

KENANGA GROWTH FUND

INTERIM REPORT

For the Financial Period from 1 June 2021 to 30 November 2021

The logo for Kenanga, featuring the word "kenanga" in a bold, lowercase, sans-serif font.

Kenanga Investors Berhad
Company No. 199501024358 (353563-P)

KENANGA GROWTH FUND

Contents	Page
Corporate Directory	ii
Directory of Manager’s Offices	iii
Fund Information	1
Manager’s Report	2 - 5
Fund Performance	6 - 8
Trustee’s Report	9
Statement by the Manager	10
Financial Statements	11 - 46

CORPORATE DIRECTORY

Manager: Kenanga Investors Berhad Company No. 199501024358 (353563-P)

Registered Office

Level 17, Kenanga Tower
237, Jalan Tun Razak
50400 Kuala Lumpur, Malaysia
Tel: 03-2172 2888
Fax: 03-2172 2999

Business Office

Level 14, Kenanga Tower
237, Jalan Tun Razak
50400 Kuala Lumpur, Malaysia
Tel: 03-2172 3000
Tel: 03-2172 3080
E-mail: InvestorServices@kenanga.com.my
Website: www.KenangaInvestors.com.my

Board of Directors

Imran Devindran Abdullah (**Independent Director**)
Norazian Ahmad Tajuddin (**Independent Director**)
Luk Wai Hong, William (**Independent Director**)
Ismitz Matthew De Alwis (**Executive Director**)

Investment Committee

Imran Devindran Abdullah (**Independent Member**)
Norazian Ahmad Tajuddin (**Independent Member**)
Luk Wai Hong, William (**Independent Member**)
Ismitz Matthew De Alwis (**Non-Independent Member**)

Company Secretary: Norliza Abd Samad (MAICSA 7011089)

Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia.

Trustee: CIMB Commerce Trustee Berhad Company No. 199401027349 (313031-A)

Registered Office

Level 13, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50490 Kuala Lumpur
Tel: 03-2261 8888
Fax: 03-2261 0099
Website: www.cimb.com

Business Office

Level 21, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50490 Kuala Lumpur
Tel: 03-2261 8888
Fax: 03-2261 9894

Auditor: Ernst & Young PLT Company No. 202006000003 (LLP0022760-LCA) & AF 0039

Level 23A, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur.
Tel: 03-7495 8000 Fax: 03-2095 5332

Tax Adviser: Ernst & Young Tax Consultants Sdn Bhd Company No. 198901002487 (179793-K)

Level 23A, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur.
Tel: 03-7495 8000 Fax: 03-2095 5332

Membership: Federation of Investment Managers Malaysia (FIMM)

19-06-1, 6th Floor, Wisma Tune, 19, Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur, Malaysia. Tel: 03-2093 2600 Fax: 03-2093 2700 Website: www.fimm.com.my

DIRECTORY OF MANAGER'S OFFICES

Regional Branch Offices:

Kuala Lumpur

Level 13, Kenanga Tower
237, Jalan Tun Razak
50400 Kuala Lumpur, Malaysia
Tel : 03-2172 3123
Fax : 03-2172 3133

Melaka

No. 43, Jalan KSB 11
Taman Kota Syahbandar
75200 Melaka
Tel : 06-240 2310
Fax : 06-240 2287

Klang

No. 12, Jalan Batai Laut 3
Taman Intan, 41300 Klang
Selangor Darul Ehsan
Tel : 03-3341 8818 / 03-3348 7889
Fax : 03-3341 8816

Penang

5.04, 5th Floor, Menara Boustead Penang
No. 39, Jalan Sultan Ahmad Shah
10050 Penang
Tel : 04-210 6628
Fax : 04-210 6644

Miri

2nd Floor, Lot 1264
Centre Point Commercial Centre
Jalan Melayu
98000 Miri, Sarawak
Tel : 085-416 866
Fax : 085-322 340

Seremban

2nd Floor, No. 1D-2, Jalan Tuanku Munawir
70000 Seremban, Negeri Sembilan
Tel : 06-761 5678
Fax : 06-761 2242

Johor Bahru

No. 63
Jalan Molek 3/1, Taman Molek
81100 Johor Bahru, Johor
Tel : 07-288 1683
Fax : 07-288 1693

Kuching

1st Floor, No 71
Lot 10900, Jalan Tun Jugah
93350 Kuching, Sarawak
Tel : 082-572 228
Fax : 082-572 229

Kuantan

Ground Floor Shop,
No. B8, Jalan Tun Ismail 1,
25000 Kuantan, Pahang
Tel : 09-514 3688
Fax : 09-514 3838

Ipoh

Suite 1, 2nd Floor,
No. 63, Persiaran Greenhill
30450 Ipoh, Perak, Malaysia
Tel : 05-254 7573 / 7570 / 7575
Fax : 05-254 7606

Kota Kinabalu

Level 8, Wisma Great Eastern
No. 68, Jalan Gaya
88000 Kota Kinabalu, Sabah
Tel : 088-203 063
Fax : 088-203 062

Petaling Jaya

44B, Jalan SS21/35
Damansara Utama
47400 Petaling Jaya, Selangor
Tel : 03-7710 8828
Fax : 03-7710 8830

1. FUND INFORMATION

1.1 Fund Name

Kenanga Growth Fund (**KGF** or **the Fund**)

1.2 Fund Category / Type

Equity / Growth

1.3 Investment Objective

The Fund aims to provide unit holders with long-term capital growth.

1.4 Investment Strategy

The Fund's assets are actively invested in a diversified portfolio of Malaysian equity and equity-related securities of companies with sustainable business model that is trading at a discount to its intrinsic value.

1.5 Duration

The Fund was launched on 17 January 2000 and shall exist as long as it appears to the Manager and the Trustee that it is in the interests of the unit holders for it to continue.

1.6 Performance Benchmark

FTSE-Bursa Malaysia Kuala Lumpur Composite Index (FBM-KLCI)

1.7 Distribution Policy

Income distribution is incidental, if any.

1.8 Breakdown of unit holdings of the Fund as at 30 November 2021

Size of holdings	No. of unit holders	No. of units held
5,000 and below	6,112	16,250,731
5,001 - 10,000	4,687	34,900,368
10,001 - 50,000	10,266	234,531,636
50,001 - 500,000	2,650	270,887,769
500,001 and above	63	487,704,875
Total	23,778	1,044,275,379

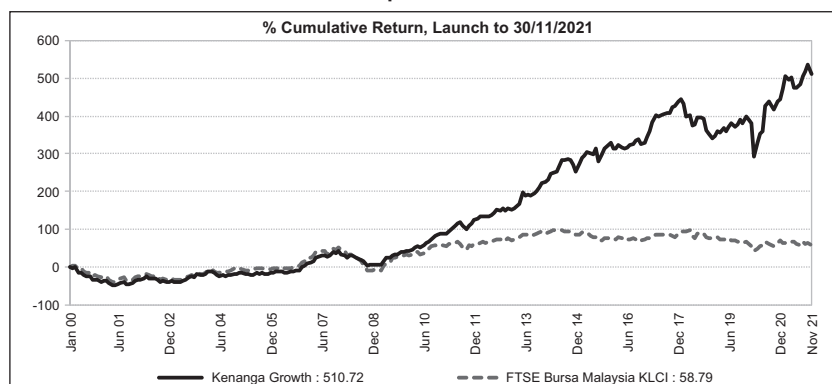
2. MANAGER'S REPORT

2.1 Explanation on whether the Fund has achieved its investment objective

Since inception, the Fund has appreciated by 510.72% in Net Asset Value terms (whilst its benchmark rose 58.79%), thus achieving the Fund's stated objective to provide long-term capital growth.

2.2 Comparison between the Fund's performance and performance of the benchmark

Performance Chart Since Launch (17/01/2000 - 30/11/2021)
Kenanga Growth Fund vs FTSE-Bursa Malaysia Kuala Lumpur Composite Index



Source: Novagni Analytics and Advisory

2.3 Investment strategies and policies employed during the financial period under review

For the financial period under review, the Fund continued with its strategy of investing in companies with sustainable business models and competent management, whilst trading at a discount to their intrinsic / fair value.

2.4 The Fund's asset allocation as at 30 November 2021 and comparison with the previous financial period

Asset	30 Nov 2021	30 Nov 2020
Listed investment securities	89.9%	93.0%
Short term deposits and cash	10.1%	7.0%

Reason for the differences in asset allocation

As at 30 November 2021, the decrease in equities exposure during the financial period under review is mainly due to the Fund Manager taking advantage of the strength in the market by locking in profits.

2.5 Fund performance analysis based on NAV per unit (adjusted for income distribution if any) since last review period

	Period under review
KGF	6.48%
FBM-KLCI	-4.39%

Source: Novagmi Analytics and Advisory

For the financial period under review, the Fund outperformed the FBM-KLCI by 10.87%. The outperformance was mainly due to stock selection.

2.6 Review of the market

Market review

The US equity market took a dip mid-June from initial inflation fears and the Federal Reserve's hawkish announcement during the US FOMC meeting, before recouping its losses at the end of the month, closing higher as compared to May. The upward trajectory was mainly buoyed by the announcement by US President Joe Biden on a new infrastructure deal, which fueled the rally among major indices worldwide. In Malaysia, a total lockdown came into effect in June due to the surge in COVID-19 cases. The government announced an additional RM40 billion Pemerkasa Plus stimulus package to help mitigate the economic impact of the total lockdown. The government also unveiled its National Recovery Plan comprised of a four phase exit strategy from the current Phase 1 lockdown. World Bank revised Malaysia's 2021 GDP forecast down to 4.5% from 6.0% earlier amid a dramatic resurgence of COVID-19 infections. The KLCI Index declined 3.22% in June.

US markets continued to chart new highs in July with all three major indices touching new highs as megacap tech stocks and positive corporate earnings helped drive main U.S. indexes up again. The US Federal Reserve remained constructive that inflation remains transitory despite June CPI accelerating 5.4% a year-on year basis and consumer prices rising the most in 13 years. In Malaysia, the recovery momentum remains challenged as the market grapples with continued total lockdown amidst COVID-19 cases remaining elevated at peak levels. At the end of month, all eyes were also on the Parliamentary special sitting, the first for the year. However, the final session has been postponed indefinitely. The KLCI Index declined 2.48% in July.

US markets continued to reach new highs again in August with the S&P500 posting a near 3% rise for the month. This came with Fed Chair Jerome Powell signalling no rush for tightening of monetary policy. The Fed stated that while the US economy has progressed on important targets, in particular inflation which it still believes will be transitional, aggressive tapering could derail progress at a sensitive time. Locally, political concerns will subside following the appointment of Dato' Sri Ismail Sabri as the 9th Prime Minister of Malaysia on 21 August. More economic activities, including those of in the retail sector and other non-essential activities, were allowed in states under Phases 1 and 2 of National Recovery Plan (NRP) where half of adults are fully vaccinated. The FBMKLCI rose 7.1% in August.

Most global equity markets fell in September with US and Europe ending their winning streaks. Investors' sentiment was spooked by concern over persistent high inflation, slower economic growth, upcoming tapering by the Federal Reserve, compounded by

2.6 Review of the market (contd.)

Market review (contd.)

worries on global supply chain problems and contagion impact from debt-laden property developer China Evergrande Group. Domestically, Bank Negara Malaysia maintained the Overnight Policy Rate (OPR) at 1.75%, marking the seventh consecutive meeting in which the key policy rate has been maintained. On political development, the government and Pakatan Harapan leaders signed a memorandum of understanding (MOU) on bipartisan cooperation. The KLCI fell 4.0% in September.

US markets recouped its losses from September and surged to an all-time high in October, with Wall Street indices extending their gains on the back of strong corporate earnings and optimism on global economic recovery. Malaysia continued to outperform Asia and EMs in October ahead of the National Budget 2022. The gain was driven by net buying by foreign investors on optimism that the Malaysian economy will rebound from COVID-19 impact, following the reopening of its economy. Malaysia lifted its interstate and overseas travel ban which was in place since 13 January for fully vaccinated Malaysians effective 11 October. This comes after 90% of Malaysia's adult population had been fully vaccinated. KLCI rose 24.5 points or 1.6% MoM in October.

US equities dropped towards the tail-end of November despite having charted new highs early in the month, sinking alongside most other global markets on emergence of the new 'Omicron' COVID-19 variant. Swiftly designated a 'variant of concern' by the WHO, Omicron stoked fears of renewed public health risks and re-imposition of lockdown measures globally, as several countries placed travel bans on selected southern African nations. In Malaysia, local indices fell along with regional peers. Tepid market performance started earlier in the month, following the tabling of Budget 2022 in parliament. Despite being an expansionary budget at a record RM332 billion, the budget included several new taxation items which dampened sentiment on large-caps companies (one-off 'Prosperity Tax' with marginal tax rate increase of 9%) and share trading in general (50% hike in stamp duties applied). Otherwise, the country continued to progress well on COVID-19 with the adult vaccination rate exceeding 95%. KLCI fell 3.1% in November.

Market outlook

Global equities are expected to continue being volatile as the data develops on the Omicron COVID-19 strain, in particular about the transmissibility and lethality of the virus, and subsequently policy responses of various countries. In the backdrop remains risks of sustained inflationary pressures and thus the pace of monetary tightening; however there is comfort to be taken from strong corporate performances in selective areas, and economic activity levels which have yet to see full reopening benefits in select regions.

Strategy

We maintain a barbell investment strategy, focusing on recovery/re-opening and structural growth themes. For recovery themes, we focus on cyclical sectors such as consumer discretionary (retail and leisure), industrials, materials and commodities. For structural growth themes, we like sectors such as technology and renewable energy. We remain buyers on market weakness.

2.7 Distributions

For the financial period under review, the Fund did not declare any income distribution.

2.8 Details of any unit split exercise

The Fund did not carry out any unit split exercise during the financial period under review.

2.9 Significant changes in the state of affairs of the Fund during the financial period

There were no significant changes in the state of affairs of the Fund during the financial period under review and up until the date of the manager's report not otherwise disclosed in the financial statements.

However, a Third Supplemental Master Prospectus was issued on 28 June 2021. Please refer to the Third Supplemental Master Prospectus for further details.

2.10 Circumstances that materially affect any interests of the unit holders

There are no circumstances that materially affect any interests of the unit holders during the financial period under review.

2.11 Rebates and soft commissions

It is the policy of the Manager to credit any rebates received into the account of the Fund. Any soft commissions received by investment manager on behalf of the Fund are in the form of research and advisory services that assist in the decision making process relating to the investment of the Fund which are of demonstrable benefit to unit holders of the Fund. Any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund. During the financial period under review, the Manager received soft commissions from its stockbrokers.

2.12 Cross-trade

During the financial period under review, no cross-trade transactions were undertaken by the Manager for the Fund.

3. FUND PERFORMANCE

3.1 Details of portfolio composition of the Fund as at 30 November 2021 against the last three financial years ended 31 May are as follows:

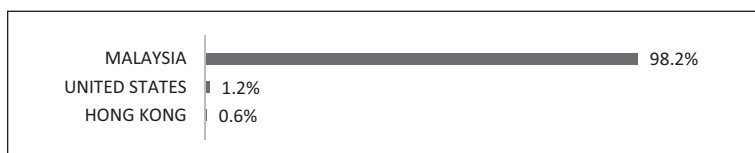
a. Distribution among industry sectors and category of investments:

	As at 30.11.2021 %	FY 2021 %	FY 2020 %	FY 2019 %
Technology	29.1	29.6	19.7	8.5
Industrial Products and Services	17.7	16.1	8.4	10.7
Financial Services	13.7	13.9	10.4	18.4
Consumer Products and Services	7.9	7.9	9.7	10.9
Telecommunications and Media	4.0	4.3	4.6	1.6
Energy	3.9	6.9	10.4	13.2
Construction	3.4	4.5	6.1	6.6
Health Care	3.2	3.2	8.4	-
Utilities	2.2	3.1	6.1	6.1
Property	1.7	1.5	1.3	2.1
Transportation and Logistics	-	-	1.9	-
Real Estate Investment Trusts	2.7	3.4	3.5	1.5
Exchange Traded Fund	0.4	-	-	-
Listed Loan Stocks	-	-	0.2	0.3
Unlisted collective investment schemes	-	-	0.6	2.2
Short term deposits and cash	10.1	5.6	8.7	17.9
	100.0	100.0	100.0	100.0

Note: The above mentioned percentages are based on total investment market value plus cash.

b. Distribution among markets

As at 30 November 2021, the Fund had invested in the following markets:



3.2 Performance details of the Fund for the financial period ended 30 November 2021 against the last three financial years ended 31 May are as follows:

	1.6.2021 to 30.11.2021	FY 2021	FY 2020	FY 2019
Net asset value ("NAV") (RM Million)	1,366.61	1,096.50	1,191.18	1,386.65
Units in circulation (Million)	1,044.28	892.21	1,131.94	1,301.32
NAV per unit (RM)	1.3087	1.2290	1.0523	1.0656
Highest NAV per unit (RM)	1.3698	1.4423	1.1881	1.1644
Lowest NAV per unit (RM)	1.2251	1.0475	0.7846	1.0014
Total return (%)	6.48	26.90	-1.25	-3.61
- Capital growth (%)	6.48	16.79	-1.25	-3.61
- Income growth (%)	-	10.10	-	-
Gross distribution per unit (sen)	-	11.54	-	-
Net distribution per unit (sen)	-	11.54	-	-
Management expense ratio ("MER") (%) ¹	1.56	1.58	1.54	1.54
Portfolio turnover ratio ("PTR") (times) ²	0.21	0.56	0.40	0.46

Note: Total return is the actual return of the Fund for the respective financial period/years, computed based on NAV per unit and net of all fees.

MER is computed based on the total fees and expenses incurred by the Fund divided by the average fund size calculated on a daily basis. PTR is computed based on the average of the total acquisitions and total disposals of investment securities of the Fund divided by the average fund size calculated on a daily basis.

¹ *MER for the financial period under review is of insignificant change as compared against previous financial year.*

² *PTR is lower against the previous financial year due to less trading of equity securities.*

3.3 Average total return of the Fund

	1 Year 30 Nov 20 - 30 Nov 21	3 Years 30 Nov 18 - 30 Nov 21	5 Years 30 Nov 16 - 30 Nov 21
KGF	13.59%	11.53%	8.68%
FBM-KLCI	-3.12%	-3.29%	-1.29%

Source: Lipper; Novagmi Analytics and Advisory

3.4 Annual total return of the Fund

	Period under review 31 May 21 - 30 Nov 21	1 Year				
		31 May 20 - 31 May 21	31 May 19 - 31 May 20	31 May 18 - 31 May 19	31 May 17 - 31 May 18	31 May 16 - 31 May 17
KGF	6.48%	26.90%	-1.25%	-3.61%	-4.52%	20.20%
FBM-KLCI	-4.39%	7.49%	-10.75%	-5.16%	-1.43%	8.60%

Source: Lipper; Novagmi Analytics and Advisory

Investors are reminded that past performance is not necessarily indicative of future performance. Unit prices and investment returns may fluctuate.

4 TRUSTEE'S REPORT TO THE UNIT HOLDERS OF KENANGA GROWTH FUND

We, CIMB Commerce Trustee Berhad being the trustee for Kenanga Growth Fund ("the Fund"), are of the opinion that Kenanga Investors Berhad ("the Manager"), acting in the capacity as the Manager of the Fund, has fulfilled its duties in the following manner for the financial period from 1 June 2021 to 30 November 2021.

- a) The Fund has been managed in accordance with the limitations imposed on the investment powers of the Manager under the Deed, the Securities Commission Malaysia's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 (as amended from time to time) and other applicable laws;
- b) Valuation and pricing for the Fund has been carried out in accordance with the Deed and relevant regulatory requirements; and
- c) Creation and cancellation of units have been carried out in accordance with the Deed and relevant regulatory requirements.

For and on behalf of
CIMB Commerce Trustee Berhad

Ezreen Eliza Zulkiplee
Chief Executive Officer

Kuala Lumpur, Malaysia

28 January 2022

5. STATEMENT BY THE MANAGER

I, Ismitz Matthew De Alwis, being a director of Kenanga Investors Berhad, do hereby state that, in the opinion of the Manager, the accompanying statement of financial position as at 30 November 2021 and the related statement of comprehensive income, statement of changes in net asset value and statement of cash flows for the financial period from 1 June 2021 to 30 November 2021 together with notes thereto, are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of Kenanga Growth Fund as at 30 November 2021 and of its financial performance and cash flows for the financial period from 1 June 2021 to 30 November 2021 and comply with the requirements of the Deed.

For and on behalf of the Manager
KENANGA INVESTORS BERHAD

ISMITZ MATTHEW DE ALWIS
Executive Director/Chief Executive Officer

Kuala Lumpur, Malaysia

28 January 2022

6. FINANCIAL STATEMENTS

6.1 STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD FROM 1 JUNE 2021 TO 30 NOVEMBER 2021 (*unaudited*)

	Note	1.6.2021 to 30.11.2021 RM	1.6.2020 to 30.11.2020 RM
INVESTMENT INCOME			
Dividend income		13,516,139	9,983,078
Interest income		1,316,604	802,952
Securities lending income		187,059	-
Net gain from investments:			
- Financial assets at fair value through profit or loss ("FVTPL")	4	77,346,143	223,571,491
Net loss on foreign currency exchange		(196,445)	-
		<u>92,169,500</u>	<u>234,357,521</u>
EXPENSES			
Manager's fee	5	9,660,144	9,036,940
Trustee's fee	6	322,005	302,164
Auditors' remuneration		10,027	8,570
Tax agent's fee		-	2,016
Administration expenses		63,681	210,775
Brokerage and other transaction costs		3,707,764	4,632,317
		<u>13,763,621</u>	<u>14,192,782</u>
NET INCOME BEFORE TAX		78,405,879	220,164,739
Income tax	7	-	-
NET INCOME AFTER TAX, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD		<u>78,405,879</u>	<u>220,164,739</u>
Net income after tax is made up as follows:			
Realised gain		38,615,201	68,141,870
Unrealised gain	4	39,790,678	152,022,869
		<u>78,405,879</u>	<u>220,164,739</u>

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

6.2 STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2021 (*unaudited*)

	Note	30.11.2021 RM	30.11.2020 RM
ASSETS			
INVESTMENTS			
Financial assets at FVTPL	4	1,233,895,926	1,038,458,495
Short term deposits	8	135,813,000	78,020,033
		<u>1,369,708,926</u>	<u>1,116,478,528</u>
OTHER ASSETS			
Amount due from licensed financial institutions	9	2,294,547	1,720,992
Other receivables	10	783,904	1,176,179
Tax recoverable		16,672	16,672
Cash at bank		2,477,375	12,528
		<u>5,572,498</u>	<u>2,926,371</u>
TOTAL ASSETS		<u>1,375,281,424</u>	<u>1,119,404,899</u>
LIABILITIES			
Amount due to Manager		1,617,110	2,716,856
Amount due to Trustee		116,690	45,768
Amount due to licensed financial institutions	9	6,739,807	5,566,170
Other payables	11	201,844	273,107
TOTAL LIABILITIES		<u>8,675,451</u>	<u>8,601,901</u>
EQUITY			
Unit holders' contribution		1,062,906,372	862,467,019
Retained earnings		303,699,601	248,335,979
NET ASSET VALUE ("NAV")			
ATTRIBUTABLE TO UNIT HOLDERS	12	<u>1,366,605,973</u>	<u>1,110,802,998</u>
TOTAL LIABILITIES AND EQUITY		<u>1,375,281,424</u>	<u>1,119,404,899</u>
NUMBER OF UNITS IN CIRCULATION	12(a)	<u>1,044,275,379</u>	<u>887,370,317</u>
NAV PER UNIT (RM)		<u>1.3087</u>	<u>1.2518</u>

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

**6.3 STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE FINANCIAL PERIOD FROM 1 JUNE 2021 TO 30 NOVEMBER 2021 (unaudited)**

	Note	Unit holders' contribution RM	Retained earnings RM	Total NAV RM
1.6.2021 to 30.11.2021				
At beginning of the financial period		871,202,113	225,293,722	1,096,495,835
Total comprehensive income		-	78,405,879	78,405,879
Creation of units	12(a)	225,723,354	-	225,723,354
Cancellation of units	12(a)	(35,170,688)	-	(35,170,688)
Distribution equalisation	12(a)	1,151,593	-	1,151,593
At end of the financial period		<u>1,062,906,372</u>	<u>303,699,601</u>	<u>1,366,605,973</u>
1.6.2020 to 30.11.2020				
At beginning of the financial period		1,158,955,302	28,171,240	1,187,126,542
Total comprehensive income		-	220,164,739	220,164,739
Creation of units	12(a)	5,372,677	-	5,372,677
Cancellation of units	12(a)	(297,892,659)	-	(297,892,659)
Distribution equalisation	12(a)	(3,968,301)	-	(3,968,301)
At end of the financial period		<u>862,467,019</u>	<u>248,335,979</u>	<u>1,110,802,998</u>

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

6.4 STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM 1 JUNE 2021 TO 30 NOVEMBER 2021 *(unaudited)*

	1.6.2021 to 30.11.2021 RM	1.6.2020 to 30.11.2020 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of financial assets at FVTPL	204,282,030	533,048,644
Dividends received	13,883,209	9,520,829
Interest from deposits received	1,317,161	842,963
Securities lending fee income received	284,409	-
Tax agent's fee paid	-	(4,295)
Auditors' remuneration paid	(18,000)	(17,000)
Payment for other fees and expenses	(87,438)	(29,094)
Trustee's fee paid	(300,515)	(394,258)
Manager's fee paid	(9,352,029)	(9,025,730)
Purchase of financial assets at FVTPL	<u>(325,226,081)</u>	<u>(262,022,023)</u>
Net cash (used in)/generated from operating and investing activities	<u>(115,217,253)</u>	<u>271,920,036</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from units created	226,849,788	5,378,606
Cash paid on units cancelled	<u>(34,838,902)</u>	<u>(302,810,846)</u>
Net cash generated from/(used in) financing activities	<u>192,010,886</u>	<u>(297,432,240)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	76,793,633	(25,512,204)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(196,445)	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	<u>61,693,187</u>	<u>103,544,765</u>
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>138,290,375</u>	<u>78,032,561</u>
Cash and cash equivalents comprise:		
Cash at bank	2,477,375	12,528
Short term deposits	<u>135,813,000</u>	<u>78,020,033</u>
	<u>138,290,375</u>	<u>78,032,561</u>

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

6.5 NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 JUNE 2021 TO 30 NOVEMBER 2021 *(unaudited)*

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Kenanga Growth Fund ("the Fund") was constituted pursuant to the executed Deed dated 30 December 1999 (collectively, together with deeds supplemental thereto, referred to as "the Deed") between the Manager, Kenanga Investors Berhad, and HSBC (Malaysia) Trustee Berhad ("the Trustee" prior to 3 December 2013). The Fund has changed its trustee to CIMB Commerce Trustee Berhad ("the Trustee" with effect from 3 December 2013). The aforesaid change was effected on 3 December 2013 via a Second Master Supplemental Deed dated 19 November 2013. The Fund commenced operations on 17 January 2000 and will continue to be in operation until terminated by the Trustee, as provided under Clause 12 of the Deed.

Kenanga Investors Berhad is a wholly-owned subsidiary of Kenanga Investment Bank Berhad that is listed on the Main Market of Bursa Malaysia Securities Berhad. All of these companies are incorporated in Malaysia.

The principal place of business of the Manager is Level 14, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur.

The Fund seeks to provide unit holders with long-term capital growth.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks including market risk (which includes interest rate risk and price risk), credit risk and liquidity risk. Whilst these are the most important types of financial risks inherent in each type of financial instruments, the Manager and the Trustee would like to highlight that this list does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Fund.

The Fund has an approved set of investment guidelines and policies as well as internal controls which sets out its overall business strategies to manage these risks to optimise returns and preserve capital for the unit holders, consistent with the long term objectives of the Fund.

a. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk and price risk.

Market risk arises when the value of the investments fluctuates in response to the activities of individual companies, general market or economic conditions. It stems from the fact that there are economy-wide perils, which threaten all businesses. Hence, investors are exposed to market uncertainties. Fluctuation in the investments' prices caused by uncertainties in the economic, political and social environment will affect the NAV of the Fund.

The Manager manages the risk of unfavourable changes in prices by cautious review of the investments and continuous monitoring of their performance and risk profiles.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

i. Interest rate risk

Interest rate risk refers to how the changes in the interest rate environment would affect the performance of Fund's investments. Rate offered by the financial institutions will fluctuate according to the Overnight Policy Rate determined by Bank Negara Malaysia and this has direct correlation with the Fund's investments in deposits.

The Fund is not exposed to significant interest rate risk as its deposits are short term in nature and have fixed interest rates.

Interest rate risk exposure

The following table analyses the Fund's interest rate risk exposure. The Fund's financial assets and financial liabilities are disclosed at fair value and categorised by the earlier of contractual re-pricing or maturity dates.

	Up to 1 year RM	Non- exposure to interest rate movement RM	Total RM	Weighted average effective interest rate* %
30.11.2021				
Assets				
Financial assets at FVTPL	-	1,233,895,926	1,233,895,926	
Short term deposits	135,813,000	-	135,813,000	1.7
Other assets	-	5,572,498	5,572,498	
	<u>135,813,000</u>	<u>1,239,468,424</u>	<u>1,375,281,424</u>	
Liabilities				
Other liabilities	-	8,473,607	8,473,607	
Total interest rate sensitivity gap	<u>135,813,000</u>	<u>1,230,994,817</u>	<u>1,366,807,817</u>	

* Calculated based on assets with exposure to interest rate movement only.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

i. Interest rate risk (contd.)

Interest rate risk exposure (contd.)

	Up to 1 year RM	Non- exposure to interest rate movement RM	Total RM	Weighted average effective interest rate* %
30.11.2020				
Assets				
Financial assets at FVTPL	-	1,038,458,495	1,038,458,495	
Short term deposits	78,020,033	-	78,020,033	1.8
Other assets	-	2,909,699	2,909,699	
	<u>78,020,033</u>	<u>1,041,368,194</u>	<u>1,119,388,227</u>	
Liabilities				
Other liabilities	-	8,328,794	8,328,794	
Total interest rate sensitivity gap	<u>78,020,033</u>	<u>1,033,039,400</u>	<u>1,111,059,433</u>	

* Calculated based on assets with exposure to interest rate movement only.

ii. Price risk

Price risk is the risk of unfavourable changes in the fair values of listed equity securities and listed collective investment schemes. The Fund invests in listed equity securities and listed collective investment schemes which are exposed to price fluctuations. This may then affect the NAV per unit of the Fund.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

ii. Price risk (contd.)

Price risk sensitivity

The Manager's best estimate of the effect on the income for the financial period due to a reasonably possible change in investments in listed equity securities and listed collective investment schemes with all other variables held constant is indicated in the table below:

	Changes in price Increase/(Decrease) Basis points	Effects on income for the financial period Gain/ (Loss) RM
30.11.2021		
Financial assets at FVTPL	<u>5/(5)</u>	<u>616,948/(616,948)</u>
30.11.2020		
Financial assets at FVTPL	<u>5/(5)</u>	<u>519,229/(519,229)</u>

In practice, the actual trading results may differ from the sensitivity analysis above and the difference could be material.

Price risk concentration

The following table sets out the Fund's exposure and concentration to price risk based on its portfolio of financial instruments as at the reporting date.

	Fair value		Percentage of NAV	
	30.11.2021	30.11.2020	30.11.2021	30.11.2020
	RM	RM	%	%
Financial assets at FVTPL	<u>1,233,895,926</u>	<u>1,038,458,495</u>	<u>90.3</u>	<u>93.5</u>

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

ii. Price risk (contd.)

Price risk concentration (contd.)

The Fund's concentration of price risk from the Fund's listed equity securities and listed collective investment schemes analysed by sector is as follows:

	Fair value		Percentage of NAV	
	30.11.2021 RM	30.11.2020 RM	30.11.2021 %	30.11.2020 %
Technology	399,250,230	332,356,032	29.2	29.9
Industrial Products and Services	242,608,438	147,809,566	17.7	13.3
Financial Services	187,715,533	119,934,496	13.7	10.8
Consumer Products and Services	108,574,486	81,242,566	8.0	7.3
Telecommunications and Media	55,512,220	15,832,650	4.1	1.4
Energy	54,158,176	81,929,430	4.0	7.4
Construction	46,053,910	55,652,138	3.4	5.0
Health Care	43,338,045	91,235,624	3.2	8.2
Utilities	30,600,108	56,065,968	2.2	5.1
Property	23,542,384	13,501,968	1.7	1.2
Exchange Traded Fund	5,309,919	-	0.4	-
Real Estate Investments Trusts	37,232,477	42,898,057	2.7	3.9
	<u>1,233,895,926</u>	<u>1,038,458,495</u>	<u>90.3</u>	<u>93.5</u>

iii. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

When the foreign currencies fluctuate in an unfavorable movement against Ringgit Malaysia, the investment face currency loss in addition to capital gain/(loss). This will lead to lower NAV of the Fund.

The Manager may consider managing the currency risk using currency hedging. However, this would be subject to the current market outlook on the currency exposure risk as well.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

iii. Currency risk (contd.)

Currency risk sensitivity

The following table indicates the currencies to which the Fund had significant exposure at the reporting date on its financial assets and financial liabilities. The analysis calculates the effect of a reasonably possible movement of the currency rate against Ringgit Malaysia on profit with all other variables held constant.

	Changes in currency rate Increase/(Decrease) Basis points	Effects on income for the financial period Gain/ (Loss) RM
30.11.2021		
HKD/MYR	5/(5)	4,442/(4,442)
USD/MYR	5/(5)	8,062/(8,062)

In practice, the actual trading results may differ from the sensitivity analysis above and the difference could be material.

Currency risk concentration

The following table sets out the Fund's exposure to foreign currency exchange rates on its financial assets and financial liabilities as at reporting date.

	Fair value		Percentage of NAV	
	30.11.2021 RM	30.11.2020 RM	30.11.2021 %	30.11.2020 %
HKD	8,884,276	-	0.6	-
USD	16,124,965	-	1.2	-
	<u>25,009,241</u>	<u>-</u>	<u>1.8</u>	<u>-</u>

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

b. Credit risk

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

i. Credit risk exposure

As at the reporting date, the Fund's maximum exposure to credit risk is represented by the carrying amount of each class of financial asset recognised in the statement of financial position.

ii. Financial assets that are either past due or impaired

As at the reporting date, there are no financial assets that are either past due or impaired.

iii. Credit quality of financial assets

The Fund invests in deposits with financial institutions licensed under the Financial Services Act 2013 and Islamic Financial Services Act 2013. The following table analyses the licensed financial institutions by rating category:

Short term deposits

	Percentage of total short term deposits		Percentage of NAV	
	30.11.2021	30.11.2020	30.11.2021	30.11.2020
	%	%	%	%
Rating				
P1/MARC-1	100.0	100.0	9.9	7.0

c. Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are to be settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or cancel its units earlier than expected. The Fund is exposed to cancellation of its units on a regular basis. Units sold to unit holders by the Manager are cancellable at the unit holders' option based on the Fund's NAV per unit at the time of cancellation calculated in accordance with the Deed.

The liquid assets comprise cash, short term deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 days.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

c. Liquidity risk (contd.)

The following table analyses the maturity profile of the Fund's financial assets and financial liabilities in order to provide a complete view of the Fund's contractual commitments and liquidity.

		Up to 1 year	
	Note	30.11.2021	30.11.2020
		RM	RM
Assets			
Financial assets at FVTPL		1,233,895,926	1,038,458,495
Short term deposits		135,813,000	78,020,033
Other assets		5,572,498	2,909,699
	i.	<u>1,375,281,424</u>	<u>1,119,388,227</u>
Liabilities			
Other liabilities	ii.	<u>8,473,607</u>	<u>8,328,794</u>
Equity	iii.	<u>1,366,605,973</u>	<u>1,110,802,998</u>
Liquidity gap		201,844	256,435

i. Financial assets

Analysis of financial assets at FVTPL into maturity groupings is based on the expected date on which these assets will be realised. The Fund's investments in listed equity securities and listed collective investment schemes have been included in the "up to 1 year" category on the assumption that these are highly liquid investments which can be realised should all of the Fund's unit holders' equity be required to be redeemed. For other assets, the analysis into maturity groupings is based on the remaining period from the end of the reporting period to the contractual maturity date or if earlier, the expected date on which the assets will be realised.

ii. Financial liabilities

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date or if earlier, the date on which liabilities will be settled. When the counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund can be required to pay.

iii. Equity

As the unit holders can request for redemption of their units, they have been categorised as having a maturity of "up to 1 year".

d. Regulatory reportings

It is the Manager's responsibility to ensure full compliance of all requirements under the Guidelines on Unit Trust Funds issued by Securities Commission Malaysia. Any breach of any such requirement has been reported in the mandatory reporting to Securities Commission Malaysia on a monthly basis.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of accounting

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") as issued by the Malaysian Accounting Standards Board ("MASB") and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the amended MFRS, which became effective for the Fund on 1 June 2021.

Description	Effective for financial periods beginning on or after
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: <i>Interest Rate Benchmark Reform – Phase 2</i>	1 January 2021
Amendments to MFRS 16: <i>Covid-19 – Related Rent Concessions beyond 30 June 2021</i>	1 April 2021

The adoption of the amended MFRS did not have any significant impact on the financial position or performance of the Fund.

b. Standards and amendments issued but not yet effective

As at the reporting date, the following new standard and amendments to standards that have been issued by MASB will be effective for the Fund in future financial periods. The Fund intends to adopt the relevant standards when they become effective.

Description	Effective for financial periods beginning on or after
Amendments to MFRS contained in the document entitled " <i>Annual Improvements to MFRS Standards 2018 - 2020 Cycle</i> "	1 January 2022
Amendments to MFRS 1: <i>Subsidiary as a First-time Adopter</i> contained in the document entitled " <i>Annual Improvements to MFRS Standards 2018 - 2020 Cycle</i> "	1 January 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

b. Standards and amendments issued but not yet effective (contd.)

Description	Effective for financial periods beginning on or after
Amendments to MFRS 9: <i>Fees in the '10 per cent' Test for Derecognition of Financial Liabilities</i> contained in the document entitled " <i>Annual Improvements to MFRS Standards 2018 - 2020 Cycle</i> "	1 January 2022
Amendments to Illustrative Examples accompanying MFRS 16: <i>Lease Incentives</i> contained in the document entitled " <i>Annual Improvements to MFRS Standards 2018 - 2020 Cycle</i> "	1 January 2022
Amendments to MFRS 141: <i>Taxation in Fair Value Measurements</i> contained in the document entitled " <i>Annual Improvements to MFRS Standards 2018 - 2020 Cycle</i> "	1 January 2022
Amendments to MFRS 3: <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116: <i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137: <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022
MFRS 17: <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17: <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to MFRS 101: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108: <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112: <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be announced by MASB

These pronouncements are not expected to have any significant impact to the financial statements of the Fund upon their initial application.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

c. Financial instruments

Financial assets and 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 instruments.

i. Initial recognition

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as described in Notes 3(c)(ii) and (iii).

ii. Measurement categories of financial assets and liabilities

The Fund classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost;
- Fair value through other comprehensive income; and
- Fair value through profit or loss.

The Fund may designate financial instruments at FVTPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies.

Financial assets are initially measured at their fair values plus, except in the case of financial assets recorded at FVTPL, transaction costs.

The Fund's other financial assets include cash at bank, short term deposits, trade receivables and other receivables.

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

The Fund's other financial liabilities include trade payables and other payables.

Other financial liabilities are recognised and initially measured at fair values, net of directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate ("EIR"). Gains or losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

c. Financial instruments (contd.)

iii. Due from banks, short term deposits, trade receivables and other receivables at amortised cost

The Fund only measures the cash at bank, short term deposits, trade receivables and other receivables at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

The details of these conditions are outlined below.

Business model assessment

The Fund determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Fund's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected); and
- The expected frequency, value and timing of sales are also important aspects of the Fund's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Fund's original expectations, the Fund does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward, unless it has been determined that there has been a change in the original business model.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

c. Financial instruments (contd.)

iii. Due from banks, short term deposits, trade receivables and other receivables at amortised cost (contd.)

The SPPI test

As a second step of its classification process, the Fund assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation/accretion of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgment and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

iv. Financial investments

Financial assets in this category are those that are managed in a fair value business model, or that have been designated by management upon initial recognition or are mandatorily required to be measured at fair value under MFRS 9. This category includes debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell.

d. Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Fund also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Fund has transferred the financial asset if, and only if, either:

- The Fund has transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

d. Derecognition of financial assets (contd.)

Pass-through arrangements are transactions whereby the Fund retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Fund has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates;
- The Fund cannot sell or pledge the original asset other than as security to the eventual recipients; and
- The Fund has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Fund is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Fund has transferred substantially all the risks and rewards of the asset; or
- The Fund has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Fund considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Fund has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Fund's continuing involvement, in which case, the Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Fund has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Fund could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Fund would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

e. Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis and to realise the assets and settle the liabilities simultaneously.

f. Impairment of financial assets

i. Overview of the expected credit loss (“ECL”) principles

The Fund measures its receivables impairment using the forward-looking ECL approach in accordance with the requirements of MFRS 9.

ii. Write-offs

Financial assets are written off either partially or in their entirety only when the Fund has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

g. Income

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at the fair value of consideration received or receivable.

Interest income and security lending income are recognised using the effective interest method.

Dividend income is recognised on declared basis, when the right to receive the dividend is established.

The realised gain or loss on sale of investments is measured as the difference between the net disposal proceeds and the carrying amount of the investment.

h. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include cash at bank and short term deposits with licensed financial institutions with maturities of three months or less, which have an insignificant risk of changes in value.

i. Income tax

Income tax on the profit or loss for the financial period comprises current tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial period.

As no temporary differences have been identified, no deferred tax has been recognised.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

j. Unrealised reserves

Unrealised reserves represent the net gain or loss arising from carrying investments at their fair values at reporting date. This reserve is not distributable.

k. Unit holders' contribution - NAV attributable to unit holders

The unit holders' contribution to the Fund is classified as equity instruments.

Distribution equalisation represents the average amount of undistributed net income included in the creation or cancellation price of units. This amount is either refunded to unit holders by way of distribution and/or adjusted accordingly when units are released back to the Trustee.

l. Functional and presentation currency

i. Functional and presentation currency

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 also the Fund's functional currency.

ii. Foreign currency transaction

In preparing the financial statements of the Fund, transactions in currencies other than the Fund's functional currency (foreign currencies) are recorded in the functional currency using exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing on the reporting date. All exchange gain or loss is recognised in profit or loss.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the financial period.

The principal exchange rate for each respective units of foreign currency ruling at reporting date is as follows:

	30.11.2021
	RM
1 HKD	0.5391
1 USD	4.2137

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

m. Distributions

Distributions are at the discretion of the Manager. A distribution to the Fund's unit holders is accounted for as a deduction from retained earnings.

n. Significant accounting judgments and estimates

The preparation of financial statements requires the use of certain accounting estimates and exercise of judgment. Estimates and judgments are continually evaluated and are based on past experience, reasonable expectations of future events and other factors.

i. Critical judgments made in applying accounting policies

There are no major judgments made by the Manager in applying the Fund's accounting policies.

ii. Key sources of estimation uncertainty

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

4. FINANCIAL ASSETS AT FVTPL

	30.11.2021 RM	30.11.2020 RM
Financial assets held for trading, at FVTPL:		
Listed equity securities in Malaysia	1,174,119,014	995,560,438
Listed equity security in Hong Kong	7,356,861	-
Listed equity security in United States	9,877,655	-
Listed collective investment schemes in Malaysia	37,232,477	42,898,057
Listed collective investment scheme in United States	5,309,919	-
	<u>1,233,895,926</u>	<u>1,038,458,495</u>
	1.6.2021 to 30.11.2021 RM	1.6.2020 to 30.11.2020 RM
Net gain on financial assets at FVTPL comprised:		
Realised gain on disposals	37,564,035	71,548,622
Unrealised changes in fair values	39,782,108	152,022,869
	<u>77,346,143</u>	<u>223,571,491</u>

Details of financial assets at FVTPL as at 30 November 2021:

	Quantity	Amortised cost RM	Fair value RM	Percentage of NAV %
Listed equity securities in Malaysia				
Technology				
Aemulus Holdings Berhad	7,877,400	5,920,113	8,665,140	0.6
CTOS Digital Berhad	4,642,500	6,447,249	8,635,050	0.6
D & O Green Technologies Berhad	3,393,100	18,189,402	19,679,980	1.5
Frontken Corporation Berhad	35,295,300	50,866,109	132,710,328	9.7
Globetronics Technology Berhad	9,089,433	23,338,600	15,815,613	1.2
Greatech Technology Berhad	17,083,800	22,601,926	119,415,762	8.7
Inari Amertron Berhad	8,218,300	27,206,649	34,434,677	2.5
Pentamaster Corporation Berhad	2,182,925	3,926,760	12,442,673	0.9
Revenue Group Berhad	25,387,400	22,794,529	37,573,352	2.8
		<u>181,291,337</u>	<u>389,372,575</u>	<u>28.5</u>
Industrial Products and Services				
Ancom Berhad	8,229,900	17,308,586	22,303,029	1.6
Dufu Technology Corporation Berhad	9,397,800	22,827,910	38,812,914	2.8
Hiap Teck Venture Berhad	3,075,000	1,852,339	1,460,625	0.1

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 30 November 2021: (contd.)

	Quantity	Amortised cost RM	Fair value RM	Percentage of NAV %
Listed equity securities in Malaysia (contd.)				
Industrial Products and Services (contd.)				
Kelington Group Berhad	22,696,400	15,577,477	36,541,204	2.7
PESTECH International Berhad	4,382,600	5,100,638	4,426,426	0.3
PETRONAS Chemicals Group Berhad	3,264,600	25,906,995	27,749,100	2.1
Press Metal Aluminium Holdings Berhad	6,067,800	23,825,356	32,462,730	2.4
RGT Berhad	11,895,000	6,135,316	7,672,275	0.6
SKP Resources Berhad	15,594,075	19,509,866	29,316,861	2.1
Sunway Berhad	24,771,168	37,449,155	41,863,274	3.1
		<u>175,493,638</u>	<u>242,608,438</u>	<u>17.7</u>
Financial Services				
AEON Credit Service (M) Berhad	1,110,508	11,652,616	14,325,553	1.0
Bursa Malaysia Berhad	1,539,500	12,918,269	9,929,775	0.7
CIMB Group Holdings Berhad	6,858,746	32,642,269	35,528,304	2.6
Hong Leong Bank Berhad	440,000	8,095,028	7,955,200	0.6
Hong Leong Financial Group Berhad	2,492,600	43,801,567	42,872,720	3.1
Malayan Banking Berhad	1,720,291	14,562,159	13,727,922	1.0
Public Bank Berhad	5,758,000	26,105,397	22,686,520	1.7
RHB Bank Berhad	7,706,352	41,478,547	40,689,539	3.0
		<u>191,255,852</u>	<u>187,715,533</u>	<u>13.7</u>
Consumer Products and Services				
AEON Co. (M) Berhad	10,097,000	14,174,454	13,933,860	1.0
Berjaya Sports Toto Berhad	2,604,200	5,343,818	4,921,938	0.4
CCK Consolidated Holdings Berhad	13,265,800	7,979,504	7,362,519	0.5
Genting Berhad	3,317,200	17,045,390	14,595,680	1.1
Genting Malaysia Berhad	3,635,700	10,510,290	10,070,889	0.7
Mr DIY Group (M) Berhad	2,417,200	8,701,920	8,532,716	0.6
Perak Transit Berhad	11,449,333	9,374,201	7,155,833	0.5
QL Resources Berhad	6,255,345	18,150,195	28,461,820	2.1
Sime Darby Berhad	2,823,000	6,666,149	6,182,370	0.5
		<u>97,945,921</u>	<u>101,217,625</u>	<u>7.4</u>

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 30 November 2021: (contd.)

	Quantity	Amortised cost RM	Fair value RM	Percentage of NAV %
Listed equity securities in Malaysia (contd.)				
Telecommunications and Media				
Axiata Group Berhad	5,010,800	16,850,286	19,542,120	1.4
Seni Jaya Corporation Berhad	3,876,000	7,689,984	10,852,800	0.8
Telekom Malaysia Berhad	4,517,500	26,961,995	25,117,300	1.9
		<u>51,502,265</u>	<u>55,512,220</u>	<u>4.1</u>
Energy				
Dialog Group Berhad	4,990,400	12,436,487	12,775,424	0.9
Hibiscus Petroleum Berhad	17,621,600	12,508,175	13,216,200	1.0
Yinson Holdings Berhad	4,958,900	21,288,662	28,166,552	2.1
		<u>46,233,324</u>	<u>54,158,176</u>	<u>4.0</u>
Construction				
Kerjaya Prospek Group Berhad	19,288,018	22,788,690	23,338,502	1.7
MGB Berhad	13,300,000	12,383,507	10,440,500	0.8
Sunway Construction Group Berhad	7,484,700	14,387,677	12,274,908	0.9
		<u>49,559,874</u>	<u>46,053,910</u>	<u>3.4</u>
Health Care				
IHH Healthcare Berhad	4,298,000	28,141,179	28,280,840	2.1
Kossan Rubber Industries Berhad	1,167,500	3,262,427	2,510,125	0.2
Supercomnet Technologies Berhad	6,894,000	13,429,007	12,547,080	0.9
		<u>44,832,613</u>	<u>43,338,045</u>	<u>3.2</u>
Utilities				
Tenaga Nasional Berhad	3,311,700	47,557,217	30,600,108	2.2
Property				
Eco World Development Group Berhad	6,396,800	5,625,783	5,373,312	0.4
LBS Bina Group Berhad - ordinary shares	30,664,325	23,661,077	15,792,127	1.1
LBS Bina Group Berhad - preference shares	2,732,120	3,005,332	2,376,945	0.2
		<u>32,292,192</u>	<u>23,542,384</u>	<u>1.7</u>
Total listed equity securities in Malaysia		<u>917,964,233</u>	<u>1,174,119,014</u>	<u>85.9</u>

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 30 November 2021: (contd.)

	Quantity	Amortised cost RM	Fair value RM	Percentage of NAV %
Listed equity security in Hong Kong				
Consumer Products and Services				
Alibaba Group Holding Limited	107,200	<u>11,696,642</u>	<u>7,356,861</u>	<u>0.6</u>
Total listed equity security in Hong Kong		<u>11,696,642</u>	<u>7,356,861</u>	<u>0.6</u>
Listed equity security in United States				
Technology				
NVIDIA Corporation	7,174	<u>6,187,178</u>	<u>9,877,655</u>	<u>0.7</u>
Total listed equity security in United States		<u>6,187,178</u>	<u>9,877,655</u>	<u>0.7</u>
Listed collective investment schemes in Malaysia				
Real Estate Investment Trusts				
Axis Real Estate Investment Trust	7,862,035	<u>13,903,116</u>	<u>15,488,209</u>	<u>1.1</u>
IGB Real Estate Investment Trust	13,258,700	<u>22,878,350</u>	<u>21,744,268</u>	<u>1.6</u>
Total listed collective investment schemes in Malaysia		<u>36,781,466</u>	<u>37,232,477</u>	<u>2.7</u>
Listed collective investment scheme in United States				
Exchange Traded Fund				
Amplify Transformational Data Sharing ETF	22,800	<u>5,367,006</u>	<u>5,309,919</u>	<u>0.4</u>
Total listed collective investment scheme in United States		<u>5,367,006</u>	<u>5,309,919</u>	<u>0.4</u>
Total financial assets at FVTPL		<u>977,996,525</u>	<u>1,233,895,926</u>	<u>90.3</u>
Unrealised gain on financial assets at FVTPL			<u>255,899,401</u>	

5. MANAGER'S FEE

The Manager's fee is calculated on a daily basis at a rate not exceeding 1.50% per annum of the NAV of the Fund as provided under Clause 13.1 of the Deed.

The Manager is currently charging Manager's fee of 1.50% per annum of the NAV of the Fund (financial period from 1 June 2020 to 30 November 2020: 1.50% per annum).

6. TRUSTEE'S FEE

Pursuant to the Third Master Supplemental Deed dated 25 July 2014, the Trustee's fee is calculated at a rate not exceeding 0.05% per annum of the NAV of the Fund effective from 1 August 2014.

The Trustee's fee is currently calculated at 0.05% per annum of the NAV of the Fund (financial period from 1 June 2020 to 30 November 2020: 0.05% per annum).

7. INCOME TAX

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable income for the current and previous financial periods.

Income tax is calculated on investment income less partial deduction for permitted expenses as provided for under Section 63B of the Income Tax Act, 1967.

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

	1.6.2021 to 30.11.2021 RM	1.6.2020 to 30.11.2020 RM
Net income before tax	<u>78,405,879</u>	<u>220,164,739</u>
Tax at Malaysian statutory tax rate of 24% (financial period from 1 June 2020 to 30 November 2020: 24%)	18,817,411	52,839,537
Tax effect of:		
Income not subject to tax	(22,400,704)	(56,245,805)
Loss not deductible for tax purposes	280,024	-
Expenses not deductible for tax purposes	982,428	1,204,435
Restriction on tax deductible expenses for unit trust fund	<u>2,320,841</u>	<u>2,201,833</u>
Income tax for the financial period	<u>-</u>	<u>-</u>

8. SHORT TERM DEPOSITS

Short term deposits are held with licensed financial institutions in Malaysia at the prevailing interest rates.

9. AMOUNT DUE FROM/TO LICENSED FINANCIAL INSTITUTIONS

Amount due from/to licensed financial institutions relates to the amount to be received from or paid to licensed financial institutions arising from the sales and purchase of investments.

10. OTHER RECEIVABLES

	30.11.2021 RM	30.11.2020 RM
Dividends receivable	771,433	1,161,563
Interest receivable from short term deposits	6,441	14,616
Securities lending income receivable	6,030	-
	<u>783,904</u>	<u>1,176,179</u>

11. OTHER PAYABLES

	30.11.2021 RM	30.11.2020 RM
Accrual for auditors' remuneration	8,027	8,570
Accrual for tax agent's fees	9,000	10,221
Provision for printing and other expenses	184,817	254,316
	<u>201,844</u>	<u>273,107</u>

12. NET ASSET VALUE ATTRIBUTABLE TO UNIT HOLDERS

NAV attributable to unit holders is represented by:

	Note	30.11.2021 RM	30.11.2020 RM
Unit holders' contribution	(a)	<u>1,062,906,372</u>	<u>862,467,019</u>
Retained earnings:			
Realised reserves		47,791,630	47,501,471
Unrealised reserves		<u>255,907,971</u>	<u>200,834,508</u>
		<u>303,699,601</u>	<u>248,335,979</u>
		<u>1,366,605,973</u>	<u>1,110,802,998</u>

12. NET ASSET VALUE ATTRIBUTABLE TO UNIT HOLDERS (CONTD.)

(a) Unit holders' contribution

	1.6.2021 to 30.11.2021		1.6.2020 to 30.11.2020	
	No. of units	RM	No. of units	RM
At beginning of the financial period	892,214,148	871,202,113	1,131,937,705	1,158,955,302
Add: Creation of units	179,706,745	225,723,354	4,883,667	5,372,677
Less: Cancellation of units	(27,645,514)	(35,170,688)	(249,451,055)	(297,892,659)
Distribution equalisation	-	1,151,593	-	(3,968,301)
At end of the financial period	<u>1,044,275,379</u>	<u>1,062,906,372</u>	<u>887,370,317</u>	<u>862,467,019</u>

The Manager, Kenanga Investors Berhad, did not hold any units in the Fund, either legally or beneficially, as at 30 November 2021 (30 November 2020: nil). The number of units legally or beneficially held by the other parties related to the Manager were 43,403 units valued at RM56,800 as at 30 November 2021 (30 November 2020: 42,543 units valued at RM53,255).

13. PORTFOLIO TURNOVER RATIO ("PTR")

PTR for the financial period from 1 June 2021 to 30 November 2021 is 0.21 times (financial period from 1 June 2020 to 30 November 2020: 0.33 times).

PTR is the ratio of average sum of acquisitions and disposals of investments of the Fund for the financial period to the average NAV of the Fund, calculated on a daily basis.

14. MANAGEMENT EXPENSE RATIO ("MER")

MER for the financial period from 1 June 2021 to 30 November 2021 is 1.56% per annum (financial period from 1 June 2020 to 30 November 2020: 1.56% per annum).

MER is the ratio of total fees and recovered expenses of the Fund expressed as a percentage of the Fund's average NAV, calculated on a daily basis.

15. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTIONS

	Transaction value RM	Percentage of total %	Brokerage, stamp duty and clearing fee RM	Percentage of total %
CGS-CIMB Securities Sdn Bhd	122,706,043	23.2	327,457	24.8
Kenanga Investment Bank Berhad*	99,865,146	18.9	192,755	14.6
Maybank Investment Bank Berhad	82,171,767	15.5	250,291	19.0
JPMorgan Securities (Malaysia) Sdn Bhd	63,605,443	12.0	165,476	12.5
UOB Kay Hian Securities (M) Sdn Bhd	29,516,992	5.6	57,943	4.4
RHB Investment Bank Berhad	23,420,770	4.4	62,219	4.7
Public Investment Bank Berhad	23,281,487	4.4	61,687	4.7
Macquarie Capital Securities (Malaysia) Sdn Bhd	22,641,099	4.3	58,037	4.4
Affin Hwang Investment Bank Berhad	18,945,188	3.6	49,903	3.8
CLSA Limited	12,740,482	2.4	39,571	3.0
Others	30,239,602	5.7	54,589	4.1
	<u>529,134,019</u>	<u>100.0</u>	<u>1,319,928</u>	<u>100.0</u>

* Kenanga Investment Bank Berhad is a related party of Kenanga Investors Berhad.

The above transactions values are in respect of listed equity securities and listed collective investment schemes.

The directors of the Manager are of the opinion that the transactions with the related party have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. The Manager is of the opinion that the above dealings have been transacted on an arm's length basis.

16. SEGMENTAL REPORTING

a. Business segments

In accordance with the objective of the Fund, the Fund can invest 75% to 95% of its NAV in listed investment securities. The following table provides an analysis of the Fund's revenue, results, assets and liabilities by business segments:

	Listed investment securities RM	Other investments RM	Total RM
1.6.2021 to 30.11.2021			
Revenue			
Segment income	90,862,282	1,503,663	
Segment expenses	<u>(3,707,764)</u>	<u>-</u>	
Net segment income			
representing segment results	<u>87,154,518</u>	<u>1,503,663</u>	88,658,181
Unallocated loss on foreign currency exchange			<u>(196,445)</u>
			88,461,736
Unallocated expenditure			<u>(10,055,857)</u>
Income before tax			78,405,879
Income tax			<u>-</u>
Net income after tax			<u>78,405,879</u>
30.11.2021			
Assets			
Financial assets at FVTPL	1,233,895,926	-	
Short term deposits	-	135,813,000	
Other segment assets	<u>3,065,980</u>	<u>6,441</u>	
Total segment assets	<u>1,236,961,906</u>	<u>135,819,441</u>	1,372,781,347
Unallocated assets			<u>2,500,077</u>
			<u>1,375,281,424</u>
Liabilities			
Segment liabilities	<u>6,739,807</u>	<u>-</u>	6,739,807
Unallocated liabilities			<u>1,935,644</u>
			<u>8,675,451</u>

16. SEGMENTAL REPORTING (CONTD.)

a. Business segments (contd.)

	Listed investment securities RM	Other investments RM	Total RM
1.6.2020 to 30.11.2020			
Revenue			
Segment income	233,554,569	802,952	
Segment expenses	<u>(4,632,317)</u>	<u>-</u>	
Net segment income			
representing segment results	<u>228,922,252</u>	<u>802,952</u>	229,725,204
Unallocated expenditure			<u>(9,560,465)</u>
Income before tax			220,164,739
Income tax			<u>-</u>
Net income after tax			<u>220,164,739</u>
30.11.2020			
Assets			
Financial assets at FVTPL	1,038,458,495	-	
Short term deposits	-	78,020,033	
Other segment assets	<u>2,882,555</u>	<u>14,616</u>	
Total segment assets	<u>1,041,341,050</u>	<u>78,034,649</u>	1,119,375,699
Unallocated assets			<u>29,200</u>
			<u>1,119,404,899</u>
Liabilities			
Segment liabilities	<u>5,566,170</u>	<u>-</u>	5,566,170
Unallocated liabilities			<u>3,035,731</u>
			<u>8,601,901</u>

16. SEGMENTAL REPORTING (CONTD.)

b. Geographical segments

The Fund seeks to achieve its investment objective by investing in a diversified portfolio of Malaysian equities and equity related in foreign markets, which may include but not limited to Singapore, Indonesia, Thailand, Philippines, Vietnam, India, Hong Kong, China, Japan, Korea, Taiwan, Australia, United States of America and any other Eligible Markets where the regulatory authority is an ordinary or associate member of the International Organization of Securities Commissions. The following table provide an analysis of the Fund's revenue, results, assets and liabilities by geographical segments:

	Local investments RM	Foreign investments RM	Total RM
1.6.2021 to 30.11.2021			
Revenue			
Segment income/(loss)	93,403,667	(1,037,721)	
Segment expenses	<u>(3,656,900)</u>	<u>(50,865)</u>	
Net segment income/(loss)			
representing segment results	<u>89,746,767</u>	<u>(1,088,586)</u>	88,658,181
Unallocated loss on foreign currency exchange			<u>(196,445)</u>
			88,461,736
Unallocated expenditure			<u>(10,055,857)</u>
Income before tax			78,405,879
Income tax			<u>-</u>
Net income after tax			<u>78,405,879</u>
30.11.2021			
Assets			
Financial assets at FVTPL	1,211,351,491	22,544,435	
Short term deposits	135,813,000	-	
Other segment assets	<u>3,095,123</u>	<u>-</u>	
Total segment assets	<u>1,350,259,614</u>	<u>22,544,435</u>	1,372,804,049
Unallocated assets			<u>2,477,375</u>
			<u>1,375,281,424</u>
Liabilities			
Segment liabilities	<u>6,739,807</u>	<u>-</u>	6,739,807
Unallocated liabilities			<u>1,935,644</u>
			<u>8,675,451</u>

16. SEGMENTAL REPORTING (CONTD.)

b. Geographical segments (contd.)

	Local investments RM	Foreign investments RM	Total RM
1.6.2020 to 30.11.2020			
Revenue			
Segment income	234,357,521	-	
Segment expenses	(4,632,317)	-	
Net segment income			
representing segment results	<u>229,725,204</u>	<u>-</u>	229,725,204
Unallocated expenditure			(9,560,465)
Income before tax			220,164,739
Income tax			-
Net income after tax			<u>220,164,739</u>
30.11.2020			
Assets			
Financial assets at FVTPL	1,038,458,495	-	
Short term deposits	78,020,033	-	
Other segment assets	2,913,843	-	
Total segment assets	<u>1,119,392,371</u>	<u>-</u>	1,119,392,371
Unallocated assets			12,528
			<u>1,119,404,899</u>
Liabilities			
Segment liabilities	<u>5,566,170</u>	<u>-</u>	5,566,170
Unallocated liabilities			3,035,731
			<u>8,601,901</u>

17. FINANCIAL INSTRUMENTS

a. Classification of financial instruments

The Fund's financial assets and financial liabilities are measured on an ongoing basis at either fair value or at amortised cost based on their respective classification. The significant accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised.

The following table analyses the financial assets and financial liabilities of the Fund in the statement of financial position by the class of financial instruments to which they are assigned and therefore by the measurement basis.

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Other financial liabilities RM	Total RM
30.11.2021				
Assets				
Listed equity securities	1,191,353,530	-	-	1,191,353,530
Listed collective investment schemes	42,542,396	-	-	42,542,396
Short term deposits	-	135,813,000	-	135,813,000
Amount due from licensed financial institutions	-	2,294,547	-	2,294,547
Other receivables	-	783,904	-	783,904
Cash at bank	-	2,477,375	-	2,477,375
	<u>1,233,895,926</u>	<u>141,385,498</u>	<u>-</u>	<u>1,375,281,424</u>
Liabilities				
Amount due to Manager	-	-	1,617,110	1,617,110
Amount due to Trustee	-	-	116,690	116,690
Amount due to licensed financial institutions	-	-	6,739,807	6,739,807
	<u>-</u>	<u>-</u>	<u>8,473,607</u>	<u>8,473,607</u>

17. FINANCIAL INSTRUMENTS (CONTD.)

a. Classification of financial instruments (contd.)

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Other financial liabilities RM	Total RM
30.11.2020				
Assets				
Listed equity securities	995,560,438	-	-	995,560,438
Listed collective investment schemes	42,898,057	-	-	42,898,057
Short term deposits	-	78,020,033	-	78,020,033
Amount due from licensed financial institutions	-	1,720,992	-	1,720,992
Other receivables	-	1,176,179	-	1,176,179
Cash at bank	-	12,528	-	12,528
	<u>1,038,458,495</u>	<u>80,929,732</u>	<u>-</u>	<u>1,119,388,227</u>
Liabilities				
Amount due to Manager	-	-	2,716,856	2,716,856
Amount due to Trustee	-	-	45,768	45,768
Amount due to licensed financial institutions	-	-	5,566,170	5,566,170
	<u>-</u>	<u>-</u>	<u>8,328,794</u>	<u>8,328,794</u>

b. Financial instruments that are carried at fair value

The Fund's financial assets at FVTPL are carried at fair value.

The following table shows the fair value measurements by level of the fair value measurement hierarchy:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Investments:				
30.11.2021				
Listed equity securities	1,191,353,530	-	-	1,191,353,530
Listed collective investment schemes	<u>42,542,396</u>	<u>-</u>	<u>-</u>	<u>42,542,396</u>
30.11.2020				
Listed equity securities	995,560,438	-	-	995,560,438
Listed collective investment schemes	<u>42,898,057</u>	<u>-</u>	<u>-</u>	<u>42,898,057</u>

17. FINANCIAL INSTRUMENTS (CONTD.)

b. Financial instruments that are carried at fair value (contd.)

Level 1: Listed prices in active market

Level 2: Model with all significant inputs which are observable market data

Level 3: Model with inputs not based on observable market data

The fair values of listed equity securities and listed collective investment schemes are determined by reference to Bursa Malaysia Securities Berhad's and respective foreign stock exchanges of the respective countries' last traded prices at reporting date.

c. Financial instruments not carried at fair value and for which their carrying amounts are reasonable approximations of fair value

The carrying amounts of the Fund's other financial assets and financial liabilities are not carried at fair value but approximate fair values due to the relatively short term maturity of these financial instruments.

18. CAPITAL MANAGEMENT

The capital of the Fund can vary depending on the demand for creation and cancellation of units to the Fund.

The Fund's objectives for managing capital are:

- a. To invest in investments meeting the description, risk exposure and expected return indicated in its prospectus;
- b. To maintain sufficient liquidity to meet the expenses of the Fund, and to meet cancellation requests as they arise; and
- c. To maintain sufficient fund size to make the operations of the Fund cost-efficient.

No changes were made to the capital management objectives, policies or processes during the current and previous financial periods.

19. SIGNIFICANT EVENT

The COVID-19 pandemic has significantly disrupted many business operations around the world. For the Fund, the impact on business operations has not been a direct consequence of the COVID-19 outbreak, but a result of the measures taken by the Government of Malaysia to contain it. As the outbreak continues to evolve, it is challenging to predict the full extent and duration of its impact on business and the economy.

While the Fund is not able to fully ascertain on the financial impact of the COVID-19 outbreak at the date of this report, it is anticipated based on initial assessments performed, that there have not been any circumstances that would require adjustments to be made to the carrying values of the assets and liabilities of the Fund as at 30 November 2021. The Fund holds sufficient capital and will continue to prudently manage risks in order to ensure that it remains resilient through this period of uncertainty.

This page has been intentionally left blank

This page has been intentionally left blank

This page has been intentionally left blank

Investor Services Center

Toll Free Line: 1 800 88 3737

Fax: +603 2172 3133

Email: investorservices@kenanga.com.my

Head Office, Kuala Lumpur

Level 14, Kenanga Tower, 237, Jalan Tun Razak
50400 Kuala Lumpur, Malaysia

Tel: 03-2172 3000 Fax: 03-2172 3080