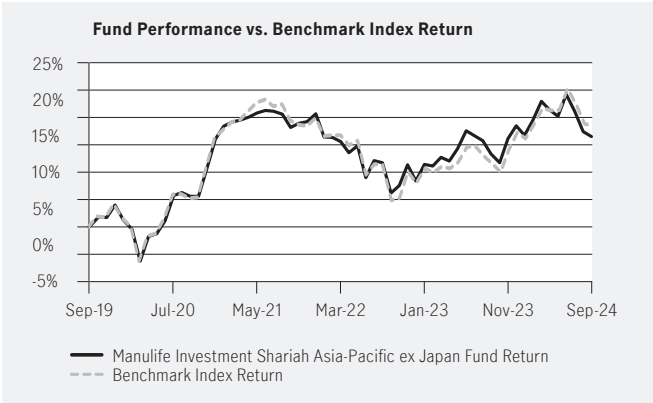
Source: Lipper, Morningstar & RIMES

Fund Size

The Fund's total NAV decreased to RM224.28mil from RM276.42mil during the financial year under review.

Fund's Returns

- (a) The graph below compares the 5-year performance of the Fund against its benchmark return:



Source: Lipper, Morningstar & RIMES

- (b) Average Total Return of the Fund:

For the financial year ended 30 September 2024	Fund (% p.a.)	Benchmark (% p.a.)
1 year	5.02	11.24
3 years	(0.82)	(0.43)
5 years	5.88	6.50
Investment Commencement Date: 16 January 2008		

Source: Lipper, Morningstar & RIMES

- (c) Annual Total Return of the Fund:

For the financial year ended	Fund (% p.a.)	Benchmark (% p.a.)
30 September 2024	5.02	11.24
30 September 2023	12.94	12.36
30 September 2022	(17.76)	(21.02)
30 September 2021	22.91	25.71
30 September 2020	10.99	10.39
Investment Commencement Date: 16 January 2008		

Source: Lipper, Morningstar & RIMES

BASES OF CALCULATION

1. Net Asset Value (NAV)

Net Asset Value of the Fund is determined by deducting the value of all the Fund's liabilities from the value of all the Fund's assets, at the valuation point.

2. Net Asset Value per unit

Net Asset Value per unit is the net asset value of the Fund divided by the total number of units in circulation, at the valuation point.

3. Fund's Return

Fund's return can be calculated based on the computation methods as follows:

Daily Total Fund's Return = $\{[\text{End NAV (Ex-distribution)} - \text{Beginning NAV} + \text{Dividend Distribution}] / \text{Beginning NAV}\} \times 100\%$

Total Fund's Return = Total fund's return for the year is derived from geometrically linked together the daily total fund's returns.
The linking formula is $= [(1 + R_1) \times (1 + R_2) \times \dots (1 + R_n)] - 1$
where: R_1 is the first daily return for the year,
 R_2 is the second daily return for the year, and
 R_n is the last daily return for the year.

Average Total Return = Annualised Total Return
 $[(1 + \text{Total fund's return for the year})^{(\text{Actual number of days in a year} / \text{number of days during the period})} - 1] \times 100\%$

The following table shows other financial and performance data of the Fund for the past three financial years:

Fund Data	30 September 2024	30 September 2023	30 September 2022
NAV (RM)	224,279,299	276,421,842	231,922,968
Units in Circulation ('000)	542,561	653,841	617,588
NAV (RM per unit)	0.4134	0.4228	0.3755
Highest / Lowest NAV (RM per unit)	0.5140 / 0.4127	0.4626 / 0.3744	0.4809 / 0.3753
Total Fund Return (%)	5.02	12.94	(17.76)
Capital Return (%)	(2.66)	12.94	(17.76)
Income Distribution (%)	7.90	–	–
Final Distribution			
Gross (RM per unit)	0.0326	–	–
Net (RM per unit)	0.0310	–	–
Ex-date	26.09.2024	–	–
Total Expense Ratio (%)	1.94	1.96	1.87
Portfolio Turnover Ratio (times)	0.36	0.53	0.34

Notes

(i) Total Expense Ratio (TER)

TER can be calculated based on the ratio of the sum of fees and the recovered expenses of the Shariah-compliant unit trust fund to the average value of the Shariah-compliant unit trust fund calculated on a daily basis.

Fees of the Shariah-compliant unit trust fund + Recovered expenses of the Shariah-compliant unit trust fund

Average value of the Shariah-compliant unit trust fund calculated on a daily basis x 100

Where:

Fees = All ongoing fees deducted / deductible directly from the Shariah-compliant unit trust fund in respect of the period covered by the total expense ratio, expressed as a fixed amount, calculated on a daily basis. This would include the annual management fee, the annual trustee fee and any other fees deducted / deductible directly from the Shariah-compliant unit trust fund;

Recovered = All expenses recovered from/ charged to the Shariah-compliant unit trust fund, as a result of the expenses incurred by the operation of the Shariah-compliant unit trust fund, expressed as a fixed amount. This should not include expenses that would otherwise be incurred by an individual investor (e.g. brokerage, taxes and levies); and

Average value of the unit = The NAV of the Shariah-compliant unit trust fund, including unit trust net income value of the fund, less expenses on an accrued basis, in respect of the period covered by the total expense ratio, calculated on a daily basis.

The TER for the financial year is lower as compared to the previous financial year mainly due to the decrease in expenses.

(ii) Portfolio Turnover Ratio (PTR)

PTR can be calculated based on the ratio of the average sum of acquisitions and disposals of the unit trust fund for the year to the average value of the unit trust fund for the year calculated on a daily basis.

[Total acquisitions of the fund for the year + Total disposals of the fund for the year]/2

Average value of the unit trust fund calculated on a daily basis

The PTR for the financial year is lower as compared to the previous financial year mainly due to the decrease in trading activities.

Impact on NAV arising from distribution distributed for the financial year ended 30 September 2024:

Ex-Date	Cum Distribution NAV (RM)	Gross Distribution (RM)	Ex Distribution NAV (RM)
26.09.2024	0.4354	(0.0326)	0.4028

Note: There are no distribution declared for financial year ended 30 September 2023 and 30 September 2024.

The manager wishes to highlight that past performance of the fund is not an indication of future performance.

The price of units and the investment returns may go down, as well as up.

2.2 ASSET ALLOCATION

Asset allocation for the past three financial years:

Sector Allocation	% of Net Asset Value		
	30 September 2024	30 September 2023	30 September 2022
Quoted Shariah-compliant Investments - Foreign	96.56	95.05	92.42
Total Shariah-compliant Investments	96.56	95.05	92.42
Deposits with Licensed Financial Institutions	–	–	2.24
Other Assets & Liabilities	3.44	4.95	5.34

Country Allocation	% of Net Asset Value		
	30 September 2024	30 September 2023	30 September 2022
Taiwan	21.50	20.44	19.07
Australia	19.09	19.94	20.46
India	16.94	11.29	9.83
Hong Kong/China	16.83	20.26	17.57
South Korea	15.46	16.68	16.77
Indonesia	4.16	3.98	5.59
Thailand	1.33	1.20	1.24
Singapore	1.25	1.26	1.89
Total Shariah-compliant Investments - Foreign	96.56	95.05	92.42

As at 30 September 2024, the Fund was 96.56% invested in equities and 3.44% in deposits and other assets & liabilities. From a geographic perspective, the Fund primarily increased its exposure to India and Taiwan, while reducing its weight in Hong Kong/China and South Korea.

2.3 MARKET REVIEW

During the financial year under review (1st October 2023 to 30th September 2024), Asia Pacific ex Japan equities posted gains.

In the fourth quarter of 2023, Asia Pacific ex Japan equities posted gains. The trajectory of inflation and the U.S. Federal Reserves (Feds) monetary policy drove markets. Equities stumbled in October as surging yields dragged global markets lower. However, as evidence of disinflation strengthened, markets anticipated a transition in monetary policy, causing yields to fall in November. After the U.S. Fed's pause in November, a dovish press conference was held in December where Chairman Powell revealed the Federal Open Market Committees (FOMCs) 2024 'dot plot', which featured three rate cuts. This confirmation of the long-anticipated 'pivot' catalysed a risk-on environment.

In the first quarter of 2024, Asia Pacific ex Japan equities moved higher along with the global markets amid the trajectory of the U.S. Fed's monetary policy. The U.S. Fed confirmed its policy pivot in the March meeting, reiterating the forecast of three 25 bps rate cuts by the end of 2024. However, this stance, coupled with stronger economic data emerging from the U.S., led market participants to pare back their original estimate of 7 rate cuts, reflecting a higher-for-longer sentiment. In Asia, investors' focus on AI drove gains in most Northeast Asian markets, while mixed economic data and a lack of stimulus initiatives from the National People's Congress led Chinese markets lower.

In the second quarter of 2024, Asia Pacific ex Japan equities recorded positive returns. Global equities broadly moved higher with the U.S. Fed on pause amid moderating inflation. In Asia, AI-related technology shares in Taiwan and Korea surged higher on the back of numerous catalysts, while India equities posted gains post general election results with Prime Minister Modi pursuing policy continuity. China and Hong Kong markets also recorded positive performance thanks to policy stimulus. On the other hand, ASEAN equities generally underperformed.

In the third quarter of 2024, Asia Pacific ex Japan equities posted gains on the back of the U.S. Fed's more accommodative monetary policy and stimulus policies in China. The U.S. Fed delivered a greater-than-expected 50 bps rate cut in the September 2024 meeting, marking the start of the long-awaited monetary easing cycle. It led to a weaker USD and catalysed outperformance among the ASEAN markets supported by domestic currency appreciation. Additionally, regional central banks in Philippines and Indonesia started their rate cut cycles, further boosting sentiment. While Chinese markets broadly underperformed early in the period, the People's Bank of China released a comprehensive stimulus in September, sending mainland China and Hong Kong markets sharply higher.

2.4 MARKET & ECONOMIC OUTLOOK AND INVESTMENT STRATEGY

Asian equity markets remain attractive relative to history and global peers. Global interest rates have now peaked in our view, and we would expect that rate cuts are inevitable although the timing of those rate cuts is up for debate. Future rate cuts should be good for Asian equities while at the same time put downward pressure on the US dollar.

From a portfolio positioning standpoint, we continue to favor structural growth names. Despite recent concerns on electric vehicle (EV) overcapacity and increasing protectionism in export markets, we still view the EV sector as one that will deliver strong growth in volumes. We prefer the upstream battery makers in this scenario given its better industry structure relative to downstream players facing intense competition. We also continue to like some names in the renewable sector, such as those involved in key supply chains for wind, solar and modernization of power grids to accommodate increased levels of electrification. Within tech, we like those names benefitting from the roll out of Artificial Intelligence but are cautious on some names that have run up too fast. We continue to like names within tech that benefit from increased levels of automation. We feel that as global supply chains look to diversify, this will only increase the focus on automation.

From a geographic standpoint, we are now more constructive on China as a market due to low valuations and market expectations now appropriately more cautious. We believe that China's policy response, while incremental, will continue to mitigate the impacts of weakness from the property sector. India remains a strong structural story. However, our positioning within India is cautious given elevated valuations and the fact that the Modi government's slender majority puts into question some of the drivers of its investment led growth model. Hence, we are starting to favour more consumption-related stocks that had performed poorly relative to industrial names before the Indian election. In North Asia, we have turned incrementally more positive on Korea relative to Taiwan given the valuations and the upcycle in Dynamic Random-Access Memory (DRAM), while many of Taiwan's tech stocks have re-rated significantly on the AI theme even though many of them are only indirectly exposed to this theme. Also, within Korea, many of the battery manufacturers have significantly underperformed lately due to concerns on EV market growth. Our view is that many of these names look extremely cheap given the growth opportunity that still exists. Recent protectionism against Chinese suppliers in markets such as North America and Europe are only going to accelerate the interest in Korean EV supply chains as a substitute.

2.5 SECURITIES FINANCING TRANSACTIONS

During the financial year under review, the fund has not undertaken any securities lending or repurchase transactions (collectively referred to as "securities financing transactions").

2.6 CROSS TRADE TRANSACTIONS

During the financial year under review, there is no cross-trade transactions have been carried out.

3. POLICY ON STOCKBROKING REBATES AND SOFT COMMISSIONS

It is the Manager's policy not to enter into soft-dollar arrangements. Exceptions have to be assessed on a case-by-case basis in accordance to the Manager's policy prior to entering into any soft-dollar arrangement.

The Manager may retain soft commissions provided by any brokers or dealers if the soft commissions bring direct benefit or advantage to the management of the Fund. Any dealings with the brokers or dealers are executed on terms which are the most favourable to the Fund and there is no churning of trades. Any rebates/shared commissions should be credited to the account of the Fund concerned.

During the financial year under review, soft commissions have not been received by the Management Company.

4. STATEMENT BY THE MANAGER

We, Edmond Cheah Swee Leng and Chong Soon Min, being two of the Directors of Manulife Investment Management (M) Berhad (“the Manager”), do hereby state that, in the opinion of the Manager, the accompanying financial statements comprising the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows, material accounting policy information and notes to the financial statements, are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 September 2024 and of its financial performance, changes in equity and cash flows of the Fund for the financial year ended 30 September 2024 in accordance with the Malaysian Financial Reporting Standards (“MFRS”) and the International Financial Reporting Standards (“IFRS”).

For and on behalf of the Manager

MANULIFE INVESTMENT MANAGEMENT (M) BERHAD

EDMOND CHEAH SWEE LENG

DIRECTOR

CHONG SOON MIN

DIRECTOR

Kuala Lumpur

25 November 2024

5. TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF MANULIFE INVESTMENT SHARIAH ASIA-PACIFIC EX JAPAN FUND ("Fund")

We have acted as Trustee of the Fund for the financial year ended 30 September 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Manulife Investment Management (M) Berhad has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

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

We are of the opinion that the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
25 November 2024

6. SHARIAH ADVISER'S REPORT

TO THE UNIT HOLDERS OF MANULIFE INVESTMENT SHARIAH ASIA-PACIFIC EX JAPAN FUND

We hereby confirm:

To the best of our knowledge, after having made all reasonable enquiries, Manulife Investment Management (M) Berhad has operated and managed the Fund during the financial year/period covered by these financial statements 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; and

The assets of the Fund comprise instruments that have been classified as Shariah compliant by Shariah Advisory Council ("SAC") of the Securities Commission Malaysia or the Shariah Supervisory Board of FTSE Shariah Asia Pacific Index. As for the instruments which are not classified as Shariah-compliant by the SAC of the Securities Commission Malaysia or the Shariah Supervisory Board of FTSE Shariah Asia Pacific Index, we have reviewed the said instruments and confirmed that these instruments are Shariah-compliant.

The instrument which was earlier classified as Shariah-compliant and subsequently reclassified as Shariah non-compliant by the SAC of the Securities Commission Malaysia or the Shariah Supervisory Board of FTSE Shariah Asia Pacific Index consists of Contemporary Amperex Technology Co., Limited. This reclassified Shariah non-compliant instrument shall be disposed of in accordance with the Fund's Shariah investment guidelines as provided in the Fund's Master Deed and supplemental Deeds, if any, as disclosed in the Fund's information memorandum/disclosure document/prospectus.

For ZICO Shariah Advisory Services Sdn Bhd

DR. AIDA OTHMAN

Designated Person Responsible For Shariah Matters Relating To the Fund

Kuala Lumpur
25 November 2024

7. INDEPENDENT AUDITORS' REPORT

TO THE UNIT HOLDERS OF MANULIFE INVESTMENT SHARIAH ASIA-PACIFIC EX JAPAN FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion, the financial statements of Manulife Investment Shariah Asia-Pacific ex Japan Fund ("the Fund") give a true and fair view of the financial position of the Fund as at 30 September 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 September 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 15 to 45.

Basis for opinion

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

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

Independence and other ethical responsibilities

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

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the Manager for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

- (a) Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- (d) Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

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

OTHER MATTERS

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

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
25 November 2024

8. STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

	Note	2024 RM	2023 RM
INVESTMENT INCOME			
Profit income from Islamic deposits with licensed financial institutions at amortised cost		30,559	63,190
Gross dividend income		5,576,870	6,676,367
Net gain on financial assets at fair value through profit or loss	6	21,323,080	30,841,492
Net foreign currency exchange loss		(1,233,598)	(291,534)
		<u>25,696,911</u>	<u>37,289,515</u>
EXPENSES			
Manager's fee	3	4,670,808	4,684,182
Trustee's fee	4	160,142	160,600
Auditors' remuneration		7,500	7,500
Tax agent's fee		70,099	29,595
Other expenses		875,456	1,102,551
Transaction costs		570,704	739,292
		<u>6,354,709</u>	<u>6,723,720</u>
PROFIT BEFORE TAXATION		19,342,202	30,565,795
TAXATION	5	<u>(1,955,543)</u>	<u>(1,659,062)</u>
PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME		<u><u>17,386,659</u></u>	<u><u>28,906,733</u></u>
Profit after taxation is made up as follows:			
Realised		16,919,722	3,527,109
Unrealised		466,937	25,379,624
		<u><u>17,386,659</u></u>	<u><u>28,906,733</u></u>

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

9. STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2024

	Note	30.09.2024 RM	30.09.2023 RM
ASSETS			
Cash and cash equivalents	7	7,178,912	14,573,859
Financial assets at fair value through profit or loss	6	216,561,306	262,707,971
Amount due from Manager		437,929	308,712
Dividends receivable		487,655	318,336
Tax recoverable		1,122,661	–
TOTAL ASSETS		225,788,463	277,908,878
LIABILITIES			
Amount due to Manager			
- Manager's fee		317,646	408,736
- Cancellation of units		196	39,633
Amount due to Trustee		10,891	14,014
Deferred tax liabilities	16	1,148,749	76,401
Other payables	8	31,682	38,280
Tax payable		–	909,972
TOTAL LIABILITIES		1,509,164	1,487,036
NET ASSET VALUE ("NAV") OF THE FUND		224,279,299	276,421,842
EQUITY			
Unit holders' capital		206,647,087	260,552,857
Retained earnings		17,632,212	15,868,985
		224,279,299	276,421,842
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	2	224,279,299	276,421,842
NUMBER OF UNITS IN CIRCULATION (UNITS)	10	542,561,494	653,840,531
NAV PER UNIT		0.4134	0.4228

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

10. STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

	Unit holders' capital RM	Retained earnings RM	Total RM
BALANCE AS AT 1 OCTOBER 2023	260,552,857	15,868,985	276,421,842
Movement in unit holders' contribution:			
Creation of units arising from applications	25,440,654	–	25,440,654
Creation of units arising from distribution	15,623,432	–	15,623,432
Cancellation of units	(94,969,856)	–	(94,969,856)
Total comprehensive income	–	17,386,659	17,386,659
Distributions (Note 17)	–	(15,623,432)	(15,623,432)
BALANCE AS AT 30 SEPTEMBER 2024	<u>206,647,087</u>	<u>17,632,212</u>	<u>224,279,299</u>

	Unit holders' capital RM	(Accumulated loss)/ Retained earnings RM	Total RM
BALANCE AS AT 1 OCTOBER 2022	244,960,716	(13,037,748)	231,922,968
Movement in unit holders' contribution:			
Creation of units arising from applications	53,285,857	–	53,285,857
Cancellation of units	(37,693,716)	–	(37,693,716)
Total comprehensive income	–	28,906,733	28,906,733
BALANCE AS AT 30 SEPTEMBER 2023	<u>260,552,857</u>	<u>15,868,985</u>	<u>276,421,842</u>

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

11. STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

	Note	2024 RM	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Purchase of Shariah-compliant investments		(61,473,063)	(151,439,272)
Sale of Shariah-compliant investments		128,372,104	133,173,162
Net realised foreign exchange loss		(339,412)	(349,553)
Dividends received		4,792,538	6,132,482
Profit income received		30,559	63,190
Manager's fee paid		(4,761,898)	(4,626,051)
Trustee's fee paid		(163,265)	(158,607)
Audit fee paid		(7,500)	(5,500)
Tax agent's fee paid		(76,169)	(31,788)
Payment for other fees and expenses		(260,971)	(355,631)
Tax paid		(2,915,828)	(1,070,796)
Net cash generated from/(used in) in operating activities		63,197,095	(18,668,364)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		25,311,437	53,169,704
Payments for cancellation of units		(95,009,293)	(38,062,127)
Net cash (used in)/generated from financing activities		(69,697,856)	15,107,577
Net decrease in cash and cash equivalents		(6,500,761)	(3,560,787)
Currency translation differences		(894,186)	58,067
Cash and cash equivalents at beginning of the financial year		14,573,859	18,076,579
Cash and cash equivalents at end of the financial year	7	7,178,912	14,573,859
Cash and cash equivalents comprised of:			
Bank balances in licensed banks	7	7,178,912	14,573,859

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

12. MATERIAL ACCOUNTING POLICY INFORMATION

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements. The policies have been consistently applied to all the financial years presented, unless otherwise stated.

A. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial year. It also requires the Manager to exercise 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 are no significant areas of judgement or complexity that have significant effect on the amounts recognised in the financial statements. There are no critical accounting estimates and assumptions used in the preparation of the financial statements of the Fund for the financial year ended 30 September 2024.

(i) Standards and amendments to existing standards effective 1 January 2023

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

(ii) New standards, amendments and interpretations effective after 1 January 2023, and have not been early adopted.

A number of new standards, amendments to standards or interpretations are effective for annual periods beginning after 1 October 2023 and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

B. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

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

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate quoted Shariah-compliant equities as fair value through other comprehensive income. The contractual cash flows of the Fund's sukuk are solely principal and profit. However, these Shariah-compliant 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 Manager and dividends receivable as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

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

(ii) Recognition and initial 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 assets. Shariah-compliant investments are initially recognised at fair value. Transaction cost are expensed in the statement of comprehensive income.

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

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

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

Unrealised gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss are presented in the statement of comprehensive income within net gain or loss on financial assets at fair value through profit or loss in the financial year which they arise.

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

Quoted Shariah-compliant securities in Malaysia are valued at the last done market price quoted on Bursa Malaysia Securities Bhd ("Bursa Securities") at the date of the statement of financial position.

Quoted foreign Shariah-compliant securities are valued at the last traded market price quoted on the respective foreign stock exchanges at the close of the business day of the respective foreign stock exchanges.

If a valuation based on the market price does not represent the fair value of the quoted 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 quoted Shariah-compliant securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the quoted Shariah-compliant 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 maturity of the respective Islamic deposits.

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

(iii) Impairment

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

(iv) Significant increase in credit risk

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

(v) Definition of default and credit-impaired financial assets

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

(vi) Write-off

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

C. INCOME RECOGNITION

Profit income from Islamic deposits placed with licensed financial institutions is recognised on time proportionate basis using the effective profit rate method on an accrual basis.

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 asset (after deduction of the loss allowance).

Dividend income on quoted Shariah-compliant investments is recognised on the ex dividend date.

Realised gains or losses on disposal of quoted Shariah-compliant securities is calculated based on the difference between the net disposal proceeds and the carrying amount of Shariah-compliant investments, determined on a weighted average cost basis.

D. EXPENSES

Expenses are accounted for on an accrual basis and charged to the statement of comprehensive income. Expenses arising from the disposal of Shariah-compliant investments are recognised as transaction costs (Note K to the financial statements).

E. AMOUNT DUE FROM/TO STOCKBROKERS

Amounts due from and to stockbrokers represent receivables for quoted Shariah-compliant securities sold and payables for quoted Shariah-compliant securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

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 the amount due from the stockbroker 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 stockbroker, probability that the stockbroker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

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

F. CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash at banks and Islamic deposits held in highly liquid investments that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value.

G. DISTRIBUTION

A distribution to the Fund's unit holders is accounted for as a deduction from realised reserve. A proposed distribution to unit holders is recognised in the statement of changes in equity upon approval by the Trustee.

Distribution equalisation is the amount attributable to net realised income that is included in the price of units created or units cancelled by the Fund during the reporting year.

H. FOREIGN CURRENCY**Functional and presentation currency**

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

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, event and conditions and have determined the functional currency to be in RM primarily due to the following factors:

- (i) Significant portion of the Fund's expenses are denominated in RM; and
- (ii) Units of the Fund are denominated in RM.

Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains or losses resulting from the settlement of such transaction and from the translation at financial year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income, except when deferred in other comprehensive income ("OCI") as qualifying cash flow hedges.

I. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is 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. The information presented herein represents the estimates of fair values as at the date of statement of financial position.

Where available, quoted and observable market prices are used as the measure of fair values. Where such quoted and observable market prices are not available, fair values are estimated based on a range of methodologies and assumptions regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows and other factors. Changes in the uncertainties and assumptions could materially affect these estimates and the resulting fair value estimates.

A range of methodologies and assumptions has been used in deriving the fair values of the Fund's financial instruments as at the date of statement of financial position. The total fair value of each financial instrument is not materially different from the total carrying value.

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

(a) Short-term Islamic deposits with licensed financial institutions

For Islamic deposits and placements with licensed financial institutions with maturities of less than three months, the carrying value is a reasonable estimate of fair value. For Islamic deposits and placements with maturities of three months and above, the estimated fair value is based on discounted cash flows using prevailing Islamic interbank money market profit rates at which similar Islamic deposits and placements would be made with financial institutions of similar credit risk and remaining period to maturity.

(b) Quoted Shariah-compliant investments

The estimated fair value is based on quoted and observable market prices.

(c) Other Islamic short-term financial instruments

Other short-term financial instruments comprise amount due from/to Manager, dividends receivable, amount due to Trustee and other payables. The carrying values of the assets and liabilities are assumed to approximate their fair values due to the short tenure of less than one year.

J. TAXATION

Current tax expense is determined according to the Malaysian tax laws at the current rate based upon the taxable profit earned during the financial year.

K. TRANSACTION COSTS

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

13. NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

1. INFORMATION ON THE FUND

Manulife Investment Shariah Asia-Pacific ex Japan Fund ("the Fund") was established pursuant to a Master Deed dated 31 January 2002, as amended and supplemented by subsequent Supplemental Deeds (hereinafter referred to as "the Deed") between Manulife Investment Management (M) Berhad ("the Manager") and HSBC (Malaysia) Trustee Berhad ("the Trustee").

The principal activity of the Fund is to invest in "Authorised Investments" as defined under Clause 1 of the Deed, which includes Shariah-compliant securities of companies listed on Bursa Malaysia Berhad and Shariah-compliant foreign securities listed on any recognised Stock Exchange(s) subject to approval by Bank Negara Malaysia and the Securities Commission, unlisted Shariah-compliant securities of a Malaysian issuer, Islamic deposits with financial institutions, quoted and unquoted sukuk. The Fund commenced operations on 16 January 2008 and will continue its operations until terminated as provided under Clause 48.2 of the Deed.

The main objective of the Fund is to provide unit holders with long-term capital appreciation through investments in Shariah-compliant equities and Shariah-compliant equity-related securities of companies in the Asia-Pacific ex-Japan region.

The Manager of the Fund, a company incorporated in Malaysia, is a wholly-owned subsidiary of Manulife Holdings Berhad, a public limited liability company, incorporated and domiciled in Malaysia, and listed on the main market of Bursa Malaysia. Its principal activities are the management of unit trusts and private retirement schemes, fund management activities and financial planning.

The financial statements were authorised for issue by the Manager on 25 November 2024.

2. NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

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

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

The outstanding units are carried at the redemption amount that is payable at each financial year if the unit holders exercise the right to put the units back to the Fund.

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

3. MANAGER'S FEE

In accordance with the Deed, the Manager's fee is recognised at a rate of not exceeding 2.50% per annum of the net asset value of the Fund before deducting Trustee's fee and Manager's fee for the day, calculated on a daily basis.

For the financial year, the Manager's fee is recognised at a rate of 1.75% per annum (2023: 1.75% per annum) of the net asset value of the Fund before deducting Trustee's fee and Manager's fee for the day, calculated on a daily basis.

There will be no further liability to the Manager in respect of Manager's fee other than the amount recognised above.

4. TRUSTEE'S FEE

In accordance with the Deed, the Trustee is entitled to a fee at a rate of not exceeding 0.25% per annum of the net asset value of the Fund before deducting Trustee's fee and Manager's fee for the day, including local custodian fees, but excluding foreign custodian fees and charges, calculated on a daily basis, subject to a minimum fee of RM18,000 per annum.

For the financial year, the Trustee's fee is recognised at a rate of 0.06% per annum (2023: 0.06% per annum) of the net asset value of the Fund before deducting Trustee's fee and Manager's fee for the day, including local custodian fees, but excluding foreign custodian fees and charges, calculated on a daily basis.

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

5. TAXATION

	2024 RM	2023 RM
Current taxation - foreign source income	–	1,413,327
Under provision of taxation in prior year	883,195	567,438
Deferred tax (Note 16)	1,072,348	(321,703)
	<u>1,955,543</u>	<u>1,659,062</u>

Numerical reconciliation between profit before taxation multiplied by the Malaysian statutory tax rate and tax expenses of the Fund is as follows:

	2024 RM	2023 RM
Profit before taxation	<u>19,342,202</u>	<u>30,565,795</u>
Tax calculated at Malaysian tax rate of 24% (2023: 24%)	4,642,128	7,335,791
Tax effect in respect of:		
- Expenses not deductible for tax purposes	402,336	487,689
- Restriction on tax deductible expenses for unit trust funds	1,056,471	1,013,404
- Investment income not subject to tax	(5,028,587)	(7,745,260)
- Under provision of taxation in prior year	883,195	567,438
Tax expenses	<u>1,955,543</u>	<u>1,659,062</u>

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30.09.2024 RM	30.09.2023 RM
Financial assets at fair value through profit or loss		
- Quoted Shariah-compliant investments - Foreign	216,561,306	262,707,971
	2024 RM	2023 RM
Net gain on financial assets at fair value through profit or loss		
- Realised	19,961,957	5,519,935
- Unrealised	1,361,123	25,321,557
	21,323,080	30,841,492

QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN

<u>QUOTED SHARIAH-COMPLIANT INVESTMENTS</u>	<u>Quantity Units</u>	<u>Cost of shares RM</u>	<u>Fair value as at 30.09.2024 RM</u>	<u>Fair value as at 30.09.2024 expressed as percentage of net asset value of Fund %</u>
30.09.2024				
AUSTRALIA				
COMMUNICATION SERVICES				
Telstra Group Limited	433,129	5,322,742	4,803,532	2.14
ENERGY				
Woodside Energy Group Ltd	35,759	3,454,671	2,575,714	1.15
HEALTH CARE				
CSL Limited	11,623	10,380,972	9,510,885	4.25
INDUSTRIALS				
ALS Ltd	87,894	3,421,093	3,622,732	1.62
MATERIALS				
BHP Billiton Limited	58,479	7,189,789	7,682,307	3.43
Evolution Mining Limited	232,729	3,002,948	3,086,599	1.38
James Hardie Industries PLC	18,438	1,797,028	3,026,665	1.35
Rio Tinto Limited	9,656	3,210,648	3,563,987	1.59
	319,302	15,200,413	17,359,558	7.75
REAL ESTATE				
Goodman Group	46,097	2,708,050	4,873,811	2.18

**QUOTED SHARIAH-
COMPLIANT
INVESTMENTS**

Quantity
Units

Cost of
shares
RM

Fair value
as at
30.09.2024
RM

Fair value as
at 30.09.2024
expressed as
percentage of
net asset value
of Fund
%

30.09.2024**HONG KONG/CHINA**

CONSUMER DISCRETIONARY

Haier Smart Home Co Ltd	219,200	3,343,405	3,628,598	1.62
Minth Group Limited	210,000	2,299,794	1,782,719	0.79
Samsonite International S.A.	227,400	2,671,080	2,581,951	1.15
	656,600	8,314,279	7,993,268	3.56

CONSUMER STAPLES

China Mengniu Dairy Company Limited	53,000	909,178	525,849	0.23
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INDUSTRIALS

Johnson Electric Holdings Ltd	477,568	4,151,014	2,918,982	1.30
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INDIA

CONSUMER DISCRETIONARY

Hero Motocorp Ltd	11,178	2,965,916	3,140,227	1.40
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CONSUMER STAPLES

Godrej Consumer Products Limited	67,782	3,724,865	4,644,816	2.07
Hindustan Unilever Limited	6,633	984,434	965,007	0.43
	74,415	4,709,299	5,609,823	2.50

ENERGY

Oil & Natural Gas Corp Ltd	122,410	1,792,526	1,791,547	0.80
Reliance Industries Limited	40,234	6,680,649	5,843,284	2.61
	162,644	8,473,175	7,634,831	3.41

HEALTH CARE

Apollo Hospitals Enterprise	8,313	2,837,629	2,943,183	1.31
Mankind Pharma Ltd	24,816	2,975,112	3,076,318	1.37
	33,129	5,812,741	6,019,501	2.68

INDUSTRIALS

CG Power and Industrial Solutions Ltd	49,921	1,294,249	1,863,388	0.83
Havells India Ltd	24,205	2,432,473	2,396,103	1.07
	74,126	3,726,722	4,259,491	1.90

MATERIALS

Jindal Steel & Power Ltd	35,574	1,571,066	1,818,855	0.81
Ultratech Cement Ltd	7,036	2,602,685	4,083,756	1.82
	42,610	4,173,751	5,902,611	2.63

<u>QUOTED SHARIAH- COMPLIANT INVESTMENTS</u>	Quantity	Cost of shares	Fair value as at 30.09.2024	Fair value as at 30.09.2024 expressed as percentage of net asset value of Fund
	Units	RM	RM	%
<u>30.09.2024</u>				
INFORMATION TECHNOLOGY				
Persistent Systems Ltd	13,545	3,121,717	3,630,661	1.62
REAL ESTATE				
Macrotech Developers Ltd	29,414	1,850,049	1,785,617	0.80
<u>INDONESIA</u>				
COMMUNICATION SERVICES				
PT Telekomunikasi Indonesia - Persero Tbk	5,130,600	5,386,535	4,176,952	1.86
HEALTH CARE				
Kalbe Farma Tbk PT	10,972,100	5,029,936	5,153,462	2.30
<u>MAINLAND CHINA</u>				
ENERGY				
Sungrow Power Supply Company - Limited	94,200	3,977,105	5,523,659	2.47
INDUSTRIALS				
Contemporary Amperex Technology Co., Ltd*	48,440	7,634,153	7,184,870	3.20
Nari Technology Development Co Ltd	399,658	4,783,993	6,511,807	2.90
Ningbo Orient Wires & Cables Co Ltd	70,500	2,492,137	2,290,319	1.02
Zhejiang Sanhua Company Limited	160,800	2,190,593	2,256,389	1.01
	679,398	17,100,876	18,243,385	8.13
INFORMATION TECHNOLOGY				
Naura Technology Group	9,200	1,895,807	1,982,664	0.88
Will Semiconductor Co Ltd	9,350	974,609	590,215	0.26
	18,550	2,870,416	2,572,879	1.14
<u>SINGAPORE</u>				
INFORMATION TECHNOLOGY				
Venture Corporation Limited	62,000	3,383,699	2,798,820	1.25
<u>SOUTH KOREA</u>				
MATERIALS				
LG Chem Limited	4,619	9,095,269	5,190,013	2.31

<u>QUOTED SHARIAH- COMPLIANT INVESTMENTS</u>	<u>Quantity</u>	<u>Cost of shares</u>	<u>Fair value as at 30.09.2024</u>	Fair value as at 30.09.2024 expressed as percentage of net asset value of Fund
	<u>Units</u>	<u>RM</u>	<u>RM</u>	<u>%</u>
<u>30.09.2024</u>				
INFORMATION TECHNOLOGY				
Samsung Electronic Company Limited - Participating preferred shares	14,991	2,654,141	2,404,968	1.07
Samsung Electronics Company Limited	83,860	18,210,546	16,255,146	7.25
Samsung SDI Company Limited	2,861	4,343,917	3,413,066	1.52
SK Hynix Incorporated	13,504	4,807,256	7,431,348	3.31
	<u>115,216</u>	<u>30,015,860</u>	<u>29,504,528</u>	<u>13.15</u>
<u>TAIWAN</u>				
CONSUMER DISCRETIONARY				
Giant Manufacturing Company - Limited	143,000	5,089,056	4,172,980	1.86
INFORMATION TECHNOLOGY				
Advantech Company Limited	119,886	5,610,673	5,021,248	2.24
ASE Technology Holding Co Ltd	270,000	4,185,341	5,311,326	2.37
Delta Electronics Incorporated	96,000	2,749,174	4,758,698	2.12
Mediatek Incorporated	22,000	4,650,988	3,367,617	1.50
Taiwan Semiconductor Manufacturing Company	192,000	16,669,380	23,937,313	10.67
Unimicron Technology Corp	89,000	2,081,645	1,669,609	0.74
	<u>788,886</u>	<u>35,947,201</u>	<u>44,065,811</u>	<u>19.64</u>
<u>THAILAND</u>				
ENERGY				
PTT Exploration & Production PCL	178,300	3,191,653	2,991,724	1.33
TOTAL QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN	<u>20,748,902</u>	<u>209,783,388</u>	<u>216,561,306</u>	<u>96.56</u>
TOTAL SHARIAH- COMPLIANT INVESTMENTS	<u>20,748,902</u>	<u>209,783,388</u>	<u>216,561,306</u>	<u>96.56</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>6,777,918</u>		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>216,561,306</u>		

* Contemporary Amperex Technology Co., Ltd was delisted as Shariah non-compliant instruments by the Shariah Supervisory Board of FTSE Shariah Asia Pacific Index with effect from 18 March 2024, and shall be disposed off in accordance with the Fund's Shariah investments guidelines as provided in the Fund's Master Deed and supplemental Deeds, if any, as disclosed in the Fund's Prospectus.

QUOTED SHARIAH-COMPLIANT INVESTMENTS	Quantity	Cost of shares	Fair value as at 30.09.2023	Fair value as at 30.09.2023 expressed as percentage of net asset value of Fund
	Units	RM	RM	%
<u>30.09.2023</u>				
<u>AUSTRALIA</u>				
COMMUNICATION SERVICES				
Telstra Group Limited	470,970	5,814,043	5,490,920	1.99
ENERGY				
Woodside Energy Group Ltd	63,530	6,137,623	7,020,110	2.54
HEALTH CARE				
CSL Limited	13,281	11,831,727	10,086,709	3.65
INDUSTRIALS				
ALS Ltd	64,360	2,357,620	2,235,479	0.81
MATERIALS				
BHP Billiton Limited	83,268	10,165,125	11,157,903	4.04
Brambles Limited	132,597	4,551,743	5,750,001	2.08
Evolution Mining Limited	232,729	3,002,948	2,318,663	0.84
James Hardie Industries PLC	18,438	1,797,028	2,277,501	0.82
Rio Tinto Limited	11,731	3,900,592	4,033,791	1.46
	478,763	23,417,436	25,537,859	9.24
REAL ESTATE				
Goodman Group	72,577	4,263,665	4,714,303	1.71
<u>HONG KONG/CHINA</u>				
CONSUMER DISCRETIONARY				
Haier Smart Home Co Ltd	262,800	4,008,426	3,882,395	1.40
Minth Group Limited	178,000	2,045,764	2,149,574	0.78
Samsonite International S.A.	579,000	6,801,036	9,334,440	3.38
	1,019,800	12,855,226	15,366,409	5.56
CONSUMER STAPLES				
China Mengniu Dairy Company Limited	280,000	5,549,233	4,404,988	1.59
INDUSTRIALS				
Johnson Electric Holdings Ltd	589,568	5,124,516	3,406,186	1.23
Techtronic Industries Company Limited	24,500	1,113,453	1,115,931	0.40
	614,068	6,237,969	4,522,117	1.63
INFORMATION TECHNOLOGY				
ASM Pacific Technology Limited	101,000	4,252,378	4,243,232	1.54

**QUOTED SHARIAH-
COMPLIANT
INVESTMENTS****30.09.2023****INDIA**

CONSUMER DISCRETIONARY

	Quantity	Cost of shares	Fair value as at 30.09.2023	Fair value as at 30.09.2023 expressed as percentage of net asset value of Fund
	Units	RM	RM	%
Eicher Motors Limited	15,033	2,659,799	2,928,936	1.06
Uno Minda Limited	139,361	4,136,788	4,721,974	1.71
	154,394	6,796,587	7,650,910	2.77

CONSUMER STAPLES

Godrej Consumer Products Limited	92,523	4,626,976	5,185,798	1.88
Hindustan Unilever Limited	42,671	5,846,542	5,946,820	2.15
	135,194	10,473,518	11,132,618	4.03

HEALTH CARE

Cipla Limited	38,477	1,801,451	2,579,706	0.93
Divi's Laboratories Limited	18,399	4,153,811	3,915,668	1.42
	56,876	5,955,262	6,495,374	2.35

MATERIALS

Ultratech Cement Ltd	12,677	4,689,345	5,915,004	2.14
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INDONESIA

COMMUNICATION SERVICES

PT Telekomunikasi Indonesia - Persero Tbk	4,801,200	5,110,148	5,469,522	1.98
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HEALTH CARE

Kalbe Farma Tbk PT	10,372,300	4,757,819	5,529,942	2.00
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MAINLAND CHINA

ENERGY

Sungrow Power Supply Company - Limited	63,000	3,715,231	3,632,968	1.31
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INDUSTRIALS

Contemporary Amperex Technology	55,740	9,361,051	7,290,823	2.64
Nari Technology Development Co Ltd	416,458	4,985,093	5,953,576	2.15
Ningbo Orient Wires & Cables Co Ltd	62,300	2,231,286	1,597,827	0.58
Shenzhen Inovance Technology Co Ltd	53,200	2,341,830	2,278,858	0.82
Wolong Electric Group Company Limited	238,895	1,942,407	1,851,493	0.67
Zhejiang Sanhua Company Limited	209,900	2,853,450	4,016,227	1.45
	1,036,493	23,715,117	22,988,804	8.31

**QUOTED SHARIAH-
COMPLIANT
INVESTMENTS****30.09.2023**

INFORMATION TECHNOLOGY

Will Semiconductor Co Ltd	14,850	1,914,538	890,305	0.32
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SINGAPORE

INFORMATION TECHNOLOGY

Venture Corporation Limited	81,800	4,506,160	3,480,282	1.26
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SOUTH KOREA

CONSUMER DISCRETIONARY

Kia Corporation	3,250	962,774	920,297	0.33
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INDUSTRIALS

DL E&C Company Limited	6,154	1,534,672	666,862	0.24
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MATERIALS

LG Chem Limited	3,691	7,728,358	6,375,053	2.31
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INFORMATION TECHNOLOGY

Samsung Electronic Company Limited - Participating preferred shares	14,991	2,654,141	2,842,154	1.03
Samsung Electronics Company Limited	95,130	20,464,916	22,635,708	8.19
Samsung SDI Company Limited	2,461	3,811,744	4,383,309	1.59
SK Hynix Incorporated	20,748	7,050,370	8,278,662	2.99
	133,330	33,981,171	38,139,833	13.80

TAIWAN

CONSUMER DISCRETIONARY

Giant Manufacturing Company - Limited	118,000	4,305,580	3,062,932	1.11
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INDUSTRIALS

Airtac International Group	14,836	2,117,868	2,112,111	0.76
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INFORMATION TECHNOLOGY

Advantech Company Limited	119,886	5,610,673	6,014,571	2.18
ASE Technology Holding Co Ltd	317,000	4,913,900	5,047,665	1.83
Delta Electronics Incorporated	107,000	3,064,183	5,049,119	1.83
Taiwan Semiconductor Manufacturing Company	348,000	30,213,251	26,466,594	9.57
Unimicron Technology Corp	70,000	1,566,718	1,766,097	0.64
Wiwynn Corporation	32,000	4,286,482	6,956,780	2.52
	993,886	49,655,207	51,300,826	18.57

<u>QUOTED SHARIAH- COMPLIANT INVESTMENTS</u>	<u>Quantity</u> Units	<u>Cost of shares</u> RM	<u>Fair value as at 30.09.2023</u> RM	Fair value as at 30.09.2023 expressed as percentage of net asset value of Fund %
<u>30.09.2023</u>				
<u>THAILAND</u>				
ENERGY				
PTT Exploration & Production PCL	150,700	2,654,901	3,322,202	1.20
TOTAL QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN	<u>21,330,980</u>	<u>257,291,176</u>	<u>262,707,971</u>	<u>95.05</u>
TOTAL SHARIAH- COMPLIANT INVESTMENTS	<u>21,330,980</u>	<u>257,291,176</u>	<u>262,707,971</u>	<u>95.05</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>5,416,795</u>		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>262,707,971</u>		

7. CASH AND CASH EQUIVALENTS

	<u>30.09.2024</u> RM	<u>30.09.2023</u> RM
Bank balance in a licensed banks	<u>7,178,912</u>	<u>14,573,859</u>

8. OTHER PAYABLES

	<u>30.09.2024</u> RM	<u>30.09.2023</u> RM
Auditors' remuneration	7,500	7,500
Tax agent's fee	8,440	14,510
Sundry payables and accruals	<u>15,742</u>	<u>16,270</u>
	<u>31,682</u>	<u>38,280</u>

9. SHARIAH INFORMATION OF THE FUND

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

- (a) Quoted foreign Shariah-compliant securities which were verified as Shariah-compliant by the Shariah Adviser;
- (b) Liquid assets in the local market which are placed in the Shariah-compliant investments and/or instruments; and
- (c) Foreign equity securities in foreign markets which have been classified as Shariah-compliant by the Shariah Supervisory Board of FTSE Shariah Asia Pacific Index for the financial year under review. Contemporary Amperex Technology Co., Ltd has been excluded from the FTSE Shariah Asia Pacific Index with effect from 18 March 2024. This security has been partially disposed of on 31 July 2024. The Fund is allowed to hold the investment in the security as the market price of the security is below the investment cost. It is also permissible for the Fund to keep the dividends received during the holding period until such a time when the total amount of dividends received, and the market value of the security are equal to the investment cost. However, if there are any excess gains arising from the disposal of the security, the same will be required to be channelled to charitable bodies as approved by the Shariah adviser.

10. UNITS IN CIRCULATION

	30.09.2024	30.09.2023
	No. of units	No. of units
At beginning of the financial year	653,840,531	617,587,768
Add: Creation of units arising from applications	55,015,751	126,043,315
Add: Creation of units arising from distribution	37,856,634	–
Less: Cancellation of units	(204,151,422)	(89,790,552)
At end of the financial year	<u>542,561,494</u>	<u>653,840,531</u>

11. BROKERS' TRANSACTIONS

The details of transactions with top 10 brokers by value of trades are as follows:

<u>Name of Brokers</u>	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage fees
	RM	%	RM	%
<u>2024</u>				
J.P. Morgan India Private Limited	32,856,758	17.31	49,300	15.28
Instinet Singapore Services Pte Ltd	20,575,284	10.84	41,306	12.80
Macquarie Securities (Australia) Ltd	19,163,994	10.09	38,484	11.93
CLSA India Ltd	15,933,837	8.39	23,891	7.40
Citigroup Global Market India Pte Ltd	14,907,852	7.85	22,370	6.93
China International Capital Corporation Hong Kong Securities	9,658,205	5.09	14,503	4.49
Credit Lyonnais Securities Seoul	9,290,901	4.89	18,626	5.77
Instinet Australia Clearing	9,255,786	4.88	18,535	5.74
Macquarie Capital Securities India Pte Ltd	9,008,216	4.75	13,505	4.19
UOB Kay Hian (Hong Kong) Ltd	7,178,854	3.78	11,469	3.55
Others	42,015,479	22.13	70,676	21.92
	<u>189,845,166</u>	<u>100.00</u>	<u>322,665</u>	<u>100.00</u>

<u>Name of Brokers</u>	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage fees
	RM	%	RM	%
<u>2023</u>				
Macquarie Securities (Australia) Limited	57,756,751	20.29	115,651	25.09
UOB Kay Hian Securities - (Hong Kong) Sdn Bhd	36,691,452	12.89	55,422	12.02
Instinet Australia Clearing	31,766,289	11.16	46,317	10.05
J.P. Morgan India Private Limited	21,781,985	7.65	32,658	7.09
Credit Lyonnais Securities Seoul	20,401,139	7.17	45,450	9.86
Instinet Pacific Limited	19,682,117	6.92	18,130	3.93
China International Capital Corporation Hong Kong Securities	18,092,895	6.36	27,169	5.89
Macquarie Securities Ltd Seoul	16,002,645	5.62	32,051	6.95
CLSA Limited	15,195,452	5.34	11,272	2.45
CLSA Australia Pty Ltd	14,203,319	4.99	15,001	3.26
Others	33,038,391	11.61	61,825	13.41
	<u>284,612,435</u>	<u>100.00</u>	<u>460,946</u>	<u>100.00</u>

As at end of each financial year, there were no transaction with related parties.

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

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

Related parties	Relationship
Manulife Investment Management (M) Berhad	The Manager
Manulife Financial Corporation ("Manulife")	Ultimate holding company of the Manager
Manulife Holdings Berhad	Immediate holding company of the Manager
Directors of Manulife Investment Management (M) Berhad	Directors of the Manager
Subsidiaries and associates of Manulife as disclosed in its financial statements	Subsidiaries and associate companies of the ultimate holding company of the Manager
Manulife Shariah PRS-Conservative Fund	Fund Managed by the Manager
Manulife Shariah PRS-Moderate Fund	Fund Managed by the Manager
Manulife Shariah PRS-Growth Fund	Fund Managed by the Manager
Manulife Dana Asia-Pasifik	Fund Managed by the Manager

There were no units held by the Manager as at 30 September 2024 and 30 September 2023 respectively.

Units held by the parties related to the Manager:

As at	30.09.2024		30.09.2023	
	No. of units	RM	No. of units	RM
CIMB Islamic Trustee Berhad for Manulife Shariah PRS - Moderate Fund**	<u>1,054,294</u>	<u>435,845</u>	<u>2,202,123</u>	<u>930,984</u>
CIMB Islamic Trustee Berhad for Manulife Shariah PRS - Growth Fund**	<u>7,477,107</u>	<u>3,091,036</u>	<u>18,937,407</u>	<u>8,006,100</u>
CIMB Islamic Trustee Berhad for Manulife Shariah PRS - Conservative Fund**	<u>54,694</u>	<u>22,610</u>	<u>191,282</u>	<u>80,868</u>
Manulife Dana Asia-Pasifik**	<u>649,056</u>	<u>268,320</u>	<u>-</u>	<u>-</u>

** The units are held legally.

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

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

13. TOTAL EXPENSE RATIO ("TER")

	2024	2023
	%	%
TER	<u>1.94</u>	<u>1.96</u>

TER represents expenses including Manager's fee, Trustee's fee, auditors' remuneration, tax agent's fee and other expenses (excluding SST on transaction cost and withholding tax) expressed as an annual percentage of the Fund's average net asset value calculated on a daily basis.

14. PORTFOLIO TURNOVER RATIO ("PTR")

	2024	2023
PTR (times)	<u>0.36</u>	<u>0.53</u>

PTR represents the average of total acquisitions and disposals of Shariah-compliant investments in the Fund for the financial year over the Fund's average net asset value calculated on a daily basis.

15. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks which include market risk (including price risk, interest rate risk and currency risk), credit risk, liquidity risk, reclassification of Shariah status risk and capital risk.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to all rules and regulations as stipulated by the Securities Commission's Guidelines on Unit Trust Funds.

Market risk**(a) Price risk**

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

The following table shows the assets of the Fund which are exposed to price risk.

	<u>30.09.2024</u>	<u>30.09.2023</u>
	RM	RM
Financial assets at fair value through profit or loss		
- Quoted Shariah-compliant investments - Foreign	<u>216,561,306</u>	<u>262,707,971</u>

The following table summarises the sensitivity of the Fund's profit after tax and net asset value to price risk movements of quoted Shariah-compliant investments as at the year end of reporting year. The analysis is based on the assumptions that the market price of quoted Shariah-compliant investments fluctuates by 5% with all other variables being held constant and that fair value of the Fund's quoted Shariah-compliant investments move according to historical correlation of the index. Disclosures below are shown in absolute terms, changes and impact could be positive or negative.

	<u>Changes in price</u>	<u>Impact on profit after taxation</u>	<u>Impact on net asset value</u>
	%	RM	RM

As at**30.09.2024**

Financial assets at fair value through profit or loss			
- Quoted Shariah-compliant investments			
- Foreign	5	<u>10,828,065</u>	<u>10,828,065</u>

30.09.2023

Financial assets at fair value through profit or loss			
- Quoted Shariah-compliant investments			
- Foreign	5	<u>13,135,399</u>	<u>13,135,399</u>

(b) Interest rate risk

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

The Fund's exposure to the interest rate risk is mainly confined to Islamic deposits with licensed financial institutions. The Manager overcomes this exposure by way of maintaining Islamic deposits on short-term basis. Therefore, the Fund's exposure to interest rate fluctuation is minimal.

The above interest rate is a general economic indicator that will have an impact on the management of the Fund regardless whether it is a Shariah-compliant unit trust fund or otherwise. It does not in any way suggest that this Fund will invest in conventional financial instruments. All the investments carried out for the Fund are in accordance with Shariah requirements.

(c) Currency risk

For Shariah-compliant investments denominated in foreign currencies, the currency risk may have a significant impact on the returns of the Fund. The Manager will evaluate the likely direction of a foreign currency versus Ringgit Malaysia ("RM") based on consideration of economic fundamentals such as interest rate differentials, balance of payment position, debt level and technical consideration.

The Fund's foreign currency risk concentrations are as follows:

	Cash and cash equivalents	Financial assets at fair value through profit or loss	Dividends receivable	Total
	RM	RM	RM	RM
<u>As at</u>				
<u>30.09.2024</u>				
AUD	-	42,746,232	395,307	43,141,539
CNH	-	26,339,923	-	26,339,923
HKD	-	11,438,099	-	11,438,099
IDR	-	9,330,414	-	9,330,414
INR	49,587	37,982,762	-	38,032,349
KRW	-	34,694,541	13,304	34,707,845
SGD	-	2,798,820	-	2,798,820
THB	-	2,991,724	-	2,991,724
TWD	-	48,238,791	79,044	48,317,835
USD	7,097,275	-	-	7,097,275
	<u>7,146,862</u>	<u>216,561,306</u>	<u>487,655</u>	<u>224,195,823</u>
<u>30.09.2023</u>				
AUD	-	55,085,380	101,751	55,187,131
CNH	-	27,512,077	-	27,512,077
HKD	-	28,536,746	-	28,536,746
IDR	-	10,999,464	-	10,999,464
INR	23,025	31,193,906	-	31,216,931
KRW	-	46,102,045	-	46,102,045
SGD	-	3,480,282	-	3,480,282
THB	-	3,322,202	-	3,322,202
TWD	-	56,475,869	148,236	56,624,105
USD	14,528,855	-	68,350	14,597,205
	<u>14,551,880</u>	<u>262,707,971</u>	<u>318,337</u>	<u>277,578,188</u>

The table below summarises the sensitivity of the Fund's profit after taxation and net asset value to changes in foreign exchange movements at the end of each reporting period. The analysis is based on the assumption that the foreign exchange rate fluctuates by 5%, with all other variables remaining constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Changes in foreign exchange	Impact on profit after taxation	Impact on net asset value
	%	RM	RM
<u>As at</u>			
<u>30.09.2024</u>			
AUD	5	2,157,077	2,157,077
CNH	5	1,316,996	1,316,996
HKD	5	571,905	571,905
IDR	5	466,521	466,521
INR	5	1,901,617	1,901,617
KRW	5	1,735,392	1,735,392
SGD	5	139,941	139,941
THB	5	149,586	149,586
TWD	5	2,415,892	2,415,892
USD	5	354,864	354,864
		<u>11,209,791</u>	<u>11,209,791</u>

30.09.2023

AUD	5	2,759,357	2,759,357
CNH	5	1,375,604	1,375,604
HKD	5	1,426,837	1,426,837
IDR	5	549,973	549,973
INR	5	1,560,847	1,560,847
KRW	5	2,305,102	2,305,102
SGD	5	174,014	174,014
THB	5	166,110	166,110
TWD	5	2,831,205	2,831,205
USD	5	729,860	729,860
		<u>13,878,909</u>	<u>13,878,909</u>

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. The Manager manages the credit risk by undertaking credit evaluation to minimise such a risk.

Credit risk arising from placement of Islamic deposits in licensed financial institutions is managed by ensuring that the Fund will only place Islamic deposits in reputable licensed financial institutions.

For amount due from stockbrokers, the settlement terms are governed by the relevant rules and regulations as prescribed by Bursa Malaysia Berhad or respective stock exchanges.

The settlement terms of the proceeds from the creation of units receivable by the Manager are governed by the Securities Commission's Guidelines on Unit Trust Funds.

The maximum exposure to credit risk before any credit before any credit enhancements in the carrying amount of the financial assets is as set out below:

	Neither Past Due Nor Impaired			Total RM
	Cash and cash equivalents	Amount due from Manager	Dividends receivable	
	RM	RM	RM	
As at				
30.09.2024				
AAA	32,050	-	-	32,050
AA3	7,146,862	-	-	7,146,862
Not rated	-	437,929	487,655	925,584
	<u>7,178,912</u>	<u>437,929</u>	<u>487,655</u>	<u>8,104,496</u>

30.09.2023

AAA	21,979	-	-	21,979
AA3	14,551,880	-	-	14,551,880
Not rated	-	308,712	318,336	627,048
	<u>14,573,859</u>	<u>308,712</u>	<u>318,336</u>	<u>15,200,907</u>

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. The Manager manages this risk by maintaining a sufficient level of Islamic liquid assets to meet anticipated payments and cancellations of units by unit holders. The Islamic liquid assets comprise cash at banks, Islamic deposits with licensed financial institutions and other Shariah-compliant instruments which are capable of being converted into cash within 7 days.

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

	Within one month	Within one month to one year	Total
	RM	RM	RM
As at			
30.09.2024			
Financial assets			
Cash and cash equivalents	7,178,912	-	7,178,912
Financial assets at fair value through profit or loss	216,561,306	-	216,561,306
Amount due from Manager	437,929	-	437,929
Dividends receivable	487,655	-	487,655
	<u>224,665,802</u>	<u>-</u>	<u>224,665,802</u>

	Within one month RM	Within one month to one year RM	Total RM
<u>As at</u>			
<u>30.09.2024</u>			
Financial liabilities			
Amount due to Manager			
- Manager's fee	317,646	-	317,646
- Cancellation of units	196	-	196
Amount due to Trustee	10,891	-	10,891
Other payables	-	31,682	31,682
	<u>328,733</u>	<u>31,682</u>	<u>360,415</u>

	Within one month RM	Within one month to one year RM	Total RM
<u>As at</u>			
<u>30.09.2023</u>			
Financial assets			
Cash and cash equivalents	14,573,859	-	14,573,859
Financial assets at fair value through profit or loss	262,707,971	-	262,707,971
Amount due from Manager	308,712	-	308,712
Dividends receivable	318,336	-	318,336
	<u>277,908,878</u>	<u>-</u>	<u>277,908,878</u>

Financial liabilities

Amount due to Manager			
- Manager's fee	408,736	-	408,736
- Cancellation of units	39,633	-	39,633
Amount due to Trustee	14,014	-	14,014
Other payables	-	38,280	38,280
	<u>462,383</u>	<u>38,280</u>	<u>500,663</u>

Reclassification of Shariah status risk

This risk refers to the risk that the currently held Shariah-compliant investments in the portfolio of Islamic funds may be reclassified to be Shariah non-compliant in the periodic review of the securities by the Shariah Advisory Council of the Securities Commission Malaysia or the Shariah Supervisory Board of FTSE Shariah Asia Pacific Index. If this occurs, the Manager will take the necessary steps to dispose of such securities.

There may be opportunity loss to the Fund due to the Fund not being allowed to retain the excess capital gain derived from the disposal of the Shariah non-compliant equities. The value of the Fund may also be adversely affected in the event of a disposal of Shariah non-compliant equities at a price lower than the investment cost.

Capital risk

The capital of the Fund is represented by equity consisting of unit holders' capital of RM206,647,087 (30.09.2023: RM260,552,857) and retained earnings of RM17,632,212 (30.09.2023: RM15,868,985). The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders and benefits for other stakeholders, and to maintain a strong capital base to support the development of the investment activities of the Fund.

Fair value estimation

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- 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 2).
- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Financial assets at fair value through profit or loss consisting of RM216,561,306 (30.09.2023: RM262,707,971) is classified within level 1 of the fair value hierarchy.

16. DEFERRED TAX LIABILITIES

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same authority.

	2024 RM	2023 RM
Deferred tax assets	–	–
Deferred tax liabilities	(1,148,749)	(76,401)
	<u>(1,148,749)</u>	<u>(76,401)</u>

The movements in the deferred tax liabilities balances are as follows:

	Dividend Receivables	Unrealised assets at fair profit or loss	Total
	RM	RM	RM
<u>As at</u>			
<u>30.09.2024</u>			
Balance at the beginning of the financial year	(76,401)	–	(76,401)
Transfer to income statement (Note 5)	76,401	(1,148,749)	(1,072,348)
Balance at the end of the financial year	–	(1,148,749)	(1,148,749)
<u>30.09.2023</u>			
Balance at the beginning of the financial year	–	(398,104)	(398,104)
Transfer to income statement (Note 5)	(76,401)	398,104	321,703
Balance at the end of the financial year	(76,401)	–	(76,401)

17. DISTRIBUTION

Distributions to unit holders is derived from the following sources:

	2024	2023
	RM	RM
Dividend income	3,840,703	–
Realised gain from investment	18,943,809	–
Less:		
Expenses	(6,354,709)	–
Taxation	(806,371)	–
	15,623,432	–
Gross distribution per unit (sen)	3.26	–
Net distribution per unit (sen)	3.10	–
Ex-date	26.09.2024	–

During the financial year ended 30 September 2024, distributions were made as follows:

Ex-date	Income distribution	Income distribution	Capital distribution	Capital distribution
	RM	%	RM	%
26.09.2024	15,623,432	100.00	-	-

There were no distribution made during the financial year ended 30 September 2023.

Gross distribution per unit is derived from gross realised income less expenses divided by the number of units in circulation, while net distribution per unit is derived from gross realised income less expenses and taxation divided by the number of units in circulation.

Distribution equalisation represents the average amount of distributable income included in the creation and cancellation prices of units. It is computed as at each date of creation and cancellation of units. For the purpose of determining amount available for distribution, distribution equalisation is included in the computation of realised gains or income available for distribution.

14. CORPORATE INFORMATION

MANAGER

Manulife Investment Management (M) Berhad

Registration No: 200801033087 (834424-U)

13th Floor, Menara Manulife

No. 6, Jalan Gelenggang

Damansara Heights

50490 Kuala Lumpur

BOARD OF DIRECTORS

Dato' Dr Zaha Rina Binti Zahari (Independent)

Edmond Cheah Swee Leng (Independent)

Gianni Fiacco (Non-Independent)

Vibha Hamsi Coburn (Non-Independent)

Wong Boon Choy (Non-Independent)

Chong Soon Min (Jason) (Non-Independent Executive)

INVESTMENT MANAGER

Manulife Investment Management (M) Berhad

Registration No: 200801033087 (834424-U)

10th Floor, Menara Manulife

No. 6, Jalan Gelenggang

Damansara Heights

50490 Kuala Lumpur

TRUSTEE OF THE FUND

HSBC (Malaysia) Trustee Berhad

Registration No: 193701000084 (1281-T)

Level 19, Menara IQ, Lingkaran TRX

Tun Razak Exchange

55188 Kuala Lumpur

AUDITORS

PricewaterhouseCoopers PLT

Registration No: LLP0014401-LCA & AF 1146

Level 10, Menara TH1 Sentral, Jalan Rakyat

Kuala Lumpur Sentral

P O Box 10192

50706 Kuala Lumpur

TAX CONSULTANTS

Deloitte Tax Services Sdn Bhd

Registration No: 197701005407 (36421-T)

Level 16, Menara LGB

1 Jalan Wan Kadir

Taman Tun Dr Ismail

60000 Kuala Lumpur

SHARIAH ADVISER

ZICO Shariah Advisory Services Sdn Bhd

Registration No: 200701011429 (769433-D)

Level 13A, Menara Milenium

Jalan Damanlela

Pusat Bandar Damansara

50490 Kuala Lumpur

MAIN OFFICE**Manulife Investment Management (M) Berhad**

Registration No: 200801033087 (834424-U)

13th Floor, Menara Manulife, No. 6, Jalan Gelenggang

Damansara Heights, 50490 Kuala Lumpur

Tel: (03) 2719-9228 Fax: (03) 2094-7654

Customer Service Hotline: (03) 2719-9271

E-mail : MY_CustomerService@manulife.comWebsite: www.manulifeim.com.my**BRANCH OFFICES****Kota Bharu**1st Floor, Lot 10900

Wisma Seri Setia

Jalan Dusun Muda

Sek 26, 15200 Kota Bharu

Kelantan

Tel : (09) 747-2388

Fax : (09) 747-2588

Klang

No. 3-1 & 3-2

Jalan Mahogani 5/K507

Bandar Botanik

41200 Klang

Selangor Darul Ehsan

Tel : (03) 3318-6088

Fax : (03) 3318-4011

MiriLot 3554, 1st & 2nd Floor

Block 5 MCLD

Jalan Miri Pujut

101 Commercial Centre

98000 Miri, Sarawak

Tel : (085) 325-770

Fax : (085) 326-262

Sungai Petani

Lot 88, No. 17

2nd Floor

Jalan Perdana Heights 2/2

Perdana Heights

08000 Sungai Petani

Kedah Darul Aman

Tel : (04) 423-3233

Fax : (04) 423-3233

Kuala Lumpur2nd Floor

Menara Manulife

6 Jalan Gelenggang

Damansara Heights

50490 Kuala Lumpur

Tel : (03) 2719-9204

BintuluNo.2, Lot 3288, 1st Floor

Parkcity Commerce Square

Jalan Tun Ahmad Zaidi

97000 Bintulu

Sarawak

Tel : (086) 343-288

Fax : (086) 343-289

Penang

1-2-18, Elit Avenue

Jalan Mayang Pasir 3

11950 Bayan Baru

Penang

Tel : (04) 611-9944 /

618-0044

Fax : (04) 618-0505

Seremban

160-2, Taipan Senawang

Jalan Taman Komersil

Senawang 1

Taman Komersil Senawang

70450 Seremban

Negeri Sembilan

Tel : (06) 671-5019

Fax : (06) 678-0016

SibuNo.1 & 3, 1st Floor

Lorong 1, Jalan Tun Abang

Haji Openg

96000 Sibu

Sarawak

Tel : (084) 320-469

Fax : (084) 320-476

Ipoh

No. 1, 1A & 1B

Pusat Perdagangan Canning 2

Pusat Perdagangan Canning

31400 Ipoh, Perak

Tel : (05) 5416-839

Fax : (05) 5416-627

Melaka

87-1 & 87-2

Jalan Melaka Raya 25

Taman Melaka Raya 1

75000 Melaka

Tel : (06) 281-3866

Fax : (06) 282-0587

Kota Kinabalu

Lot J-55-2, Block J

2nd Floor, Signature Office

KK Times Square

Off Jalan Coastal Highway

88100 Kota Kinabalu

Sabah

Tel : (088) 486-671 /

486-672

Fax : (088) 486-670

Dataran Sunway

26-2 & 28-2

Jalan PJU 5/8

Dataran Sunway

Kota Damansara

47810 Petaling Jaya

Selangor Darul Ehsan

Tel : (03) 6140-8101 /

6140-8102

Fax : (03) 6140-8103

Johor Bahru

No.1-01

Jalan Setia Tropika 1/15

Taman Setia Tropika

81200 Johor Bahru

Johor Darul Takzim

Tel : (07) 234-5871

Fax : (07) 234-4620

Sandakan

Taman Nasalim Shoplot

Lot 33, 1st Floor, Phase 7A

Jalan Lintas Utara

90000 Sandakan, Sabah

Tel : (089) 220-220

Fax : (089) 226-868

Shah Alam

30-1, Block 5

Jalan Setia Prima (S)

U13/S, Setia Alam

Seksyen U13

40170 Shah Alam

Selangor Darul Ehsan

Tel : (03) 3362-6668

Fax : (03) 3362-6662

KuchingNo.63 & 65, 2nd Floor

Jalan Tun Jugah

93350 Kuching

Sarawak

Tel : (082) 593-380

Fax : (082) 593-382



Manulife

Investment Management

Manulife Investment Management (M) Berhad
200801033087 (834424-U)

13th Floor, Menara Manulife
6, Jalan Gelenggang, Damansara Heights
50490 Kuala Lumpur
Tel: (03) 2719 9228 **Fax:** (03) 2094 7654
Customer Service Hotline: (03) 2719 9271
Website: www.manulifeim.com.my