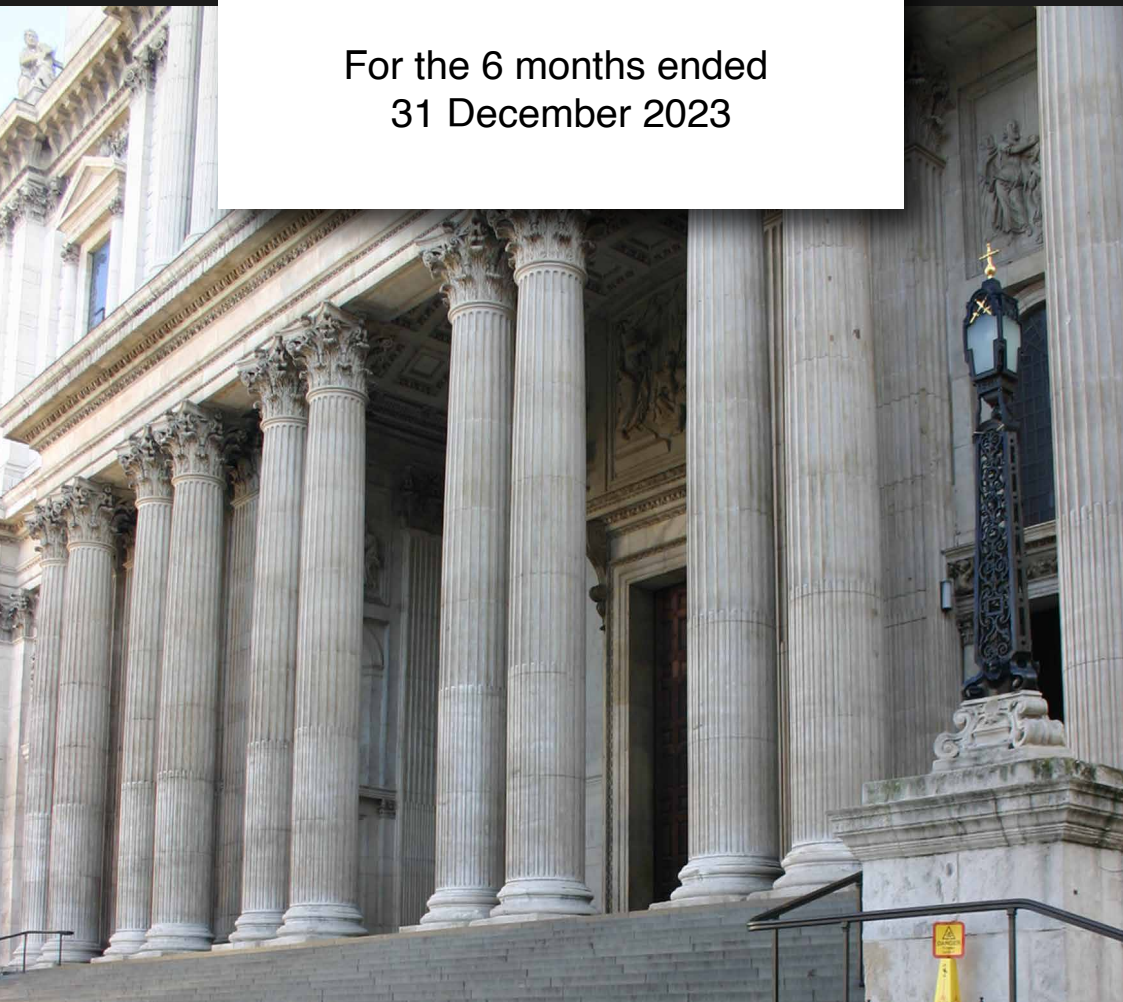


SEMI-ANNUAL REPORT

TA EUROPEAN EQUITY FUND

For the 6 months ended
31 December 2023



TA INVESTMENT

A MEMBER OF THE TA GROUP

199501011387 (340588-T)

TA European Equity Fund

(For the 6 months ended 31 December 2023)

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TA European Equity Fund

(For the 6 months ended 31 December 2023)

Key Performance Data

	6 months ended 31/12/2023	6 months ended 31/12/2022	6 months ended 31/12/2021
PORTFOLIO COMPOSITION (% OF NAV)			
Collective Investment Schemes	93.29	98.10	93.38
Cash (Net of Liabilities)	6.71	1.90	6.62
Total Investment	100.00	100.00	100.00

Total Net Asset Value (RM'000)	22,401	23,861	37,088
Units In Circulation (Units '000)	38,300	49,255	67,223
Net Asset Value Per Unit (RM)	0.5849	0.4844	0.5517
Total Expense Ratio (TER) (%) *	0.41	0.39	0.43
Portfolio Turnover Ratio (PTR) (times) **	0.13	0.05	0.20

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

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

UNIT PRICES

NAV Per Unit (RM)	0.5849	0.4844	0.5517
Highest NAV Per Unit for the Period (RM)	0.5905	0.5011	0.5686
Lowest NAV Per Unit for the Period (RM)	0.5284	0.4321	0.5333

TOTAL RETURN (%)

Capital Return	3.78	5.69	1.38
Income Return	-	-	-
Total Return of Fund	3.78	5.69	1.38
Total Return of the Benchmark	3.48	4.27	7.56

AVERAGE TOTAL RETURN (%)

Period	Fund	Benchmark
1 Year (31/12/2022 - 31/12/2023)	20.75	12.73
3 Years (31/12/2020 - 31/12/2023)	7.22	6.45
5 Years (31/12/2018 - 31/12/2023)	9.41	7.04

TA European Equity Fund

(For the 6 months ended 31 December 2023)

ANNUAL TOTAL RETURN (%)

Period	Fund	Benchmark
31/12/2022 - 31/12/2023	20.75	12.73
31/12/2021 - 31/12/2022	-12.20	-12.39
31/12/2020 - 31/12/2021	16.27	22.12
31/12/2019 - 31/12/2020	5.28	-4.81
31/12/2018 - 31/12/2019	20.83	22.43

Source : Lipper for Investment Management

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:

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

N^1 = NAV on the end of the period

N^2 = NAV on the beginning of the period

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

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

N^3 = Number of periods per year

N^4 = Total number of periods

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

TA European Equity Fund

(For the 6 months ended 31 December 2023)

Manager's Report

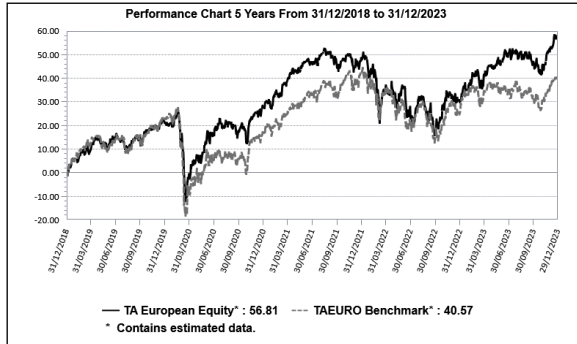
TA European Equity Fund

Fund Category/Type	Fund of Funds (European Equity) / Growth & Income		
Fund Objective	The Fund aims to seek steady income and capital growth over medium to long-term through investments in a diversified portfolio of local and/or foreign equity funds, Real Estate Investment Trust ("REITs") and Exchange-Traded Fund ("ETFs") that invest in Europe.		
Performance Benchmark	MSCI Europe CR Index (effective 1 September 2021) FTSE World Europe Index (initial benchmark)		
Fund's Distribution Policy	The Fund may declare annual/interim distribution (if any) during its financial year.		
Fund's Performance and Investment Strategies Employed	<p>The Fund was managed within its investment objective for the six-month semi-annual period under review.</p> <p>For the financial period under review, the Fund had a total return of 3.78%, outperforming the benchmark which had a return of 3.48% over the same period.</p>		
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 trade transaction during the financial period under review.		
Analysis of Fund's Performance	31/12/23	30/06/23	% Change
NAV/unit (RM)	0.5849	0.5636	3.78
Total NAV (RM'000)	22,401	25,552	-12.33
	Income Distribution (%)	Capital Return # (%)	Total Return (%)
	-	3.78	3.78
	# Capital Return components:		
	❖ Collective investment schemes		
	❖ Cash and cash equivalent		

TA European Equity Fund

(For the 6 months ended 31 December 2023)

Performance Chart



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

Distribution/Unit Split

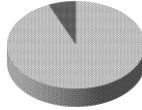
None were declared for the financial period under review ended 31 December 2023.

Asset Allocation

31/12/23

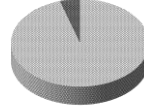
30/06/23

Cash (Net of Liabilities)
6.71%



Collective Investment
Schemes 93.29%

Cash (Net of Liabilities)
4.71%



Collective Investment
Schemes 95.29%

The Fund was primarily invested in Collective Investment Schemes (93.29%), with the remainder in Cash (Net of Liabilities, "6.71%").

Top Investments

Top 5 Collective Investment Schemes

As at 31/12/23

% NAV

Janus Henderson Horizon European Growth Fund	21.30
Parvest Equity High Dividend Europe Fund	20.56
Janus Henderson Horizon Euroland Fund	18.33
Janus Henderson Horizon Euroland Fund (Hedged)	6.58
Janus Henderson Horizon Pan European Mid and Large Cap Fund (Hedged)	6.49

TA European Equity Fund

(For the 6 months ended 31 December 2023)

	As at 30/06/23	% NAV
	Janus Henderson Horizon European Growth Fund	20.03
	Janus Henderson Horizon Euroland Fund	19.91
	Janus Henderson Horizon Pan European Equity Fund (Hedged)	19.18
	Parvest Equity High Dividend Europe Fund	17.28
	Janus Henderson Horizon Euroland Fund (Hedged)	5.50

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

TA European Equity Fund

(For the 6 months ended 31 December 2023)

Market Review

Euro zone business activity shrank much more than expected in July 2023 as demand in the bloc's dominant services industry declined while factory output fell at the fastest pace since the coronavirus pandemic first took hold. The decline was broad-based with the Eurozone's two biggest economies - Germany and France. Headline inflation in the Euro-area fell to 5.3% in July 2023 from 5.5% in June 2023 after an energy-driven halt. Eurozone activity contracted in September 2023. The Purchasing Managers' Index (PMI) for the Euro area, compiled by S&P Global, dropped to an eight-month low of 48.9 in July 2023. While the PMI ticked up slightly to 47.1 in August 2023, which was better than expected, it did not ease concerns about a possible contraction in Gross Domestic Product (GDP) in the second half of 2023. PMI were marginally lower to 47.2 in September 2023. In the third quarter of 2023, the pan-European Stoxx 600 had a total return of -5.41%.

Business activity in the Eurozone took a surprise turn for the worse in October 2023 as demand fell in a broad-based downturn across the region. The PMI fell to 46.5 in October 2023, its lowest since November 2020. The European Central Bank (ECB) will kept interest rates unchanged at a record high in October 2023, snapping a 15-month streak of hikes. The Eurozone's downturn in business activity slowed in November 2023, according to data from the Composite PMI, which picked up to 47.1 in November 2023. New orders continue to fall as backlogs of work are being depleted. The employment outlook continues to deteriorate. Services job growth had kept overall employment growing up till now but the survey suggests that employment in this sector is now growing at a snail's pace. With manufacturing shedding jobs, this is resulting in a marginal downturn. New orders in the Eurozone continued to deteriorate in December 2023, albeit at a slower pace. In Spain, business confidence figures revealed a 2% uptick in overall business sentiment. However, inflationary pressures were on the rise again, while industrial production dropped for the sixth consecutive month and was down by almost 5% for the year of 2023. Market sentiment rebounded in the fourth quarter of 2023, with the pan-European Stoxx 600 index rebounding 11.01%.

Economic Outlook, Market Outlook And Investment Strategy

The current state of stagnation and shallow recession in the Eurozone is expected to continue. In fact, the risk that 2024 will be another year of recession has clearly increased. The ECB will likely keep interest rates on hold well into 2024. Inflation in the eurozone is expected to fall close to the ECB's 2% target in less than two years, according to the forecasts. The Eurozone continues to be plagued by falling demand for goods and services, although new orders did fall at a slower pace than in recent months. The slowing pace of contracting orders does suggest that there is a bottoming out happening though. The prolonged war in Ukraine, geopolitical unrests and energy supply shocks remains the key risk heading into the new year.

TA European Equity Fund

(For the 6 months ended 31 December 2023)

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 financial period under review.

TA European Equity Fund

(For the 6 months ended 31 December 2023)

TRUSTEE'S REPORT

To the unit holders of TA EUROPEAN EQUITY FUND ("Fund")

We have acted as Trustee of the Fund for the financial period ended 31 December 2023 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 period covered by these financial statements in accordance with the following:

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

For **Maybank Trustees Berhad**

[Company. No.: 196301000109 (5004-P)]

NORHAZLIANA BINTI MOHAMMED HASHIM

Head, Unit Trust & Corporate Operations

Kuala Lumpur, Malaysia

16 February 2024

TA European Equity Fund

(For the 6 months ended 31 December 2023)

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 unaudited financial statements set out on pages 11 to 30, are drawn up so as to give a true and fair view of the financial position of TA EUROPEAN EQUITY FUND as at 31 December 2023 and of its unaudited financial performance and unaudited cash flows for the financial period ended on that date in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards.

On behalf of the Manager,

CHOO SWEE KEE

MOHAMMED A'REEFF BIN ABDUL KHALID

Kuala Lumpur, Malaysia
16 February 2024

TA European Equity Fund

(For the 6 months ended 31 December 2023)

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023

		01.07.2023 to 31.12.2023 RM	01.07.2022 to 31.12.2022 RM
	Note		
INCOME			
Interest income from deposit with financial institutions		3,586	8,122
Net income on:			
- financial assets at fair value through profit or loss ("FVTPL")	6	910,112	1,427,931
		<u>913,698</u>	<u>1,436,053</u>
EXPENSES			
Manager's fee	3	72,231	79,463
Trustee's fee	4	6,399	6,883
Auditors' remuneration		5,400	3,000
Tax agent's fee		1,620	1,620
Investment committee's remuneration		3,600	3,600
Administrative fees and expenses		7,370	3,119
		<u>96,620</u>	<u>97,685</u>
Net income before tax		817,078	1,338,368
Less: Income tax expense	5	-	-
Net income after tax, representing total comprehensive income for the period		<u>817,078</u>	<u>1,338,368</u>
Net income after tax is made up of the following:			
Net realised income		753,164	329,150
Net unrealised income		63,914	1,009,218
		<u>817,078</u>	<u>1,338,368</u>

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

TA European Equity Fund

(For the 6 months ended 31 December 2023)

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	31.12.2023 RM	30.06.2023 RM
ASSETS			
Investments	6	20,895,441	24,344,263
Deposit with a financial institutions	7	320,878	325,066
Interest receivable		76	26
Amount due from the Manager	8	11,333	263,451
Other receivable		36,930	43,137
Cash at banks		1,389,049	653,704
TOTAL ASSETS		<u>22,653,707</u>	<u>25,629,647</u>
LIABILITIES			
Amount due to the Manager	8	238,833	62,365
Amount due to Trustee		1,005	1,164
Other payables and accruals		12,990	13,970
TOTAL LIABILITIES		<u>252,828</u>	<u>77,499</u>
EQUITY			
Unitholders' capital	9(a)	36,800,727	40,769,074
Accumulated losses	9(b),(c)	<u>(14,399,848)</u>	<u>(15,216,926)</u>
NET ASSET VALUE ("NAV")			
ATTRIBUTABLE TO UNITHOLDERS		<u>22,400,879</u>	<u>25,552,148</u>
TOTAL EQUITY AND LIABILITIES		<u>22,653,707</u>	<u>25,629,647</u>
NUMBER OF UNITS IN CIRCULATION	9(a)	<u>38,299,910</u>	<u>45,339,131</u>
NAV PER UNIT		<u>0.5849</u>	<u>0.5636</u>

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

TA European Equity Fund

(For the 6 months ended 31 December 2023)

UNAUDITED STATEMENT OF CHANGES IN NET ASSET VALUE FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023

	Unitholders' capital Note 9(a) RM	Accumulated losses Note 9(b) and (c) RM	Total NAV RM
At 1 July 2022	46,339,680	(20,378,828)	25,960,852
Total comprehensive income for the financial period	-	1,338,368	1,338,368
Creation of units	2,717,538	-	2,717,538
Cancellation of units	(6,156,090)	-	(6,156,090)
At 31 December 2022	<u>42,901,128</u>	<u>(19,040,460)</u>	<u>23,860,668</u>
At 1 July 2023	40,769,074	(15,216,926)	25,552,148
Total comprehensive income for the financial period	-	817,078	817,078
Creation of units	1,554,393	-	1,554,393
Cancellation of units	(5,522,740)	-	(5,522,740)
At 31 December 2023	<u>36,800,727</u>	<u>(14,399,848)</u>	<u>22,400,879</u>

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

TA European Equity Fund

(For the 6 months ended 31 December 2023)

UNAUDITED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023

	01.07.2023 to 31.12.2023 RM	01.07.2022 to 31.12.2022 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sales of investments	5,151,643	3,872,032
Purchases of investments	(792,709)	-
Interest received	3,536	8,076
Manager's fee paid	(71,232)	(85,526)
Trustee's fee paid	(6,558)	(7,037)
Payments for other fees and expenses	(18,970)	(12,720)
Net cash generated from operating and investing activities	<u>4,265,710</u>	<u>3,774,825</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from units created	1,806,511	2,734,345
Cash paid on units cancelled	(5,341,064)	(6,187,388)
Net cash used in financing activities	<u>(3,534,553)</u>	<u>(3,453,043)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	731,157	321,782
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>978,770</u>	<u>135,646</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u><u>1,709,927</u></u>	<u><u>457,428</u></u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash at banks	1,389,049	137,307
Deposit with financial institutions	320,878	320,121
Cash and cash equivalents	<u><u>1,709,927</u></u>	<u><u>457,428</u></u>

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

TA European Equity Fund

(For the 6 months ended 31 December 2023)

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

TA European Equity Fund ("the Fund") was constituted pursuant to the execution of a Deed of Trust ("the Deed") dated 5 February 2007 between the Manager, TA Investment Management Berhad, the Trustee, HSBC (Malaysia) Trustee Berhad and the registered holders of the Fund.

Effective 6 May 2013, HSBC Trustee has ceased to become the Trustee of the Fund. With the execution of First Supplemental Deed ("First Deed") dated 3 April 2013, Maybank Trustees Berhad ("MTB") has been appointed as the Trustee of the Fund effective 7 May 2013. MTB shall resume the roles and responsibilities as Trustee for the Fund and any reference made to "Trustee" of the Fund from 7 May 2013 shall refer to MTB. The First Deed shall be read in concurrent with the deed of the Fund.

The principal activity of the Fund is to invest in "Permitted Investments" as defined under Division 7.1 of the deed, which include all types of collective investment schemes including unlisted unit trusts that are regulated and registered/authorised/approved by the relevant authorities in their home jurisdiction and money market instruments. The Fund commenced operations on 20 March 2007 and will continue its operations until terminated by the Manager or the Trustee as provided under Part 12 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. Its 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

(a) Statement of compliance

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS"), collectively known as the "Standards".

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

TA European Equity Fund

(For the 6 months ended 31 December 2023)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

2.1 Basis of Preparation (Contd.)

(a) Statement of Compliance (contd.)

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS"), collectively known as the "Standards".

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

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS17, *Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction and International Tax Reform – Pillar Two Model Rules*

MFRSs, 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*

MFRSs, 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*

TA European Equity Fund

(For the 6 months ended 31 December 2023)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

2.1 Basis of Preparation (contd.)

(a) Statement of Compliance (contd.)

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

- from the annual period beginning on 1 July 2023 for those amendments that are effective for annual periods beginning on or after 1 January 2023 and 1 June 2023, except for amendments to MFRS 3 which are not applicable to the Fund.
- from the annual period beginning on 1 July 2024 for those amendments that are effective for annual periods beginning on or after 1 January 2024, except for amendments to MFRS 3 and MFRS 141 which are not applicable to the Fund.
- from the annual period beginning on 1 July 2025 for the accounting standard and amendments that are effective for annual periods beginning on or after 1 January 2025, except for MFRS 17 which is not applicable to the Fund.

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

(b) Basis of measurement

The financial statements of the Fund have been prepared on the historical cost basis, unless otherwise indicated in Note 2.2.

(c) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Fund's functional currency.

TA European Equity Fund

(For the 6 months ended 31 December 2023)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

2.2 Significant Accounting Policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements, unless otherwise stated.

(a) Financial Instruments

(i) Recognition and initial measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Derecognition and offsetting

A financial asset is derecognised when the asset is disposed and the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the financial statement when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

TA European Equity Fund

(For the 6 months ended 31 December 2023)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

2.2 Significant Accounting Policies (contd.)

(a) Financial Instruments (contd.)

(iii) Financial instrument categories and subsequent measurement

The Fund determine the classification of its financial assets at initial recognition, and the categories include financial assets at FVTPL and amortised costs.

All financial assets, except for those measured at fair value through profit or loss is subject to impairment assessment (see note 2.2(b)).

All financial assets not measured at amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. This includes derivative financial assets (except for a derivative that is a designated and effective hedging instrument). On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective profit method. The amortised cost is reduced by impairment losses. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see note 2.2(b)) where the effective interest rate is applied to the amortised cost.

TA European Equity Fund

(For the 6 months ended 31 December 2023)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

2.2 Significant Accounting Policies (contd.)

(b) Impairment

Financial assets

The Fund recognises loss allowances for expected credit losses on financial assets measured at amortised cost. Expected credit losses are a probability-weighted estimate of credit losses.

The Fund measures loss allowances at an amount equal to lifetime expected credit loss, except for debt securities that are determined to have low credit risk at the reporting date, cash and bank balance and other debt securities for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Fund is exposed to credit risks.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Fund determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Fund's procedures for recovery of amounts due.

TA European Equity Fund

(For the 6 months ended 31 December 2023)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

2.2 Significant Accounting Policies (contd.)

(c) Classification of Realised and Unrealised Gains and Losses

Unrealised gains and losses comprise changes in the fair value of financial instruments for the year and from reversal of prior year's unrealised gains and losses for financial instruments which were realised (i.e. sold, redeemed or matured) during the financial year.

Realised gains and losses on disposals of financial instruments classified as part of 'net gain/loss on financial instruments at FVTPL' were calculated using weighted average method. They represent the difference between an instrument's initial carrying amount determined on the weighted average cost basis and disposal amount.

(d) Financial Liabilities

Amortised cost

Financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

(e) Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency of the Fund at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of equity instruments where they are measured at fair value through other comprehensive income or a financial instrument designated as a hedge of currency risk, which are recognised in other comprehensive income.

TA European Equity Fund

(For the 6 months ended 31 December 2023)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

2.2 Significant Accounting Policies (contd.)

(f) Unitholders' Capital

The unitholders' capital of the Fund is classified as an equity instrument.

(g) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at banks and short-term deposits with financial institutions that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

(h) 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.

Interest income is recognised using the effective interest rate method.

(i) Income Tax

Current tax assets or liabilities position as at reporting date are measured at the net amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the tax expense for the financial year are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

Deferred tax is provided for, using the liability method, on taxable temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

TA European Equity Fund

(For the 6 months ended 31 December 2023)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

2.2 Significant Accounting Policies (contd.)

(j) Segment Reporting

For management purposes, the Fund is managed by two main portfolios, namely collective investment schemes and money market instruments. Each segment engages in separate investing activities and the operating results are regularly reviewed by the Investment Manager and Investment Committee. The Investment Committee assumes the role of chief operating decision maker, for performance assessment purposes and to make decisions about resources allocated to each investment segment.

(k) 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.

3. MANAGER'S FEE

The Manager's fee is computed on a daily basis at 1.8% (2022: 1.8%) per annum of the NAV of the Fund, net of manager's fee rebates ranging from 0.75% to 1.50% (2022: 0.75% to 1.50%) per annum earned from the Manager and a dealer respectively, on the Fund's NAV of investment in other collective investment schemes, as offered to and agreed by the Trustee and Manager.

4. TRUSTEE'S FEE

Trustee's fee is computed on a daily basis at 0.055% (2022: 0.055%) per annum of the NAV of the Fund, subject to minimum of RM12,000 (2022: RM12,000) per annum.

TA European Equity Fund

(For the 6 months ended 31 December 2023)

5. INCOME TAX EXPENSE

Income tax is calculated at the Malaysian statutory tax rate of 24% (2022: 24%) of the estimated assessable profit for the financial period.

The tax charges for the financial period is in relation to the taxable income earned by the Fund after deducting tax allowable expenses. In accordance with Schedule 6 of the Income Tax Act 1967, interest income earned by the Fund is exempted from Malaysian tax.

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:

	01.07.2023 to 31.12.2023 RM	01.07.2022 to 31.12.2022 RM
Net income before taxation	817,078	1,338,368
Taxation at Malaysian statutory rate of 24% (2020: 24%)	196,099	321,209
Effects of interest and other income not subject to tax	(219,287)	(344,653)
Effects of expenses not deductible for tax purposes	4,557	3,653
Restriction on tax deductible expenses for unit trust funds	18,631	19,791
Income tax expense for the financial period	-	-

6. INVESTMENTS

	31.12.2023 RM	30.06.2023 RM
Financial assets at FVTPL:		
Collective investment scheme outside Malaysia	20,895,441	24,344,263
Net gain on financial assets at FVTPL comprises:		
Net realised gain on disposals	846,198	807,175
Net unrealised gain on changes in fair value	63,914	4,533,461

TA European Equity Fund

(For the 6 months ended 31 December 2023)

6. INVESTMENTS (CONTD.)

Financial assets at FVTPL as at 31 December 2023 are as detailed below:

Collective investment scheme outside Malaysia

Name of Collective Investment Scheme	Quantity Unit	Cost RM	Fair Value RM	% of NAV %
Janus Henderson Horizon Euroland Fund (Hedged) *	16,193	740,396	1,474,616	6.58
Janus Henderson Horizon European Growth Fund *	37,514	3,876,138	4,771,112	21.30
Janus Henderson Horizon Euro Corporate Bond Fund *	1,050	772,639	805,748	3.60
Janus Henderson Horizon Euroland Fund *	12,340	3,339,458	4,106,099	18.33
Janus Henderson Horizon Pan European Smaller Companies Fund *	5,399	526,123	1,012,144	4.52
Janus Henderson Horizon Pan European Smaller Companies Fund (Hedged)*	2,937	921,862	1,027,608	4.59
Janus Henderson Horizon Pan European ALpha Fund (Hedged) *	1,014	112,331	277,471	1.24
Janus Henderson Horizon Pan European Equity Fund (Hedged) *	28,670	858,600	1,360,884	6.08
Janus Henderson Horizon Pan European Mid and Large Cap Fund (Hedged) *	16,589	1,152,016	1,453,597	6.49
Parvest Equity High Dividend Europe Fund **	8,001	2,067,842	4,606,162	20.56
TOTAL COLLECTIVE INVESTMENT SCHEME OUTSIDE MALAYSIA	129,707	14,367,405	20,895,441	93.29
EXCESS OF FAIR VALUE OVER COST			6,528,036	

* The above funds are sub-funds of Janus Henderson Horizon Fund, an open-ended investment company incorporated in Luxembourg as a Societe d'Investissement A Capital Variable ("SICAV"). The SICAV was incorporated under Luxembourg law and is a recognised Collective Investment Scheme under section 264 of the United Kingdom's Financial Services and Markets Act 2000.

TA European Equity Fund

(For the 6 months ended 31 December 2023)

6. INVESTMENTS (CONTD.)

The management company of the funds are Henderson Management S.A., a company incorporated in Luxembourg. The investment manager and distributor of the funds is Janus Henderson Investors Ltd (formerly known as Henderson Global Investors Ltd), a company incorporated in the United Kingdom.

** Parvest Equity High Dividend Europe is a sub-fund of BNP Paribas Fund, which is a regulated SICAV denominated in Euro. The SICAV was incorporated under Luxembourg law and is a recognised Collective Investment Scheme under section 264 of the United Kingdom's Financial Services and Markets Act 2000 and section 287 of the Securities and Futures Act in Singapore. The management company of the fund is BNP Paribas Investment Partners Luxembourg, a company incorporated in Luxembourg.

7. DEPOSIT WITH FINANCIAL INSTITUTIONS

	31.12.2023	30.06.2023
	RM	RM
These are short-term placements with:		
- Licensed banks	<u>320,878</u>	<u>325,066</u>

The weighted average effective interest rate ("WAEIR") per annum and average maturity of deposit with financial institutions as at the reporting date are as follow:

	WAEIR		Average Remaining	
	(% p.a.)		Maturity	
	31.12.2023	30.06.2023	31.12.2023	30.06.2023
Short-term placements	<u>2.65</u>	<u>2.90</u>	<u>3</u>	<u>3</u>

8. AMOUNT DUE FROM/(TO) THE MANAGER

Amount due from the Manager relates to amount receivable from the Manager arising from creation of units of RM2,461 (30.6.2023: RM252,315) and rebate of Manager's fee of RM8,872 (30.6.2023: RM11,136) at the end of the financial period.

Amount due to the Manager relates to amount payable to the Manager arising from cancellation of units of RM205,955 (30.6.2023: RM24,279) and accruals for Manager's fee of RM32,878 (30.6.2023: RM38,086) at the end of the financial period.

The normal credit term for creation/cancellation of units is 10 days (30.6.2023: 10 days), the normal credit term for Manager's fee is 30 days (30.6.2023: 30 days) and the rebate of Manager's fee is receivable on a monthly basis.

TA European Equity Fund

(For the 6 months ended 31 December 2023)

9. NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS

	Note	31.12.2023 RM	30.06.2023 RM
Unitholders' capital	(a)	36,800,727	40,769,074
Retained earnings			
- Realised loss	(b)	(19,840,625)	(20,593,789)
- Unrealised reserve	(c)	5,440,777	5,376,863
		<u>22,400,879</u>	<u>25,552,148</u>

(a) Unitholders' capital

	31.12.2023		30.06.2023	
	No of units	RM	No of units	RM
At beginning of the financial period/year	45,339,131	40,769,074	56,648,216	46,339,680
Creation of units	2,791,241	1,554,393	8,586,724	4,211,527
Cancellation of units	(9,830,462)	(5,522,740)	(19,895,809)	(9,782,133)
At end of the financial period/year	<u>38,299,910</u>	<u>36,800,727</u>	<u>45,339,131</u>	<u>40,769,074</u>

(b) Realised loss

	31.12.2023 RM	30.06.2023 RM
At beginning of the financial period/year	(20,593,789)	(21,222,230)
Net realised gain for the financial period/year	753,164	628,441
At end of the financial period/year	<u>(19,840,625)</u>	<u>(20,593,789)</u>

(c) Unrealised reserve

	31.12.2023 RM	30.06.2023 RM
At beginning of the financial period/year	5,376,863	843,402
Net unrealised gain for the financial period/year	63,914	4,533,461
At end of the financial period/year	<u>5,440,777</u>	<u>5,376,863</u>

TA European Equity Fund

(For the 6 months ended 31 December 2023)

10. TRANSACTIONS WITH DEALER

Details of the transactions with dealer during the financial period are as follow:

Name of Dealer	Value of trade RM	Percentage to total value of trade %
Janus Henderson Investors Ltd	<u>5,847,955</u>	<u>100.00</u>

11. TOTAL EXPENSE AND PORTFOLIO TURNOVER RATIOS

(a) Total Expense Ratio

The management expense ratio for the financial period ended 31 December 2023 is 0.41% (2022: 0.39%). 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 period ended 31 December 2023 is 0.13 times (2022: 0.05 times). This ratio represents the average of the total acquisitions and disposals of the Fund for the financial period over the average NAV of the Fund for the financial period calculated on a daily basis.

12. 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 Guidelines of the Fund. The Fund's investments were primarily made in the form of collective investment schemes in Europe, including Henderson group of funds and BNP Paribas group of funds, with the remaining in deposits with financial institution in Malaysia.

The investment objective is to seek steady income and capital growth over medium to long term through investment in diversified portfolio in Europe. There have been no changes in reportable segments in the current financial period.

TA European Equity Fund

(For the 6 months ended 31 December 2023)

13. FINANCIAL RISKS AND MANAGEMENT OBJECTIVES AND POLICIES

The Fund maintains investment portfolio in a variety of listed and unlisted financial instruments as dictated by its deed and investment management strategy.

The Fund is exposed to a variety of financial risks, which include economic and fund manager risks, currency risk, repatriation risk, credit and settlement risks, and liquidity risk. The overall financial risk management objective of the Fund is to mitigate capital losses, ensure preservation of value and minimal erosion of capital.

Risk management is carried out through strict adherence to the Manager's internal policies and control procedures and also to the powers and restrictions vested by the regulators as contained in the Securities Commission's Guidelines on Unit Trust Funds in Malaysia ("the Guidelines").

(a) Economic and Fund Manager Risks

Prospective investors should be aware that the price of units and the income from their investments may go down or up in response to changes in interest rate, foreign exchange, economic and political conditions and the earnings of corporations making up in the portfolio of the Fund. Economic risk is managed through portfolio diversification and asset allocation and monitoring of investment portfolio by professional fund manager and the investment committee, with the aim to minimise securities exposure in the event of anticipated market weaknesses. It is the Fund's policy to invest in a minimum of five collective investment schemes at all times and not more than 30% of the Fund's NAV shall be invested in any one unit of a collective investment scheme at any one time.

The Manager has no control over the technique, knowledge or management expertise of the fund manager of the collective investment schemes ("target funds"), i.e. Henderson Global Investors Ltd ("fund house"). In the event of mismanagement of the target funds and/or the fund house, the NAV of the Fund which invests in the target funds would be affected negatively. The Fund would also be affected should there be any unresolved dispute between the Manager and the fund house of the target funds. Should such situation arise, the Manager may seek an alternative fund house and/or invest in other collective investment schemes that are consistent with the objective of the Fund.

(b) Currency Risk

As the investments of the Fund may be denominated in foreign currencies, fluctuations of the exchange rates of foreign currencies against the RM may affect the value of the units of the Fund. To mitigate this risk, the Manager may from time to time employ currency hedging techniques to manage the impact of the exchange rate fluctuations on the Fund and/or for the purpose of efficient portfolio management.

TA European Equity Fund

(For the 6 months ended 31 December 2023)

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

(c) Repatriation Risk

Certain countries may impose limitations with respect to the Fund's ability to repatriate investment income, capital or the proceeds from sales of securities. The Fund would be adversely affected by delays in, or a refusal to grant, any required governmental approval for repatriation of capital as well as the application of restrictions on investments to the Fund. Repatriation risk is managed through portfolio diversification and asset allocation and monitoring of investment portfolio by professional fund manager and the investment committee, with the aim to minimise securities exposure in the event of any repatriation risks.

(d) Credit and Settlement Risks

Credit risk refers to the ability of an issuer or a counterparty to make timely payments of interest, principals and proceeds from realisation of investments. Trading and settlement practices of some of the markets in which the Fund may invest may not be the same as those in more developed markets, and this may increase settlement risk and/or result in delays in realising investments made by the Fund. In addition, the Fund will be exposed to credit risk on parties with whom it trades and will bear the risk of settlement default. The Fund Manager manages the credit risk by setting counterparty limits and undertaking credit evaluation to minimise such risk.

(e) Liquidity Risk

The Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellation of units by unitholders. Liquid assets comprise cash, deposit with licensed institution and other instruments, which are capable of being converted into cash within 7 business days. The Fund's policy is to always maintain a prudent level of liquid assets so as to reduce the liquidity risk.

14. COMPARATIVE FIGURES

The current period's figures and comparative figures are presented as follow:

- The Statement of Fund Financial Position and its relevant notes are as at 31 December 2023 and 30 June 2023, respectively.
- The Statement of Comprehensive Income, Statement of Changes in Net Asset Value and Statement of Cash Flows and its relevant notes are for the period from 1 July 2023 to 31 December 2023 and 1 July 2022 to 31 December 2022 respectively.

15. UNAUDITED ACCOUNT

The financial accounts for the six months ended 31 December 2023 are unaudited.

TA European Equity Fund

(For the 6 months ended 31 December 2023)

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 / Executive Director) Mr. Choo Swee Kee (Non-Independent / 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 (Non-Independent / 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	Maybank Trustees Berhad 8 th Floor, Menara Maybank 100 Jalan Tun Perak 50050 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
Company Secretaries	Khoo Poh Kim @ Kimmy (LS0010314)

TA European Equity Fund

(For the 6 months ended 31 December 2023)

Corporate Information (cont'd)

Management Staff	Wong Mien Chief Executive Officer	Tee Ling Ling Chief Marketing Officer
	Ch'ng Soon Kim Compliance Officer	Alicia Khor Head of Operations
Investment Team	Choo Swee Kee Chief Investment Officer	John Ng Jiunn Yuan Head of Fixed Income
	Lam Chee Mun Fund Manager	Wong Shyh Yik 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: 06-288 2687
Penang Business Centre	15-1-8, Bayan Point Medan Kampung Relau 11900 Pulau Pinang Tel: 04-645 9801 Fax: 04-611 9805
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: 05-350 0399
Johor Bahru Business Centre	37-01, Jalan Molek 1/29 Taman Molek 81100 Johor Bahru Johor Tel: 07-3611 781