Manulife
Investment Management

Manulife Global Multi-Asset Diversified Income Fund

Annual Report

for the financial year ended 30 June 2024

MANULIFE GLOBAL MULTI-ASSET DIVERSIFIED INCOME FUND

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MANULIFE GLOBAL MULTI-ASSET DIVERSIFIED INCOME FUND

1 GENERAL INFORMATION

1.1 THE TRUST

The Fund commenced operations on 3 February 2020 and will continue its operations until terminated as provided under Clause 25 of the Deed.

1.2 FUND TYPE / CATEGORY

Income/Feeder Fund

Note : The Fund was launched as a wholesale fund and is subsequently converted to a retail unit trust scheme on 28 June 2024 following the approval obtained from Unit Holders at a Unit Holders' meeting.

1.3 BASE CURRENCY

US Dollar (USD)

1.4 OBJECTIVE OF THE FUND

The Fund aims to provide income by investing in one collective investment scheme.

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

1.5 DISTRIBUTION POLICY

For each Class, distribution, if any, is on a monthly basis.

The payment of distributions, if any, from the respective Class will vary from period to period depending on the market conditions, performance of the respective Class and the Target Fund.

The Manager has the right to make provisions for reserves in respect of distribution of the Classes. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders.

The A (RM Hedged) (G) Class, the A (USD) (G) Class and the A (RM) (G) Class distribute income out of realised gains or realised income while charging or paying all or part of the Fund's fees and expenses to or out of capital. This may result in larger decrease in the NAV per Unit of the relevant Class compared to if the fees and expenses are netted for the purpose of calculating income distribution, as a result of the relevant Class has distributed higher income to you.

Any distribution of income can be made from realised gains, realised income and/or capital*.

*The Fund is allowed to distribute income out of capital to achieve its investment objective of providing income at regular interval as per the distribution policy of the Fund.

Note:
1) Capital distributions have a risk to erode capital. It may reduce the Fund's capital available for future investment and lead to a decline in potential for future income generation. Investors should be aware that distribution out of capital is achieved by foregoing the potential for future capital growth and this cycle may continue until all capital is depleted. As a result, the value of future returns would also be diminished.
2) During the financial year the distribution frequency change from quarterly to monthly basis.

1.6 PERFORMANCE BENCHMARK

There is no benchmark for the Fund. As the Fund is a feeder fund, the Fund aims to mirror the performance of the Target Fund. The Target Fund does not compare its performance against nor is it managed in reference to any benchmark.

1.7 INVESTMENT STYLE AND STRATEGY

The Fund will invest at least 85% of the Fund's NAV in Share Class I3 Inc of the Manulife Global Fund – Global Multi-Asset Diversified Income Fund ("Target Fund"), and the remaining NAV of the Fund will be invested in liquid assets such as money market instruments (including fixed income securities which have remaining maturity period of less than 365 days), placement of short-term deposits with financial institutions for liquidity purposes, and/ or derivatives for hedging purposes.

The Fund focuses on distributing income and not capital appreciation.

The Fund's portfolio will be closely monitored and rebalanced from time to time to ensure that the Fund's assets are allocated in accordance with its prescribed asset allocation.

The Fund will not be adopting any temporary defensive strategies during adverse market condition as the Fund adopts a passive strategy of investing a minimum of 85% of the Fund's NAV in the Target Fund at all times. This strategy is to allow the Fund to mirror the performance of the Target Fund and may result in the Fund being exposed to the risk of its NAV declining when the Target Fund's net asset value declines.

During of the financial year under review, the Fund remained guided by its investment objective, having invested at least 85% of its NAV in the Target Fund with the balance NAV in cash and money market instruments.

2 MANAGER'S REPORT

2.1 FUND PERFORMANCE

Over the financial year ended 30 June 2024, the Fund rose 9.06% for its A (RM-Hedged) (G) class and 11.98% for its A (USD) (G) class. Meanwhile, the Fund rose 5.54% for its A (RM) (G) class since its inception date on 18 January 2024. Equities were the largest contributor, though underperformed a broad reference MSCI World index as markets continued to move higher. Top individual contributors were primarily equity securities in the United States (U.S.), dominated by Technology names.

For quarter one on ex-date 11 August 2023, the fund declared gross distribution of 1.50sen per unit for A (RM-Hedged) (G) Class and 1.52sen for A (USD) (G) Class per unit which had the effect of reducing NAV per unit of the Fund and the ex-distribution NAV per unit were RM0.8017 for A (RM-Hedged) (G) Class and USD0.8636 for A (USD) (G) Class.

For second quarter on ex-date 03 November 2023 , the fund declared a gross distribution of 1.42sen per unit for A (RM-Hedged) (G) Class and 1.42sen per unit in A (USD) (G) Class on had the effect of reducing the NAV per unit of the Fund and the ex-distribution NAV per unit were RM0.7596 for A (RM-Hedged) (G) Class and USD0.8237 for A (USD) (G) Class Class respectively.

Starting January 2024, the fund has changed distribution frequency from quarterly to monthly and the A (RM) (G) Class (new class) was incepted on 18 January 2024.

In January on ex-date 3 January 2024, the declared a gross distribution of 0.94sen per unit for A (RM Hedged) (G) Class and 1.01sen per unit in A (USD) (G) Class and had the effect of reducing the NAV per unit of the Fund and the ex-distribution NAV per unit were RM0.7997 for A (RM Hedged) (G) Class and USD0.8718 for A (USD) (G) Class respectively.

In February on ex-date 5 February 2024 , the gross distribution of 0.50sen per unit for A (RM Hedged) (G) Class and 0.53sen per unit in A (USD) (G) Class had the effect of reducing the NAV per unit of the Fund and the ex-distribution NAV per unit were RM0.8060 for A (RM Hedged) (G) Class and USD0.8803 for A (USD) (G) Class respectively.

In March on ex-date 5 March 2024, the gross distribution of 0.46sen per unit for A (RM Hedged) (G) Class, 0.51sen per unit in A (USD) (G) Class and 0.65sen per unit in A (RM) (G) Class had the effect of reducing the NAV per unit of the Fund and the ex-distribution NAV per unit were RM0.8167 for A (RM Hedged) (G) Class, USD0.8938 for A (USD) (G) Class and RM1.0328 for A (RM) (G) Class respectively.

In April on ex-date 4 April 2024, the gross distribution of 0.46sen per unit for A (RM Hedged) (G) Class, 0.51sen per unit in A (USD) (G) Class and 0.65sen per unit in A (RM) (G) Class had the effect of reducing the NAV per unit of the Fund, and the ex-distribution NAV per unit were RM0.8177 for A (RM Hedged) (G) Class, USD0.8965 for A (USD) (G) Class and RM1.0420 for A (RM) (G) Class respectively.

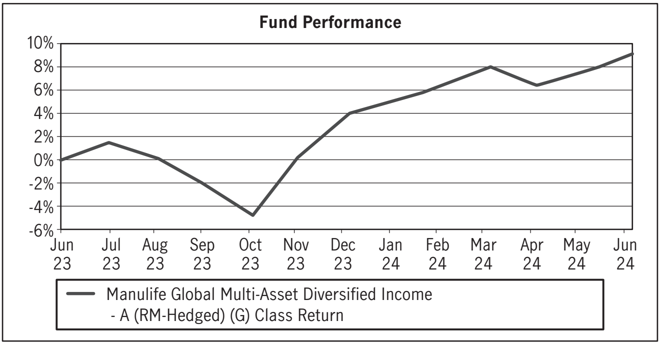
In May on ex-date 6 May 2024, the gross distribution of 0.39sen per unit for A (RM Hedged) (G) Class, 0.47sen per unit in A (USD) (G) Class and 0.49sen per unit in A (RM) (G) Class had the effect of reducing the NAV per unit of the Fund, and the ex-distribution NAV per unit were RM0.8091 for A (RM Hedged) (G) Class, USD0.8888 for A (USD) (G) Class and RM1.0299 for A (RM) (G) Class respectively.

The final distribution for the fund on the ex-date 5 June 2024, the gross distribution of 0.50sen per unit for A (RM Hedged) (G) Class, 0.50sen per unit in A (USD) (G) Class and 0.57sen per unit in A (RM) (G) Class had the effect of reducing the NAV per unit of the Fund, and the ex-distribution NAV per unit were RM0.8114 for A (RM Hedged) (G) Class, USD0.8937 for A (USD) (G) Class and RM1.0274 for A (RM) (G) Class respectively.

MANULIFE GLOBAL MULTI-ASSET DIVERSIFIED INCOME FUND

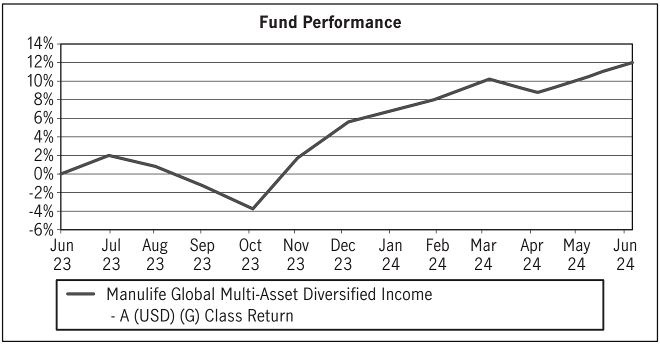
The graph below shows the 12-month performance of the Feeder Fund for both share classes:

A (RM-Hedged) (G) Class



Source: Lipper

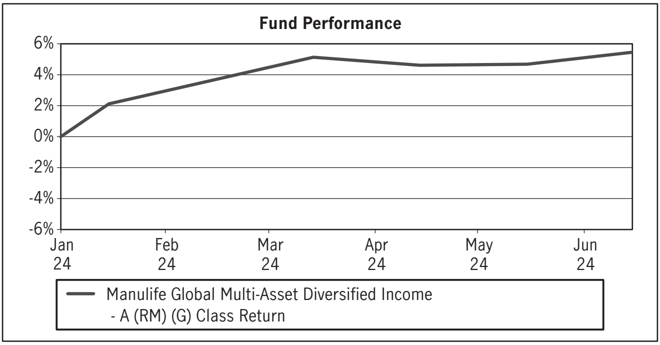
A (USD) (G) Class



Source: Lipper

Note: The first subscription of the A (USD) (G) Class was made on 3 March 2020, being the commencement date.

A (RM) (G) Class (Since Inception)



Source: Lipper

Note: The first subscription of the A (RM) (G) Class was made on 18 January 2024, being the commencement date.

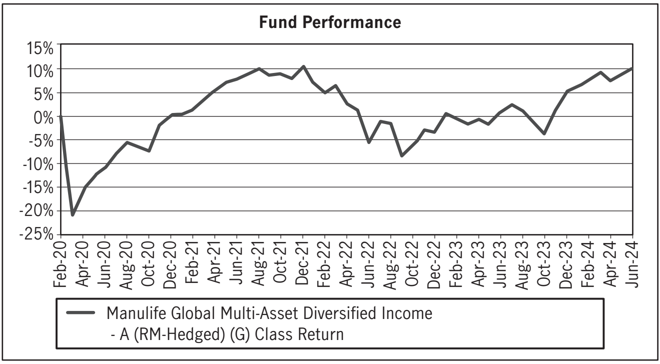
Fund Size

The Fund's total NAV increased to USD17.83mil from USD6.85mil during the financial year under review.

Fund Returns

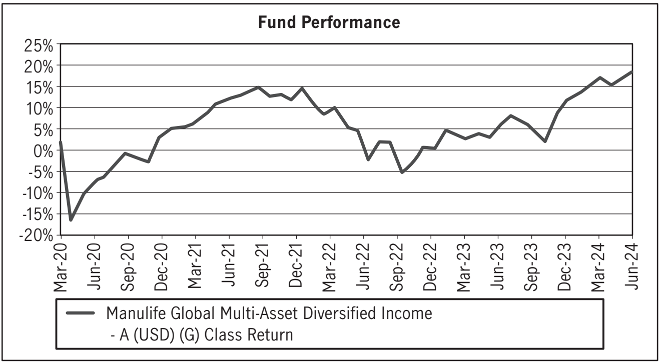
(a) The graph below shows the performance of the Feeder Fund since commencement:

A (RM-Hedged) (G) Class



Source: Lipper

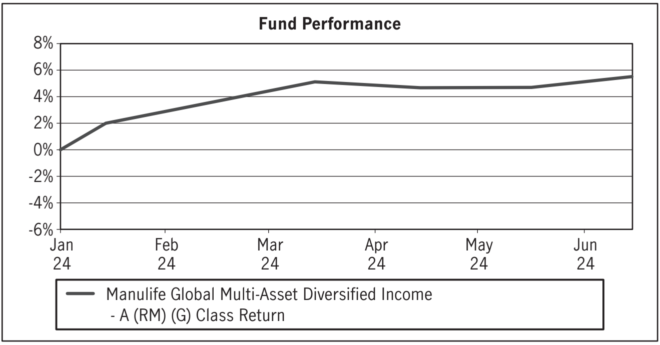
A (USD) (G) Class



Source: Lipper

Note: The first subscription of the A (USD) (G) Class was made on 3 March 2020, being the commencement date

A (RM) (G) Class



Source: Lipper

Note: The first subscription of the A (RM) (G) Class was made on 18 January 2024, being the commencement date.

(b) Average Total Return of the Fund:

A (RM-Hedged) (G) Class

For the financial year ended 30 June 2024	Fund (% p.a.)	Benchmark (% p.a.)
1 year	9.06	n.a
3 years	0.67	n.a
Since commencement	2.22	n.a
Investment Commencement date: 24 February 2020		

Source: Lipper

A (USD) (G) Class

For the financial year ended 30 June 2024	Fund (% p.a.)	Benchmark (% p.a.)
1 year	11.98	n.a
3 years	1.80	n.a
Since commencement	4.06	n.a
Investment Commencement date: 3 March 2020		

Source: Lipper

Note: The first subscription of the A (USD) (G) Class was made on 3 March 2020, being the commencement date.

A (RM) (G) Class

For the financial year ended 30 June 2024	Fund (% p.a.)	Benchmark (% p.a.)
Since commencement	n.a	n.a
Investment Commencement date: 18 January 2024		

Source: Lipper

Note: No annualised figures are available since the Fund has less than one year in operation.
The first subscription of the A (RM) (G) Class was made on 18 January 2024, being the commencement date.

(c) Annual Total Return of the Fund:

A (RM Hedged) (G) Class

For the financial year ended	Fund (% p.a.)	Benchmark (% p.a.)
30 June 2024	9.06	n.a
30 June 2023	6.74	n.a
30 June 2022	(12.35)	n.a
30 June 2021	21.10	n.a
Since commencement to 30 June 2020	(10.97)	n.a
Investment Commencement date: 24 February 2020		

Source: Lipper

A (USD) (G) Class

For the financial year ended	Fund (% p.a.)	Benchmark (% p.a.)
30 June 2024	11.98	n.a
30 June 2023	8.67	n.a
30 June 2022	(13.31)	n.a
30 June 2021	20.10	n.a
Since commencement to 30 June 2020	(6.25)	n.a
Investment Commencement date: 3 March 2020		

Source: Lipper

A (RM) (G) Class

For the financial period ended	Fund (% p.a.)	Benchmark (% p.a.)
Since commencement to 30 June 2024	5.54	n.a
Investment Commencement date: 18 January 2024		

Source: Lipper

Note: The first subscription of the A (RM) (G) Class was made on 18 January 2024, being the commencement date.

The Fund has achieved its investment objective to provide capital appreciation by investing in one collective investment scheme as it average total returns posted positive returns.

MANULIFE GLOBAL MULTI-ASSET DIVERSIFIED INCOME FUND

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 = {[End NAV (Ex-distribution) - Beginning NAV + Dividend Distribution] / Beginning NAV} X 100%

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

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

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

Fund Data	30 June 2024	30 June 2023	30 June 2022
NAV (USD)			
A (RM Hedged) (G) Class	13,858,568	6,413,552	5,167,168
A (USD) (G) Class	3,787,406	438,870	103,186
A (RM) (G) Class	182,881	-	-
Units in Circulation ('000)			
A (RM Hedged) (G) Class	79,893	36,914	27,438
A (USD) (G) Class	4,196	506	119
A (RM) (G) Class	836	-	-
NAV (per unit)-in respective currencies			
A (RM Hedged) (G) Class	0.8181	0.8103	0.8296
A (USD) (G) Class	0.9025	0.8682	0.8643
A (RM) (G) Class	1.0316	-	-
Highest / Lowest NAV (per unit)-in respective currencies			
A (RM Hedged) (G) Class	0.8257 / 0.7554	0.8912 / 0.7724	1.0095 / 0.8296
A (USD) (G) Class	0.9047 / 0.8176	0.9285 / 0.8065	1.0549 / 0.8643
A (RM) (G) Class	1.0485 / 1.0000	-	-
A (RM Hedged) (G) Class			
- Total Fund Return (%)	9.06	6.74	(12.35)
- Capital Growth (%)	0.96	(2.33)	(17.06)
- Income Distribution (%)	8.02	9.29	5.67
A (USD) (G) Class			
- Total Fund Return (%)	11.98	8.67	(13.31)
- Capital Growth (%)	3.96	0.45	(17.44)
- Income Distribution (%)	7.72	8.18	5.01
A (RM) (G) Class			
- Total Fund Return (%)	5.54	8.67	(13.31)
- Capital Growth (%)	3.16	0.45	(17.44)
- Income Distribution (%)	2.30	8.18	5.01
Total Expense Ratio (%)	1.90	1.92	1.93
Portfolio Turnover Ratio (times)	0.73	0.36	0.48

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 unit trust fund to the average value of the unit trust fund calculated on a daily basis.

$$\frac{\text{Fees of the unit trust fund + Recovered expenses of the unit trust fund}}{\text{Average value of the unit trust fund calculated on a daily basis}} \times 100$$

Where:

Fees = All ongoing fees deducted / deductible directly from the 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 unit trust fund;

Recovered expenses = All expenses recovered from / charged to the unit trust fund, as a result of the expenses incurred by the operation of the 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 trust fund = The NAV of the 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 than previous financial year mainly due to increase in average NAV.

(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 financial year to the average value of the unit trust fund for the financial year calculated on a daily basis.

$$\frac{\text{[Total acquisitions of the fund for the year + Total disposals of the fund for the year]/2}}{\text{Average value of the unit trust fund calculated on a daily basis}}$$

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

Impact On NAV Arising From Distribution Distributed For The Financial Year Ended 30 June 2024:

A (RM-Hedged) (G) Class

EX-DATE	CUM DISTRIBUTION NAV (RM)	GROSS/NET DISTRIBUTION (RM)	EX DISTRIBUTION NAV (RM)
11.08.2023	0.8167	(0.0150)	0.8017
03.11.2023	0.7738	(0.0142)	0.7596
03.01.2024	0.8091	(0.0094)	0.7997
05.02.2024	0.8110	(0.0050)	0.8060
05.03.2024	0.8213	(0.0046)	0.8167
04.04.2024	0.8223	(0.0046)	0.8177
06.05.2024	0.8130	(0.0039)	0.8091
05.06.2024	0.8164	(0.0050)	0.8114

MANULIFE GLOBAL MULTI-ASSET DIVERSIFIED INCOME FUND

A (USD) (G) Class

EX-DATE	CUM DISTRIBUTION NAV (USD)	GROSS/NET DISTRIBUTION (USD)	EX DISTRIBUTION NAV (USD)
11.08.2023	0.8788	(0.0152)	0.8636
03.11.2023	0.8379	(0.0142)	0.8237
03.01.2024	0.8819	(0.0101)	0.8718
05.02.2024	0.8856	(0.0053)	0.8803
05.03.2024	0.8989	(0.0051)	0.8938
04.04.2024	0.9016	(0.0051)	0.8965
06.05.2024	0.8935	(0.0047)	0.8888
05.06.2024	0.8987	(0.0050)	0.8937

A (RM) (G) Class

EX-DATE	CUM DISTRIBUTION NAV (RM)	GROSS/NET DISTRIBUTION (RM)	EX DISTRIBUTION NAV (RM)
05.03.2024	1.0393	(0.0065)	1.0328
04.04.2024	1.0485	(0.0065)	1.0420
06.05.2024	1.0348	(0.0049)	1.0299
05.06.2024	1.0331	(0.0057)	1.0274

Impact On NAV Arising From Distribution Distributed For The Financial Year Ended 30 June 2023:

A (RM Hedged) (G) Class

EX-DATE	CUM DISTRIBUTION NAV (RM)	GROSS/NET DISTRIBUTION (RM)	EX DISTRIBUTION NAV (RM)
08.05.2023	0.8058	(0.0162)	0.7896
08.02.2023	0.8404	(0.0114)	0.8290
08.11.2022	0.7984	(0.0163)	0.7821
11.08.2022	0.8821	(0.0202)	0.8619

A (USD) (G) Class

EX-DATE	CUM DISTRIBUTION NAV (USD)	GROSS/NET DISTRIBUTION (USD)	EX DISTRIBUTION NAV (USD)
08.05.2023	0.8601	(0.0159)	0.8442
08.02.2023	0.8924	(0.0123)	0.8801
08.11.2022	0.8341	(0.0106)	0.8235
11.08.2022	0.9193	(0.0202)	0.8991

Impact On NAV Arising From Distribution Distributed For The Financial Year Ended 30 June 2022:

A (RM Hedged) (G) Class

EX-DATE	CUM DISTRIBUTION NAV (RM)	GROSS/NET DISTRIBUTION (RM)	EX DISTRIBUTION NAV (USD)
10.05.2022	0.9077	(0.0116)	0.8961
10.02.2022	0.9717	(0.0128)	0.9587
08.11.2021	1.0012	(0.0140)	0.9872
09.08.2021	1.0095	(0.0140)	0.9955

A (USD) (G) Class

EX-DATE	CUM DISTRIBUTION NAV (USD)	GROSS/NET DISTRIBUTION (USD)	EX DISTRIBUTION NAV (USD)
10.05.2022	0.9398	(0.0067)	0.9331
10.02.2022	1.0077	(0.0118)	0.9959
08.11.2021	1.0429	(0.0155)	1.0274
09.08.2021	1.0549	(0.0150)	1.0399

Source of distribution distributed for the financial year :

(A (RM-Hedged) (G) Class)

	2024		2023	
Source	**USD**	**%**	**USD**	**%**
Capital	139,785	23	-	-
Income	475,209	77	310,693.00	100

A (USD) (G) Class

	2024		2023	
Source	**USD**	**%**	**USD**	**%**
Capital	22,655	22	-	-
Income	81,000	78	3,485.00	100

A (RM) (G) Class

	2024	
Source	**USD**	**%**
Capital	82	25
Income	248	75

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 last three financial year ended:

	% of Net Asset Value		
Sector Allocation	**30 June 2024**	**30 June 2023**	**30 June 2022**
Collective Investment Scheme	96.69	97.90	96.66
Deposits With Licensed Financial Institutions	-	-	-
Other Assets & Liabilities	3.31	2.10	3.34

MANULIFE GLOBAL MULTI-ASSET DIVERSIFIED INCOME FUND

As at 30 June 2024, the Fund was 96.69% invested in Collective Investment Scheme and 3.31% in cash and cash equivalents. The Fund remained fully invested and a minimal level of cash was maintained for liquidity purposes.

Asset allocation of the Target Fund for the past three financial years:

Sector Allocation	30 June 2024	30 June 2023	30 June 2022
High Yield Bonds	27.56	26.40	24.20
Developed Market Equities	23.35	25.70	21.20
Equity Related Securities	22.73	22.40	25.20
Investment Grade Bonds	13.17	8.30	3.20
Emerging Markets	4.99	8.60	13.50
Preferred Securities	2.92	3.50	4.30
Cash & Cash Equivalents	5.28	5.10	8.40

Geographical allocation of the Target Fund for the financial year:

Geographical Allocation	30 June 2024	30 June 2023	30 June 2022
North America	74.62	71.30	62.95
Europe	9.47	10.90	10.36
Others	7.97	7.30	9.58
Emerging Markets	2.67	5.40	8.72
Cash & Cash Equivalents	5.27	5.10	13.00

Top 10 holdings of the Target Fund for the past three financial years:

No	Security name	% of Net Sales Value 30 June 2024
1	Federal Agricultural Mortgage Corp Discount Notes	6.37
2	NVIDIA Corporation	1.27
3	Microsoft Corporation	1.20
4	Apple Inc.	1.10
5	Amazon.com, Inc.	0.96
6	Alphabet Inc.	0.93
7	Broadcom Inc.	0.55
8	Oracle Corporation	0.55
9	Bank of Montreal	0.55
10	Federal Agricultural Mortgage Corp	0.54

No	Security name	% of Net Sales Value 30 June 2023
1	Amazon.com, Inc.	1.10
2	Alphabet Inc. Class A	0.95
3	Apple Inc.	0.90
4	Microsoft Corporation	0.88
5	Oracle Corporation	0.78
6	Federal Home Loan Banks	0.76
7	Federal Home Loan Banks	0.75
8	Federal Home Loan Banks	0.75
9	Federal Home Loan Mortgage Corp	0.64
10	Lennar Corporation	0.56

No	Security name	% of Net Sales Value 30 June 2022
1	Alphabet Inc.	1.14
2	Federal Farm Credit Discount Notes	0.90
3	Amazon.com, Inc.	0.77
4	Johnson & Johnson	0.58
5	Apple Inc.	0.56
6	Federal Farm Credit Banks Funding Corp	0.54
7	Lennar Corporation	0.54
8	Federal Home Loan Bank Discount Notes	0.54
9	Microsoft Corporation	0.51
10	Philip Morris International Inc.	0.50

2.3 MARKET REVIEW

During the financial year under review (1 July 2023 to 30 June 2024), markets saw positive returns across equity markets and mixed results in fixed income, as a series of risk events marked the period— downgrade of the United States (U.S.) government's credit rating, contagion fears in China's property sector, the Middle East conflicts and political uncertainty in Europe, among others. Major central banks remained hawkish at the beginning of the period, but divergent rate cut expectations emerged with European counterparts kicking off the rate cut cycle first.

The second half of 2023 saw positive returns across equity and fixed income markets as a surprise dovish pivot by the Fed in the fourth quarter of 2023 (Q4 2023), resilient economic activity and a moderation in inflation data pushed stocks higher and lifted market sentiment. At the beginning of the period, markets were negative across equity and fixed income as economic headwinds remained, with rising yields putting pressure on risk assets. Investors grappled with inflationary concerns, mixed signals amongst global economic activity and the downgrade of the U.S. government's credit rating, along with China's sluggish property outlook. This period saw central banks signalling a higher-for-longer rate environment across rates. Heading into Q4 2023, despite the breakout of the Israel-Hamas conflict in the Middle East, markets still staged a strong comeback given a moderation in inflation data across Developed Markets, coupled with the changing narrative around rate cut expectations in the U.S.

Going into 2024, the first half of 2024 saw positive returns across equity markets, whilst fixed income markets were mixed, amid the higher-for-longer interest rate environment. Despite widely positive equity returns amongst major benchmark indices, broad market breadth and participation narrowed considerably during the second quarter of 2024 (Q2 2024), with most gains concentrated in large-cap growth stocks, bolstered by continued enthusiasm surrounding Artificial Intelligence (AI). Markets began the year with expectations for around six Fed rate cuts, with the first one occurring in March. However, throughout the period, these expectations have been further priced out and dwindled to fewer than three cuts by the year end given resilient U.S. economic data and a pick-up in inflation, though the Federal Reserve (Fed) has only guided for one cut. In the U.S., strong gains concentrated in the Technology and Communication Services sectors were supported by strong corporate earnings. Economic data releases during the period indicated ongoing economic resilience despite some recent moderation, while inflation ticked up modestly, prompting the Fed to keep rates unchanged. Elsewhere in Europe and the United Kingdom (U.K.), these markets saw positive macro data points as growth prospects improved, alongside falling inflation. The Swiss National Bank and the European Central Bank started the rate cut cycle. Within Asia, Japanese Equities held up well though the Yen fell to a 38-year low. China saw some recovery as investor sentiment improved due to property market initiatives by the government and improving economic activity.

Over the period from July 2023 to June 2024, the MSCI World Index gained 19.92%. Regionally, the U.S. led the gains with the Standard and Poor's 500 Index (S&P 500) rising +24.56%. Japan also outperformed by gaining +13.53%, closely followed by Asia Pacific ex Japan, Emerging Markets and Europe, which returned +13.38%, 12.97%, and 12.37%, respectively. Latin America (Latam) was the only market falling into negative territory by -5.09% dragged by both Brazil and Mexico.

Regarding sector performance, within the MSCI World Index, Information Technology stood at the forefront of the rankings gaining +38.36%, followed by Communication Services +37.63% driven by AI enthusiasm. Real Estate and Utilities were the relative underperformers though remained in positive territory returning +5.63% and 5.78%, respectively. Consumer Staples lagged with +2.68% returns.

Fixed income markets ended the period with mixed performance in the face of a reduced magnitude of rate cuts expectations. The FTSE World Government Bond Index fell -0.63% over the period, whilst the investment-grade credits, the Bloomberg Global Aggregate – Corporate Index rose +4.89%. Less rate-sensitive and riskier segments such as high yield bonds fared comparatively better with the Bloomberg Global High Yield Index up +11.82% and the U.S. High Yield Index up +10.41%.

2.4 MARKET OUTLOOK AND INVESTMENT STRATEGY

Looking ahead, our medium- to long-term outlook suggests that ultimately lower interest rates would be accommodative for economic growth with inflation coming down and resiliency in corporate earnings growth. However, geopolitical challenges and the upcoming U.S. Presidential election could pose challenges to investor sentiment. We expect short-term market volatility as growth and inflation data is likely to remain front and centre for the Fed, which would lead to higher than usual volatility around major data releases. Recent developments with respect to the US elections are likely to result in further uncertainty around candidates and their policy impact to varying market sectors.

We believe the global easing cycle has begun with signs of disinflation across most regions. All major central banks have indicated next moves are cuts, provided inflation continues to moderate, except for the Bank of Japan, which finally moved out of its negative interest rate policy. We still expect cuts to occur in most developed markets in 2024, even with inflation in the 2%-3% range. While the bumpy, super-core inflation in the United States is likely to moderate, there has been a reprieve in speculation around the timing and pace of the Fed's move. Our base case (at time of writing) is for the Fed to cut three times in 2024 and four times in 2025. The balance of risks is tilted towards fewer cuts this year should inflation fail to decelerate again.

We maintain our medium-term view that U.S. growth is the "cleanest dirty shirt" for now as U.S. recession odds are lower than in other Developed Market economies. However, the gap is narrowing through a combination of softer U.S. data and stabilizing-to-slightly-improving growth in most other regions. The global divergence between manufacturing (sending mixed signals at the global level) and services (still positive) is complicating standard forecasting and creating global de-synchronicities. We still expect a slowdown in the U.S. economy for fundamental reasons even though the economy remains resilient, but there are clear signs of wear in the U.S. consumer. We still have a low to medium recession conviction as the lagged impact of higher interest rates is expected to arrive, while outside the U.S., G7 growth has already felt the effects of tighter policy. That said, whether or not economic activity has contracted to the extent that it fits the official definition of recession is much less important than the decline in growth momentum that lies ahead. Although we are mindful that going into the November U.S. election, it is likely that fiscal support remains strong in order to help the positive macro narrative. Given that outcome, the Fed would have to make the critical concession of cutting interest rates while inflation remains above their target. Markets could be particularly sensitive to any variance away from the soft-landing narrative. If, however, we see data that is too strong, we could see further pricing out of Fed rate cuts.

In Asia, negative sentiment has been dominated by a faltering structural trend in aggregate growth in China, with particularly persistent tail risks to the property sector. We maintain our neutral medium-term view on China as growth in policy-supported sectors and exports is offset by weakness in the property sector and domestic consumption. Government policy will prove insufficient to boost consumer, corporate, and real estate sentiment. However, equity valuations in Asian markets tip toward the favourable side of the equation. For the cyclical rebound to strengthen itself beyond the mechanical reopening boost, we would need to see a sustained recovery in household consumption and property sales. Elsewhere in Japan, policy normalization has begun in Japan. Stabilization in economic activity and the expectation that inflation expectations reach 2% suggest the BoJ normalizes its policy rate over the next two years. The yen should strengthen due to favourable interest rate differentials with the rest of the world, and the yield curve should slowly flatten as the BoJ raises rates towards neutral.

The potential end of the global rate-hike cycle is supportive of our view of equities, but an uncertain macroeconomic landscape is a potential headwind for equities. Corporate earnings have generally remained strong, and consumers have remained resilient for the most part, albeit more recently that could be coming into question. Given the uncertainty surrounding several factors—among them monetary policy, geopolitical tensions, and recessionary risks—we are focusing on quality across equity assets. At the same time, we appreciate the excitement surrounding AI and the magnitude of its potential impacts on revenue monetization, productivity, and cost cutting, and seek pockets of related growth opportunities. The second half of 2024 should see a more favourable environment for equities with corporate earnings strength broadening beyond large-cap technology names, whilst market support into the November U.S. election should also help keep markets broadly buoyant.

Overall, we expect the market to experience some volatility in the first half of 2024, continuing into the second half of the year, particularly as investors reprice interest rate and potentially inflation expectations. We maintain that there are downside risks to the economy given tighter credit conditions and may see higher interest rates for longer than expected, but rates may also not come off at the magnitude the market has priced in. Tactical positioning will be more prevalent again as we continue into the rest of 2024, to be able to nimbly add and de-risk portfolios as well as add to yield opportunities as they arise.

The portfolio remains focused on delivering consistent distribution yield to investors through a globally diversified and unconstrained approach. The natural income generation of the portfolio continued to remain at healthy levels, in line with the income objective.

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, 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 net assets attributable to unit holders, statement of cash flows, accounting policy and notes to the financial statements, are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 30 June 2024 and of its financial performance, changes in net assets attributable to unit holders and cash flows of the Fund for the financial year ended 30 June 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
23 August 2024

5 TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF MANULIFE GLOBAL MULTI-ASSET DIVERSIFIED INCOME FUND ("Fund")

We have acted as Trustee of the Fund for the financial period from 01 July 2023 to 27 June 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 period covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the Management Company under the Deed, securities laws and the Guidelines on the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework;

2. Valuation and pricing is carried out in accordance with the Deed; and

3. Any creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirement.

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

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
23 August 2024

5 TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF MANULIFE GLOBAL MULTI-ASSET DIVERSIFIED INCOME FUND ("Fund")

We have acted as Trustee of the Fund for the financial period from 28 June 2024 to 30 June 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Maunlife Investment Management (M) Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the Management Company under the Deed, securities laws and the Guidelines on Unit Trust Funds;

2. Valuation and pricing is carried out in accordance with the Deed; and

3. Any creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirement.

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
23 August 2024

6 INDEPENDENT AUDITORS' REPORT

TO THE UNIT HOLDERS OF MANULIFE GLOBAL MULTI-ASSET DIVERSIFIED INCOME FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Manulife Global Multi-Asset Diversified Income Fund (the "Fund"), which comprise the statement of financial position as at 30 June 2024 and the statement of comprehensive income, statement of changes in net assets attributable to unit holders and statement of cash flows of the Fund for the financial year then ended and notes to the financial statements, including material accounting policy information, as set out on pages 22 to 45.

In our opinion, the financial statements give a true and fair view of the financial position of the Fund as at 30 June 2024, and of its financial performance and cash flows of the Fund for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

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 audit 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 Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information other than the financial statements and auditors' report thereon

The Manager of the Fund (the "Manager") is responsible for the other information. The other information comprises the information included in the annual report of the Fund, 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 and Trustee for the financial statements

TThe Manager of the Fund is responsible for the preparation of financial statement 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 cease operations, or has no realistic alternative but to do so.

The Trustee is responsible for overseeing the Fund's financial reporting process. The Trustee is also responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

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 throughtout the audit. We also :

- 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.

- 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

- 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.

- 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, as a body, in accordance with the Guidelines on Guidelines on Unit Trust Funds issued by the Securities Commission Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Kannan A/L Rajagopal
No. 03490/03/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
23 August 2024

7 STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	2024 USD	2023 USD
INVESTMENT INCOME			
Interest income from deposits with licensed financial institutions at amortised cost		4	-
Gross dividend income		673,921	433,492
Net gain on financial assets at fair value through profit or loss	6	636,980	126,365
Net loss on forward foreign currency contract	7	(287,495)	(445,335)
Net foreign currency exchange loss		(6,966)	(1,726)
		1,016,444	112,796
EXPENSES			
Manager's fee	3	178,127	106,474
Trustee's fee	4	3,959	2,366
Auditors' remuneration		1,297	1,370
Tax agent's fee		1,067	615
Other expenses		3,085	2,828
		187,535	113,653
PROFIT/(LOSS) BEFORE FINANCE COST AND TAXATION		828,909	(857)
FINANCE COST			
- A (RM-Hedged) (G) Class	17 (i)	(614,994)	(429,459)
- A (USD) (G) Class	17 (ii)	(103,655)	(16,539)
- A (RM) (G) Class	17 (iii)	(330)	-
PROFIT/(LOSS) BEFORE TAXATION		109,930	(446,855)
TAXATION	5	-	(27,567)
PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS)		109,930	(474,422)
Increase/(decrease) in net assets attributable to unit holders is made up as follows:			
Realised		(666,240)	(720,292)
Unrealised		776,170	245,870
		109,930	(474,422)

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

8 STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Note	30.06.2024 USD	30.06.2023 USD
ASSETS			
Financial assets at fair value through profit or loss	6	17,238,810	6,708,662
Amount due from Manager		648,306	20,354
Amount due from manager of Collective Investment Scheme			
- Sale of collective investment scheme		-	111,359
Amount due from dealer		154,616	114,760
Cash and cash equivalents	8	775,295	209,643
TOTAL ASSETS		18,817,027	7,164,778
LIABILITIES			
Amount due to Manager			
-Manager's fee	3	24,673	10,099
-Cancellation of units		124,722	115,072
Amount due to manager of Collective Investment Scheme			
- Purchase of collective investment scheme		646,750	-
Amount due to dealer		155,124	115,019
Amount due to Trustee	4	548	225
Derivative liability at fair value through profit or loss	7	31,387	66,904
Other payables	9	4,959	5,029
Distribution payable		9	9
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)		988,172	312,357
NET ASSET VALUE (“NAV”) OF THE FUND	2	17,828,855	6,852,421
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS COMPRISE:			
Unit holders’ capital		19,371,908	8,505,404
Accumulated losses	11	(1,543,053)	(1,652,983)
		17,828,855	6,852,421
REPRESENTED BY:			
FAIR VALUE OF UNITS IN CIRCULATION (USD)			
- A (RM-Hedged) (G) Class		13,858,568	6,413,552
- A (USD) (G) Class		3,787,406	438,869
- A (RM) (G) Class		182,881	-
		17,828,855	6,852,421
UNITS IN CIRCULATION (UNITS)			
- A (RM-Hedged) (G) Class	10 (i)	79,892,842	36,914,453
- A (USD) (G) Class	10 (ii)	4,196,390	505,514
- A (RM) (G) Class	10 (iii)	835,895	-
		84,925,127	37,419,967

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

	Note	30.06.2024	30.06.2023
		USD	USD
NET ASSET VALUE PER UNIT (USD)			
- A (RM-Hedged) (G) Class		0.1735	0.1737
- A (USD) (G) Class		0.9025	0.8682
- A (RM) (G) Class		0.2188	-
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
- A (RM-Hedged) (G) Class (RM)		0.8181	0.8103
- A (USD) (G) Class (USD)		0.9025	0.8682
- A (RM) (G) Class (RM)		1.0316	-

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

9 STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	2024	2023
		USD	USD
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR		6,852,421	5,270,354
Movement due to units created and cancelled during the financial year:			
Creation of units from applications			
- A (RM Hedged) (G) Class		8,545,797	1,824,224
- A (USD) (G) Class		3,458,778	320,789
- A (RM) (G) Class		311,593	-
Creation of units from distributions			
- A (RM Hedged) (G) Class		357,143	365,211
- A (USD) (G) Class		13,097	10,236
- A (RM) (G) Class		330	-
Cancellation of units			
- A (RM Hedged) (G) Class		(1,480,961)	(463,971)
- A (USD) (G) Class		(209,976)	-
- A (RM) (G) Class		(129,297)	-
		17,718,925	7,326,843
Increase/(decrease) in net assets attributable to unit holders during the financial year		109,930	(474,422)
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL YEAR		17,828,855	6,852,421

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

10 STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	2024 USD	2023 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		2,363,050	1,276,332
Purchase of investments		(11,497,859)	(2,840,557)
Dividends received		673,921	433,492
Interest income received		4	-
Net realised foreign exchange (loss)/gain		(6,966)	1,421
Net realised loss on forward foreign exchange currency contract		(323,013)	(387,307)
Manager's fee paid		(163,553)	(104,505)
Trustee's fee paid		(3,636)	(2,322)
Payment for other fees and expenses		(5,519)	(4,072)
Tax paid		-	(28,844)
Net cash used in operating activities		(8,963,571)	(1,656,362)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		11,688,216	2,133,016
Distribution paid		(348,409)	(70,552)
Payments for cancellation of units		(1,810,584)	(410,007)
Net cash generated from financing activities		9,529,223	1,652,457
Net increase/(decrease) in cash and cash equivalents		565,652	(3,905)
Cash and cash equivalents at beginning of the financial year		209,643	213,548
Cash and cash equivalents at end of the financial year		775,295	209,643
Cash and cash equivalents comprise:			
Bank balances in a licensed bank	8	775,295	209,643

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

11 ACCOUNTING POLICY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 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 audited 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 financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the 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 June 2024.

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

The new standards that are applicable to the Fund but not yet effective will be adopted by the Fund. The new standards are not expected to have any material effect on the financial statements in the period of initial application.

B FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification and measurement

Financial Assets

The Fund classifies its financial assets into the following categories: financial assets at amortised cost and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial assets’ contractual cash flow characteristics (“SPPI test”) and the business model for managing them.

The SPPI test determines whether the contractual cash flows are solely for payments of principal and interest. This assessment is performed at an instrument level.

The business model for managing financial assets refers to how the Fund manages its financial assets in order to generate cash flows. The business model determines whether the cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

(a) Fair value through profit or loss ("FVTPL")

Financial assets is classified as FVTPL if the financial assets are held for trading or are managed on a fair value basis (including derivatives). Other financial assets with contractual cash flow that are not solely payments of principal and interest, irregardless of its business model are classified as FVTPL.

Certain financial assets that otherwise meet the requirements to be either measured at amortised cost or at fair value through other comprehensive income ("FVOCI"), may irrecovably be designated at FVTPL on initial recognition, when such designation eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These investments are initially recorded at fair value and transaction costs are expensed in the profit or loss. Subsequent to initial recognition, these investments are remeasured at fair value. All subsequent fair value adjustments are recognised through profit or loss.

The Fund designates its investment in collective investment scheme and derivatives as financial assets at fair value through profit or loss.

(b) Financial assets at amortised cost

A financial asset is measured at amortised cost if its business model is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These financial assets are initially recognised at cost, being the fair value of the consideration paid for the acquisition of the financial assets. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of comprehensive income when the financial assets at amortised cost are derecognised or impaired, as well as through the amortisation process.

The Fund classifies amount due from Manager, amount due from stockbrokers, amount due from dealer and cash and cash equivalents as financial assets measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Fund changes its business model for management of the financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in business model.

<u>Financial Liabilities</u>

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

Financial liabilities are recognised when due and measured on initial recognition at the fair value of the consideration received plus directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective yield method.

The Fund classifies amount due to Manager, amount due to manager of collective investment schemes, amount due to dealer, amount due to Trustee and other payables as other financial liabilities.

(ii) Impairment of financial assets

Credit losses are recognised based on the 'Expected Credit Loss' ("ECL") model. The Fund recognises loss allowances for ECL on financial instruments that are not measured at FVTPL (financial assets that are debt instruments). The impairment model does not apply to collective investment schemes.

ECL is a probability-weighted estimate of credit losses. They are measured as follows:

Financial assets that are not credit-impaired at the reporting date:

- As the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Fund expects to receive);

Financial assets that are credit-impaired at the reporting date:

- As the difference between the gross carrying amount and the present value of estimated future cash flows.

At each reporting date, the Fund assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the issuer or counterparty;
- Significant downgrade in credit rating of the instrument by a rating agency;
- A breach of contract such as a default or past due event; or
- The disappearance of an active market for a security because of financial difficulties.

For balances with short-term nature, full impairment will be recognised on uncollected balances after the grace period.

(iii) Derecognition

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

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

C CREATION AND CANCELLATION OF UNITS

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

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

The net asset value per unit is computed each dealing day. The price at which units are created or cancelled is calculated by reference to the net asset value per unit as at the close of business on the relevant dealing day.

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.

The accounting treatment of the net assets attributable to unit holders is set out in Note 2.

D INCOME RECOGNITION

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

Dividend income on collective investment schemes is recognised on the ex-dividend date.

Realised gains or losses on disposal of collective investment schemes are accounted for as the differences between the net disposal proceeds and the carrying amount of the investments, determined on a weighted average cost basis.

E EXPENSES

Expenses are accounted for on an accrual basis and charged to the statement of comprehensive income.

F AMOUNTS DUE FROM/TO MANAGER OF COLLECTIVE INVESTMENT SCHEME

Amounts due from and amount due to manager of collective investment scheme represent receivables for collective investments scheme sold and payables for collective investments scheme purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. The amount due from manager of collective investment scheme is held for collection.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on the amount due from manager of collective investment scheme at an amount equal to life time expected credit loss 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 Funds hall measure the loss allowance at an amount equal to 12-month expected credit losses.

Significant financial difficulties of the manager of the collective investment scheme, probability that the manager of the collective investment scheme 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, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance.

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

The effective interest rate method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

G CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash at bank and 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.

H FINANCE COST

A distribution to the Fund’s unit holders is accounted for as finance cost in the statement of comprehensive income when they are appropriately authorised and no longer at the discretion of the Fund.

A proposed distribution is recognised as a financial liability in the financial year in which it is approved 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.

I 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”).

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

(i) Significant portion of the net asset value is invested in the form of cash denominated in USD for the purpose of making settlement of the foreign trades;
(ii) Significant portion of the Fund's expenses are denominated in USD; and
(iii) Significant portion of the Fund's investments are denominated in USD.

Transactions 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 and losses resulting from the settlement of such transactions and from the translation at financial period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

J 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 and the measurement date. The information presented herein represents the estimates of fair value as at the date of the 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 deposits with licensed financial institutions

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

(b) Quoted investments - collective investment schemes

The estimated fair value is based on the last published net asset value per unit or share of such collective investment schemes or, if unavailable, on the average of the last published buying price and the last published selling price of such unit or share (excluding any sales charge included in such selling price).

(c) Other short-term financial instruments

Other short-term financial instruments comprise amount due from/to Manager, amount due from/to stockbrokers, amount due from/to dealer, 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.

(d) Derivatives

The fair value of forward foreign currency contracts is determined using several exchange rates as at the date of the statement of financial position, with the resulting value discounted back to present value. All derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

K TAXATION

Current tax expense is determined according to the tax laws in the jurisdictions of the taxable profit earned during the financial year from the financial assets in which the Fund invests and includes all taxes based upon the taxable profit. No deferred tax is recognised as there are no material temporary differences.

L SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the strategic asset allocation committee of the Manager that makes the strategic decisions for the Fund.

M CLASSIFICATION OF REALISED AND UNREALISED GAINS AND LOSSES

Unrealised gains and losses comprise changes in the fair value of financial instruments for the financial year.

Realised gains and losses on disposal of financial instruments are calculated using the weighted average method. They represent the difference between an instrument initial carrying amount and disposal amount.

12 NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

1 INFORMATION ON THE FUND

Manulife Global Multi-Asset Diversified Income Fund ("the Fund") was established pursuant to a Principal Deed dated 25 September 2019 (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 "investments" as defined under Clause 17 of the Deed, by investing at least 85% of the Fund's NAV in Share Class I3 Inc of the Manulife Global Fund – Global Multi-Asset Diversified Income Fund ("Target Fund"), and the remaining NAV of the Fund will be invested in liquid assets such as money market instruments (including fixed income securities which have remaining maturity period of less than 365 days), placement of short-term deposits with financial institutions for liquidity purposes, and/ or derivatives for hedging purposes.

The Fund commenced operations on 3 February 2020 and will continue its operations until terminated as provided under Clause 25 of the Deed.

The Fund focuses on distributing income and not capital appreciation.

The Fund's portfolio will be closely monitored and rebalanced from time to time to ensure that the Fund's assets are allocated in accordance with its prescribed asset allocation.

The Fund will not be adopting any temporary defensive strategies during adverse market condition as the Fund adopts a passive strategy of investing a minimum of 85% of the Fund's NAV in the Target Fund at all times. This strategy is to allow the Fund to mirror the performance of the Target Fund and may result in the Fund being exposed to the risk of its NAV declining when the Target Fund's net asset value declines.

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, financial planning and fund management activities.

The financial statements were authorised for issue by the Manager on 23 August 2024

2 NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

Units created in the Fund are puttable instruments whereby the unit holders have the right to redeem their units in the Fund at their option for cash or another financial asset. In accordance with MFRS 132 Financial Instruments: Presentation ("MFRS 132"), a puttable instrument is classified as an equity instrument if it has all the following features:

a. It entitles the holder to a pro rata share of the Fund's net assets in the event of the Fund's liquidation;
b. The instrument is in the class of instruments that is subordinate to all other classes of instruments;
c. All financial instruments in the class of instruments have identical features;
d. The instrument does not include any contractual obligation to deliver cash or another financial asset to another fund, or to exchange financial assets or financial liabilities with another fund under conditions that are potentially unfavourable to the fund; and
e. The total expected cash flows attributable to the instrument over the life of the instrument are based substantially on the profit or loss, the change in the recognised net assets, or the change in the fair value of the recognised and unrecognised net assets of the Fund over the life of the instrument.

As the different classes of units in the Fund do not have identical features and thus do not meet the conditions to be classified as equity, all the different classes are classified as liabilities in the statement of financial position as "net assets attributable to unit holders". In a multi-class unit fund, if any one class (or a group of classes) can be differentiated by their characteristics, then all classes are classified as liabilities under MFRS 132.

Accordingly, a distribution to the Fund's unit holders is accounted for as finance cost in the statement of comprehensive income.

3 MANAGER'S FEE

In accordance with the Deed, the Manager is entitled to Manager's fee at a rate of 1.80% per annum (2023: 1.80% 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 of 0.04% per annum (2023: 0.04% per annum) of the net asset value of the Fund (excluding foreign custodian fees and charges) 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 Trustee in respect of Trustee's fee other than the amount recognised above.

5 TAXATION

	2024	2023
	USD	USD
Current taxation	-	27,567

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

	2024	2023
	USD	USD
Profit/(loss) before taxation	109,930	(446,855)
Tax calculated at Malaysian tax rate of 24%	26,383	(107,245)
Tax effect in respect of:		
- Expenses not deductible for tax purposes	174,000	108,434
- Restriction on tax deductible expenses for unit trust funds	43,564	25,883
- (Investment income not subject to tax)/investment loss not deductible for tax purposes	(243,947)	495
Tax expenses	-	27,567

6 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30.06.2024	30.06.2023
	USD	USD
Financial assets at fair value through profit or loss		
- Collective investment scheme	17,238,810	6,708,662

	2024	2023
	USD	USD
Net gain on financial assets at fair value through profit or loss		
- Realised	(109,241)	(180,680)
- Unrealised	746,221	307,045
	636,980	126,365

MANULIFE GLOBAL MULTI-ASSET DIVERSIFIED INCOME FUND

COLLECTIVE INVESTMENT SCHEME	Quantity	Cost of shares	Fair value as at 30.06.2024	Fair value as at 30.06.2024 expressed as percentage of value of Fund
	Units	USD	USD	%
30.06.2024				
Global Multi-Asset Diversified Income Fund - Share Class I3 Inc. of Manulife Global Fund	18,748,026	16,997,282	17,238,810	96.69
TOTAL COLLECTIVE INVESTMENT SCHEME	18,748,026	16,997,282	17,238,810	96.69
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		241,528		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		17,238,810		

COLLECTIVE INVESTMENT SCHEME	Quantity	Cost of shares	Fair value as at 30.06.2023	Fair value as at 30.06.2023 expressed as percentage of value of Fund
	Units	USD	USD	%
30.06.2023				
Global Multi-Asset Diversified Income Fund - Share Class I3 Inc. of Manulife Global Fund	7,779,061	7,213,355	6,708,662	97.90
TOTAL COLLECTIVE INVESTMENT SCHEME	7,779,061	7,213,355	6,708,662	97.90
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		(504,693)		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		6,708,662		

7 DERIVATIVE LIABILITY AT FAIR VALUE THROUGH PROFIT OR LOSS

Derivative liability	2024 USD	2023 USD
Forward foreign currency contract	31,387	66,904

	2024 USD	2023 USD
Net realised loss on forward currency contract	(323,013)	(387,307)
Net unrealised gain/(loss) on forward currency contract	35,518	(58,028)
Total net loss on derivative	(287,495)	(445,335)

(i) Forward foreign currency contract as follows:

	Receivables USD	Payables USD	Fair value USD	Percentage of NAV %
30.06.2024				
HSBC Bank Malaysia Berhad	-	31,387	(31,387)	(0.18)
Total forward foreign currency contract	-	31,387	(31,387)	(0.18)
30.06.2023				
HSBC Bank Malaysia Berhad	-	66,904	(66,904)	(0.98)
Total forward foreign currency contract	-	66,904	(66,904)	(0.98)

As at 30 June 2024, the notional principal amount of the two (2023: one) outstanding forward foreign currency contract amounted to USD13,475,840 (2023: USD6,280,361). The forward foreign currency contract entered into was for hedging against the currency exposure arising from the investment in collective investment scheme denominated in USD.

As the Fund has not adopted hedge accounting, the change in the fair value of the forward foreign currency contract was recognised immediately in the statement of comprehensive income.

8 CASH AND CASH EQUIVALENTS

	30.06.2024 USD	30.06.2023 USD
Bank balances in a licensed bank	775,295	209,643

9 OTHER PAYABLES

	30.06.2024 USD	30.06.2023 USD
Auditors' remuneration	1,541	1,507
Tax agent's fee	791	1,350
Sundry payables and accruals	2,627	2,172
	4,959	5,029

10 UNITS IN CIRCULATION

(i) A (RM-Hedged) (G) Class

	30.06.2024 No. of units	30.06.2023 No. of units
At beginning of the financial year	36,914,453	27,437,889
Add: Creation of units arising from applications	49,287,613	10,123,048
Add: Creation of units arising from distributions	2,102,234	1,997,370
Less: Cancellation of units	(8,411,458)	(2,643,854)
At end of the financial year	79,892,842	36,914,453

(ii) A (USD) (G) Class

	30.06.2024 No. of units	30.06.2023 No. of units
At beginning of the financial year	505,514	119,386
Add: Creation of units arising from applications	3,912,409	374,247
Add: Creation of units arising from distributions	15,096	11,881
Less: Cancellation of units	(236,629)	-
At end of the financial year	4,196,390	505,514

(iii) A (RM) (G) Class

	30.06.2024 No. of units	30.06.2023 No. of units
At beginning of the financial year	-	-
Add: Creation of units arising from applications	1,419,889	-
Add: Creation of units arising from distributions	1,510	-
Less: Cancellation of units	(585,504)	-
At end of the financial year	835,895	-

11 ACCUMULATED LOSSES

	30.06.2024 USD	30.06.2023 USD
Realised loss	(1,748,692)	(1,082,452)
Unrealised loss	205,639	(570,531)
	(1,543,053)	(1,652,983)

Included in the unrealised gain of USD205,639 (2023: unrealised loss of USD570,531) is an amount of USD4,502 (2023: cumulative unrealised foreign exchange gain of USD1,066) relating to cumulative unrealised foreign exchange loss.

12 BROKERS' TRANSACTIONS

As at the end of the financial year ended 30 June 2024 and 30 June 2023 respectively, there were no transactions with brokers and related parties.

13 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
Subsidiaries and associates of Manulife as disclosed in its financial statements	Subsidiaries and associate companies of the ultimate holding company of the Manager
Directors of Manulife Investment Management (M) Berhad	Directors of the Manager

There were no units held by the Manager and parties related to the Manager for the financial years ended 30 June 2024 and 30 June 2023.

In addition to the related party disclosure mentioned elsewhere in the financial statements, set out below are related party transactions and balances. The Manager is of the opinion that all transactions during the course of business were at agreed terms between the related parties.

Significant related party transactions	2024 USD	2023 USD
Purchase of collective investment scheme:		
- Manulife Global Fund - Global Multi-Asset Diversified Income Fund	12,184,715	2,880,791
Disposal of collective investment scheme:		
- Manulife Global Fund - Global Multi-Asset Diversified Income Fund	2,291,547	1,392,660
Dividend income from collective investment scheme:		
- Manulife Global Fund - Global Multi-Asset Diversified Income Fund	673,921	433,492

14 TOTAL EXPENSE RATIO ("TER")

	2024 %	2023 %
TER	1.90	1.92

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

15 PORTFOLIO TURNOVER RATIO ("PTR")

	2024	2023
PTR (times)	0.73	0.36

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

16 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 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 collective investment schemes. 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 investment portfolio.

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

	30.06.2024	**30.06.2023**
	USD	**USD**
Financial assets at fair value through profit or loss		
- Collective investment scheme	17,238,810	6,708,662

The table below summarises the sensitivity of the Fund's profit or loss and net asset value to price risk movements as at the end of each reporting year. The analysis is based on the assumptions that the market price of collective investment schemes fluctuates by 5% with all other variables being held constant. Disclosures as shown are in absolute terms, changes and impact could be positive or negative.

As at:	**Changes in price**	**Impact on profit or loss**	**Impact on net asset value**
	%	**USD**	**USD**
30.06.2024			
Financial assets at fair value through profit or loss			
- Collective investment scheme	5	861,941	861,941
30.06.2023			
Financial assets at fair value through profit or loss			
- Collective investment scheme	5	335,433	335,433

(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 deposits with financial institutions. The Manager overcomes this exposure by way of maintaining deposits on short-term basis. Therefore, the Fund's exposure to interest rate fluctuation is mininal.

(c) Currency risk

For collective investment schemes denominated in USD, the currency risk may have a significant impact on the returns of the Fund. The Manager will evaluate the likely direction of the USD based on consideration of economic fundamentals such as interest rate differentials, balance of payment position, debt level and technical considerations.

The Fund's foreign currency risk concentration is as follows:

As at:	Cash and cash equivalents	Amount due from/(to) Manager	Amount due from dealer	Other liabilities *	Total
	USD	USD	USD	USD	USD
30.06.2024					
MYR	779	23,571	95,109	(751)	118,708
30.06.2023					
MYR	539	(94,718)	114,707	(9)	20,519

* Other liabilities consist of tax payable, other payables and distribution payable

The table below summarises the sensitivity of the Fund's profit or loss and net asset value to changes in foreign exchange movements at the end of each reporting year. 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.

As at:	Changes in foreign exchange	Impact on profit or loss	Impact on net asset value
	%	USD	USD
30.06.2024			
MYR	5	5,935	5,935
30.06.2023			
MYR	5	1,026	1,026

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 deposits in licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions.

For amount due from manager of collective investment scheme, the Fund will invest with an investment management company of the collective investment scheme which is authorised or approved by the relevant regulatory authority in its home jurisdiction.

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

(i) Credit risk exposure

At the reporting date, the Fund's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position. None of the Fund's financial assets were past due or impaired as at the reporting date.

(ii) Credit quality of financial assets

The following table analyses the Fund's cash at bank, amount due from stockbrokers, amount due from dealer and amount due from Manager by rating categories. The rating is obtained from RAM Holdings Bhd's official website.

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

	Neither Past Due Nor Impaired				
As at:	**Cash and cash equivalents**	**Amount due from Manager**	**Amount due from stock-brokers**	**Amount due from dealer**	**Total**
30.06.2024	**USD**	**USD**	**USD**	**USD**	**USD**
AAA	775,295	-	-	-	775,295
Not rated	-	648,306	-	154,616	802,922
	775,295	648,306	-	154,616	1,578,217
30.06.2023					
AAA	209,643	-	-	-	209,643
Not rated	-	20,354	111,359	114,760	246,473
	209,643	20,354	111,359	114,760	456,116

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 liquid assets to meet anticipated payments and cancellations of units by unit holders. The liquid assets comprise cash at bank, deposits with licensed financial institutions and other 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 table are the contractual undiscounted cash flows.

As the unit holders can request for redemption of their units, they have been categorised as having maturity of "within one year". The financial assets of the Fund are grouped "within one year" as they are capable of being converted into cash should all of the Fund's unit holders redeem their units.

As at:	**Within one year**	**Total**
	USD	**USD**
30.06.2024		
Financial assets		
Financial assets at fair value through profit or loss	17,238,810	17,238,810
Amount due from Manager	648,306	648,306
Amount due from dealer	154,616	154,616
Cash and cash equivalents	775,295	775,295
	18,817,027	18,817,027
Financial liabilities		
Amount due to Manager		
- Manager's fee	24,673	24,673
- Cancellation of units	124,722	124,722
Amount due to dealer	155,124	155,124
Amount due to Trustee	548	548
Amount due to manager of collective investment scheme		
- Purchase of collective investment scheme	646,750	646,750
Derivative liabilites at fair value through profit or loss	31,387	31,387
Other payables	4,959	4,959
Distribution payable	9	9
Net assets attributable to unit holders	17,828,855	17,828,855
	18,817,027	18,817,027

As at:	**Within one year**	**Total**
	USD	**USD**
30.06.2023		
Financial assets		
Financial assets at fair value through profit or loss	6,708,662	6,708,662
Amount due from Manager	20,354	20,354
Amount due from stockbrokers	111,359	111,359
Amount due from dealer	114,760	114,760
Cash and cash equivalents	209,643	209,643
	7,164,778	7,164,778
Financial liabilities		
Amount due to Manager		
- Manager's fee	10,099	10,099
- Cancellation of units	115,072	115,072
Amount due to dealer	115,019	115,019
Amount due to Trustee	225	225
Derivative liability at fair value through profit or loss	66,904	66,904
Other payables	5,029	5,029
Distribution payable	9	9
Net assets attributable to unit holders	6,852,421	6,852,421
	7,164,778	7,164,778

Capital risk

The capital of the Fund is represented by net assets attributable to unit holders of USD17,828,855 (30.06.2023: USD6,852,421). The amount of net assets attributtable to unit holders can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders and benefits for other stakeholders, and to maintain a strong capital base to support the development of the investment activities of the Fund.

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).

30.06.2024	**Carrying amount**	**Level 1**	**Level 2**
	USD	**USD**	**USD**
Financial assets at fair value through profit or loss	17,238,810	17,238,810	-
Derivative liability	31,387	-	31,387

30.06.2023			
Financial assets at fair value through profit or loss	6,708,662	6,708,662	-
Derivative liability	66,904	-	66,904

The carrying values of other financial assets/liabilities of the Fund are reasonable approximation of fair values due to their short-term maturity.

17 FINANCE COST

i) A (RM-Hedged) (G) Class

	2024	**2023**
	USD	**USD**
Realised income	610,047	46,844
Net realised gain	4,947	378,783
Distribution equalisation	-	3,832
Capital	139,785	-
Less:		
Expenses	139,785	-
	614,994	429,459

	2024		2023	
	Gross distribution per unit	Net distribution per unit	Gross distribution per unit	Net distribution per unit
Ex-date	(sen in local currency)		(sen in local currency)	
11.08.2022	-	-	2.30	2.02
08.11.2022	-	-	2.00	1.63
08.02.2023	-	-	1.45	1.14
08.05.2023	-	-	1.62	1.62
11.08.2023	1.50	1.50	-	-
03.11.2023	1.42	1.42	-	-
03.01.2024	0.94	0.94	-	-
05.02.2024	0.50	0.50	-	-
05.03.2024	0.46	0.46	-	-
04.04.2024	0.46	0.46	-	-
06.05.2024	0.39	0.39	-	-
05.06.2024	0.50	0.50	-	-
	6.17	6.17	7.37	6.41

ii) A (USD) (G) Class

	2024	2023
	USD	USD
Realised income	100,809	16,539
Net realised gain	2,846	-
Distribution equalisation	-	-
Capital	22,655	-
Less:		
Expenses	22,655	-
	103,655	16,539

	2024		2023	
	Gross distribution per unit	Net distribution per unit	Gross distribution per unit	Net distribution per unit
Ex-date	(sen in local currency)		(sen in local currency)	
11.08.2022	-	-	2.30	2.02
08.11.2022	-	-	1.40	1.06
08.02.2023	-	-	1.62	1.23
08.05.2023	-	-	1.59	1.59
11.08.2023	1.52	1.52	-	-
03.11.2023	1.42	1.42	-	-
03.01.2024	1.01	1.01	-	-
05.02.2024	0.53	0.53	-	-
05.03.2024	0.51	0.51	-	-
04.04.2024	0.51	0.51	-	-
06.05.2024	0.47	0.47	-	-
05.06.2024	0.50	0.50	-	-
	6.47	6.47	6.91	5.90

iii) A (RM Hedged) (G) Class

	2024	2023
	USD	USD
Realised income	330	-
Net realised gain	-	-
Distribution equalisation	-	-
Capital	82	-
Less:		
Expenses	82	-
	330	-

	2024		2023	
	Gross distribution per unit	Net distribution per unit	Gross distribution per unit	Net distribution per unit
Ex-date	(sen in local currency)		(sen in local currency)	
05.03.2024	0.65	0.65	-	-
04.04.2024	0.65	0.65	-	-
06.05.2024	0.49	0.49	-	-
05.06.2024	0.57	0.57	-	-
	2.36	2.36	-	-

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.

Included in the distribution for the financial year is an amount of USD 490,932(2023:USD46,844) for A (RM-Hedged) (G) Class, USD 94,639(2023: USD16,539) for A (USD) (G) Class and USD 330(2023: USDNil) for A (RM) (G) Class derived from realised income.

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.

18 SEGMENT INFORMATION

The Manager determines the asset allocation on behalf of the Fund. The Fund determines the operating segments based on the objective of the Fund.

The Investment Manager is responsible for the Fund's entire portfolio and considers the business to have two operating segments.

The Manager is responsible for allocating resources available to the Fund in accordance with the overall investment strategies as set out in the Investment Guidelines of the Fund. The Fund is managed by two segments:

- Portfolio of investment in the feeder fund, HSBC Global Investment Funds – Global Multi-Asset Diversified Income Fund
- A portfolio of deposits with financial institutions

The investment objective of each segment is to achieve consistent returns from the investments in each segment while safeguarding capital by investing in diversified portfolios. The segment information provided is presented to the Manager.

For the financial years ended 30 June 2023 and 30 June 2022, the operating income or loss and total assets are allocated in one segment, which is investment in the feeder fund.

30.06.2024	**FVTPL assets**	**Deposit with financial institutions**	**Total**
	USD	**USD**	**USD**
Interest income from deposits with licensed financial institutions at amortised cost	-	4	4
Gross dividend income	673,921	-	673,921
Net gain on financial assets at fair value through profit or loss	636,980	-	636,980
Net loss on forward foreign currency contracts	(287,495)	-	(287,495)
Net foreign currency exchange loss	(6,966)	-	(6,966)
Total segment operating income for the financial year	1,016,440	4	1,016,444
FVTPL financial assets	17,238,810	-	17,238,810
Other assets	1,578,217	-	1,578,217
Total segment assets	18,817,027	-	18,817,027

30.06.2023	**FVTPL assets**	**Deposit with financial institutions**	**Total**
	USD	**USD**	**USD**
Gross dividend income	433,492	-	433,492
Net gain on financial assets at fair value through profit or loss	126,365	-	126,365
Net loss on forward foreign currency contract	(445,335)	-	(445,335)
Net foreign currency exchange loss	(1,726)	-	(1,726)
Total segment operating loss for the financial year	112,796	-	112,796
FVTPL financial assets	6,708,662	-	6,708,662
Other assets	456,116	-	456,116
Total segment assets	7,164,778	-	7,164,778

Expenses of the Fund are not considered part of the performance of any operating segment. Liabilities of the Fund are also not considered to be part of the net liabilities of any individual segment.

13 CORPORATE INFORMATION

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Manulife Investment Management (M) Berhad
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50490 Kuala Lumpur

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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
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