

ANNUAL REPORT

TA ASIAN BOND FUND

For the financial year ended
30 June 2024



TA INVESTMENT
A MEMBER OF THE TA GROUP

199501011387 (340588-T)

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

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TA Asian Bond Fund

(For the financial year ended 30 June 2024)

Key Performance Data

	Year Ended 30/06/2024	Year Ended 30/06/2023	Year Ended 30/06/2022
PORTFOLIO COMPOSITION (% OF NAV)			
Collective Investment Scheme	95.99	95.94	99.27
Cash (Net of Liabilities)	4.01	4.06	0.73
Total Investment	100.00	100.00	100.00
USD Class			
Total Net Asset Value (USD'000)	3,192	3,101	3,104
Units In Circulation (Units '000)	7,101	7,210	7,210
Net Asset Value Per Unit (USD)	0.4495	0.4300	0.4306
AUD Hedged Class			
Total Net Asset Value (USD'000)	325	484	511
Units In Circulation (Units '000)	1,136	1,738	1,738
Net Asset Value Per Unit (AUD)	0.4302	0.4209	0.4274
SGD Hedged Class			
Total Net Asset Value (USD'000)	372	905	891
Units In Circulation (Units '000)	1,171	2,909	2,909
Net Asset Value Per Unit (SGD)	0.4303	0.4223	0.4258
MYR Hedged Class			
Total Net Asset Value (USD'000)	2,586	2,848	3,183
Units In Circulation (Units '000)	27,984	30,990	32,048
Net Asset Value Per Unit (MYR)	0.4358	0.4285	0.4378
GBP Hedged Class			
Total Net Asset Value (USD'000)	1	1	1
Units In Circulation (Units '000)	1	1	1
Net Asset Value Per Unit (GBP)	0.4562	0.4369	0.4548
Total Expense Ratio (TER) (%) *	0.55	1.12	1.11
Portfolio Turnover Ratio (PTR) (times) *	1.26	0.06	0.15

* The TER for the current financial year has remained consistent with that of the previous financial year.

** The PTR for the current financial year has registered an increase as compared to the previous financial year due to increase in total transaction value of the Fund.

UNIT PRICES

USD Class			
NAV Per Unit (USD)	0.4495	0.4300	0.4306
Highest NAV Per Unit for the Year/Period (USD)	0.4509	0.4358	0.4939
Lowest NAV Per Unit for the Year/Period (USD)	0.4145	0.3985	0.4296

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

	Year Ended 30/06/2024	Year Ended 30/06/2023	Year Ended 30/06/2022
UNIT PRICES			
AUD Hedged Class			
NAV Per Unit (AUD)	0.4302	0.4209	0.4274
Highest NAV Per Unit for the Year/Period (AUD)	0.4327	0.4332	0.4995
Lowest NAV Per Unit for the Year/Period (AUD)	0.4048	0.3937	0.4265
SGD Hedged Class			
NAV Per Unit (SGD)	0.4303	0.4223	0.4258
Highest NAV Per Unit for the Year/Period (SGD)	0.4325	0.4309	0.4909
Lowest NAV Per Unit for the Year/Period (SGD)	0.4032	0.3933	0.4251
MYR Hedged Class			
NAV Per Unit (MYR)	0.4358	0.4285	0.4378
Highest NAV Per Unit for the Year/Period (MYR)	0.4381	0.4428	0.4989
Lowest NAV Per Unit for the Year/Period (MYR)	0.4089	0.4027	0.4368
GBP Hedged Class			
NAV Per Unit (GBP)	0.4562	0.4369	0.4548
Highest NAV Per Unit for the Year/Period (GBP)	0.4571	0.4999	0.4653
Lowest NAV Per Unit for the Year/Period (GBP)	0.4228	0.4331	0.4340
TOTAL RETURN (%)			
USD Class			
Capital Return	4.53	-0.14	-11.62
Income Return	-	-	-
Total Return of Fund	4.53	-0.14	-11.62
Total Return of the Benchmark	5.87	1.88	-8.48
AUD Hedged Class			
Capital Return	2.21	-1.52	-13.67
Income Return	-	-	-
Total Return of Fund	2.21	-1.52	-13.67
Total Return of the Benchmark	5.87	1.88	-8.48
SGD Hedged Class			
Capital Return	1.89	-0.82	-11.93
Income Return	-	-	-
Total Return of Fund	1.89	-0.82	-11.93
Total Return of the Benchmark	5.87	1.88	-8.48
MYR Hedged Class			
Capital Return	1.70	-2.12	-10.60
Income Return	-	-	-
Total Return of Fund	1.70	-2.12	-10.60
Total Return of the Benchmark	5.87	1.88	-8.48

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

	Year Ended 30/06/2024	Year Ended 30/06/2023	Year Ended 30/06/2022
TOTAL RETURN (%)			
GBP Hedged Class			
Capital Return	4.37	-3.94	0.78
Income Return	-	-	-
Total Return of Fund	4.37	-3.94	0.78
Total Return of the Benchmark	5.87	1.88	-8.48

AVERAGE TOTAL RETURN (%)

	Fund	Benchmark
USD Class		
Period		
1 Year (30/06/2023 - 30/06/2024)	4.53	5.87
3 Years (30/06/2021 - 30/06/2024)	-2.65	-0.14
Since the Fund's launch (19/02/2020 to 30/06/2024)	-2.41	0.61
AUD Hedged Class		
Period		
1 Year (30/06/2023 - 30/06/2024)	2.21	5.87
3 Years (30/06/2021 - 30/06/2024)	-4.57	-0.14
Since the Fund's launch (19/02/2020 to 30/06/2024)	-3.39	0.61
SGD Hedged Class		
Period		
1 Year (30/06/2023 - 30/06/2024)	1.89	5.87
3 Years (30/06/2021 - 30/06/2024)	-3.81	-0.14
Since the Fund's launch (19/02/2020 to 30/06/2024)	-3.38	0.61
MYR Hedged Class		
Period		
1 Year (30/06/2023 - 30/06/2024)	1.70	5.87
3 Years (30/06/2021 - 30/06/2024)	-3.81	-0.14
Since the Fund's launch (19/02/2020 to 30/06/2024)	-3.10	0.61
GBP Hedged Class		
Period		
1 Year (30/06/2023 - 30/06/2024)	4.37	5.87
3 Years (30/06/2021 - 30/06/2024)	0.35	-0.14
Since the Fund's launch (19/02/2020 to 30/06/2024)	-2.09	0.61

ANNUAL TOTAL RETURN (%)

	Fund	Benchmark
USD Class		
Period		
30/06/2023 - 30/06/2024	4.53	5.87
30/06/2022 - 30/06/2023	-0.14	1.88
30/06/2021 - 30/06/2022	-11.62	-8.48
Since the Fund's launch (19/02/2020 to 30/06/2021)	-2.56	2.95

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

ANNUAL TOTAL RETURN (%)

	Fund	Benchmark
AUD Hedged Class		
Period		
30/06/2023 - 30/06/2024	2.21	5.87
30/06/2022 - 30/06/2023	-1.52	1.88
30/06/2021 - 30/06/2022	-13.67	-8.48
Since the Fund's launch (19/02/2020 to 30/06/2021)	-0.98	2.95
SGD Hedged Class		
Period		
30/06/2023 - 30/06/2024	1.89	5.87
30/06/2022 - 30/06/2023	-0.82	1.88
30/06/2021 - 30/06/2022	-11.93	-8.48
Since the Fund's launch (19/02/2020 to 30/06/2021)	-3.30	2.95
MYR Hedged Class		
Period		
30/06/2023 - 30/06/2024	1.70	5.87
30/06/2022 - 30/06/2023	-2.12	1.88
30/06/2021 - 30/06/2022	-10.60	-8.48
Since the Fund's launch (19/02/2020 to 30/06/2021)	-2.06	2.95
GBP Hedged Class		
Period		
30/06/2023 - 30/06/2024	4.37	5.87
30/06/2022 - 30/06/2023	-3.94	1.88
30/06/2021 - 30/06/2022	0.78	-8.48
Since the Fund's launch (19/02/2020 to 30/06/2021)	-9.74	2.95

Source: Lipper for Investment Management and Fullerton Fund Management Company Ltd.

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

The basis of calculating and assumption made in calculating the returns:

$$\text{Percentage Growth} = \frac{N^1 - N^2}{N^2} \times 100$$

N¹ = NAV on the end of the period

N² = NAV on the beginning of the period

$$\text{* Average Total Return} = \frac{\text{Total Sub Period Returns}}{\text{Number of Sub Periods}}$$

$$\text{** Annual Total Return} = (1 + \text{Cumulative Return})^{N^3 / N^4} - 1$$

N³ = Number of periods per year

N⁴ = Total number of periods

Factor in for unit splits and distributions paid out (if any during the period)

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

Manager's Report

TA Asian Bond Fund

Fund Category/Type	Feeder Fund (Fixed Income) / Income & Growth
Fund Objective	The Fund aims to generate long term capital appreciation. <i>Any material change to the Fund's investment objective would require Unit Holders' approval.</i>
Performance Benchmark	JACI Investment Grade Total Return Index
Base Currency	US Dollar (USD)
Fund's Distribution Policy	The Fund intends to distribute income, if any, on a quarterly basis.
Fund's Performance and Investment Strategies Employed	<p>The Fund was managed within its investment objective for the financial year under review.</p> <p><u>USD Class</u></p> <p>For the financial period under review, the USD Class of the Fund posted a total return of 4.53%, underperforming the benchmark's performance of 5.87% in USD terms.</p> <p><u>AUD Hedged Class</u></p> <p>For the financial year under review, the AUD Hedged Class of the Fund posted a total return of 2.21%, underperforming the benchmark's performance of 5.87% in USD terms.</p> <p><u>SGD Hedged Class</u></p> <p>For the financial year under review, the SGD Hedged Class of the Fund posted a total return of 1.89%, underperforming the benchmark's performance of 5.87% in USD terms.</p> <p><u>MYR Hedged Class</u></p> <p>For the financial year under review, the MYR Hedged Class of the Fund posted a total return of 1.70%, underperforming the benchmark's performance of 5.87% in USD terms.</p> <p><u>GBP Hedged Class</u></p> <p>For the financial year under review, the GBP Hedged Class of the Fund posted a total return of 4.37%, underperforming the benchmark's performance of 5.87% in USD terms.</p>

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

Securities Lending/ Repurchase Transaction	The Fund has not undertaken any securities lending or repurchase transaction (collectively referred to as “securities financing transactions”).		
Cross Trade	There is no cross trades transaction during the financial year under review.		
Analysis of Fund’s Performance	30/06/24	30/06/23	% Change
USD Class			
NAV/unit (USD)	0.4495	0.4300	4.53
Total NAV (USD'000)	3,192	3,101	2.93
AUD Hedged Class			
NAV/unit (AUD)	0.4302	0.4209	2.21
Total NAV (USD'000)	325	484	-32.85
SGD Hedged Class			
NAV/unit (SGD)	0.4303	0.4223	1.89
Total NAV (USD'000)	372	905	-58.90
MYR Hedged Class			
NAV/unit (MYR)	0.4358	0.4285	1.70
Total NAV (USD'000)	2,586	2,848	-9.20
GBP Hedged Class			
NAV/unit (GBP)	0.4562	0.4369	4.41
Total NAV (USD'000)	1	1	-
	Income Return (%)	Capital Return # (%)	Total Return (%)
USD Class	-	4.53	4.53

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

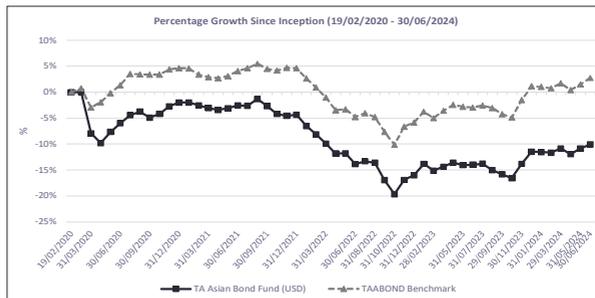
AUD Hedged Class	-	2.21	2.21
SGD Hedged Class	-	1.89	1.89
MYR Hedged Class	-	1.70	1.70
GBP Hedged Class	-	4.37	4.37

Capital Return components:

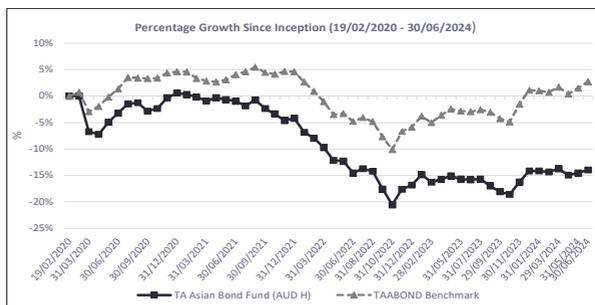
- ❖ Collective Investment Scheme
- ❖ Cash and cash equivalent

Performance Chart

USD Class



AUD Hedged Class



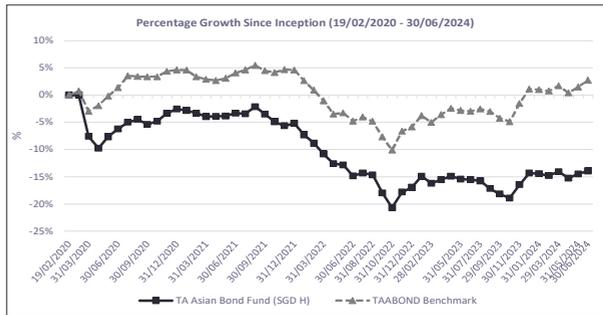
Source: TA Investment Management Berhad

Past performance is not necessarily indicative of future performance.

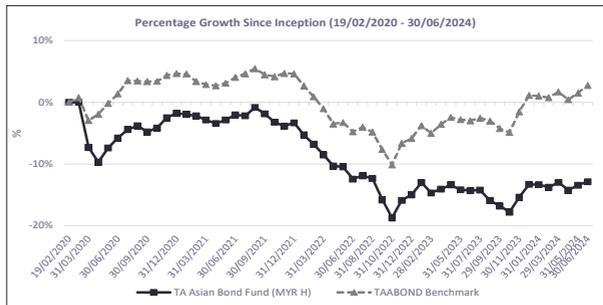
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(For the financial year ended 30 June 2024)

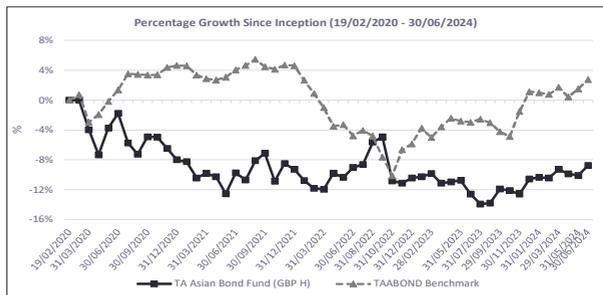
SGD Hedged Class



MYR Hedged Class



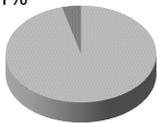
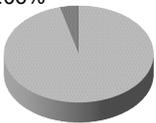
GBP Hedged Class



Source: TA Investment Management Berhad
 Past performance is not necessarily indicative of future performance.

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

Distribution/Unit Split	None were declared for the financial year under review 30 June 2024.		
Asset Allocation	30/06/24	30/06/23	
	Cash (Net of Liabilities) 4.01%  Collective Investment Scheme 95.99%	Cash (Net of Liabilities) 4.06%  Collective Investment Scheme 95.94%	
	The Fund was largely invested in a Collective Investment Scheme with the remainder in cash.		
Collective Investment Scheme		30/06/24 % NAV	30/06/23 % NAV
	Fullerton Lux Funds – Asian Bonds Class I	95.99	95.94
Target Fund Top Holdings	As at 30/06/2024	% NAV	
	Gohl Capital Ltd 4.25% Jan 2027	1.30	
	Lendlease US Capital Inc 4.5% May 2026	1.30	
	Hyundai Capital Services 2.125% Apr 2025	1.20	
	CDB Financial Leasing 2.875% Sep 2030	1.20	
	Freeport Indonesia Pt 6.2% Apr 2052	1.10	
	As at 30/06/2023	% NAV	
	Shinhan Bank 3.75% Sep 2027	1.20	
	Busan Bank 3.625% Jul 2026	1.10	
	HDFC Bank Ltd/Gift City 5.686% Mar 2026	1.10	
	CCCI Treasure Ltd 3.425% Dec 2199	1.10	
	Tencent Holdings Ltd 2.39% Jun 2030	1.10	

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

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

Market Review

The 12 months to June 2024 have been marked by a series of surprises, driven by evolving economic conditions and central bank policies. Initially, United States (US) Treasury yields surged, reaching 16-year highs as recession fears eased and the Federal Reserve (Fed) maintained a hawkish stance, raising the Fed Funds rate to 5.5% in July 2023. This trend reversed in the fourth quarter of 2023, with yields retreating following signals of a Fed policy pivot towards easing in 2024. The beginning of 2024 saw bond yields rise again due to resilient economic activity and reduced expectations of near-term rate cuts. However, by the second quarter of 2024, strong economic indicators initially pushed US Treasury yields higher, but encouraging Consumer Price Index (CPI) data eventually led to a decline in yields.

Asian credit markets demonstrated broad gains, as indicated by the JP Morgan Asian Credit Index in United States Dollar (USD). Both investment-grade and high-yield sectors advanced, with high-yield bonds outperforming their investment-grade counterparts due to a compression in credit spreads. The Asian investment-grade sector also saw gains, supported by tighter credit spreads and duration-related benefits. US Treasury yields fluctuated significantly, with the yield curve steepening. The 10-year Treasury yield started at 3.8%, peaked around 4.9% in mid-October 2023, before falling to 3.9% by the end of 2023, and ended second quarter of 2024 at 4.4%. High-yield dominated sectors like consumer and metals, as well as mining were top performers. Bonds of China real estate developers surged in the first half of 2024, buoyed by signs of policy relaxations and support measures, despite being close to flat over the full year. Emerging market Asia sovereigns, such as Sri Lanka and Pakistan, also delivered strong performance.

During the 12-month period ended June 2024, the Fund achieved strong gains but fell short of the benchmark's performance after fees. Key contributors included positive security selection in sovereigns, quasi-sovereigns, and financials. An overweight position in the high-yield sector, which outperformed investment-grade peers, also added value, especially in the consumer sector, which was a standout performer over the last year. However, the selective exposure in China real estate did not perform well in 2023 but added value in 2024 due to strong policy support signals. Conversely, duration management modestly detracted from performance amidst significant fluctuations in US Treasury yields over the period.

(Source: Fullerton Fund Management Company Ltd. as of 30 June 2024)

Market Outlook And Investment Strategy

Looking ahead, the market outlook suggests a trend towards disinflation and stable economic growth. There is also the potential tailwind from the possible start of the Federal Reserve's easing cycle, even if this commences later than initially expected. US growth, while softening, remains resilient with no imminent signs of a recession. Inflation remains under control, providing a benign environment for credit investors. The pursuit of yield is likely to gain momentum, particularly if the Fed eases its monetary policy later in the year, providing additional support for credit markets. Policy adjustments in China since the April 2024 Politburo meeting are also encouraging and help prevent a collapse in economic

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

activity. The policy initiatives aimed at reducing housing inventory in China are moving in the right direction, albeit slowly. However, imbalances between domestic demand and supply will persist.

Our fixed income strategy is rooted in meticulous assessment and tactical positioning plays. By balancing high yield opportunities with stable investment grade holdings, and maintaining the flexibility to adapt to evolving market conditions, we aim to navigate the complexities of the current environment effectively. Recently, we capitalised on the increase in primary market activity by investing in new issues selected for their attractive pricing and strong fundamentals. We are also taking profits on high-conviction positions that have performed well, creating flexibility to seize new issuance opportunities as they emerge.

Looking ahead, we are exploring opportunities to extend duration, especially as yields rise, positioning for potential future gains. The Asian USD credit market continues to demonstrate stability with robust technical support. Valuations have adjusted, and the pace of spread tightening is expected to slow, making carry a key focus for returns. We remain vigilant in our approach, ready to adjust our strategy as market dynamics evolve, ensuring we continue to deliver value to our investors.

(Source: Fullerton Fund Management Company Ltd. as of 30 June 2024)

Soft Commission

The Manager retains soft commissions received from brokers only if the goods and services are of demonstrable benefits to the Unitholders as allowed under the Securities Commission's Guidelines on Unit Trust Funds. The soft commission received include research and advisory services which are used to support the investment decision making process and are of demonstrable benefit to the Unitholders of the Fund and there was no churning of trades.

State Of Affairs Of The Fund

There has been neither significant changes to the state of affair of the Fund nor any circumstances that materially affect any interests of the Unitholders during the period under review.

The First Supplementary Information Memorandum of TA Asian Bond Fund dated 28 February 2024 ("First Supplementary Information Memorandum") has been issued and must be read together with the Information Memorandum of TA Asian Bond Fund dated 19 February 2020 ("Information Memorandum").

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(For the financial year ended 30 June 2024)

TRUSTEE'S REPORT TO THE UNIT HOLDERS OF TA ASIAN BOND FUND ("Fund")

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

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

For and on behalf of
CIMB Commerce Trustee Berhad

Datin Ezreen Eliza binti Zulkiplee
Chief Executive Officer

Kuala Lumpur, Malaysia

Date: 28 August 2024

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

STATEMENT BY THE MANAGER

We, CHOO SWEE KEE and MOHAMMED A'REEFF BIN ABDUL KHALID, being two of the Directors of TA INVESTMENT MANAGEMENT BERHAD, do hereby state that, in the opinion of the Manager, the accompanying financial statements set out on pages 19 to 46, are drawn up so as to give a true and fair view of the financial position of TA ASIAN BOND FUND as at 30 June 2024 and of its financial performance and cash flows for the financial year ended on that date in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards") and IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

On behalf of the Manager,

CHOO SWEE KEE

MOHAMMED A'REEFF BIN ABDUL KHALID

Kuala Lumpur, Malaysia

Date: 28 August 2024

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF TA ASIAN BOND FUND (Established in Malaysia)

Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of TA Asian Bond Fund (hereinafter referred to as "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 asset value and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 19 to 46.

In our opinion, the accompanying 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 its cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards") and IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting 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 auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Fund and Manager of the Fund in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence 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 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.

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF TA ASIAN BOND FUND (Established in Malaysia) (continued)

Information Other than the Financial Statements and Auditors' Report Thereon (Contd.)

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 the 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

The Manager of the Fund is responsible for the preparation of financial statements of the Fund that give a true and fair view in accordance with MFRS Accounting Standards and IFRS Accounting 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. The Trustee is responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of the financial statements.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the ability of the Fund 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 have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF TA ASIAN BOND FUND (Established in Malaysia) (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (Contd.)

- 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 internal control of the Fund.
- 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 audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Fund 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 gives a true and fair view.

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.

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

Other Matter

This report is made solely to the unitholders of the Fund, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG PLT

(LLP0010081-LCA & AF 0758)

Chartered Accountants

Petaling Jaya, Selangor

Date: 28 August 2024

Chan Kah Mun

Approval Number: 03350/01/2026 J

Chartered Accountant

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	2024 USD	2023 USD
INCOME/(LOSS)			
Interest income		1,209	3,628
Dividend income		245,400	277,315
Net loss on financial assets at fair value through profit or loss ("FVTPL")	7	(37,480)	(485,937)
		<u>209,129</u>	<u>(204,994)</u>
EXPENSES			
Manager's fee	4	27,501	31,243
Trustee's fee	5	2,607	2,987
Auditors' remuneration		2,580	2,610
Tax agent's fee		1,030	715
Administrative fees and expenses		2,370	2,642
		<u>36,088</u>	<u>40,197</u>
Net income/(loss) before tax		173,041	(245,191)
Income tax expense	6	-	-
Net income/(loss) after tax, representing total comprehensive income/(loss) for the financial year		<u>173,041</u>	<u>(245,191)</u>
Net income/(loss) after tax is made up of the following:			
Net realised loss		(174,159)	(291,186)
Net unrealised income		347,200	45,995
		<u>173,041</u>	<u>(245,191)</u>

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

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Note	2024 USD	2023 USD
ASSETS			
Investments	7	6,215,277	7,041,053
Amount due from the stockbroker		-	248,664
Amount due from the Manager	9	2,922	1,791
Other receivable		5,554	6,328
Cash at bank		277,962	85,594
TOTAL ASSETS		<u>6,501,715</u>	<u>7,383,430</u>
LIABILITIES			
Derivative financial liabilities	8	17,744	33,850
Amount due to the Manager	9	4,958	6,082
Amount due to Trustee		198	243
Other payables and accruals		3,990	4,560
TOTAL LIABILITIES		<u>26,890</u>	<u>44,735</u>
NET ASSET VALUE ("NAV")			
Unitholders' capital	10(a)	7,659,590	8,696,501
Accumulated losses	10(b),(c)	(1,184,765)	(1,357,806)
NAV ATTRIBUTABLE TO UNITHOLDERS		<u>6,474,825</u>	<u>7,338,695</u>
TOTAL NAV AND LIABILITIES		<u>6,501,715</u>	<u>7,383,430</u>
REPRESENTED BY:			
NET ASSET VALUE OF OUTSTANDING UNITS			
USD Class		3,191,591	3,100,789
AUD Hedged Class		325,115	484,405
SGD Hedged Class		371,639	905,372
MYR Hedged Class		2,585,903	2,847,578
GBP Hedged Class		577	552
NET ASSETS VALUE ("NAV") OF THE FUND		<u>6,474,825</u>	<u>7,338,695</u>

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

STATEMENT OF FINANCIAL POSITION (CONTD.) AS AT 30 JUNE 2024

	Note	2024	2023
NUMBER OF UNITS IN CIRCULATION			
	10(d)		
USD Class		7,100,659	7,210,475
AUD Hedged Class		1,135,709	1,737,527
SGD Hedged Class		1,170,569	2,908,732
MYR Hedged Class		27,983,683	30,989,613
GBP Hedged Class		1,000	1,000
		<hr/>	<hr/>
NAV PER UNIT IN USD			
USD Class		0.4495	0.4300
AUD Hedged Class		0.2863	0.2788
SGD Hedged Class		0.3175	0.3113
MYR Hedged Class		0.0924	0.0919
GBP Hedged Class		0.5768	0.5520
		<hr/>	<hr/>
NAV PER UNIT IN CLASS CURRENCY			
USD Class		0.4495	0.4300
AUD Hedged Class		0.4302	0.4209
SGD Hedged Class		0.4303	0.4223
MYR Hedged Class		0.4358	0.4285
GBP Hedged Class		0.4562	0.4369
		<hr/>	<hr/>

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

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

STATEMENT OF CHANGES IN NET ASSET VALUE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Unitholders' capital Note 10(a) USD	Accumulated losses Note 10(b) and (c) USD	Total NAV USD
At 1 July 2022	8,802,799	(1,112,615)	7,690,184
Total comprehensive loss for the financial year	-	(245,191)	(245,191)
Creation of units	-	-	-
Cancellation of units	(106,298)	-	(106,298)
At 30 June 2023	<u>8,696,501</u>	<u>(1,357,806)</u>	<u>7,338,695</u>
At 1 July 2023	8,696,501	(1,357,806)	7,338,695
Total comprehensive income for the financial year	-	173,041	173,041
Creation of units	95,189	-	95,189
Cancellation of units	(1,132,100)	-	(1,132,100)
At 30 June 2024	<u>7,659,590</u>	<u>(1,184,765)</u>	<u>6,474,825</u>

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

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	2024 USD	2023 USD
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of investments	8,814,771	89,720
Purchase of investments	(7,793,916)	(402,370)
Dividend received	245,400	277,315
Interest received	1,209	3,633
Manager's fee paid	(29,755)	(31,136)
Trustee's fee paid	(2,652)	(2,999)
Payment for other fees and expenses	(5,777)	(5,279)
Tax paid	-	(880)
Net cash generated from/(used in) operating and investing activities	<u>1,229,279</u>	<u>(71,996)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from units created	95,189	-
Cash paid for units cancelled	(1,132,100)	(106,609)
Net cash used in financing activities	<u>(1,036,911)</u>	<u>(106,609)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	192,368	(178,605)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	<u>85,594</u>	<u>264,199</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u>277,962</u>	<u>85,594</u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash at bank	<u>277,962</u>	<u>85,594</u>
Cash and cash equivalents	<u>277,962</u>	<u>85,594</u>

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

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

TA Asian Bond Fund ("the Fund") was constituted pursuant to the execution of a Deed of Trust ("the Deed") dated 13 February 2020 and Supplemental Deeds (collectively referred to as "the Deeds") between the Manager, TA Investment Management Berhad, and the Trustee, CIMB Commerce Trustee Berhad.

The principal activity of the Fund is to invest in "Permitted Investments" as defined under Clause 6 of the Deed, which include collective investment schemes, money market instruments, deposits and derivatives instruments. The Fund commenced its operations on 19 February 2020 and will continue its operations until terminated by the Manager or the Trustee as provided under Clause 11 of the Deed.

The Manager, TA Investment Management Berhad, a company incorporated in Malaysia, is a wholly-owned subsidiary of TA Securities Holdings Berhad. Its ultimate holding company is TA Enterprise Berhad. The Manager's principal activities are the establishment and management of unit trust funds and fund management. The Manager is licensed to carry out dealing in securities and fund management activities under the Capital Markets and Services Act 2007.

The financial statements were authorised for issue by the Board of Directors of the Manager in accordance with a resolution on 28 August 2024.

2. BASIS OF PREPARATION

(a) Statement of Compliance

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

The following are accounting standards, amendments and interpretations of the MFRSs framework that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Fund:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 16, *Leases - Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements - Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures - Supplier Finance Arrangements*

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

2. BASIS OF PREPARATION (CONTD.)

(a) Statement of Compliance (contd.)

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments; Disclosures - Classification and Measurement of Financial Instruments*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability : Disclosures*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Fund plans to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 July 2024 for the amendments that are effective for annual periods beginning on or after 1 January 2024, except for amendments to MFRS 16 which is not applicable to the Fund.
- from the annual period beginning on 1 July 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025.
- from the annual period beginning on 1 July 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026.
- from the annual period beginning on 1 July 2027 for the accounting standard that is effective for annual periods beginning on or after 1 January 2027, except for MFRS 19 which is not applicable to the Fund.

The initial application of the abovementioned accounting standards, interpretations or amendments is not expected to have any material financial impact to the financial statements of the Fund.

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

2. BASIS OF PREPARATION (CONTD.)

(b) Basis of measurement

The financial statements of the Fund have been prepared on the historical cost basis except for financial assets or liabilities at fair value through profit or loss ("FVTPL").

(c) Functional and presentation currency

The financial statements are presented in US Dollar ("USD"), which is the Fund's functional currency.

(d) Significant Accounting Estimates and Judgments

The preparation of the Fund's financial statements requires the Manager to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in the future.

No major judgments have been made by the Manager in applying the Fund's accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

3. MATERIAL ACCOUNTING POLICIES

(a) Material accounting policies information

The Fund adopted amendments to MFRS 101, *Presentation of Financial Statements* and MFRS Practice Statement 2 - *Disclosures of Accounting Policies* from 1 July 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Fund's accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in the respective notes to the financial statements where relevant.

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

3. MATERIAL ACCOUNTING POLICIES (CONTD.)

(b) Income recognition

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

Dividend income is recognised when the Fund's right to receive payment is established.

Interest income is recognised using the effective interest rate method.

4. MANAGER'S FEE

The Manager's fee is computed on a daily basis at 1.0% (2023: 1.0%) per annum of the NAV of the Fund, net of manager's fee rebates of 0.30% (2023: 0.30%) per annum earned from the Manager and a dealer respectively, on the Fund's NAV of investment in other collective investment scheme, as offered to and agreed by the Trustee and the Manager.

5. TRUSTEE'S FEE

Trustee's fee is computed on a daily basis at 0.04% (2023: 0.04%) per annum of the NAV of the Fund, subject to minimum of RM12,000 (2023: RM12,000).

6. INCOME TAX EXPENSE

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the financial year. Foreign source income is subject to tax at the prevailing rate of 24% for amount remitted from 1 July 2022 onwards.

In accordance with Schedule 6 of the Income Tax Act 1967, interest income earned by the Fund is exempted from Malaysian tax, except for interest paid or credited to a unit trust that is a wholesale fund which is a money market fund.

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

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

6. INCOME TAX EXPENSE (CONTD.)

	2024 USD	2023 USD
Net income/(loss) before tax	173,041	(245,191)
Taxation at Malaysian statutory rate of 24%	41,530	(58,846)
Effects of income not subject to tax	(50,191)	(67,426)
Effects of expenses not deductible for tax purposes	1,442	118,147
Restriction on tax deductible expenses for unit trust funds	7,219	8,125
Income tax expense for the financial year	-	-

7. INVESTMENTS

	2024 USD	2023 USD
Financial assets at FVTPL:		
Collective investment scheme outside Malaysia	6,215,277	7,041,053
Net loss on financial assets at FVTPL comprises:		
Net realised loss on disposals	(384,680)	(531,932)
Net unrealised gain/(loss) on changes in fair value	330,555	(123,388)
Derivative gain	16,645	169,383
	(37,480)	(485,937)

Financial assets at FVTPL as at 30 June 2024 are as below:

Collective investment scheme outside Malaysia

Name of Collective Investment Scheme	Quantity Unit	Cost USD	Fair Value USD	% of NAV %
Fullerton Lux Funds				
- Asian Bonds Class I	455,098	7,311,289	6,215,277	95.99
Total collective investment scheme outside Malaysia	455,098	7,311,289	6,215,277	95.99
EXCESS OF COST OVER FAIR VALUE			(1,096,012)	

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

7. INVESTMENTS (CONTD.)

Financial assets at FVTPL as at 30 June 2023 are as detailed below:

Collective investment scheme outside Malaysia

Name of Collective Investment Scheme	Quantity Unit	Cost USD	Fair Value USD	% of NAV %
Fullerton Lux Funds - Asian Bonds Class I	740,306	8,467,620	7,041,053	95.94
Total collective investment scheme outside Malaysia	740,306	8,467,620	7,041,053	95.94
EXCESS OF COST OVER FAIR VALUE			(1,426,567)	

Fullerton Lux Funds - Asian Bonds Class 1 is a sub-fund of Fullerton Lux Fund, an open-ended umbrella fund with segregated liability between sub-funds, incorporated in Luxembourg as a société anonyme and qualifies as a Societe d'Investissement A Capital Variable ("SICAV"). The SICAV was incorporated under Luxembourg law and is a recognised Collective Investment Scheme under part 1 of the Luxembourg Law of 17 December 2010.

The management company of the funds is Lemanik Asset Management S.A., a company incorporated in Luxembourg. The investment manager and distributor of the funds is Fullerton Fund Management Company Limited, a company incorporated in Singapore.

In the prior financial year, the Fund has not met its fund allocation strategies of maintaining a minimum of 95% of its NAV invested in the collective investment scheme.

8. DERIVATIVE FINANCIAL LIABILITIES

As at the date of statement of financial position, there were forward currency contracts outstanding. The notional principal amount of the outstanding forward currency contracts amounted to USD3,245,000 (2023: USD4,265,000). The forward currency contracts entered into during the financial year were for hedging against the currency exposure arising from the creation and cancellation of units denominated in foreign currency. The change in the fair value of the forward currency contracts are recognised in the statement of comprehensive income.

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

9. AMOUNT DUE FROM/(TO) THE MANAGER

Amount due from the Manager relates to the amount receivable from the Manager for rebate of Manager's fee of USD2,922 (2023: USD1,791) at the end of the financial year.

Amount due to the Manager relates to the amount payable to the Manager arising from accruals for Manager's fee of USD4,958 (2023: USD6,082) at the end of the financial year.

10. NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS

	Note	2024 USD	2023 USD
Unitholders' capital	(a)	7,659,590	8,696,501
Retained earnings			
- Realised reserve	(b)	5,106	179,265
- Unrealised loss	(c)	(1,189,871)	(1,537,071)
		<u>6,474,825</u>	<u>7,338,695</u>
(a) Unitholders' capital			
		2024 USD	2023 USD
At beginning of the financial year		8,696,501	8,802,799
Creation of units		95,189	-
Cancellation of units		(1,132,100)	(106,298)
At end of the financial year		<u>7,659,590</u>	<u>8,696,501</u>

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

10. NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS (CONTD.)

(b) Realised reserve

	2024 USD	2023 USD
At beginning of the financial year	179,265	470,451
Net realised loss for the financial year	(174,159)	(291,186)
At end of the financial year	<u>5,106</u>	<u>179,265</u>

(c) Unrealised loss

	2024 USD	2023 USD
At beginning of the financial year	(1,537,071)	(1,583,066)
Net unrealised income for the financial year	347,200	45,995
At end of the financial year	<u>(1,189,871)</u>	<u>(1,537,071)</u>

(d) Units in circulation

	Units on 1.7.2023	Creation of units	Cancellation of units	Units on 30.6.2024
USD Class	7,210,475	-	(109,816)	7,100,659
AUD Hedged Class	1,737,527	-	(601,818)	1,135,709
SGD Hedged Class	2,908,732	-	(1,738,163)	1,170,569
MYR Hedged Class	30,989,613	1,041,899	(4,047,829)	27,983,683
GBP Hedged Class	1,000	-	-	1,000

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

11. TRANSACTIONS WITH BROKER

Details of transactions with broker during the financial year are as follow:

Name of broker	2024		2023	
	Value of trade USD	Percentage to total value of trade %	Value of trade USD	Percentage to total value of trade %
Fullerton Fund Management Company Limited	16,015,936	97.17	657,315	72.55
BNP Paribas Investment Partners Singapore Ltd	466,492	2.83	248,644	27.45
	<u>16,482,428</u>	<u>100.00</u>	<u>905,959</u>	<u>100.00</u>

There is no brokerage fee paid to the broker.

12. TOTAL EXPENSE AND PORTFOLIO TURNOVER RATIOS

(a) Total Expense Ratio

The total expense ratio for the financial year ended 30 June 2024 was 0.55% (2023: 1.12%). This ratio represents total management expenses expressed as an annualised percentage of the Fund's average NAV, calculated on a daily basis.

(b) Portfolio Turnover Ratio

The portfolio turnover ratio for the financial year ended 30 June 2024 was 1.26 times (2023: 0.06 times). This ratio represents the average of the total acquisitions and disposals of the Fund for the year over the average NAV of the Fund for the financial year calculated on a daily basis.

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

13. SEGMENT INFORMATION

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

- A portfolio of collective investment schemes; and
- A portfolio of money market instruments.

The investment objective is to provide income and long-term capital appreciation by investing in a collective investment scheme which invests mainly in fixed income or debt securities denominated primarily in USD and Asian currencies, issued by companies, governments, quasi-governments, government agencies or supranationals in the Asian region. There have been no changes in reportable segments in the current financial year.

The segment information is presented below:

	Collective investment schemes USD	Money market instrument USD	Total USD
2024			
Interest income	-	1,209	1,209
Dividend income	245,400	-	245,400
Net loss on financial assets at FVTPL	(37,480)	-	(37,480)
Total segment operating loss for the financial year	<u>207,920</u>	<u>1,209</u>	<u>209,129</u>
Investments	<u>6,215,277</u>	-	<u>6,215,277</u>
Total segment assets	<u>6,215,277</u>	-	<u>6,215,277</u>
Other liabilities	-	-	-
Total segment liabilities	-	-	-
2023			
Interest income	-	3,628	3,628
Dividend income	277,315	-	277,315
Net loss on financial assets at FVTPL	(485,937)	-	(485,937)
Total segment operating loss for the financial year	<u>(208,622)</u>	<u>3,628</u>	<u>(204,994)</u>
Investments	<u>7,041,053</u>	-	<u>7,041,053</u>
Amount due from the stockbroker	<u>248,664</u>	-	<u>248,664</u>
Total segment assets	<u>7,289,717</u>	-	<u>7,289,717</u>
Other liabilities	-	-	-
Total segment liabilities	-	-	-

There was no transaction between operating segments during the financial year.

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

13. SEGMENT INFORMATION (CONTD.)

Expenses of the Fund are not considered part of the performance of any operating segment. The following table provides a reconciliation between the net reportable segment loss and operating loss:

	2024	2023
	USD	USD
Net reportable segment operating gain/(loss)	209,129	(204,994)
Expenses	(36,088)	(40,197)
Net income/(loss) before tax	173,041	(245,191)
Income tax expense	-	-
Net income/(loss) after tax	<u>173,041</u>	<u>(245,191)</u>

In addition, certain assets and liabilities are not considered to be part of the total assets or liabilities of the operating segments. The following table provides a reconciliation between the reportable total segment assets and total segment liabilities and total assets and total liabilities of the Fund:

	2024	2023
	USD	USD
Total segment assets	6,215,277	7,289,717
Amount due from the Manager	2,922	1,791
Other receivable	5,554	6,328
Cash at bank	277,962	85,594
Total assets of the Fund	<u>6,501,715</u>	<u>7,383,430</u>
Derivative financial liabilities	17,744	33,850
Amount due to the Manager	4,958	6,082
Amount due to Trustee	198	243
Other payables and accruals	3,990	4,560
Total liabilities of the Fund	<u>26,890</u>	<u>44,735</u>

14. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The Fund's financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost based on their respective classification. The following table analyses the financial assets and financial liabilities of the Fund in the statement of financial position as at the end of reporting period by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

14. FINANCIAL INSTRUMENTS (CONTD.)

(a) Classification of financial instruments (contd.)

	Financial assets/ liabilities at FVTPL USD	Financial asset at amortised cost USD	Financial liabilities at amortised cost USD	Total USD
2024				
Assets				
Investments	6,215,277	-	-	6,215,277
Amount due from the Manager	-	2,922	-	2,922
Other receivable	-	5,554	-	5,554
Cash at bank	-	277,962	-	277,962
Total financial assets	<u>6,215,277</u>	<u>286,438</u>	<u>-</u>	<u>6,501,715</u>
Liabilities				
Derivative financial liabilities	17,744	-	-	17,744
Amount due to the Manager	-	-	4,958	4,958
Amount due to Trustee	-	-	198	198
Other payables and accruals	-	-	3,990	3,990
Total financial liabilities	<u>17,744</u>	<u>-</u>	<u>9,146</u>	<u>26,890</u>
Income, expenses, gains and losses				
Interest income	-	1,209	-	1,209
Dividend income	245,400	-	-	245,400
Net loss on financial assets at FVTPL	<u>(37,480)</u>	<u>-</u>	<u>-</u>	<u>(37,480)</u>

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

14. FINANCIAL INSTRUMENTS (CONTD.)

(a) Classification of financial instruments (contd.)

	Financial assets/ liabilities at FVTPL USD	Financial asset at amortised cost USD	Financial liabilities at amortised cost USD	Total USD
2023				
Assets				
Investments	7,041,053	-	-	7,041,053
Amount due from the stockbroker	-	248,664	-	248,664
Amount due from the Manager	-	1,791	-	1,791
Other receivable	-	6,328	-	6,328
Cash at bank	-	85,594	-	85,594
Total financial assets	<u>7,041,053</u>	<u>342,377</u>	<u>-</u>	<u>7,383,430</u>
Liabilities				
Derivative financial liabilities	33,850	-	-	33,850
Amount due to Manager	-	-	6,082	6,082
Amount due to Trustee	-	-	243	243
Other payables and accruals	-	-	4,560	4,560
Total financial liabilities	<u>33,850</u>	<u>-</u>	<u>10,885</u>	<u>44,735</u>
Income, expenses, gains and losses				
Interest income	-	3,628	-	3,628
Dividend income	277,315	-	-	277,315
Net loss on financial assets at FVTPL	<u>(485,937)</u>	<u>-</u>	<u>-</u>	<u>(485,937)</u>

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

14. FINANCIAL INSTRUMENTS (CONTD.)

(b) Financial instruments that are carried at fair value

The Fund's financial assets and liabilities at FVTPL are carried at fair value. The fair value of these financial assets and financial liabilities were determined as follows:

Collective investment scheme

Fair value are determined directly by reference to its published NAV per unit as at the statement of financial position date.

Derivative financial liabilities

The fair value of forward exchange contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate.

(c) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts approximate the fair values due to their short term nature.

- Deposit with a financial institution
- Amount due from/(to) the Manager
- Amount due from stockbroker
- Interest receivable
- Other receivable
- Cash at bank
- Amount due to Trustee
- Other payables and accruals

(d) Fair value hierarchy

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

14. FINANCIAL INSTRUMENTS (CONTD.)

(d) Fair value hierarchy (contd.)

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
2024				
Financial assets at FVTPL:				
Collective investment scheme outside Malaysia	-	6,215,277	-	6,215,277
Financial liabilities at FVTPL:				
Derivative financial liabilities	-	(17,744)	-	(17,744)
2023				
Financial assets at FVTPL:				
Collective investment scheme outside Malaysia	-	7,041,053	-	7,041,053
Financial liabilities at FVTPL:				
Derivative financial liabilities	-	(33,850)	-	(33,850)

15. FINANCIAL RISKS AND MANAGEMENT OBJECTIVES AND POLICIES

(a) Introduction

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

The Fund's objective in managing risks is the creation and protection of unitholders' value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring of risk. Financial risk management is also carried out through sound internal control systems and adherence to the investments restrictions as stipulated in the Deed and the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

(b) Risk management structure

The Fund's Manager is responsible for identifying and managing risks. The Board of Directors of the Manager are ultimately responsible for the overall risk management approach within the Fund.

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

15. FINANCIAL RISKS AND MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

(c) Risk measurement and reporting system

Risk monitoring and controlling risks mechanism are primarily set up to be performed based on limits established by the Manager and the Trustee. These limits reflect the investment strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. In addition, the Fund monitors and measures the overall risk bearing capacity in relation to aggregated risk exposure across all risks type and activities.

(d) Risk mitigation

The Fund has investment policy that set out its overall business strategies, its tolerance for risk and its general risk management philosophy. The Manager also has a Compliance Department to ensure that the Fund complies with the various regulations and guidelines as stipulated in its Deed, Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

(e) Excessive risk concentration

Risk concentration indicates the relative exposure of the Fund's performance to developments affecting a particular industry or geographical location. Concentrations of risk arise when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their abilities to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of foreign exchange risk may arise if the Fund has a significant net position in a single foreign currency, or aggregate net position in several currencies that tend to move together.

As a Feeder Fund, the Fund relies on the risk management activities undertaken by the Target Fund Manager to avoid or minimise excessive risk concentration.

(f) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rate, equity prices and currency rates. The maximum risk resulting from financial instruments equals their fair values at the reporting date.

(i) Interest rate risk

Interest rate is a general economic indicator that will have an impact on the management of the Fund regardless whether it is a unit trust fund or otherwise.

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

15. FINANCIAL RISKS AND MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

(f) Market risk (contd.)

(i) Interest rate risk (contd.)

Interest rate risk sensitivity

The sensitivity is the effect of the assumed changes in interest rate on the net profit for one year, based on the floating rate financial asset held at the end of the reporting period.

The Fund's assets that have an exposure to interest rate as at the financial year end are not sensitive to interest rate risk as the deposit with a financial institution has fixed interest rates.

Interest rate risk exposure

The following table analyses the Fund's interest rate risk exposure.

	Interest bearing instruments USD	Non-interest bearing instruments USD	Total USD	WAEIR %
2024				
Assets				
Investments	-	6,215,277	6,215,277	
Other assets	-	286,438	286,438	
Total assets	-	6,501,715	6,501,715	
Liabilities				
Derivative financial liabilities	-	17,744	17,744	
Other liabilities	-	9,146	9,146	
Total liabilities	-	26,890	26,890	
Total interest sensitivity gap	-	6,474,825	6,474,825	

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

15. FINANCIAL RISKS AND MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

(f) Market risk (contd.)

(i) Interest rate risk (contd.)

	Interest bearing instruments USD	Non-interest bearing instruments USD	Total USD	WAEIR %
2023				
Assets				
Investments	-	7,041,053	7,041,053	
Other assets	-	342,377	342,377	
Total assets	-	7,383,430	7,383,430	
Liabilities				
Derivative financial liabilities	-	33,850	33,850	
Other liabilities	-	10,885	10,885	
Total liabilities	-	44,735	44,735	
Total interest sensitivity gap	-	7,338,695	7,338,695	

(ii) Equity price risk

Equity price risk is the risk of unfavourable changes in the fair values of equities as the result of changes in the level of equity index and the value of individual investments. The equity price risk exposure arises from the Fund's investment in collective investment scheme.

Equity price risk sensitivity

Management's best estimate of the effect on the income and NAV for the financial year due to a reasonably possible change in equity index, with all other variables held constant is indicated in the table below:

Market Index	Change in equity index %	Effect on income USD	Effect on NAV USD
2024			
Collective investment scheme	+5.0	310,764	310,764
2023			
Collective investment scheme	+5.0	352,053	352,053

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

15. FINANCIAL RISKS AND MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

(f) Market risk (contd.)

(ii) Equity price risk (contd.)

Equity price risk sensitivity (contd.)

An opposite movement in the index shown above would have resulted in an equivalent, but opposite, impact.

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

Equity price risk concentration

The following table sets out the Fund's exposure to equity price risk based on its place of domicile of equity instruments as at the reporting date:

	2024		2023	
	USD	% of NAV	USD	% of NAV
Luxembourg	6,215,277	95.99	7,041,053	95.94

(iii) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rate. Accordingly, the value of the Fund's assets may be affected favourably or unfavourably by fluctuations in currency rates and therefore the Fund will be subject to foreign exchange risks.

Currency risk sensitivity

The following table indicates the currency to which the Fund has significant currency risk exposure at the end of reporting period on its financial assets. The analysis calculates the effect of a reasonably possible movement of the currency rate against USD on income and NAV with all other variables held constant.

Exchange rate	Exchange rate USD	Change in currency rate %	Effect on income USD	Effect on NAV USD
2024				
AUD/USD	0.6654	+5.0	595	595
MYR/USD	0.2120	+5.0	1,112	1,112
GBP/USD	1.2649	+5.0	28	28
SGD/USD	0.7378	+5.0	666	666

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

15. FINANCIAL RISKS AND MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

(f) Market risk (contd.)

(iii) Currency risk (contd.)

Currency risk sensitivity (contd.)

Exchange rate	Exchange rate USD	Change in currency rate %	Effect on income USD	Effect on NAV USD
2023				
AUD/USD	0.6623	+5.0	431	431
MYR/USD	0.2144	+5.0	532	532
GBP/USD	1.2634	+5.0	28	28
SGD/USD	0.7371	+5.0	1,941	1,941

An opposite movement in the exchange rates shown above would have resulted in an equivalent, but opposite, impact.

Currency risk exposure

The following table sets out the Fund's exposure to foreign currency rate on its net financial assets based on foreign currency net position as at the reporting date.

	2024		2023	
	USD	% of NAV	USD	% of NAV
AUD	11,905	0.18	8,621	0.12
MYR	22,244	0.34	10,636	0.14
GBP	565	0.01	564	0.01
SGD	13,317	0.21	38,828	0.53

(g) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge its obligation. The Fund is exposed to the risk of credit related losses that can occur as a result of a counterparty or issuer being unable or unwilling to honour its contractual obligations to make timely payment of interest, principal and proceeds from realisation of investments.

The Manager manages the Fund's credit risk by undertaking credit evaluation and close monitoring of any changes to the issuer/counterparty's credit profile to minimise such risk. It is the Fund's policy to invest with reputable counterparties. The Manager also closely monitors the creditworthiness of the Fund's counterparties (e.g. dealer, custodian, bank, etc.) by reviewing their credit ratings and credit profile.

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

15. FINANCIAL RISKS AND MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

(g) Credit risk (contd.)

Financial assets that are either past due or impaired

There are no financial assets that are either past due or impaired at the end of reporting year.

Credit risk exposure

As at the end of the reporting period, 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.

Credit quality of financial assets

	Rating by Rating Agency of Malaysia	Unrated USD	Total USD
	P1 USD		
2024			
Short term credit rating of financial assets not at FVTPL			
Amount due from the Manager	-	2,922	2,922
Other receivable	-	5,554	5,554
Cash at bank	277,962	-	277,962
	<u>277,962</u>	<u>8,476</u>	<u>286,438</u>
2023			
Short term credit rating of financial assets not at FVTPL			
Amount due from stockbroker	-	248,664	248,664
Amount due from the Manager	-	1,791	1,791
Other receivable	-	6,328	6,328
Cash at bank	85,594	-	85,594
	<u>85,594</u>	<u>256,783</u>	<u>342,377</u>

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

15. FINANCIAL RISKS AND MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

(h) Liquidity risk

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

It is the Fund's policy that the Manager monitors the Fund's liquidity position on a daily basis. The Fund also manages its obligation to pay for redemption of units when required to do so and its overall liquidity risk by requiring a 3-days notice period before redemption.

The Manager's policy is to always maintain a prudent and sufficient level of liquid assets so as to meet normal operating requirements and expected redemption requests by unitholders.

The following table summarises the maturity profile of the Fund's financial assets and financial liabilities. The table also analyses the maturity profile of the Fund's financial assets against the Fund's contractual commitments to provide an overview of the Fund's liquidity.

	Less than 1 month	
	2024 USD	2023 USD
Assets		
Investments	6,215,277	7,041,053
Other assets	286,438	342,377
	<u>6,501,715</u>	<u>7,383,430</u>
Liabilities		
Other liabilities	26,890	44,735
	<u>26,890</u>	<u>44,735</u>
Unitholders' total equity	<u>6,474,825</u>	<u>7,338,695</u>
Liquidity gap	<u>-</u>	<u>-</u>

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

15. FINANCIAL RISKS AND MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

(h) Liquidity risk (contd.)

Notes:

(i) Financial assets

Analysis of financial assets at FVTPL into maturity groupings is based on the expected date on which these assets can be realised. Collective investment scheme has been included in the "Less than 1 month" category on the assumption that this is highly liquid investment which can be realised immediately should all of the Fund's unitholders' capital are required to be redeemed. For other assets, the analysis into maturity grouping is based on the remaining period from the end of the reporting date to the contractual maturity date or if earlier, the expected date on which the assets will be realised.

(ii) Financial liabilities

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

(iii) Equity

As unitholders can request for redemption on their units by giving the Manager a 3-days notice period, equity is categorised as having a maturity of "Less than 1 month". However, the Fund believes that it would be able to liquidate all its investments should the need arise to satisfy all the redemption requirements of the Fund.

16. CAPITAL MANAGEMENT

The primary objective of the Fund's capital management is to ensure that it maximises unitholder's value by expanding its fund size to benefit from economies of scale and achieving growth in NAV from the performance of its investments.

The Fund manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Fund may issue new or bonus units, make distribution payment, or return capital to unitholder by way of redemption of units.

No changes were made in the objectives, policies or processes during the financial year ended 30 June 2024 and 30 June 2023, respectively.

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

Corporate Information

Manager	TA Investment Management Berhad (340588-T)
Registered Office	34th Floor, Menara TA One 22 Jalan P. Ramlee 50250 Kuala Lumpur
Board of Directors	En. Mohammed A'reeff Bin Abdul Khalid (Non-Independent / Non-Executive Director) Mr. Choo Swee Kee (Non-Independent / Non-Executive Director) Puan Zainab Binti Ahmad (Non-Independent / Non-Executive Director) Puan Nor Asma Binti Mohamed (Non-Independent / Non-Executive Director) Mr. Chew Chin Guan (Independent / Non-Executive Director) Mr. Ngiam Kee Tong (Independent / Non-Executive Director)
Investment Committee Members	Kaladher A/L Govindan (Non-Independent) Dato' Tay Kian Chuan (Independent) Ngiam Kee Tong (Independent)
Trustee of the Fund	CIMB Commerce Trustee Berhad (Registration Number: 199401027349 (313031-A)) Level 13, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur
Auditor of the Manager and the Fund	KPMG PLT Chartered Accountants Level 10, KPMG Tower 8 First Avenue, Bandar Utama 47800 Petaling Jaya Selangor
Banker	Malayan Banking Bhd Ground Floor, Wisma Genting Jalan Sultan Ismail 50250 Kuala Lumpur
Secretaries	Khoo Poh Kim @ Kimmy (LS0010314)

TA Asian Bond Fund

(For the financial year ended 30 June 2024)

Corporate Information (cont'd)

Management Staff	Wong Mien Chief Executive Officer	Ch'ng Soon Kim Compliance Officer
	Tee Ling Ling Deputy Chief Executive Officer	Alicia Khor Head of Operations
	Sammi Lim Shuey Shya Head of Product Research & Development	Lee Shi Chuan Head of IUTA
	Ranizaz Bin Mohd Razali Head of Agency	Rachel Lew Yen Peng Head of Corporate & Institutional Business
	Lucy Magdalene Lourdes Head of Customer Service & Communications	
Investment Team	Choo Swee Kee Chief Investment Officer	John Ng Jiunn Yuan Head of Fixed Income
	Vivien Loh Jee Wae Assistant Vice President	Mohammad Hafiz Bin Mahmud Fund Manager
	Lam Chee Mun Fund Manager	
Head Office	23rd Floor, Menara TA One 22 Jalan P. Ramlee 50250 Kuala Lumpur	
	Toll Free: 1-800-38-7147	
	Tel: (603) 2031 6603	
	Fax: (603) 2031 4479	
	Website: http://www.tainvest.com.my	
E-mail: investor.taim@ta.com.my		

Head Office	TA Investment Management Berhad 23rd Floor, Menara TA One 22 Jalan P. Ramlee 50250 Kuala Lumpur Tel: 03-2031 6603 Fax: 03-2031 4479
Melaka Business Centre	57A, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel: 06-2882 687
Penang Business Centre	15-1-8, Bayan Point Medan Kampung Relau 11900 Pulau Pinang Tel: 04-6459 801 Fax: 04-6119 805
Kota Kinabalu Business Centre	Unit 4-1-02, 1st Floor Block 4, Api-Api Centre Jalan Centre Point 88000 Kota Kinabalu, Sabah Tel: 088-268 023 Fax: 088-248 463
Kuching Business Centre	2nd Floor, Lot 13008, SL26, Block 16 KCLD, Gala City Commercial Centre Jalan Tun Jugah, 93350 Kuching, Sarawak Tel: 082-265 979
Miri Business Centre	Lot 1251, 1st Floor Centrepont Commercial Centre (Phase 1) Jalan Melayu 98000 Miri, Sarawak Tel: 085-430 415
Ipoh Business Centre	29A Jalan Niaga Simee Arena Niaga Simee 31400 Ipoh Perak Tel: 05-5455 222
Johor Bahru Business Centre	37-01, Jalan Molek 1/29 Taman Molek 81100 Johor Bahru Johor Tel: 07-3611 781