



**SEMI-ANNUAL REPORT**  
30 September 2022

**TradePlus**  
**MSCI Asia ex Japan**  
**REITs Tracker**

MANAGER  
AHAM Asset Management Berhad  
199701014290 (429786-T)

TRUSTEE  
TMF Trustees Malaysia Berhad  
(200301008392 [610812-W])

**Built On Trust**

[aham.com.my](http://aham.com.my)

# TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

## Semi-Annual Report and Unaudited Financial Statements For the 6 months Financial Period Ended 30 September 2022

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## GENERAL INFORMATION

### MANAGER

AHAM Asset Management Berhad  
(Formerly known as Affin Hwang Asset Management Berhad)  
199701014290 (429786-T)  
*Registered Office:*  
3<sup>rd</sup> Floor, Menara Boustead,  
69 Jalan Raja Chulan  
50200 Kuala Lumpur  
Tel. No.: 03 – 2142 3700  
Fax No.: 03 – 2142 3799

### *Business Office:*

Ground Floor, Menara Boustead,  
69 Jalan Raja Chulan  
50200 Kuala Lumpur  
Tel. No.: 03 – 2116 6000  
Fax No.: 03 – 2116 6100  
Toll Free No.: 1-800-88-7080  
E-mail: [customercare@aham.com](mailto:customercare@aham.com)  
Website: [www.aham.com](http://www.aham.com)

### MANAGER'S DELEGATE

(fund valuation & accounting function)  
TMF Trustees Malaysia Berhad (610812-W)  
*Registered & Business Address:*  
10<sup>th</sup> Floor, Menara Hap Seng  
No. 1 & 3, Jalan P. Ramlee,  
50250 Kuala Lumpur  
Tel. No.: 03 – 2382 4288  
Fax No.: 03 – 2026 1451

### TRUSTEE

TMF Trustees Malaysia Berhad (610812-W)  
*Registered & Business Address:*  
10<sup>th</sup> Floor, Menara Hap Seng  
No. 1 & 3, Jalan P. Ramlee,  
50250 Kuala Lumpur  
Tel. No.: 03 – 2382 4288  
Fax No.: 03 – 2026 1451  
E-mail: [fundserviceskl@tmf-group.com](mailto:fundserviceskl@tmf-group.com)  
Website: [www.tmf-group.com](http://www.tmf-group.com)

### TRUSTEE'S DELEGATE

(Custodian)  
*Registered & Business Address:*  
Standard Chartered Bank Malaysia Berhad  
Level 16, Menara Standard Chartered  
30 Jalan Sultan Ismail  
50250 Kuala Lumpur  
Tel. No: (603) 2117 7777  
Website: [www.sc.com/my](http://www.sc.com/my)

### COMPANY SECRETARY

Raja Shahrul Nizam Raja Yahya (LS0009904)  
27<sup>th</sup> Floor Menara Boustead,  
69 Jalan Raja Chulan  
50200 Kuala Lumpur

### REGISTRAR

AHAM Asset Management Berhad  
(Formerly known as Affin Hwang Asset Management Berhad)  
199701014290 (429786-T)  
3<sup>rd</sup> Floor, Menara Boustead,  
69 Jalan Raja Chulan  
50200 Kuala Lumpur  
Tel. No.: 03 – 2142 3700  
Fax No.: 03 – 2142 3799

## FUND INFORMATION

Fund Name	TradePlus MSCI Asia ex Japan REITs Tracker
Fund Type	Index tracking fund
Fund Category	Equity exchange-traded fund
Investment Objective	The Fund aims to provide investment results that closely correspond to the performance of the Benchmark
Benchmark	MSCI AC Asia ex Japan IMI/Equity REITs Custom High Dividend Tilted Capped Index
Distribution Policy	The Fund will distribute income on a quarterly basis (subject to income availability), after the end of its first financial year

## FUND PERFORMANCE DATA

Category	As at 30 Sep 2022	As at 30 Sep 2021	As at 30 Sep 2020
<b>Portfolio composition (%)</b>			
Quoted equities (REITs) – local	1.05	2.77	4.87
Quoted equities (REITs) – foreign	97.53	95.69	88.50
<b>Total quoted equities (REITs)</b>	<b>98.58</b>	<b>98.46</b>	<b>93.37</b>
Cash & cash equivalent	1.42	1.54	6.63
<b>Total (%)</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
<b>Country Allocation (%)</b>			
Malaysia	1.05	2.77	4.87
Hong Kong	17.32	12.76	14.06
India	9.12		
Korea	4.61	7.06	1.31
Philippines	1.97		
Singapore	64.51	75.87	73.13
Cash	1.42	1.54	6.63
<b>Total (%)</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Total NAV (MYR 'million)	3.561	2.520	1.617
NAV per Unit (in MYR)	0.8379	1.0287	0.9799
Unit in Circulation (million)	4.250	2.450	1.650
Highest NAV per unit	0.9806	1.0845	1.0184
Lowest NAV per unit	0.8252	1.0128	0.9719
Return of the Fund (%)	-12.00	3.46	-2.01
- Capital Growth (%)	-13.49	1.50	-2.01
- Income Distribution (%)	1.72	1.93	Nil
Gross Distribution per Unit (sen)	1.50	2.00	Nil
Net Distribution per Unit (sen)	1.50	2.00	Nil
Total Expense Ratio (%) <sup>1</sup>	0.74	0.85	0.66
Portfolio Turnover Ratio (times) <sup>2</sup>	0.40	0.50	0.76
Tracking Error	2.57	2.35	1.54

### **Basis of calculation and assumption made in calculating the returns:-**

The performance figures are a comparison of the growth/decline in NAV for the stipulated period taking into account all the distribution payable (if any) during the stipulated period.

An illustration of the above would be as follow:-

Capital return	=	NAV per Unit end / NAV per Unit begin – 1
Income return	=	Income distribution per Unit / NAV per Unit ex-date
Total return	=	(1+Capital return) x (1+Income return) – 1

<sup>1</sup>The TER of the Fund was lower than previous year due to higher average NAV of the Fund during the financial period.

<sup>2</sup>The PTR of the Fund was lower than previous year due to higher average NAV of the Fund for the financial period.

## MANAGER'S REPORT

### Income Distribution / Unit Split

The Net Asset Value per Unit prior and subsequent to the distributions was as follows:

Cum-Date	Ex-Date	Cum-distribution (RM)	Distribution per Unit (RM)	Ex-distribution (RM)
23-Jun-22	24-Jun-22	0.9149	0.0050	0.9228
26-Sep-22	27-Sep-22	0.8763	0.0100	0.8507

No unit split was declared for the financial period ended 30 September 2022.

### Performance Review

For the period 1 April 2022 to 30 September 2022, the Fund registered a -12.00% return compared to the benchmark return of -12.32%. The Fund thus outperformed the Benchmark by 0.32%. The Net Asset Value ("NAV") of the Fund as at 30 September 2022 was MYR3,561,119.72 (MYR0.8379 per unit) while the NAV as at 31 March 2022 was MYR3,922,709.15 (MYR0.9686 per unit). During the period under review, the Fund has declared a total gross income distribution of MYR0.0150 per unit.

Since commencement, the Fund has registered a return of -11.38% compared to the benchmark return of -13.81%, outperforming by 2.43%.

Table 1: Performance of the Fund

	6 Months (1/4/22 - 30/9/22)	1 Year (1/10/21 - 30/9/22)	Since Commencement (13/7/20 - 30/9/22)
<b>Fund</b>	<b>(12.00%)</b>	<b>(15.90%)</b>	<b>(11.38%)</b>
<b>Benchmark</b>	<b>(12.32%)</b>	<b>(16.92%)</b>	<b>(13.81%)</b>
<b>Outperformance</b>	<b>0.32%</b>	<b>1.02%</b>	<b>2.43%</b>

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/10/21 - 30/9/22)	Since Commencement (13/7/20 - 30/9/22)
<b>Fund</b>	<b>(15.90%)</b>	<b>(5.30%)</b>
<b>Benchmark</b>	<b>(16.92%)</b>	<b>(6.48%)</b>
<b>Outperformance</b>	<b>1.02%</b>	<b>1.18%</b>

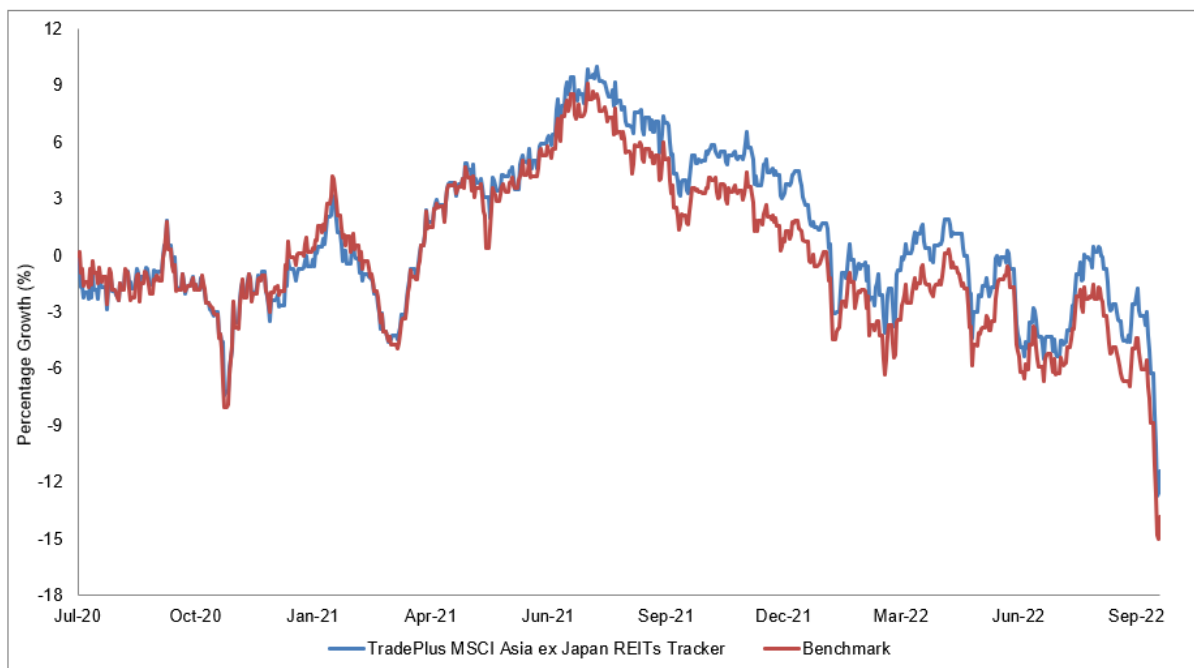
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2022 (1/4/21 - 31/3/22)	FYE 2021 (13/7/20 - 31/3/21)
<b>Fund</b>	<b>(1.13%)</b>	<b>1.85%</b>
<b>Benchmark</b>	<b>(3.11%)</b>	<b>1.45%</b>
<b>Outperformance</b>	<b>1.98%</b>	<b>0.40%</b>

Source of Benchmark: Bloomberg

Figure 1: Movement of the Fund versus the Benchmark since commencement.



*"This information is prepared by Affin Hwang Asset Management Berhad (AFFINHWANGAM) for information purposes only. Past earnings or the fund's distribution record is not a guarantee or reflection of the fund's future earnings/future distributions. Investors are advised that unit prices, distributions payable and investment returns may go down as well as up. Source of Benchmark is from Bloomberg."*

*Benchmark: MSCI AC Asia ex Japan IMI/Equity REITs Custom High Dividend Tilted Capped Index*

***Past performance is not necessarily indicative of future performance and that Unit prices and investment returns may go down, as well as up.***

### **Asset Allocation**

As at 30 September 2022, the ETF's asset allocation stood at 98.58% (2021:98.46%) in equities while the remaining was held in cash and cash equivalent.

### **Strategies Employed**

The Manager continues to adopt the full replication strategy. The Manager remained highly invested into the Index securities in the same approximate weightings or proportions as they appear in the Benchmark to provide investment results that closely correspond to the performance of the Benchmark. As at 30 September 2022, the Fund's AUM stood at MYR3.561 million, with 98.58% of the Fund's NAV invested into equities.

While the Fund's AUM remain relatively small, the Manager has decided to absorb fees such as the Management Fees, and Licensing Fees incurred by the Fund to minimise the Fund's tracking error.

### **Market Review**

Sustained inflationary pressures as well as central bank tightening continues to present a headwind to financial markets. Geopolitical instability also contributes to market concerns as friction between Russia and Ukraine persists, causing supply chain disruptions. At the start of the year, investment markets started to take seriously the potential implications of a change in monetary policy direction as inflationary pressures showed little signs of abating. As the last quarter of 2022 draws closer, we have seen numerous interest rates hikes over the year. The US Federal Reserve (Fed) has raised the fed funds rate by three percentage points within the span of 6 months to address inflationary pressures.

Global markets continue to slump lower in September month-on-month as the Fed signalled that there will be no let-up in its quest to quell inflation by tightening monetary policy. As a result, the Standard & Poor (S&P) 500 index fell 9.3% as hopes that the Fed would pivot anytime soon to loosen monetary policy is dampened. At the annual Jackson Hole economic symposium in August this year, Fed Chair Jerome Powell reiterated that the Fed is committed to raising interest rates until it is confident that inflation is sufficiently brought under control. Powell acknowledged that a tighter monetary policy may adversely affect US consumers and businesses due to higher borrowing costs but added that a premature loosening policy could lead to a much worse outcome if inflation continued unchecked.

The euro area annual inflation rate was 9.1% in August, a considerable increase compared to 3.0% a year ago. The highest contributor to the annual inflation rate is the energy sector, followed by food, alcohol and tobacco. The energy crisis across Europe was exacerbated as Russia said it would halt the Nord Stream 1 pipeline. Russia has already cut its gas supplies to EU states by 88% over the year.

In Asia the broader MSCI Asia ex-Japan index plunged 12.9% in September, 35.18% year to date (YTD) on slowdown fears, Taiwan and Korea being among the worst performers in the region as the two export-driven countries saw waning demand for tech goods on the back of a global slowdown. Indonesia on the other hand was the best-performing major Asia-Pacific index for the year, with the Jakarta composite index up 6.51% (11.10% YTD) since the start of the year.

According to state media, China plans to launch a real estate fund of up to 300.0 billion yuan (US\$44.0 billion) to help developers complete stalled projects. The People's Bank of China (PBoC) is also said to be issuing 1.0 trillion yuan (US\$148.2 billion) to ease a liquidity crunch in the sector. China went through a sharp slowdown in April and May this year due to strict lockdown in major cities in the country. However, despite having relaxed Covid-19 restrictions as the number of new cases decline, and the government's effort in stimulating the economy from both monetary and fiscal perspective, the path to economic recovery seems rocky and non-linear. The Shanghai Shenzhen CSI300 Index is down 27.42% YTD as the region continue to reel from a property slump.

Bond yields continue to rise as central banks maintained hawkishness and were active in raising monetary policy rates, resulting in further negative returns in an environment of continued high inflation. The US 10-year Treasury rose from 1.63% at the start of the year to 3.82% in September, with the two-year rising from 0.73% to 4.21%. The UK gilt market performed relatively worse than most government bond markets as inflation in UK hit 10% in July, surprising markets and raised expectations of a faster pace of rate hikes.

In the domestic market, the Kuala Lumpur Composite Index (KLCI) dipped 7.77% in September 2022 in tandem with other markets. Commodity and plantation stocks were amongst the biggest losers on the back of recessionary risks.

On local fixed income, the 10-year MGS yield rose 43 basis points (bps) to end the month at 4.42%. As widely expected by markets, Bank Negara Malaysia (BNM) raised rates by 25 bps, effectively pushing the Overnight Policy Rate (OPR) to 2.75%, a 100 bps increase compared to 1.75% at the start of the year.

### **Investment Outlook**

Markets are set to remain challenging for the rest of 2022. In developed markets, rising inflation and tight monetary policy may continue to hamper the recovery of risk assets. The Fed's hawkish tones continue to curb expectations of a transition to looser monetary policy anytime soon.

Following an order by the U.S. government in early September 2022 preventing chipmakers including Nvidia and Advanced Micro Devices (AMD) from exporting specific advanced chips to China, bilateral relationships between the U.S. and China may worsen further. On a positive note, delisting fears for U.S. listed Chinese stocks have alleviated to some extent on the news of an agreement between both governments over the auditing dispute being reached.

Asian markets may continue to see weakness. Korea and Taiwan have underperformed thus far as manufacturing gauges for both countries slumped in August 2022. Chinese markets were not spared following renewed lockdowns in major cities. Nevertheless, easing COVID-19 restrictions and policymakers signalling an end to the regulatory crackdown have given hope of a recovery in the Chinese markets.



Locally, election rumours have begun circulating. The United Malays National Organisation (UMNO) Supreme Council nominated Datuk Seri Ismail Sabri Yaakob as the Prime Minister for the 15<sup>th</sup> General Election (GE15) following a meeting between council members. According to political analysts, the timing of GE15 would be highly dependent on whether UMNO would be allowed by the Registrar of Societies (RoS) to amend its party constitution to delay its party polls. Assuming a full-term, Parliament would need to be dissolved by 16 July 2023. By the latest, election would need then to be held by 14 September 2023.

In other news, Malaysia's Consumer Price Index (CPI) for July 2022 accelerated by 4.4% year-on-year, its highest in 14 months as food and beverage prices remained as the main contributor to inflation. The latest reading marks a full percentage jump from June 2022's figures, though largely in line with consensus estimates. Bank Negara Malaysia (BNM) is still expected to remain gradual and accommodative in its current rate hiking cycle.

### **State of Affairs of the Fund**

There is neither any significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unit holders during the period under review.

### **Soft Commissions received from Brokers**

During the financial period under review, no soft commission was received by the Manager on behalf of the Fund.

### **Cross Trade**

No cross trade transactions have been carried out during the reported period.

### **Securities Financing Transactions**

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

### **Changes Made To the Fund's Prospectus**

There were no changes made to the Fund's prospectus during the financial period under review.

### **The Custodian (Trustee's Delegate)**

The Trustee has appointed Standard Chartered Bank Malaysia Berhad ("SCBMB") as the custodian of the quoted and unquoted investments of the Fund. SCBMB was incorporated in Malaysia under the same name on 29 February 1984 under the Companies Act 1965 as a public limited company and is a subsidiary of Standard Chartered PLC (the holding company of a global banking group). SCBMB was granted a license on 1 July 1994 under the Financial Services Act 2013.

SCBMB is responsible for the Fund's assets settlement and custodising the Fund's asset. The assets are held in the name of the Fund through the custodian's wholly owned subsidiary and nominee company, Cartaban Nominees (Tempatan) Sdn Bhd. All investments are automatically registered into the name of the Fund. The custodian acts only in accordance with the instruction from the Trustee.

## **TRUSTEE’S REPORT TO THE UNITHOLDERS OF TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER (“FUND”)**

We have acted as Trustee of the Fund for the financial period ended 30 September 2022 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AHAM Asset Management Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Exchange-traded 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

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

For TMF Trustees Malaysia Berhad  
(Company No.: (200301008392 [610812-W]))

**NORHAYATI BINTI AZIT**  
**DIRECTOR – FUND SERVICES**

Kuala Lumpur  
15 November 2022

**TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER**

**UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS**

**FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022**

# TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

## UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

### FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

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## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### UNAUDITED SEMI-ANNUAL STATEMENT OF COMPREHENSIVE INCOME FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

	<u>Note</u>	6 months financial period ended <u>30.9.2022</u> RM	6 months financial period ended <u>30.9.2021</u> RM
<b>INVESTMENT (LOSS)/INCOME</b>			
Dividend income		117,233	65,143
Net (loss)/gain on foreign currency exchange		(3,597)	39
Net (loss)/gain on financial asset at fair value through profit or loss	10	(552,676)	25,401
		<u>(439,040)</u>	<u>90,583</u>
<b>EXPENSES</b>			
Management fee	4	(9,891)	(5,771)
Trustee fee	5	(791)	(462)
Tax agent's fee	7	(1,810)	(1,755)
Custodian fee		(15,601)	(10,627)
Transaction costs		(4,174)	(2,419)
Other expenses		(5,843)	(953)
		<u>(38,110)</u>	<u>(21,987)</u>
<b>NET (LOSS)/PROFIT BEFORE TAXATION</b>		(477,150)	68,596
Taxation	9	(9,329)	-
<b>NET (LOSS)/PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL PERIOD</b>		<u>(486,479)</u>	<u>68,596</u>
Net (loss)/profit after taxation is made up of the following:			
Realised amount		(28,366)	107,753
Unrealised amount		(458,113)	(39,157)
		<u>(486,479)</u>	<u>68,596</u>

The accompanying summary of significant accounting policies and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### UNAUDITED SEMI-ANNUAL STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2022

	<u>Note</u>	<u>2022</u> RM	<u>2021</u> RM
<b>ASSETS</b>			
Cash and cash equivalents		37,565	28,353
Amount due from Manager			
- other		-	10,000
Dividends receivable		25,194	3,795
Financial asset at fair value through profit or loss	10	3,510,602	2,481,509
<b>TOTAL ASSETS</b>		<u>3,573,361</u>	<u>2,523,657</u>
<b>LIABILITIES</b>			
Amount due to Manager			
- management fee		1,583	1,033
Amount due to Trustee		127	83
Tax agent's fee		1,810	1,755
Tax payable		7,721	-
Other payables and accruals		1,000	501
<b>TOTAL LIABILITIES</b>		<u>12,241</u>	<u>3,372</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>3,561,120</u>	<u>2,520,285</u>
<b>EQUITY</b>			
Unitholders' capital		4,210,825	2,454,645
(Accumulated losses)/Retained earnings		(649,705)	65,640
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		<u>3,561,120</u>	<u>2,520,285</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>	11	<u>4,250,000</u>	<u>2,450,000</u>
<b>NET ASSET VALUE PER UNIT (RM)</b>		<u>0.8379</u>	<u>1.0287</u>

The accompanying summary of significant accounting policies and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### UNAUDITED SEMI-ANNUAL STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

	Unitholder's <u>capital</u> RM	Retained earning/ (accumulated <u>losses</u> ) RM	<u>Total</u> RM
Balance as at 1 April 2022	4,022,185	(99,476)	3,922,709
Total comprehensive loss for the financial period	-	(486,479)	(486,479)
Distributions (Note 8)	-	(63,750)	(63,750)
Movements in unitholders' capital:			
Creation of units arising from applications	188,640	-	188,640
Balance as at 30 September 2022	<u>4,210,825</u>	<u>(649,705)</u>	<u>3,561,120</u>
Balance as at 1 April 2021	2,441,045	42,044	2,483,089
Total comprehensive income for the financial period	-	68,596	68,596
Distributions (Note 8)	-	(45,000)	(45,000)
Movements in unitholders' capital:			
Creation of units arising from applications	421,460	-	421,460
Cancellation of units	(407,860)	-	(407,860)
Balance as at 30 September 2021	<u>2,454,645</u>	<u>65,640</u>	<u>2,520,285</u>

The accompanying summary of significant accounting policies and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### UNAUDITED SEMI-ANNUAL STATEMENT OF CASH FLOWS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

	6 months financial period ended <u>30.9.2022</u> RM	6 months financial period ended <u>30.9.2021</u> RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from sale of investments	1,407,412	1,158,870
Purchase of investments	(1,859,438)	(1,200,050)
Dividends received	124,966	80,919
Management fee paid	(9,863)	(5,862)
Trustee fee paid	(789)	(469)
Custodian fee paid	(15,601)	(20,627)
Payment for other fees and expenses	(13,517)	(2,871)
Net realised gain on foreign currency exchange	40,068	3,059
	<hr/>	<hr/>
Net cash flows (used in)/generated from operating activities	(326,762)	12,969
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	188,640	421,460
Payment for cancellation of units	-	(407,860)
Payment for distributions	(63,750)	(57,250)
	<hr/>	<hr/>
Net cash flows generated from/(used in) financing activities	124,890	(43,650)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		
	(201,872)	(30,681)
<b>EFFECTS OF FOREIGN CURRENCY EXCHANGE</b>		
	(5,312)	(1,099)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>		
	244,749	60,133
	<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>		
	<u>37,565</u>	<u>28,353</u>

Cash and cash equivalents as at 30 September 2022 and 30 September 2021 comprise of bank balances.

The accompanying summary of significant accounting policies and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.



# TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

The following accounting policies have been used in dealing with items which are considered material in relation to the financial statements.

### A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, except as disclosed in the summary of significant accounting policies and comply with Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reported financial period. It also requires the Manager to exercise their judgment in the process of applying the Fund’s accounting policies. Although these estimates and judgment are based on the Manager’s best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note L.

(a) Standards, amendments to published standards and interpretations that are effective:

- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 ‘Interest rate Benchmark (IBOR) Reform – Phase 2’ (effective 1 January 2021) provide practical expedient allowing Funds to update the effective interest rate to account for any required changes in contractual cash flows that is a direct consequence of IBOR reform. This results in no immediate gain or loss recognised in profit or loss.

The amendments require entities to update the hedge documentation to reflect the changes required by the IBOR replacement. The amendments also provide reliefs that enable and require entities to continue hedge accounting in circumstances when changes in hedged items and hedging instruments are solely due to IBOR reform.

The adoption of the above standards, amendments to standards or interpretations did not have a material effect on the financial statements of the Fund.

(b) Standards and amendments that have been issued but not yet effective:

- Amendments to MFRS 3 ‘Reference to Conceptual Framework’ (effective 1 January 2022) replace the reference to Framework for Preparation and Presentation of Financial Statements with 2018 Conceptual Framework.
- Annual Improvements to MFRSs 2018 – 2020 Cycle (effective for annual periods beginning on or after 1 January 2022).
- Amendments to MFRS 137 ‘onerous contracts—cost of fulfilling a contract’ (effective 1 January 2022) clarify that direct costs of fulfilling a contract include both the incremental cost of fulfilling the contract as well as an allocation of other costs directly related to fulfilling contracts.
- Amendments to MFRS 101 ‘Classification of liabilities as current or non-current (effective 1 January 2023) clarify that a liability is classified as non-current if an entity has a substantive right at the end of the reporting period to defer settlement for at least 12 months after the reporting period. A liability is classified as current if a condition is breached at or before the reporting date and a waiver is obtained after the reporting date.

The adoption of the above standards, amendments to standards or interpretations is not expected to have a material effect on the financial statements of the Fund.

# TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

### **B INCOME RECOGNITION**

#### Dividend Income

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income on the ex-dividend date, when the right to receive the dividend has been established.

#### Realised gains and losses on sale of investments

For quoted equities, realised gains and losses on sale of investments are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on a weighted average cost basis.

### **C TRANSACTION COSTS**

Transaction costs are costs in relation to any particular transaction or dealing, all stamp duty and other duties, taxes, government charges, brokerage fees, bank charges, transfer fees, registration fees, transaction levies, foreign exchange costs and other duties and charges whether in connection with the Fund Assets or the creation, issue, transfer, cancellation or redemption of Units or the acquisition or disposal of Fund Assets or otherwise which may have become or may be payable in respect of, and whether prior to, upon or after the occasion of, such transaction or dealing. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

### **D DISTRIBUTION**

A distribution to the Fund's unitholders is accounted for as a deduction from realised reserve. A proposed distribution is recognised as a liability in the period in which it is approved by the Trustee of the Fund.

### **E TAXATION**

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

Tax on investment income from foreign investments is based on the tax regime of the respective countries that the Fund invests in.

Withholding taxes on investment income from foreign investment are based on tax regime of the respective countries that the Fund invests in. Such withholding taxes are not "income tax" in nature and are recognised, measured based on the requirements of MFRS 137. They are presented within other expenses line in the statement of comprehensive income.

### **F FUNCTIONAL AND PRESENTATION CURRENCY**

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

# TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

### G FOREIGN CURRENCY TRANSLATION

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

### H FINANCIAL ASSETS AND FINANCIAL LIABILITIES

#### (i) Classification

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

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

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed, and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income.

The contractual cash flows of the Fund's debt securities are solely payment of principal and interest ("SPPI"). However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from Manager and dividends receivable as financial assets at amortised cost as these financial assets are held to collect contractual cash flows that represent SPPI.

The Fund classifies amount due to Manager, amount due to Trustee, tax agent's fee and other payables and accruals as financial liabilities measured at amortised cost.

#### (ii) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income.

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

Financial assets are derecognised 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 derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

# TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

### H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

#### (ii) Recognition and measurement (continued)

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category including the effects of foreign transactions are presented in the statement of comprehensive income within 'net gain/(loss) on financial assets at fair value through profit and loss' in the financial period which they arise.

The fair value of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the financial period end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

If a valuation based on the market price does not represent the fair value of the securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the securities are valued as determined in good faith by the Manager, based on the methods or basis approved by the Trustee after appropriate technical consultation.

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

#### (iii) Impairment

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

#### Significant increase in credit risk

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

#### Definition of default and credit-impaired financial assets

The Fund defines a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

##### (iii) Impairment (continued)

###### Definition of default and credit-impaired financial assets

The Fund defines a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria:

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

Qualitative criteria:

The debtor meets unlikelihood to pay criteria, which indicates the debtor is in significant financial difficulty. The Fund considers the following instances:

- the debtor is in breach of financial covenants
- concessions have been made by the lender relating to the debtor's financial difficulty
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- the debtor is insolvent

Financial instruments that are credit-impaired are assessed on individual basis.

###### Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

The Fund may write off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in bad debt recoveries. There are no write-offs/recoveries during the financial period.

#### I CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise bank balances which is subject to an insignificant risk of changes in value.

## **TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)**

#### **J UNITHOLDERS' CAPITAL**

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

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

The outstanding units are carried at the redemption amount that is payable at each financial period if a unitholder exercises the right to put the unit back to the Fund.

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

#### **K 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 strategic decisions.

#### **L CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES**

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information contents on the estimates, certain key variables that are anticipated to have material impacts to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgments are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

However, the Manager is of the opinion that there are no accounting policies which require significant judgment to be exercised.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the Securities Commission's ("SC") Guidelines on Exchange-Traded Funds.

#### **M REALISED AND UNREALISED PORTIONS OF PROFIT OR LOSS AFTER TAX**

The analysis of realised and unrealised profit or loss after tax as presented on the statement of comprehensive income is prepared in accordance with SC's Guidelines on Exchange-Traded Funds.

# TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

## NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

### 1 INFORMATION ON THE FUND

The Exchange-Traded Fund was constituted under the name TradePlus MSCI Asia ex Japan REITs Tracker (the "Fund") pursuant to the execution of a Deed dated 14 February 2020 and modified by First Supplemental Deed dated 25 August 2021 ("the Deeds") entered into between Affin Hwang Asset Management Berhad (the "Manager") and TMF Trustees Malaysia Berhad (the "Trustee").

The Fund commenced operations on 9 July 2020 and will continue its operations until terminated by the Trustee as provided under Section 26 of the Deed.

The Fund will invest a minimum of 90% of the Fund's NAV in authorised securities.

The Fund may invest in the following permitted investments:

- (i) Authorised Securities;
- (ii) Units or shares in collective investment schemes;
- (iii) Money market instruments;
- (iv) Deposits; and
- (v) Any other investments permitted by the SC from time to time

All investments will be subjected to the SC's Guidelines on Exchange-Traded Funds, the Deeds and the objective of the Fund.

The Fund is listed on the main market of Bursa Malaysia and its objective is to provide investment results that closely correspond to the performance of its Benchmark, MSCI AC Asia ex Japan IMI/Equity REITs Custom High Dividend Tilted Capped Index (the "Benchmark") which is designed to measure the performance of Real Estate Investment Trusts ("REITs") that are listed in Asia ex Japan.

The Fund is a passively managed fund. To achieve the investment objective of the Fund, the Manager intends to primarily use a full replication strategy to track the performance of the Benchmark.

The Manager is a company incorporated in Malaysia. The principal activities of the Manager are establishment and management of unit trust funds, exchange-traded funds and private retirement schemes as well as providing fund management services to private clients.

The financial statements were authorised for issue by the Manager on 14 November 2022.

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	<u>Note</u>	At amortised cost RM	At fair value through profit or loss RM	<u>Total RM</u>
<u>2022</u>				
<u>Financial assets</u>				
Cash and cash equivalents		37,565	-	37,565
Dividends receivable		25,194	-	25,194
Quoted equities	10	-	3,510,602	3,510,602
		<u>62,759</u>	<u>3,510,602</u>	<u>3,573,361</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		1,583	-	1,583
Amount due to Trustee		127	-	127
Tax agent's fee		1,810	-	1,810
Other payables and accruals		1,000	-	1,000
		<u>4,520</u>	<u>-</u>	<u>4,520</u>
<u>2021</u>				
<u>Financial assets</u>				
Cash and cash equivalents		28,353	-	28,353
Amount due from Manager				
- other		10,000	-	10,000
Dividends receivable		3,795	-	3,795
Quoted equities	10	-	2,481,509	2,481,509
		<u>42,148</u>	<u>2,481,509</u>	<u>2,523,657</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		1,033	-	1,033
Amount due to Trustee		83	-	83
Tax agent's fee		1,755	-	1,755
Other payables and accruals		501	-	501
		<u>3,372</u>	<u>-</u>	<u>3,372</u>



## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The Fund is exposed to a variety of risks which include market risk (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 the investment restrictions as stipulated by the SC's Guidelines on Exchange-Traded Funds.

#### Market risk

##### (a) Price risk

Price risk arises mainly from the uncertainty about future prices of investments. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Fund is structured as an index tracking fund that tracks its benchmark index, the MSCI AC Asia ex Japan IMI/Equity REITs Custom High Dividend Tilted Capped Index, which comprises of a diversified list of equity securities in its constituents. As such, the Manager believes that the Fund is able to minimise its price risk through the diversification that it has in its portfolio of underlying securities that replicates its benchmark index.

The Fund's overall exposure to price risk was as follows:

	<u>2022</u> RM	<u>2021</u> RM
<b>Quoted investments</b>		
Quoted equities	3,510,602	2,481,509

The table below summarises the sensitivity of the Fund's (loss)/profit after taxation and NAV to movement in prices of its benchmark index. The analysis is based on the assumption that the benchmark index fluctuates by 8.36% (2021: 5%.) If all other variables are held constant, and that the fair value of the investments move in the same quantum with the fluctuation of the Benchmark Index, this would represent the Management's best estimates of a reasonable possible shift in the quoted securities.

The Fund's overall exposure to price risk was as follows:

<u>% Change in benchmark index</u>	<u>Market value</u> RM	<u>Impact on</u> <u>(loss)/profit</u> <u>after tax/NAV</u> RM
<u>2022</u>		
-8.36%	3,217,189	(293,486)
0%	3,510,602	-
+8.36%	3,804,015	293,486
<u>2021</u>		
-5%	2,357,434	(124,075)
0%	2,481,509	-
+5%	2,605,584	124,075

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

##### Market risk (continued)

##### (b) Currency risk

Currency risk is associated with investments denominated in foreign currencies. When the foreign currencies fluctuate in an unfavourable movement against Ringgit Malaysia, the investments will face currency losses in addition to the capital gain/(loss). The Manager will evaluate the likely directions of the foreign currency versus Ringgit Malaysia based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels and technical chart considerations.

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

	<u>Quoted equities</u> RM	<u>Cash and cash equivalents</u> RM	<u>Dividend receivables</u> RM	<u>Total</u> RM
<u>2022</u>				
<u>Financial assets</u>				
Hong Kong Dollar	616,837	1,368	11,538	629,743
Indian Rupee	324,849	-	-	324,849
Korean Won	164,344	-	4,122	168,466
Philippine Peso	70,458	-	-	70,458
Singapore Dollar	1,993,128	12,223	-	2,005,351
United States Dollar	303,600	15,962	9,534	329,096
	<u>3,473,216</u>	<u>29,553</u>	<u>25,194</u>	<u>3,527,963</u>
<u>2021</u>				
<u>Financial assets</u>				
Euro	262,768	-	-	262,768
Hong Kong Dollar	321,602	1,512	2,904	326,018
Korean Won	178,008	-	-	178,008
Singapore Dollar	1,221,469	19,531	891	1,241,891
United States Dollar	427,921	6,706	-	434,627
	<u>2,411,768</u>	<u>27,749</u>	<u>3,795</u>	<u>2,443,312</u>

The table below summarises the sensitivity of the Fund's (loss)/profit after tax and NAV to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes by 10% with all other variables held 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. Any increase/(decrease) in foreign exchange rate will result in a corresponding increase/(decrease) in the net assets attributable to unitholders by approximately 10%. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

##### Market risk (continued)

##### (b) Currency risk (continued)

	Change in rate %	Impact on (loss)/profit after tax/NAV RM
<u>2022</u>		
Hong Kong Dollar	+/- 10	+/- 62,974
Indian Rupee	+/- 10	+/- 32,485
Korean Won	+/- 10	+/- 16,847
Philippine Peso	+/- 10	+/- 7,046
Singapore Dollar	+/- 10	+/- 200,535
United States Dollar	+/- 10	+/- 32,910
		<hr/> <hr/>
<u>2021</u>		
Euro	+/- 10	+/- 26,277
Hong Kong Dollar	+/- 10	+/- 32,602
Korean Won	+/- 10	+/- 17,801
Singapore Dollar	+/- 10	+/- 124,189
United States Dollar	+/- 10	+/- 43,463
		<hr/> <hr/>

##### Credit risk

Credit risk refers to the ability of an issuer or counterparty to make timely payments of interest, principals and proceeds from realisation of investment. The Manager manages the credit risk by undertaking credit evaluation to minimise such risk. The settlement terms of the proceeds from the creation of units' receivable from the Manager are governed by the SC's Guidelines on Exchange-Traded Funds.

The following table sets out the credit risk concentrations of the Fund:

	Cash and cash equivalents RM	Dividend receivables RM	Total RM
<u>2022</u>			
Financials			
- AAA	37,565	-	37,565
Real estate			
- NR	-	25,194	25,194
	<hr/>	<hr/>	<hr/>
	37,565	25,194	62,759
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

##### Credit risk (continued)

The following table sets out the credit risk concentrations of the Fund: (continued)

	Cash and cash <u>equivalents</u> RM	Amount due from <u>Manager</u> RM	Dividend <u>receivables</u> RM	<u>Total</u> RM
<u>2021</u>				
Financials				
- AAA	28,353		-	28,353
Real estate				
- NR	-		3,795	3,795
Others				
- NR	-	10,000	-	10,000
	<u>28,353</u>	<u>10,000</u>	<u>3,795</u>	<u>42,148</u>

##### Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. The Manager manages this risk by maintaining sufficient level of cash to meet anticipated payments for operating expenses and cancellation of units by unitholders.

The Fund's units can be redeemed either in-kind or in cash. For in-kind redemptions, an in-kind redemption basket comprising the authorised securities of the Fund, determined by the Manager on each dealing day will be delivered to the investor. For cash redemptions, a redemption basket of securities is liquidated and a cash sum equivalent to the redemption price multiplied by the number of units redeemed will be delivered to the investors. The Fund maintains a sufficient amount of cash and liquid securities to meet the ongoing operating expenses and liquidity requirements of the Fund.

The table below analyses the Fund's 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 below are the contractual undiscounted cash flows.

	<u>Within one month</u> RM	<u>Between one month to one year</u> RM	<u>Total</u> RM
<u>2022</u>			
Amount due to Manager			
- management fee	1,583	-	1,583
Amount due to Trustee	127	-	127
Tax agent's fee	-	1,810	1,810
Tax payable	-	7,721	7,721
Other payables and accruals	-	1,000	1,000
	<u>1,710</u>	<u>10,531</u>	<u>12,241</u>

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

##### Liquidity risk (continued)

The amounts in the table below are the contractual undiscounted cash flows.

	<u>Within one month</u> RM	<u>Between one month to one year</u> RM	<u>Total</u> RM
<u>2021</u>			
Amount due to Manager			
- management fee	1,033	-	1,033
Amount due to Trustee	83	-	83
Tax agent's fee	-	1,755	1,755
Other payables and accruals	-	501	501
	<u>1,116</u>	<u>2,256</u>	<u>3,372</u>

##### Capital risk

The capital of the Fund is represented by equity consisting of unitholders' capital net of (accumulated losses)/retained earnings. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion unitholders. 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 unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

#### 3 FAIR VALUE ESTIMATION

Financial instruments comprise financial assets and financial liabilities. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of financial assets traded in active markets (such as trading securities) is based on quoted market prices at the close of trading on the period end date. The Fund utilises the current bid price for financial assets which fall within the bid-ask spread.

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

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques.

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 3 FAIR VALUE ESTIMATION (CONTINUED)

##### (i) Fair value hierarchy

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active market 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)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

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

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2022</u>				
Financial assets at fair value through profit or loss				
- quoted equities	3,510,602	-	-	3,510,602
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>2021</u>				
Financial assets at fair value through profit or loss				
- quoted equities	2,481,509	-	-	2,481,509
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equities. The Fund does not adjust the quoted prices for these instruments.

- (ii) The carrying value of the cash and cash equivalents, amount due from Manager, dividend receivables and all current liabilities are a reasonable approximation of the fair values due to their short-term nature.

## **TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER**

### **NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)**

#### **4 MANAGEMENT FEE**

In accordance with the Deeds, the Manager is entitled to a management fee at a rate up to 3.00% per annum of the NAV of the Fund calculated and accrued daily using the Fund's functional currency.

For the 6 months financial period ended 30 September 2022, the management fee is recognised at a rate of 0.50% (2021: 0.50%) per annum on the NAV of the Fund calculated on a daily basis.

There will be no further liability to the Manager in respect of management fee other than the amounts recognised above.

#### **5 TRUSTEE FEE**

In accordance with the Deeds, the Trustee is entitled to an annual fee, at a rate up to 0.10% per annum (excluding foreign sub-custodian fees and charges) of the NAV of the Fund calculated and accrued daily using the Fund's functional currency.

For the 6 months financial period ended 30 September 2022, the Trustee fee is recognised at a rate of 0.04% (2021: 0.04%) per annum on the NAV of the Fund calculated on a daily basis.

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

#### **6 INDEX LICENSE FEE**

Index license fee is payable to MSCI Index, the Benchmark Index provider.

The index license fee is recognised at minimum of USD11,400 per annum or 0.015% of the average daily asset under management, whichever is higher.

The Index License Fee was borne by the Manager for the 6 months financial period ended 30 September 2022 and 30 September 2021.

#### **7 AUDITORS' REMUNERATION**

Auditors' remuneration of the Fund is recognised at RM20,000 (2021: RM20,000).

Auditors' remuneration was borne by the Manager for the 6 months financial period ended 30 September 2022 and 30 September 2021.

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 8 DISTRIBUTIONS

	6 months financial period ended <u>30.9.2022</u> RM	6 months financial period ended <u>30.9.2021</u> RM
Distributions to unitholders is from the following sources:		
Previous year's realised income	63,750	45,000
Gross realised income	63,750	45,000
Less: Expenses	-	-
Net distribution amount	<u>63,750</u>	<u>45,000</u>
Cum-Distribution – 24 June 2022		
- NAV	<u>3,900,788</u>	-
- NAV per unit	<u>0.9278</u>	-
Ex-Distribution – 24 June 2022		
- NAV	<u>3,922,038</u>	-
- NAV per unit	<u>0.9228</u>	-
Cum-Distribution – 27 September 2022		
- NAV	<u>3,572,993</u>	-
- NAV per unit	<u>0.8607</u>	-
Ex-Distribution – 27 September 2022		
- NAV	<u>3,615,493</u>	-
- NAV per unit	<u>0.8507</u>	-



## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 8 DISTRIBUTIONS (CONTINUED)

	6 months financial period ended <u>30.9.2022</u> RM	6 months financial period ended <u>30.9.2021</u> RM
Cum-Distribution – 7 July 2021		
- NAV	-	2,149,007
	<u>                    </u>	<u>                    </u>
- NAV per unit	-	1.0483
	<u>                    </u>	<u>                    </u>
Ex-Distribution – 7 July 2021		
- NAV	-	2,169,507
	<u>                    </u>	<u>                    </u>
- NAV per unit	-	1.0583
	<u>                    </u>	<u>                    </u>
Cum-Distribution – 29 September 2021		
- NAV	-	2,495,153
	<u>                    </u>	<u>                    </u>
- NAV per unit	-	1.0184
	<u>                    </u>	<u>                    </u>
Ex-Distribution – 29 September 2021		
- NAV	-	2,519,653
	<u>                    </u>	<u>                    </u>
- NAV per unit	-	1.0284
	<u>                    </u>	<u>                    </u>

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 distribution for the financial period is an amount of RM63,750 (2021: RM45,000) made from previous financial year's realised income.

The Fund has incurred an unrealised loss of RM458,113 (2021: RM39,157) for the 6 months financial period ended 30 September 2022.

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 9 TAXATION

	6 months financial period ended <u>30.9.2022</u> RM	6 months financial period ended <u>30.9.2021</u> RM
Current taxation	9,329	-

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

	6 months financial period ended <u>30.9.2022</u> RM	6 months financial period ended <u>30.9.2021</u> RM
Net (loss)/profit before taxation	(477,150)	68,596
Tax at Malaysian statutory tax rate of 24% (2021: 24%)	(114,516)	16,463
Tax effects of:		
Investment income not subject to tax	105,369	(21,740)
Expenses not deductible for tax purposes	6,773	3,892
Restriction on tax deductible expenses for Exchange-Traded Funds	2,374	1,385
Foreign income subject to different tax rate	9,329	-
	<u>9,329</u>	<u>-</u>

#### 10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2022</u> RM	<u>2021</u> RM
Financial asset at fair value through profit or loss:		
- quoted equities – local	37,386	69,741
- quoted equities – foreign	3,473,216	2,411,768
	<u>3,510,602</u>	<u>2,481,509</u>
Net (loss)/gain on financial asset at fair value through profit or loss:		
- realised (loss)/gain on sale of investments	(99,875)	63,459
- unrealised (loss)/gain on changes in fair value	(452,801)	(38,058)
	<u>(552,676)</u>	<u>25,401</u>

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Quoted equities – local

(i) Quoted equities – local as at 30 September 2022 is as follows:

<u>Name of counters</u>	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>REITs</u>				
Axis Real Estate Investment Trust	20,100	38,708	37,386	1.05
Total quoted equities – local	20,100	38,708	37,386	1.05
Accumulated unrealised loss on quoted equities – local		(1,322)		
Total quoted equities – local		37,386		

(ii) Quoted equities – local as at 30 September 2021 is as follows:

<u>Name of counters</u>	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>REITs</u>				
Axis Real Estate Investment Trust	36,900	72,917	69,741	2.77
Total quoted equities – local	36,900	72,917	69,741	2.77
Accumulated unrealised loss on quoted equities – local		(3,176)		
Total quoted equities – local		69,741		

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Quoted equities – foreign

(i) Quoted equities – foreign as at 30 September 2022 is as follows:

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Hong Kong</u>				
<u>Real Estate</u>				
Champion REIT	130500	268977	212650	5.97
Link REIT	10,022	370,169	324,843	9.12
Sunlight REIT	44,500	105,576	79,344	2.23
	<u>185,022</u>	<u>744,722</u>	<u>616,837</u>	<u>17.32</u>
<u>India</u>				
<u>Real Estate</u>				
Brookfield India Real Estate	2,000	37,978	36,911	1.04
Embassy Office Parks REIT	12,500	279,258	246,484	6.92
Mindspace Business REIT	2,000	40,171	41,454	1.16
	<u>16,500</u>	<u>357,407</u>	<u>324,849</u>	<u>9.12</u>
<u>Korea</u>				
<u>Real Estate</u>				
ESR Kendall Square REIT Co Ltd	2,000	47,855	32,619	0.92
JR Global REIT	5,647	109,846	82,414	2.31
LOTTE REIT Co Ltd	3,113	62,231	49,311	1.38
	<u>10,760</u>	<u>219,932</u>	<u>164,344</u>	<u>4.61</u>
<u>Philippines</u>				
<u>Real Estate</u>				
AREIT Inc	10,000	40,617	26,781	0.75
Filiinvest REIT Corp	36,000	22,237	17,576	0.49
MREIT Inc	10,000	14,158	11,028	0.31
RL Commercial REIT Inc	36,000	20,564	15,073	0.42
	<u>92,000</u>	<u>97,576</u>	<u>70,458</u>	<u>1.97</u>

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Quoted equities – foreign (continued)

(i) Quoted equities – foreign as at 30 September 2022 is as follows: (continued)

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Korea</u>				
<u>Real Estate</u>				
ESR Kendall Square REIT Co Ltd	2,000	47,855	32,619	0.92
JR Global REIT	5,647	109,846	82,414	2.31
LOTTE REIT Co Ltd	3,113	62,231	49,311	1.38
	<u>10,760</u>	<u>219,932</u>	<u>164,344</u>	<u>4.61</u>
<u>Philippines</u>				
<u>Real Estate</u>				
AREIT Inc	10,000	40,617	26,781	0.75
Filiinvest REIT Corp	36,000	22,237	17,576	0.49
MREIT Inc	10,000	14,158	11,028	0.31
RL Commercial REIT Inc	36,000	20,564	15,073	0.42
	<u>92,000</u>	<u>97,576</u>	<u>70,458</u>	<u>1.97</u>
<u>Singapore</u>				
<u>Real Estate</u>				
CapitaLand Integrated Comm Trust	55,000	388,377	341,901	9.60
Frasers Logistics & Comm Trust	92,100	416,128	366,776	10.30
Keppel DC REIT	31,500	240,175	172,359	4.84
Keppel Pacific Oak US REIT	68,100	208,942	173,641	4.88
Keppel REIT	40,500	150,111	129,160	3.63
Lendlease Global Commer REIT	28,500	75,999	69,667	1.96
Mapletree Industrial Trust	24,924	206,393	192,058	5.39
Mapletree Logistics Trust	50,000	263,604	252,541	7.09
Mapletree Pan Asia Commercial	58,500	357,987	325,777	9.15
Parkway Life REIT	4,200	57,677	57,521	1.62
Prime US REIT	51,912	178,018	129,959	3.65
Sasseur REIT	37,400	98,462	85,368	2.40
	<u>542,636</u>	<u>2,641,873</u>	<u>2,296,728</u>	<u>64.51</u>
Total quoted equities – foreign	<u>846,918</u>	<u>4,061,510</u>	<u>3,473,216</u>	<u>97.53</u>
Accumulated unrealised loss on quoted equities – foreign		<u>(588,294)</u>		
Total quoted equities – foreign		<u>3,473,216</u>		

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 30 September 2021 is as follows:

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Hong Kong</u>				
<u>Real Estate</u>				
China Merchants Comm REIT	57,000	85,429	84,850	3.37
Link REIT	6,600	248,282	236,752	9.39
	<u>63,600</u>	<u>333,711</u>	<u>321,602</u>	<u>12.76</u>
<u>Korea</u>				
<u>Financials</u>				
Mirae Asia Pac Real Est- 1	2,921	44,861	49,195	1.95
<u>Real Estate</u>				
JR REIT XXVII	1,897	36,159	37,212	1.48
LOTTE REIT Co Ltd	4,678	97,232	91,601	3.63
	<u>6,575</u>	<u>133,391</u>	<u>128,813</u>	<u>5.11</u>
<u>Singapore</u>				
<u>Real Estate</u>				
Cromwell European REIT	20,900	243,410	262,768	10.43
Keppel DC REIT	31,200	253,662	237,049	9.40
Keppel Pacific Oak US REIT	82,800	248,551	270,316	10.73
Mapletree Commercial Trust	40,800	257,927	258,532	10.26
Mapletree Industrial Trust	29,020	244,738	247,265	9.81
Mapletree Logistics Trust	40,638	246,541	253,755	10.07
Parkway Life REIT	7,500	96,769	107,045	4.25
Prime US REIT	44,300	154,067	157,605	6.25
Sasseur REIT	44,800	118,249	117,823	4.67
	<u>341,958</u>	<u>1,863,914</u>	<u>1,912,158</u>	<u>75.87</u>
Total quoted equities – foreign	<u>415,054</u>	<u>2,375,877</u>	<u>2,411,768</u>	<u>95.69</u>
Accumulated unrealised gain on quoted equities – foreign		<u>35,891</u>		
Total quoted equities – foreign		<u>2,411,768</u>		

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 11 NUMBER OF UNITS IN CIRCULATION

	<u>2022</u>	<u>2021</u>
	No. of units	No. of units
At the beginning of the financial period	4,050,000	2,450,000
Creation of units arising from applications	200,000	400,000
Cancellation of units	-	(400,000)
At the end of the financial period	<u>4,250,000</u>	<u>2,450,000</u>

#### 12 TRANSACTIONS WITH BROKERS

- (i) Details of transactions with top 10 brokers for the 6 months financial period ended 30 September 2022 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage</u> %
Credit Suisse (Hong Kong) Ltd	1,713,654	52.14	857	35.28
CLSA Ltd	409,110	12.45	205	8.44
CLSA India Private Ltd	357,408	10.88	893	36.76
Credit Suisse Securities (Eur) Ltd	249,458	7.59	125	5.15
JP Morgan Securities Plc	204,323	6.22	123	5.06
CLSA Securities Korea Ltd	193,214	5.88	96	3.95
CLSA Securities (Malaysia) Sdn Bhd	65,935	2.01	40	1.65
CLSA Singapore Pte Ltd	46,680	1.42	37	1.52
Macquarie Bank Ltd Hong Kong	31,590	0.96	13	0.54
Macquarie Capital Securities (Malaysia) Sdn Bhd	14,960	0.45	40	1.65
	<u>3,286,332</u>	<u>100.00</u>	<u>2,429</u>	<u>100.00</u>

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 12 TRANSACTIONS WITH BROKERS (CONTINUED)

(ii) Details of transactions with top brokers for the 6 months financial period ended 30 September 2021 are as follows:

<u>Name of brokers</u>	<u>Value of trade RM</u>	<u>Percentage of total trade %</u>	<u>Brokerage fees RM</u>	<u>Percentage of total brokerage %</u>
Macquarie Capital Securities Ltd	597,338	25.40	285	21.66
Credit Suisse (Hong Kong) Ltd	442,491	18.82	221	16.79
Credit Suisse Securities (Eur) Ltd	381,330	16.22	191	14.52
CLSA Singapore Pte Ltd	311,992	13.27	156	11.85
CLSA Ltd	197,709	8.41	99	7.52
JP Morgan Securities Plc	183,708	7.81	110	8.36
CLSA Securities Korea Ltd	77,258	3.28	39	2.96
CLSA Securities (Malaysia) Sdn Bhd	72,132	3.07	166	12.62
Macquarie Securities Korea Ltd	60,872	2.59	30	2.28
CIMB Investment Bank Bhd	18,676	0.79	15	1.14
Others	8,122	0.34	4	0.30
	<u>2,351,628</u>	<u>100.00</u>	<u>1,316</u>	<u>100.00</u>

#### 13 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

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

<u>Related parties</u>	<u>Relationship</u>
CVC Capital Partners Asia V L.P., CVC Capital Partners Investment Asia L.P. and CVC Capital Partners Asia V Associates L.P. (collectively known as "CVC Asia V")	Ultimate holding companies of the Manager
CVC Capital Partners Asia V Limited	General Partner of the ultimate holding companies
Lembaga Tabung Angkatan Tentera ("LTAT")	Former ultimate holding corporate body of the Manager
Affin Bank Berhad ("ABB")	Former penultimate holding company of the Manager
Affin Hwang Investment Bank Berhad	Former holding company of the Manager
Starlight TopCo Limited	Penultimate holding company of the Manager
Starlight Universe Limited	Intermediate holding company of the Manager



## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 13 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER (CONTINUED)

The related parties of and their relationships with the Fund are as follows: (continued)

<u>Related parties</u>	<u>Relationship</u>
Starlight Asset Sdn Bhd	Immediate holding company of the Manager
Nikko Asset Management International Limited ("NAM")	Substantial shareholder of the Manager
Affin Hwang Asset Management Berhad ("AHAM")	The Manager and the Parent of the Fund
Subsidiaries and associated companies of CVC Asia V as disclosed in their financial statements	Subsidiaries and associated companies of the ultimate holding companies of the Manager
Subsidiaries and associated companies of ABB as disclosed in its financial statements	Subsidiaries and associated companies of the former penultimate holding company of the Manager
Directors of Affin Hwang Asset Management Berhad	Directors of the Manager

The units held by the Manager as at the end of the financial period are as follows:

	<u>2022</u>		<u>2021</u>	
	<u>No. of units</u>	<u>RM</u>	<u>No. of units</u>	<u>RM</u>
<u>The Manager and the Parent of the Fund:</u>				
Affin Hwang Asset Management Berhad (The units are held beneficially for seeding purposes)	400,000	335,160	400,000	411,480

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 14 TOTAL EXPENSE RATIO (“TER”)

	6 months financial period ended <u>30.9.2022</u> %	6 months financial period ended <u>30.9.2021</u> %
TER	<u>0.73</u>	<u>0.85</u>

TER is derived from the following calculation:

$$\text{TER} = \frac{(A + B + C + D + E) \times 100}{F}$$

A	=	Management fee
B	=	Trustee fee
C	=	Tax agent's fee
D	=	Custodian fee
E	=	Other expenses excluding sales and service tax on transaction costs and withholding tax
F	=	Average NAV of Fund calculated on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis is RM3,945,354 (2021: RM2,302,129).

#### 15 PORTFOLIO TURNOVER RATIO (“PTR”)

	6 months financial period ended <u>30.9.2022</u>	6 months financial period ended <u>30.9.2021</u>
PTR (times)	<u>0.40</u>	<u>0.50</u>

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisitions for the financial period} + \text{total disposals for the financial period}) \div 2}{\text{Average NAV of the Fund for the financial period calculated on a daily basis}}$$

where: total acquisitions for the financial period = RM1,636,555 (2021: RM1,200,050)  
and total disposals for the financial period = RM 1,545,640 (2021: RM1,097,332)

## TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (CONTINUED)

#### 16 SEGMENT INFORMATION

The strategic asset allocation committee of the Investment Manager makes the strategic resource allocations on behalf of the Fund. The Fund has determined the operating segments based on the reports reviewed by the Manager that are used to make strategic decisions.

The committee is responsible for the Fund's entire portfolio and considers the business to have a single operating segment. The committee's asset allocation decisions are based on a single, integrated investment strategy and the Fund's performance is evaluated on an overall basis.

The reportable operating segments derive their income by seeking investments to achieve targeted returns consummate with an acceptable level of risk within each portfolio. These returns consist of dividends and gains on the appreciation in the value of investments and are derived from quoted equities in Malaysia, Hong Kong, India, Korea, Philippines and Singapore.

The Fund has a diversified unitholder population. However, as at 30 September 2022, there were 1 (2021: 1) unitholders who held more than 10% of the Fund's NAV. The unitholders' holdings were 12.35% (2021: 20.34%).

There were no changes in the reportable segments during the financial period.

The internal reporting provided to the committee for the Fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of MFRS and IFRS.

#### 17 SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD

##### Change in corporate shareholding of Affin Hwang Asset Management Berhad

On 28 January 2022, Affin Bank Berhad announced that funds advised by CVC Capital Partners, a leading global private equity and investment advisory firm with approximately US\$125 billion of assets under management, has agreed to acquire approximately 68% of the equity interest in Affin Hwang Asset Management Berhad.

The Acquisition has been approved by Securities Commissions Malaysia on 1 July 2022, and upon completion of the Acquisition on 29 July 2022, Affin Hwang Asset Management Berhad has ceased to be a subsidiary of Affin Hwang Investment Bank Berhad.

## **TRADEPLUS MSCI ASIA EX JAPAN REITS TRACKER**

### **STATEMENT BY THE MANAGER**

I, Dato' Teng Chee Wai, for and on behalf of the board of directors of the Manager, **Affin Hwang Asset Management Berhad**, do hereby state that in the opinion of the Manager, the financial statements set out on pages 1 to 31 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 September 2022 and of its financial performance, changes in equity and cash flows for the financial period ended 30 September 2022 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,  
**AFFIN HWANG ASSET MANAGEMENT BERHAD**

**DATO' TENG CHEE WAI**  
**EXECUTIVE DIRECTOR/MANAGING DIRECTOR**

Kuala Lumpur  
15 November 2022

## **DIRECTORY OF SALES OFFICE**

### **HEAD OFFICE**

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Sarawak

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Fax : 085 – 418 372

**AHAM Asset Management Berhad**

(Formerly known as Affin Hwang Asset Management Berhad)  
Registration No: 199701014290 (429786-T)

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