



HLA INVESTMENT-LINKED FUNDS  
Fund Performance Report  
for the financial year ended 30 June 2016



# Contents

	<b>Pages</b>
Chief Executive Officer's Message	2 - 3
Fund Objectives	4 - 6
Investment Review	7 - 9
Investment Outlook	10 - 11
Comparative Fund Performance	12 - 51
Details of Investment	52 - 70
Statement by Manager	71
Independent Auditors' Report	72 - 74
Statement of Assets and Liabilities	75 - 83
Statement of Income and Expenditure	84 - 92
Statement of Changes in Net Asset Value	93 - 101
Notes to the Financial Information	102 - 105

## Chief Executive Officer's Message

Dear valued policyholders,

It is our pleasure to present the HLA Investment-Linked Fund's performance report for the financial year ended 30 June 2016. This financial year has been challenging with very volatile markets both globally and domestically. Nonetheless at HLA, we see opportunities in these challenging times and view any weaknesses in markets as temporary and opportunities to build portfolios for the longer term.

The FBMKLCI index started the period under review on a high note, hitting a high of 1,744 points in August before falling sharply on the back of plunging oil prices and domestic political concerns. The sharp correction of the Chinese equity market and the unexpected depreciation of the Yuan also caused global equity markets to correct sharply which led to external global risk aversion.

Simultaneously, currencies in the region suffered big swings against the US dollar in anticipation of the Federal Reserve rate hike and also further Chinese Yuan devaluation. However, due to domestic issues, the Ringgit declined more significantly, depreciating by 6.9% during the period under review. Not surprisingly, there was foreign fund outflow at an estimated RM10.8bn while foreign reserves declined to USD97.2bn as at 30 June 2016 from USD105.5bn, at the beginning of the period under review. As such, the FBMKLCI closed the period under review at 1,654 points, a decline of 3.1%.

In the period under review, the fixed income market faced headwinds with divergent monetary policies, conflicting macroeconomic data points, and increased geopolitical risks. Ringgit depreciation which affected equity markets also impacted the fixed income market in tandem with investors taking a risk off stance. However, by the end of the period under review, with the perceived undervalued Ringgit and stabilising oil prices, both government and private debt papers saw demand and staged a good recovery.

Going forward, we are anticipating the global and domestic financial markets to remain volatile with slowing global growth while accommodative monetary policies may lose their efficacy. However, we remain positive on Malaysia with GDP growth for 2016 expected to come in at a healthy 4.0-4.5%. The recent cut in the Overnight Policy Rate ("OPR") rate to 3.0% by Bank Negara Malaysia was a good pre-emptive move by the new Governor to limit the downside risks that Brexit may have on the Malaysian economy.

Meanwhile, as we continue to build a stronger partnership together, we fully recognise that your support and continued trust in us are the foundation of our success. We are honoured to be the first insurance company in Malaysia to be named Domestic Life Insurer of the Year by Asian Banking and Finance during the inaugural Insurance Asia Awards 2016. This award affirms our commitment and acknowledges our position as the top local life insurer in Malaysia that offers innovative financial solutions to meet the varied needs of the market.



## Chief Executive Officer's Message

Once again, thank you for your continuous support and confidence in us. You are at the centre of everything we do and we remain committed to constant product innovation and delivering excellent services to you. As such, we hope the information presented will be useful and informative in assisting you to make the right decisions in achieving your investment goals. Let us look forward to another fruitful year ahead.

Loh Guat Lan  
Chief Executive Officer

## Fund Objectives

### **HLA VENTURE GROWTH FUND**

HLA Venture Growth Fund by definition invests in stocks with above-average growth rates. Such stocks however tend to be more volatile as these companies are more subject to the vagaries of the economy. In order to reduce the volatility of the Fund, investments in blue chips may be undertaken provided always that they exhibit growth, albeit at a slower pace than other smaller growth stocks. The Fund will also selectively invest in stocks to take advantage of special situations which include corporate restructuring, mergers and acquisitions. The primary objective of the Fund is to provide investors with an opportunity to earn attractive capital gains at a manageable risk level on a medium to long term basis by investing in companies with the potential for above-average earnings growth.

### **HLA VENTURE BLUE CHIP FUND**

HLA Venture Blue Chip Fund will focus on 'blue chip' stocks with reasonable good capital gains potential and dividend yield, particularly top Kuala Lumpur Composite Index ("KLCI") component stocks. Naturally, the Fund will carry less risk than the Growth Fund and the risk/volatility of the Fund will match that of the KLCI. Whilst it is also expected to outperform the KLCI, its potential return is not expected to be higher than that of the Growth Fund. This fund is suitable for investors who want to achieve average equity performance, while taking average equity risk.

### **HLA VENTURE DANA PUTRA**

The objective of HLA Venture Dana Putra is to achieve capital growth over the medium to long term by investing strictly in accordance with Syariah principles.

### **HLA VENTURE INCOME FUND**

HLA Venture Income Fund invests only in fixed-income securities such as Government-issued or guaranteed debt papers, Corporate Bonds, and money-market instruments which include fixed deposits ("FD"). The objective of the Fund is to provide policyholders with returns that are comparable to prevailing interest rates but correspondingly, the risks will be significantly lower than that for equity investments. As such, this fund will invest largely in money-market instruments with short-to-medium tenures. It will be fully invested at all times to give investors maximum exposure to fixed-income securities.

## Fund Objectives

### **HLA VENTURE MANAGED FUND**

HLA Venture Managed Fund aims to provide investors with prospects for long term capital appreciation through investing in various capital market instruments including equity, government securities, corporate bonds, money market instruments and foreign assets as well as derivatives. This fund is suitable for investors willing to take moderate risk as investment will be mainly in fixed income instruments while equity exposure is limited to a maximum of 50%.

### **HLA VENTURE GLOBAL FUND**

HLA Venture Global Fund invests in, but not limited to HLG Global Resource Income Fund, HLG Asia-Pacific Dividend Fund and HLG Strategic Fund that use equity, fixed income and money market instruments as their underlying assets.

### **HLA VENTURE FLEXI FUND**

The objective of HLA Venture Flexi Fund is to provide investors the opportunity to enjoy medium to long-term capital appreciation from the prevailing sectoral and investment themes in Malaysia equities market.

### **HLA EVERGREEN FUNDS**

The Fund is designed to provide investors with principal and enhanced profit protection via a systematic investment in a globally diversified multi asset (equities, currency, rates, commodities, property, hedge fund strategies) long short strategy. The main investment strategy is executed via portfolio optimization methodology. The fund is open ended with defined maturity date. The investment execution is accomplished via a Floating Rate Negotiable Instrument of Deposits ("FRNID") issued by CIMB Bank Berhad.

### **HLA CASH FUND**

This fund aims to provide high principal security and consistent return to the investors by investing in money market instrument. Returns will be comparable to prevailing overnight policy rates but correspondingly, the risks will be significantly lower than that for equities investment.

## Fund Objectives

### **HLA SECURE FUND**

The strategy is to provide investors an affordable access into a diversified investment portfolio with a mixture of equities and fixed income instruments. The Fund will invest primarily in fixed income instruments such as bonds, money market instruments, repo and deposits with financial institutions that provide regular income as well as in high dividend yield stocks to enhance the Fund's returns. The asset allocation decision between fixed income instruments and equity is decided after considering the fixed income and equity market outlook over the medium to long-term horizon. Initially the Fund will invest by feeding into Hwang Select Income Fund, which is managed by Hwang Investment Management Berhad, with the option to increase the number of funds or replace Hwang Select Income Fund with other fund(s) in future.

### **HONG LEONG SMART GROWTH FUND**

The primary objective of the fund is to provide investors with long-term capital growth. The fund is currently feeding into Kenanga Growth Fund which invests in the diversified portfolio of Malaysia equity and equity-related securities of companies with sustainable business model that is trading at a discount to its intrinsic value.

### **HLA DANA SURIA**

HLA Dana Suria provides investors an affordable access into a diversified investment portfolio which offers steady and consistent return over a long-term investment horizon by investing into local and global equities and fixed income securities that comply with Shariah requirements.

The Fund will invest by feeding into Hong Leong Dana Maa'rof (managed by Hong Leong Asset Management) and HLA Venture Dana Putra with the option to increase the number of funds or replace the funds in future.

Hong Leong Dana Maa'rof will invest a minimum 40% and maximum 60% of its Net Asset Value ("NAV") into Shariah-compliant equities while HLA Venture Dana Putra will invest up to maximum 90%, but not less than 40% of fund's NAV into equities.

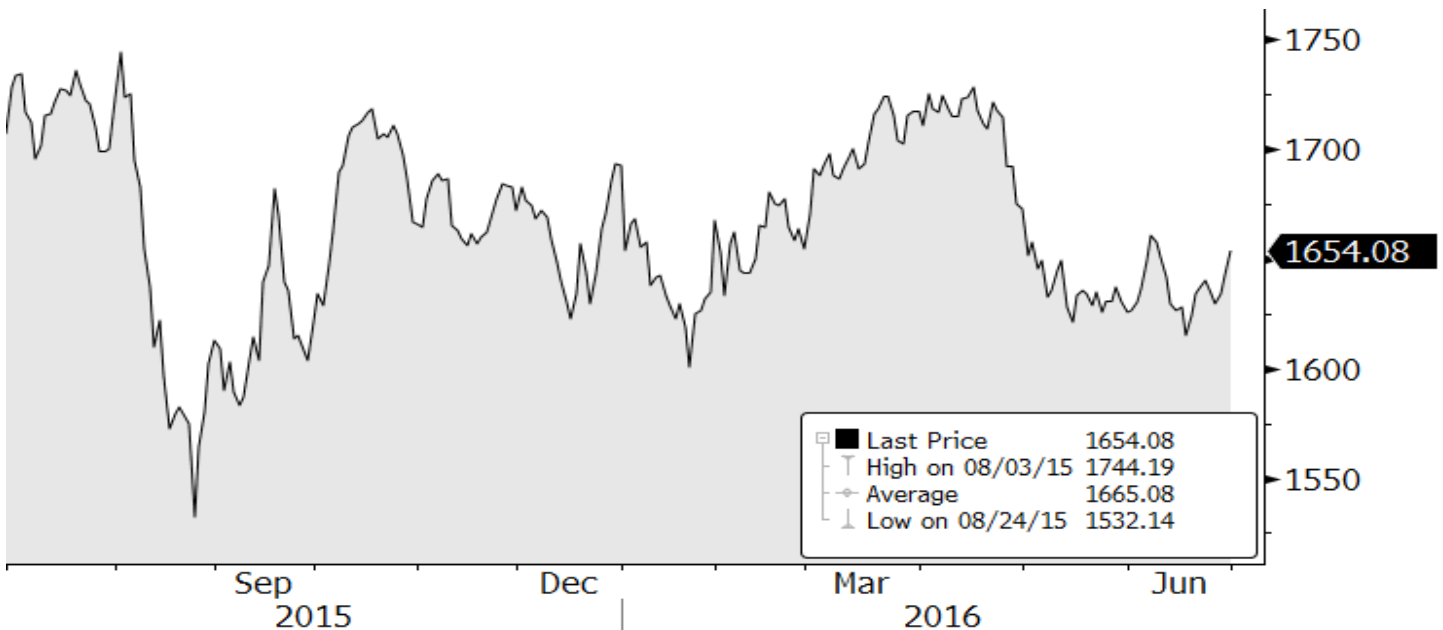
### **HLA VALUE FUND**

HLA Value Fund provides investors an affordable access into a diversified investment portfolio which aims to achieve large percentage gains by investing in well-managed and financially stable companies while stocks are selling at prices close to or at deep discounts to their net tangible values.

# Investment Review

## Equities Market

FBM Kuala Lumpur Composite Index (1 July 2015 – 30 June 2016)



Source: Bloomberg

For the period under review, the movement of global equity markets was dictated by divergent monetary policies of central banks although focus still remained on the Federal Reserve ("Fed") rate direction. Compounding the issue was the currency war sparked by the devaluation of the Chinese Yuan ("CNY"), while economic data points suggested that economic recovery was uneven. Finally, the unexpected outcome of Brexit made markets even more uncertain and for Malaysia specifically, corporate results continued to disappoint.

The FBMKLCI thus ended the period under review on a negative note, closing at 1,654 points, a 3.1% decline which is the second consecutive year of negative returns. However, for this financial year, the FBMKLCI fared better than other regional markets like Hong Kong, Japan and Singapore on the back of our more defensive qualities as investors became more risk averse.



# Investment Review

## Equities Market (cont'd)

Equity markets started the period under review on a difficult note, facing a slew of unexpected external events. Investor sentiment was first hit when Greece became the first developed nation to miss an International Monetary Fund ("IMF") debt payment. The release of poorer-than-expected economic data from China and Eurozone, the surprise devaluation of the Yuan as well as a Goldman Sachs Group report which suggested that crude oil prices could fall to as low as US\$20/barrel on the back of excess global supply did not help the already frail sentiment. In tandem, the FBMKLCI plunged to a low of 1,532 points in August 2015.

Fortunately, investor sentiment saw some improvement in the second quarter of the financial period on expectations that the Fed will delay raising interest rates while the European Central Bank ("ECB") continued its quantitative easing programme. The Fed did eventually raise rates in mid-December 2015 on the back of the recovery in the US economy but the impact was rather muted. This was because the hikes were already anticipated by the market. On the local front, while the tabling of Budget 2016 failed to excite the local market, investor sentiment did improve on news of 1MDB selling its power assets to China General Nuclear Power Corp, putting to rest some of the concerns which had arisen when this debacle first arose.

Moving into the third quarter of the financial period, emerging markets enjoyed strong foreign inflows on the back of a risk-on mode which was prompted by Fed Chair Janet Yellen's dovish statement, hinting that the interest rate normalization process will see a more gradual path of hikes. This era of low interest rates and abundant monetary supply was also precipitated by ECB's aggressive easing with deeper negative rates and the Bank of Japan ("BOJ") announcing an interest rate of -0.1% on the excess reserves of financial institutions held at the BOJ. Meanwhile policymakers in China reiterated their focus on restoring market confidence while curbing outflows which also reassured global equity markets.

By the fourth quarter of the financial period, there was a divergence between the developed and the emerging markets. While developed markets like the United States ("US") saw gains in anticipation of improved economic data, emerging markets fared poorly over concerns of a persistent slowdown in the Chinese economy. Global sentiment worsened when the United Kingdom ("UK") unexpectedly voted in favour of leaving the European Union ("EU"). However, Malaysia was seen as less impacted by Brexit and as a result benefited from foreign inflows, leading to an uptick in the FBMKLCI.

# Investment Review

## Fixed Income Market

The fixed income market during the financial year under review moved very much in tandem with equity markets in terms of volatility and performance. The domestic bond market began the financial year on a bearish tone, contrary to the US Treasury ("UST") market since risk-off sentiment dominated the local market. The demand for Malaysian Government Securities ("MGS") was weak as investors sought safe haven assets in response to China's surprise devaluation of the Yuan. Selling pressure continued with the sharp weakening of the Malaysian Ringgit ("MYR") while domestic political uncertainties along with the plunge in oil prices weakened sentiment further.

Following the sell-off, MGS yields rose while foreign holdings declined continuously for three months to 45.6% from 48.5% as at 30 June 2016. The quarter also saw the USD/MYR climbing to above 4.45 before settling at 4.39 as at end of September. The risk-off sentiment also spilled over to the corporate bond market, which saw yield curves shift upwards across all tenures.

Moving into the second quarter of the period under review, MGS yields started to reverse as the sentiment turned favourable towards MYR assets on the back of positive developments on 1MDB, better economic data and China's plan to invest CNY50 billion in the domestic bond and equity market. Besides that, monetary easing measures by regional central banks also boosted buying interest among foreign investors. Nevertheless, the market remained volatile due to fluctuations in oil price, anticipation of a Fed interest rate hike as well as the elevation of geopolitical risks.

Meanwhile, MGS continued to rally in the third quarter of the financial year under review when Bank Negara Malaysia ("BNM") announced a 50 basis points cut in the Statutory Reserve Requirement which spurred fresh buying. Subsequently, the revision of Budget 2016 accompanied by the dovish sentiment by the Fed as well as the mild recovery of oil prices at around USD40/bbl level also added to the strong demand. With this, the total inflows reached RM11.5bn as at end March 2016, the highest since May 2014. Consequently, foreign ownership levels for MGS was at 48.7% in terms of outstanding amounts while Sovereign Islamic Papers was at 7.0%. Following the rally in MGS, demand also spilled over into the Corporate Bonds space, primarily dominated by Government Guaranteed ("GG") and AAA rated issues. In fact, there was bargain hunting interest since credit spreads became even more appealing with the steep fall in MGS yield.

The bond market continued to remain volatile in the last quarter of the financial year as the strengthening of USD against the MYR alongside the higher probability of a sooner-than-expected rate hike by the Fed started a sell-off again. However, the fixed income market rebounded due to an unexpected rate cut by the Bank of Korea, which triggered fund reallocation into other Asian countries. Again, yields reversed as the UK's EU referendum drew closer when Brexit fears increased while the weaker MYR and retreating oil prices boosted foreign buying. With that, the fixed income market ended the year under review on a more positive note.

## Investment Outlook

Going forward, we remain cautiously optimistic despite the new uncertainties brought on by Brexit, in addition to the existing concerns of: 1) faltering global growth, 2) China's slowdown and credit risks and 3) outcome of the US Presidential Election. This is because policymakers in major world economies are cognizant of the need to implement both monetary and fiscal policies to encourage growth including introducing "helicopter money" which means central bank funding of even larger fiscal deficits.

Global macro developments will continue to be a major influence on the direction and trend of equity markets in the absence of significant domestic catalysts. This is as we expect Malaysian corporate earnings to remain muted. A key event to watch for is the 2017 National Budget which will be tabled in October 2016. The Budget should be 'people-friendly' and with increased development spending to support domestic macroeconomic growth. The government is also expected to step up pump priming which could have a positive effect on the domestic market.

As such, we adopt a defensive stance, viewing any significant pullback as an opportunity to position our portfolio for the longer term. We like high dividend yielding stocks like selected Real Estate Investment Trusts ("REITS") and consumer names amid the current volatility, low interest rate environment and slowing global growth. However, in light of accelerated development spending, we are also looking to add more construction companies as the sector should also benefit from the roll out of major infrastructure projects like MRT2, LRT extension, DASH and SUKE.

As for the fixed Income outlook, with the recent political and economic events, we expect continued headwinds since data points are key influencing factors in market direction. Prospects for global economy are now looking increasingly bleak as the trend of slow growth is increasing even in previously strong economies like the US. Furthermore, the uncertainty caused by Brexit will also affect productivity and growth of the EU which may have a spiral effect on the rest of the world aside from the political risk of European Union disintegration. Against this backdrop, US presidential elections in November coupled with accommodative monetary policies around the world would limit the upside of UST yields although an unexpected Fed rate hike may put a spanner in the works.

Nevertheless, we are still optimistic on the fixed income market despite pockets of uncertainties and potential volatility as this may create investment opportunities should the general risk-off mode dissipate. Moreover, with negative yields offered in some developed markets, we see a relocation of funds into emerging markets as investors seek higher returns. In terms of investment strategy, the fund will position to take advantage of any irrational price movements. We will also focus on primary issuances while exploring trading opportunities in foreign bonds for yield enhancement.

# Comparative Fund Performance

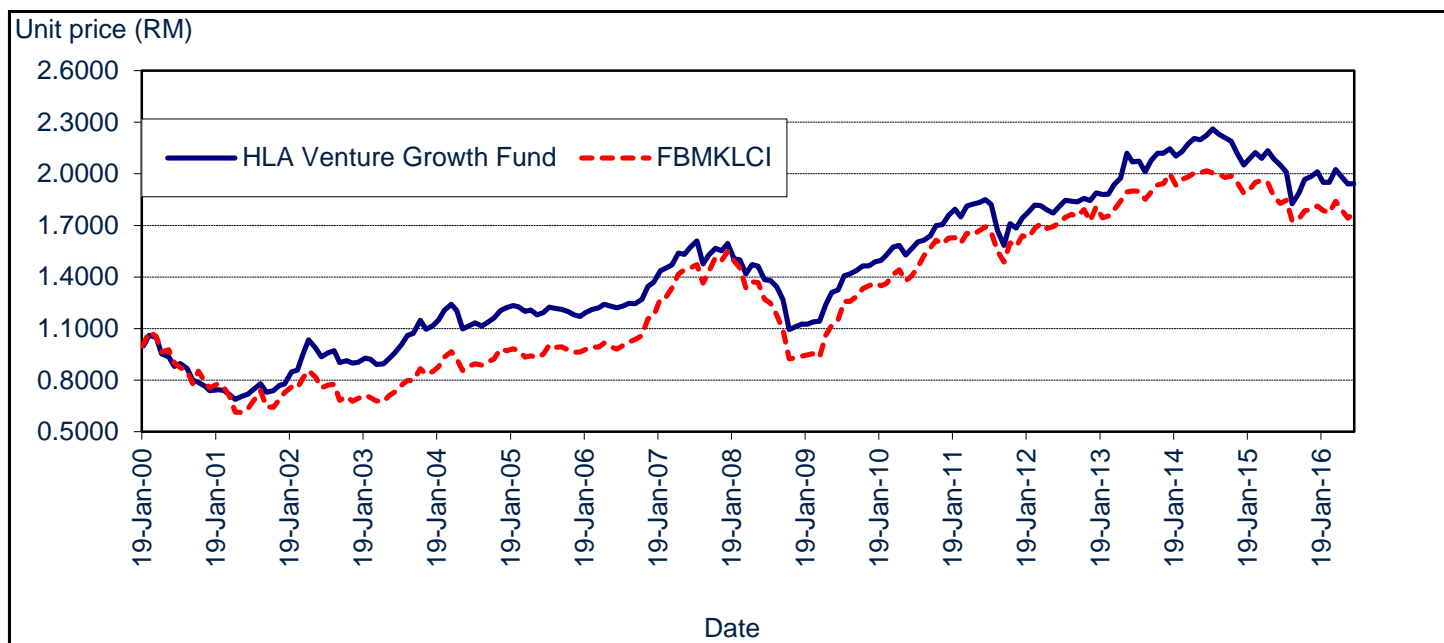
## HLA VENTURE GROWTH FUND

For the financial period under review, the benchmark FBMKLCI posted a loss of 3.08%. The decline of the benchmark was driven by the poor performance of heavyweights namely SapuraKencana Petroleum, CIMB and Axiata. Markets continued to be challenged by external macro factors (US monetary policy and its impact on the USD, China's economy and oil prices) and lack of robust domestic micro drivers (weak exports, soft consumer sentiment and a weak ringgit).

As for the Fund, performance was below benchmark with a decline of 5.19% in NAV due to a larger decline in prices of growth and mid cap stocks which is the fund's mainstay, in line with the fund's mandate. Foreign stocks comprised approximately 6% of the Fund, invested in Hong Kong and Singapore. In terms of asset allocation, the Fund reduced equity holdings to 71.90% from 86.24% the year before given the heightened volatility in global markets. Going forward, we continue to search for quality high growth companies especially in this environment of anemic earnings growth. We will also overlay that with dividend yield stocks given the low interest rate environment. With global markets at elevated levels, risk of a correction on growth fears and Brexit aftershocks may be escalating. However a market correction would be a good opportunity to accumulate selected stocks with good dividend yields.

**As at 30 June 2016**

**Price movement, calculation indexed**



## Comparative Fund Performance

### HLA VENTURE GROWTH FUND

Performance of the fund					
	2016	2015	2014	2013	2012
Total NAV (RM'000)	344,180	353,943	376,725	343,365	282,049
Number of units ('000)	177,558	173,160	170,081	166,636	155,975
NAV per unit (RM)	1.938	2.044	2.215	2.061	1.808
Highest NAV/unit for the financial year (RM)	2.071	2.265	2.227	2.140	1.855
Lowest NAV/unit for the financial year (RM)	1.777	1.950	1.967	1.809	1.519
Total annual return - capital growth	-5.19%	-7.72%	7.47%	13.99%	-2.22%
Average annual return					
- 1 year	-5.19%	-7.72%	7.47%	13.99%	-2.22%
- 3 year	-2.11%	4.31%	6.56%	10.55%	12.14%
- 5 year	0.94%	6.11%	13.43%	9.77%	2.99%
Performance of relevant benchmark indices (FBMKLCI)					
- 1 year	-3.08%	-9.35%	6.16%	10.91%	1.27%
- 3 year	-2.25%	2.24%	6.41%	11.66%	16.24%
- 5 year	0.95%	5.98%	15.02%	9.89%	3.61%

Category of the fund					
	Weightings %				
	2016	2015	2014	2013	2012
Quoted equities	71.27	85.73	87.17	86.42	74.88
Quoted unit trusts and real estate investment trusts ("REITs")	0.63	0.51	0.44	3.65	0.80
Derivative assets	0.06	0.13	0.10	0.02	-
Cash and cash equivalents	27.61	13.45	13.52	9.98	23.87
Others	0.43	0.18	(1.23)	(0.07)	0.45
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## Comparative Fund Performance

### HLA VENTURE GROWTH FUND

Quoted equities composition by sector					
	Weightings %				
	2016	2015	2014	2013	2012
Construction	14.10	8.05	7.65	8.35	8.89
Consumer Products	4.38	5.75	6.24	4.21	3.88
Finance	17.19	17.33	16.34	18.64	14.02
Industrial Products	7.33	6.32	10.23	5.11	8.75
Infrastructure	2.18	0.59	0.49	1.77	2.49
Manufacturing	1.08	4.06	-	-	-
Plantation	9.50	10.87	12.70	12.65	13.47
Properties	5.51	8.18	9.43	13.09	5.47
Technology	-	3.33	-	-	2.21
Trading/Services	38.73	35.52	36.72	36.18	40.68
Warrants	-	-	0.20	-	0.14
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

# Comparative Fund Performance

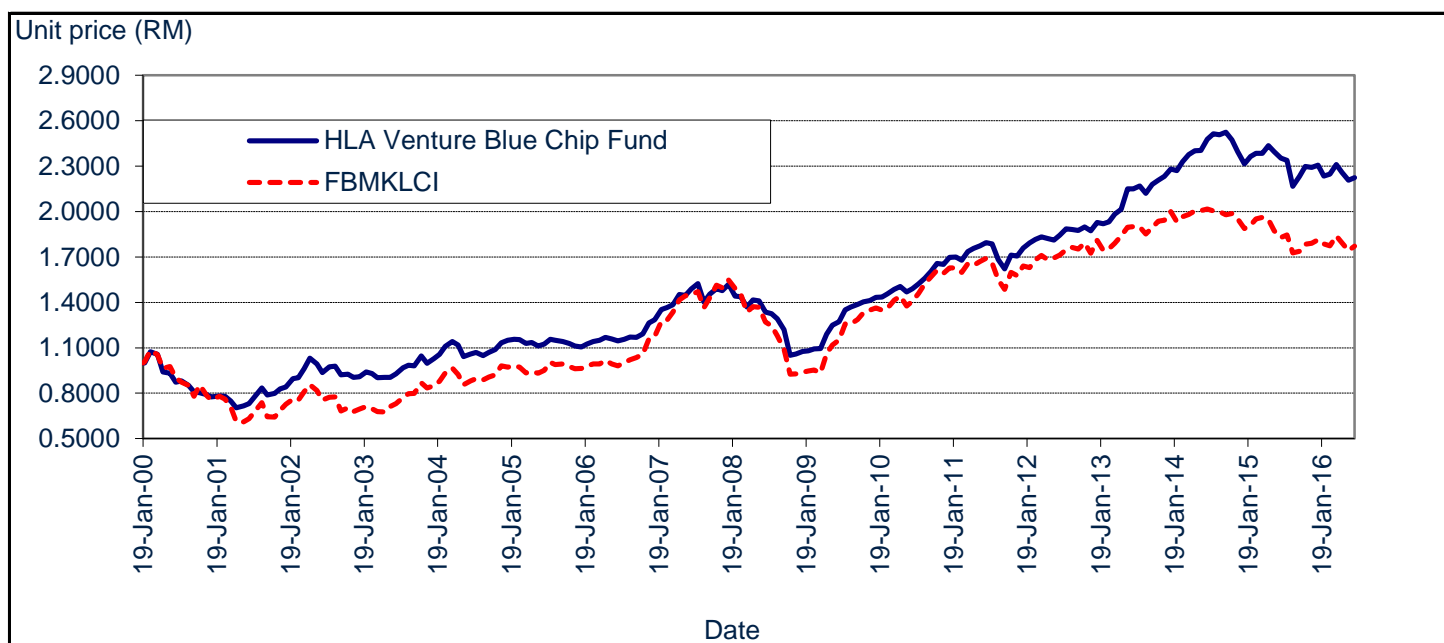
## HLA VENTURE BLUE CHIP FUND

For the financial period under review, the Fund posted a decline of 5.46%, underperforming the benchmark FBMKLCI which suffered a drop of 3.08%. The underperformance was mainly due to the poor performance of the Fund's core heavyweight stock and previous stalwart Globetronics, which fell on weak earnings from slower orders for proximity sensors due to inventory adjustment by Apple. Heavyweight sectors such as telecommunications and plantation companies continued to face earnings risk from intense competition and poor yield respectively. Among the KLCI component stocks, notable disappointments in the recent results season mainly came from CIMB, Maybank, Axiata and Digi, Sime Darby and UMW.

In terms of asset allocation, the Fund reduced equity holdings to 76.35% from 90.97% the year before given the heightened volatility in global markets. Given headwinds from US interest rate hikes, Brexit and 1MDB, coupled with uninspiring growth prospects, we continue to advocate a defensive equity strategy going forward. In terms of investment strategy the focus will still be on big cap stocks with strong balance sheets and certainty of earnings which is critical given slowing domestic growth and weak corporate earnings.

**As at 30 June 2016**

**Price movement, calculation indexed**



## Comparative Fund Performance

### HLA VENTURE BLUE CHIP FUND

Performance of the fund					
	2016	2015	2014	2013	2012
Total NAV (RM'000)	172,834	178,519	189,851	152,767	124,652
Number of units ('000)	77,936	76,095	76,931	71,314	67,610
NAV per unit (RM)	2.218	2.346	2.468	2.142	1.844
Highest NAV/unit for the financial year (RM)	2.372	2.558	2.479	2.190	1.848
Lowest NAV/unit for the financial year (RM)	2.098	2.195	2.081	1.844	1.567
Total annual return - capital growth	-5.46%	-4.94%	15.22%	16.16%	2.84%
Average annual return					
- 1 year	-5.46%	-4.94%	15.22%	16.16%	2.84%
- 3 year	1.05%	9.08%	12.52%	14.60%	14.94%
- 5 year	4.72%	11.50%	18.77%	12.06%	4.78%
Performance of relevant benchmark indices (FBMKLCI)					
- 1 year	-3.08%	-9.35%	6.16%	10.91%	1.27%
- 3 year	-2.25%	2.24%	6.41%	11.66%	16.24%
- 5 year	0.95%	5.98%	15.02%	9.89%	3.61%

Category of the fund					
	Weightings %				
	2016	2015	2014	2013	2012
Quoted equities	67.43	83.63	86.85	72.07	69.73
Quoted unit trusts and ("REITs")	8.92	7.34	7.30	9.63	6.58
Derivative assets	0.02	-	0.02	-	-
Cash and cash equivalents	24.78	10.60	8.06	19.68	24.81
Others	(1.15)	(1.57)	(2.23)	(1.38)	(1.12)
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>



## Comparative Fund Performance

### HLA VENTURE BLUE CHIP FUND

Quoted equities composition by sector					
	Weightings %				
	2016	2015	2014	2013	2012
Construction	13.48	8.01	6.68	7.21	7.26
Consumer Products	-	2.52	3.07	2.44	1.54
Finance	15.21	13.62	13.18	18.16	19.59
Industrial Products	5.22	7.86	10.53	7.26	6.95
Infrastructure	4.14	2.41	1.99	3.78	4.48
Plantation	8.97	8.98	9.75	14.22	17.72
Properties	6.84	7.82	7.77	5.18	3.78
Technology	-	8.57	4.21	2.55	0.87
Trading/Services	46.14	40.17	42.72	39.20	37.73
Warrants	-	0.04	0.10	-	0.08
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

# Comparative Fund Performance

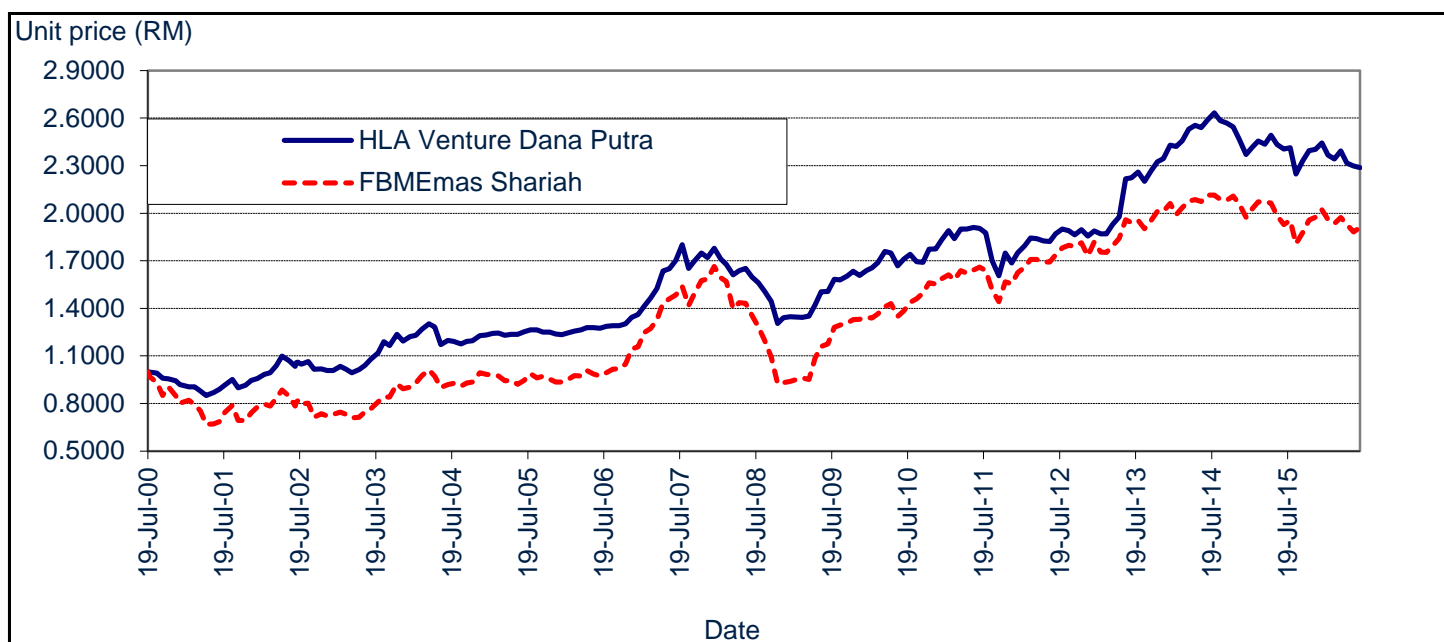
## HLA VENTURE DANA PUTRA FUND

For the financial period under review, the Fund fell 4.68% versus the 0.87% loss in the benchmark FBM Shariah Emas Index. The key underperformance came primarily from Globetronics, Prestariang and telecommunication stocks (Axiata/DiGi) which weighed down on the performance. Oil and gas stocks remained depressed despite the improved stability of oil prices.

In terms of asset allocation, the Fund reduced equity holdings to 70.43% from 82.17% the year before given the heightened volatility in global markets. In terms of investment strategy, the Fund will continue to invest in companies that offer some earnings growth prospects which will outperform the broader market in this environment of anemic earnings. We also prefer stocks offering resilient yields in the present low-growth environment.

**As at 30 June 2016**

**Price movement, calculation indexed**



## Comparative Fund Performance

### HLA VENTURE DANA PUTRA

Performance of the fund					
	2016	2015	2014	2013	2012
Total NAV (RM'000)	56,643	57,088	60,367	46,510	35,032
Number of units ('000)	24,810	23,832	23,372	20,989	18,755
NAV per unit (RM)	2.283	2.395	2.583	2.216	1.868
Highest NAV/unit for the financial year (RM)	2.456	2.640	2.596	2.264	1.911
Lowest NAV/unit for the financial year (RM)	2.196	2.247	2.152	1.840	1.540
Total annual return - capital growth	-4.68%	-7.28%	16.56%	18.63%	-1.79%
Average annual return					
- 1 year	-4.68%	-7.28%	16.56%	18.63%	-1.79%
- 3 year	0.88%	9.36%	11.86%	9.86%	8.01%
- 5 year	3.97%	8.01%	14.30%	7.75%	1.94%
Performance of relevant benchmark indices (FBMEmas Shariah)					
- 1 year	-0.87%	-8.80%	8.89%	11.74%	4.62%
- 3 year	-0.52%	3.65%	9.10%	13.43%	15.93%
- 5 year	3.01%	7.86%	15.96%	8.64%	3.42%

Category of the fund					
	Weightings %				
	2016	2015	2014	2013	2012
Quoted equities	70.43	82.17	77.95	83.63	79.23
Cash and cash equivalents	26.94	17.74	23.97	17.42	20.66
Others	2.63	0.09	(1.92)	(1.05)	0.11
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## Comparative Fund Performance

### HLA VENTURE DANA PUTRA

Quoted equities composition by sector					
	Weightings %				
	2016	2015	2014	2013	2012
Construction	12.26	13.02	13.24	15.42	17.70
Consumer Products	12.62	7.96	6.57	4.93	4.53
Finance	-	5.64	5.72	6.08	4.99
Industrial Products	10.14	10.02	10.92	4.41	8.24
Infrastructure	-	-	-	1.52	2.35
Manufacturing	1.75	-	-	-	-
Plantation	16.44	11.62	11.13	10.67	11.47
Properties	8.60	6.40	8.71	7.57	6.32
Technology	-	11.80	6.12	4.62	5.34
Trading/Services	38.19	33.39	37.33	44.71	38.75
Warrants	-	0.15	0.26	0.07	0.31
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

# Comparative Fund Performance

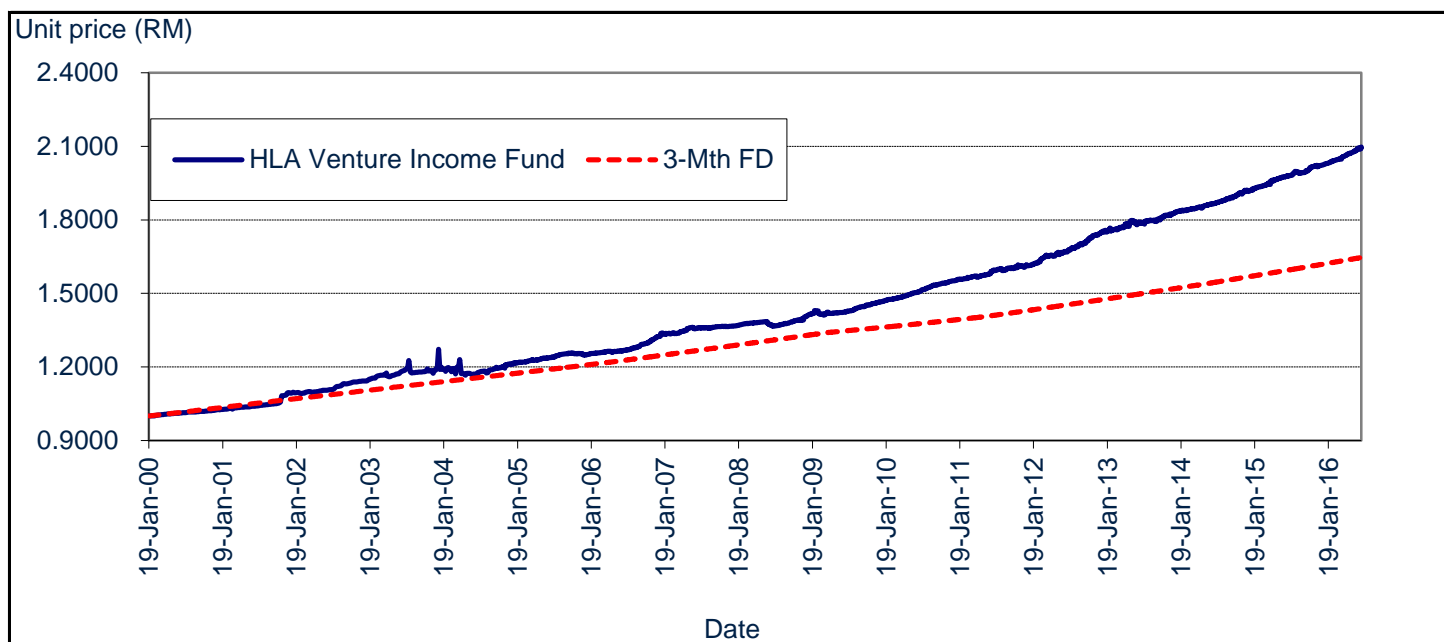
## HLA VENTURE INCOME FUND

For the financial year under review, the Fund managed to achieve a return of 6.01% vs the benchmark return of 3.25% (3-month Maybank Fixed Deposit rate compounded). The outperformance is primarily attributed to the active trading in the foreign bond market. Given the sluggish growth in most of the developed countries, global bonds rallied thus providing trading opportunities especially during the second half of the financial year. As at 30 June 2016, the Fund was 89.10% invested in bonds of which 14.32% were in foreign bonds and the balance were in Malaysian Corporate Bonds.

Going forward, the Fund plans to focus more on primary deals in both local and foreign markets while exploring arbitrage opportunities in this volatile market. Nevertheless, we shall take a cautious stand as uncertainty over the pace of interest hikes in US may affect sentiment especially in this prolonged low interest rate environment.

**As at 30 June 2016**

**Price movement, calculation indexed**



## Comparative Fund Performance

### HLA VENTURE INCOME FUND

Performance of the fund					
	2016	2015	2014	2013	2012
Total NAV (RM'000)	114,691	102,504	89,139	84,682	69,580
Number of units ('000)	54,673	51,787	47,770	47,352	41,660
NAV per unit (RM)	2.098	1.979	1.866	1.788	1.670
Highest NAV/unit for the financial year (RM)	2.097	1.980	1.866	1.798	1.672
Lowest NAV/unit for the financial year (RM)	1.979	1.866	1.782	1.669	1.593
Total annual return - capital growth	6.01%	6.06%	4.36%	7.07%	4.90%
Average annual return					
- 1 year	6.01%	6.06%	4.36%	7.07%	4.90%
- 3 year	5.71%	6.13%	5.72%	6.21%	5.75%
- 5 year	6.35%	6.26%	6.20%	6.06%	4.58%
Performance of relevant benchmark indices (3-Mth FD)					
- 1 year	3.25%	3.26%	3.10%	3.08%	3.07%
- 3 year	3.31%	3.25%	3.18%	2.94%	2.62%
- 5 year	3.36%	3.17%	2.92%	2.89%	2.93%

Category of the fund					
	Weightings %				
	2016	2015	2014	2013	2012
Malaysia Government Securities and Cagamas Papers	-	-	4.99	3.63	4.47
Quoted corporate bonds	-	-	3.23	14.50	26.26
Unquoted corporate bonds	89.10	88.02	85.42	62.58	67.22
Derivative assets	0.51	-	-	-	0.02
Cash and cash equivalents	10.33	15.54	4.66	19.77	2.87
Others	0.06	(3.56)	1.70	(0.48)	(0.84)
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

# Comparative Fund Performance

## HLA VENTURE MANAGED FUND

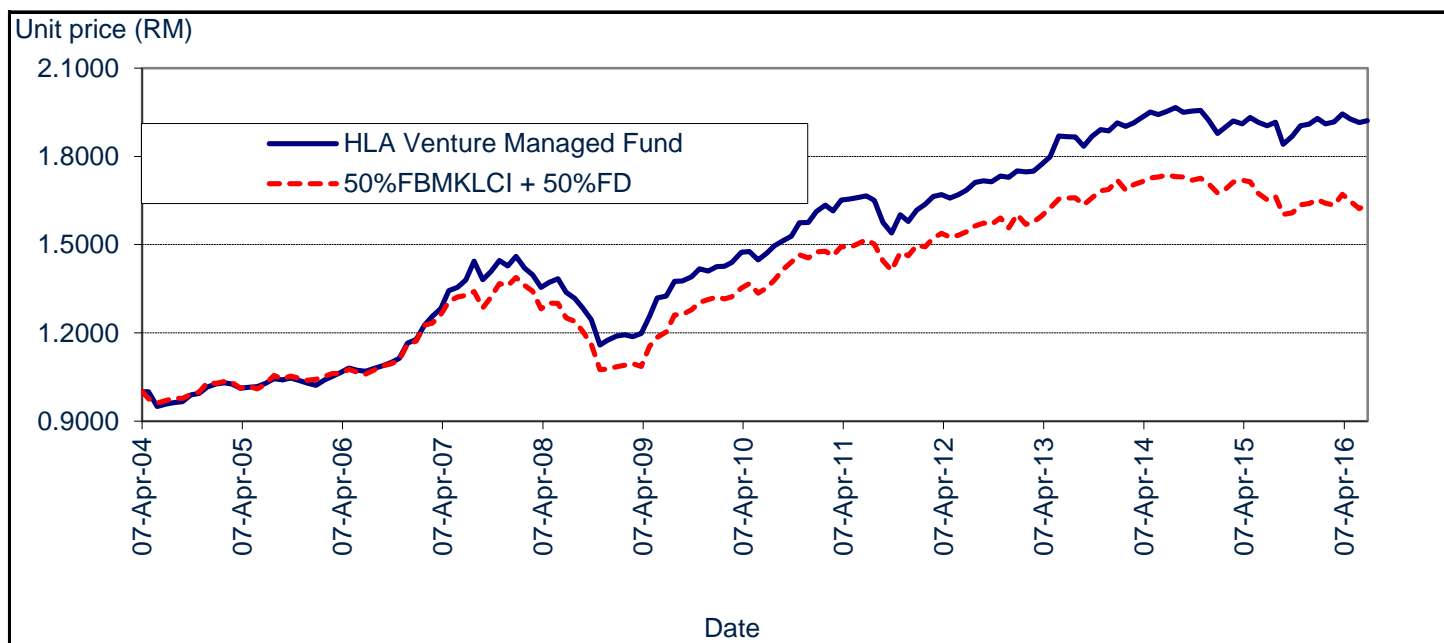
For the financial period under review, the Fund rose by 0.89%, outperforming the benchmark index (50% of 3-month compounded Maybank Fixed Deposit rate + 50% FBMKLCI) which declined by -0.80%. The benchmark was dragged down by the FBMKLCI which declined by 3.08%. As this is a moderate risk Fund, the Manager reduced the equity weighting during the financial year to 35.50% to cap downside risk.

Meanwhile the Fund by the end of the financial year period was 46.35% invested in fixed income in particular corporate bonds which offered better yield which added stable income to the Fund. The Manager also traded in MGS and foreign bonds when there were any arbitrage opportunities to improve the performance.

Going forward, we are likely to maintain the current asset allocation levels and may even increase the fixed income weighting as we do not expect equities to significantly outperform for the remainder of 2016. Instead we will look to add quality corporate bonds via primary issuance and also trade foreign bonds especially since we expect arbitrage opportunities in these periods of rate uncertainty.

### As at 30 June 2016

#### Price movement, calculation indexed



# Comparative Fund Performance

## HLA VENTURE MANAGED FUND

Performance of the fund					
	2016	2015	2014	2013	2012
Total NAV (RM'000)	166,542	144,074	128,066	107,649	79,627
Number of units ('000)	86,803	75,760	65,735	57,873	47,269
NAV per unit (RM)	1.919	1.902	1.948	1.860	1.685
Highest NAV/unit for the financial year (RM)	1.955	1.969	1.956	1.886	1.692
Lowest NAV/unit for the financial year (RM)	1.819	1.836	1.815	1.686	1.513
Total annual return - capital growth	0.89%	-2.36%	4.73%	10.39%	1.26%
Average annual return					
- 1 year	0.89%	-2.36%	4.73%	10.39%	1.26%
- 3 year	0.93%	4.27%	5.65%	8.84%	9.05%
- 5 year	3.04%	5.87%	9.40%	7.80%	4.42%
Performance of relevant benchmark indices (50%FBMKLCI + 50%FD)					
- 1 year	-0.80%	-4.80%	4.68%	7.42%	1.79%
- 3 year	-0.38%	2.35%	4.82%	7.55%	9.42%
- 5 year	1.62%	4.45%	8.84%	6.51%	3.25%

Category of the fund					
	Weightings %				
	2016	2015	2014	2013	2012
Quoted equities	33.50	36.46	42.44	42.47	35.61
Quoted unit trusts and ("REITs")	2.02	1.34	1.37	1.19	0.46
Malaysia Government Securities and Cagamas Papers	-	-	2.69	1.91	5.17
Quoted corporate bonds	-	-	-	4.84	17.65
Unquoted corporate bonds	46.35	49.37	45.09	39.17	32.08
Derivative assets	0.19	-	-	-	-
Cash and cash equivalents	17.87	12.12	8.63	10.32	9.26
Others	0.07	0.71	(0.22)	0.10	(0.23)
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>



## Comparative Fund Performance

### HLA VENTURE MANAGED FUND

Quoted equities composition by sector					
	Weightings %				
	2016	2015	2014	2013	2012
Construction	16.43	12.37	12.54	14.47	15.28
Consumer Products	4.42	5.31	9.25	6.00	3.35
Finance	11.59	10.94	9.93	13.87	10.05
Industrial Products	5.04	8.82	6.79	4.51	7.44
Infrastructure	1.33	1.05	0.93	2.42	3.92
Plantation	5.83	8.02	13.13	13.92	14.58
Properties	6.05	9.17	9.85	10.34	7.67
Technology	-	6.34	-	-	0.27
Trading/Services	49.31	37.98	37.43	34.47	37.36
Warrants	-	-	0.15	-	0.08
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

# Comparative Fund Performance

## HLA VENTURE GLOBAL FUND

### Performance Review

For the financial period under review, the Fund's NAV posted a gain of 3.91% while the benchmark index declined by 2.68%. As at end-June 2016, 83% of the Fund was invested into two underlying funds in equal proportion namely; Hong Leong Strategic Fund and Hong Leong Asia-Pacific Dividend Fund, which registered returns of 6.15% and 3.12% respectively.

### Outlook/Strategy

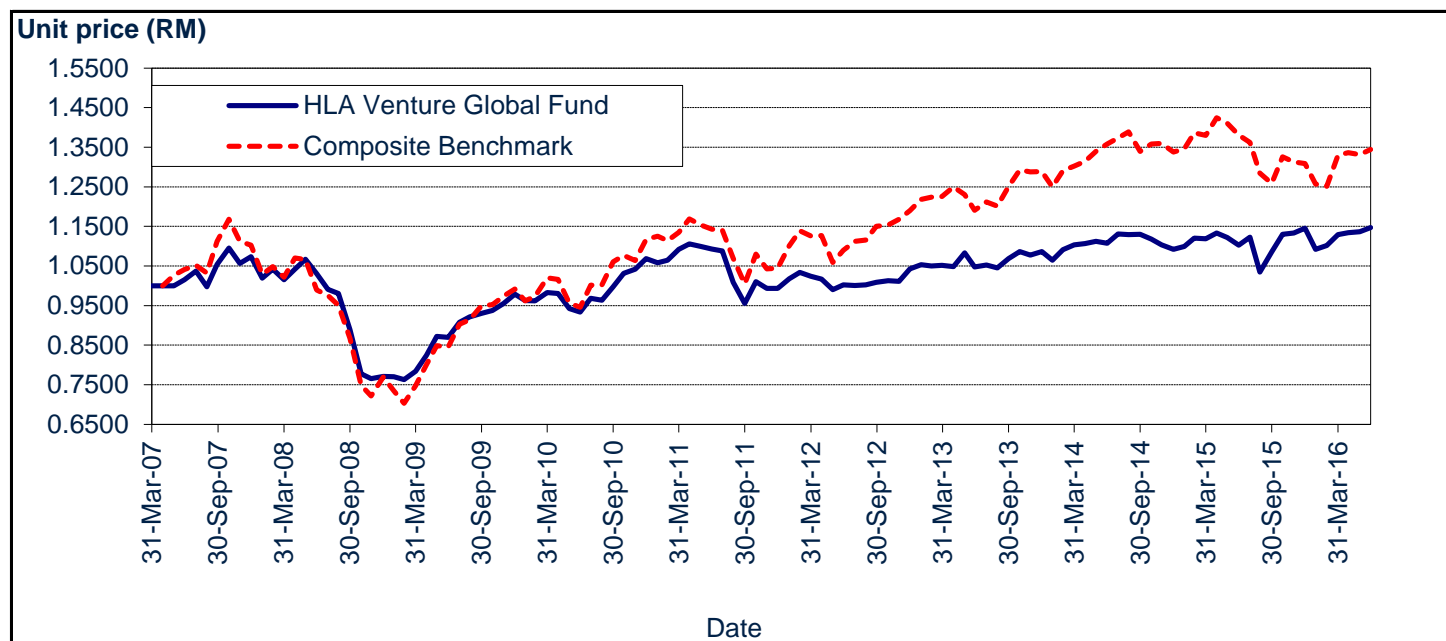
The Fund is neutral on the local market as big-cap sectors are still facing gloomy macro outlook i.e. plantations and banks. In the current stock market environment, the Fund believes stock selection is the key to the fund performance. The Fund favours construction, industrial product and consumer product sectors and is turning more positive on telecommunication and technology sectors as values have started to emerge.

Domestically, economic growth is expected to moderate to a certain extent. As oil price stabilises and probability of Fed rate hike falls, we think that the MYR has likely bottomed. BNM unexpectedly cut the OPR in July 2016 which opens up the possibility of another 25bps cut, although it will be data-dependent and event-driven. We look to remain defensive on the sovereign market as it looks rich at current valuation and position to take advantage of any sell-off. We continue to overweight on credit and position defensively on the duration front.

The Fund still sees opportunities in Malaysian and Hong Kong equities. The Fund will continue to adopt the bottom-up stock picking strategy with preference for high-yield stocks and large-cap stocks that have been sold down.

### As at 30 June 2016

#### Price movement, calculation indexed



## Comparative Fund Performance

### HLA VENTURE GLOBAL FUND

Performance of the fund					
	2016	2015	2014	2013	2012
Total NAV (RM'000)	24,357	21,661	20,391	19,158	15,683
Number of units ('000)	21,301	19,697	18,374	18,388	15,595
NAV per unit (RM)	1.143	1.100	1.110	1.042	1.006
Highest NAV/unit for the financial year (RM)	1.154	1.146	1.117	1.091	1.103
Lowest NAV/unit for the financial year (RM)	1.022	1.059	0.998	0.990	0.939
Total annual return - capital growth	3.91%	-0.90%	6.53%	3.58%	-8.21%
Average annual return					
- 1 year	3.91%	-0.90%	6.53%	3.58%	-8.21%
- 3 year	3.03%	3.23%	0.52%	3.86%	5.21%
- 5 year	0.91%	3.56%	5.51%	0.23%	-0.19%
Performance of relevant benchmark indices (Composite Benchmark)					
- 1 year	-2.68%	1.70%	14.02%	9.27%	-4.62%
- 3 year	4.28%	8.90%	6.28%	8.65%	9.63%
- 5 year	3.52%	9.21%	12.12%	4.07%	0.94%

Category of the fund					
	Weightings %				
	2016	2015	2014	2013	2012
Unquoted unit trusts	82.94	91.70	91.50	87.70	79.74
Cash and cash equivalents	16.83	7.40	7.52	11.32	19.25
Others	0.23	0.90	0.98	0.98	1.01
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

# Comparative Fund Performance

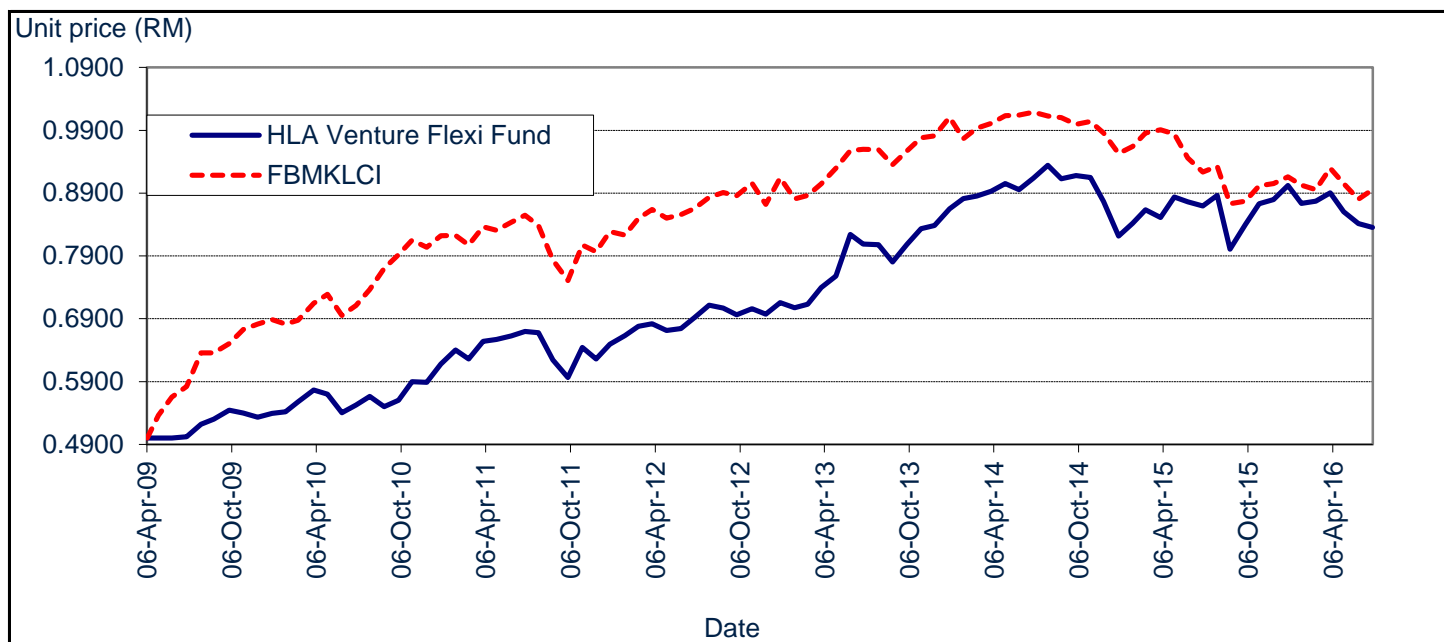
## HLA VENTURE FLEXI FUND

For the financial period under review, the Fund declined by 3.92% compared to the benchmark negative return of 3.08%. The underperformance of the Fund was mainly due to minimal exposure in index-linked and consumer stocks which generally perform better in a bearish market. The Fund's selection of smaller mid-cap stocks were also impacted when there was a general sell-off in this space when earnings disappointed and foreign outflows occurred during the year. In terms of asset allocation, the Fund reduced equity holdings to 66.23% from 82.63% the year before given the heightened volatility in global markets.

Going forward, the Fund will reposition to be more defensive as high beta stocks are not in favour in this risk off environment. We continue to expect the market to adopt a defensive strategy with focus on quality high dividend yielders and infrastructure-related plays, led by the rollout of various multi-billion ringgit projects such as the Pan Borneo Highway, MRT2 and LRT3 as well as mega property projects like TRX and Bandar Malaysia.

As at 30 June 2016

Price movement, calculation indexed



## Comparative Fund Performance

### HLA VENTURE FLEXI FUND

Performance of the fund					
	2016	2015	2014	2013	2012
Total NAV (RM'000)	25,211	21,061	16,222	10,387	5,416
Number of units ('000)	30,253	24,293	17,820	12,889	7,838
NAV per unit (RM)	0.833	0.867	0.910	0.806	0.691
Highest NAV/unit for the financial year (RM)	0.908	0.936	0.917	0.835	0.698
Lowest NAV/unit for the financial year (RM)	0.784	0.778	0.766	0.686	0.580
Total annual return - capital growth	-3.92%	-4.73%	12.90%	16.64%	3.29%
Average annual return					
- 1 year	-3.92%	-4.73%	12.90%	16.64%	3.29%
- 3 year	1.00%	8.44%	11.97%	15.29%	12.55%
- 5 year	4.88%	11.38%	16.25%	N/A	N/A
Performance of relevant benchmark indices (FBMKLCI)					
- 1 year	-3.08%	-9.35%	6.16%	10.91%	1.27%
- 3 year	-2.25%	2.24%	6.41%	11.66%	16.24%
- 5 year	0.95%	5.98%	15.02%	N/A	N/A

Category of the fund					
	Weightings %				
	2016	2015	2014	2013	2012
Quoted equities	63.79	80.96	85.12	71.58	67.63
Quoted unit trusts and REITs	2.44	1.67	1.98	5.54	5.80
Cash and cash equivalents	33.77	14.69	14.71	22.29	26.99
Others	-	2.69	(1.81)	0.59	(0.42)
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## Comparative Fund Performance

### HLA VENTURE FLEXI FUND

Quoted equities composition by sector					
	Weightings %				
	2016	2015	2014	2013	2012
Construction	15.67	12.93	9.82	13.16	7.93
Consumer Products	11.39	11.41	11.82	8.93	3.65
Finance	15.66	9.60	9.85	16.65	6.20
Industrial Products	10.19	16.01	13.11	4.69	4.62
Infrastructure	-	-	-	1.51	3.36
Manufacturing	1.39	-	-	-	-
Plantation	4.20	2.60	12.78	8.78	8.98
Properties	5.37	10.51	9.55	15.55	8.12
Technology	-	8.38	-	-	-
Trading/Services	36.13	28.56	33.07	30.73	57.14
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

# Comparative Fund Performance

## HLA EVERGREEN FUNDS

### Performance Review

Max Invest Save 30Y Index registered a mild performance over the last 12 months. While the index did maintain high exposure to equities, it also applied significant weights to European Real Estate, American Real Estate, and Currency. However, due to the tumultuous conditions present in the financial markets, be it equities, currency or commodities, many asset classes suffered losses. Hence, the level of the Max InvestSave 30Y Index declined slightly.

The Max InvestSave 30Y weightings from June 2015 to June 2016 are as follows:

Reference Assets	June 2016	June 2015
American Equity	28.64%	31.62%
Japanese Equity	-5.88%	17.72%
European Equity	-28.64%	31.62%
UK Equity	-28.64%	-2.91%
Emerging Market Equity	11.46%	-2.48%
China Equity	0.00%	12.65%
Commodity Index	17.28%	-10.21%
European Real Estate	28.64%	0.00%
American Real Estate	11.46%	12.65%
Hedge Fund Strategies	5.73%	-2.50%
Currency	-28.64%	-31.62%

# Comparative Fund Performance

## HLA EVERGREEN FUNDS

### Outlook/Strategy

The current Reference Unit Price ("RUP") are still relatively low compared to the highest RUP recorded and this provides investors with a good opportunity to increase their number of units and to reduce their weighted average cost of investment in the FRNID, whilst maintaining its protected level at maturity during this volatile period. Investors will be able to get a higher return at maturity as their returns will be protected at the "Highest RUP or highest Boosted RUP ever achieved".

One thing to note is that the 13Y Maximum Assurance FRNID is "cashlocked" as of 22 January 2016. As such, the product no longer has any exposure to the Max InvestSave 30Y Index. The RUP of the 13Y FRNID will now behave much like a zero coupon bond as it eventually reaches its Guaranteed Level at maturity. The rest of the tenors (15Y, 18Y, 20Y, 25Y) are still exposed to the Max InvestSave 30Y Index and will have their performances tied to the movement of the Index.

The performance of the Maximum Assurance underlying performance as at 30 June 2016 is as below:

	30-June-16	30-June-15	Performance
<b>Max InvestSave 30Y</b>	<b>0.855</b>	<b>0.890</b>	<b>-3.99%</b>
American Equity	3,968.210	3,815.850	3.99%
Japanese Equity	1,757.690	2,252.530	-21.97%
European Equity	5,590.190	6,491.710	-13.89%
UK Equity	5,214.610	5,023.820	3.80%
Emerging Market Equity	2,689.320	3,208.880	-16.19%
China Equity	8,712.890	12,981.230	-32.88%
Commodity Index	693.860	820.260	-15.41%
European Real Estate	5,116.040	4,416.940	15.83%
American Real Estate	82.390	71.300	15.55%
Hedge Fund Strategies	231.047	213.880	8.03%
Currency	0.900	0.898	0.28%



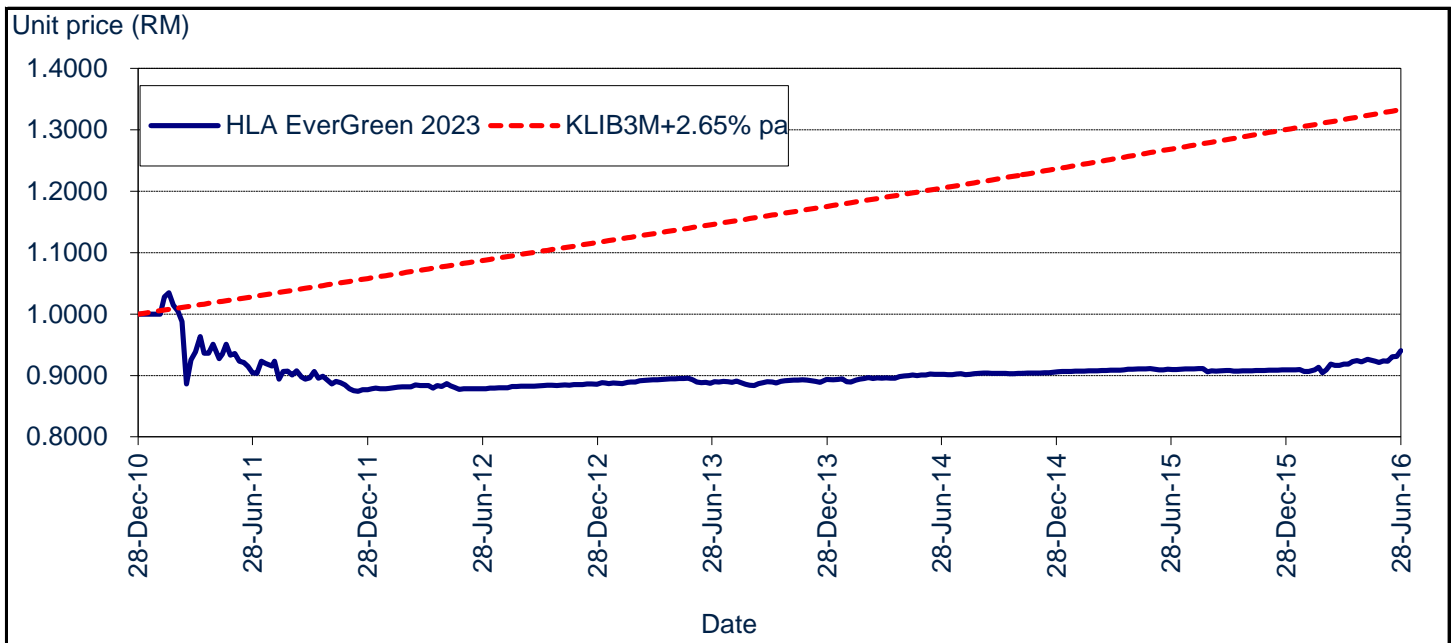


# Comparative Fund Performance

**HLA EVERGREEN 2023**

**As at 30 June 2016**

**Price movement, calculation indexed**



## Comparative Fund Performance

### HLA EVERGREEN 2023

Performance of the fund					
	2016	2015	2014	2013	2012
Total NAV (RM'000)	27,532	28,993	33,413	37,278	39,103
Number of units ('000)	29,566	31,826	37,093	42,046	43,117
NAV per unit (RM)	0.931	0.911	0.901	0.887	0.907
Highest NAV/unit for the financial year (RM)	0.941	0.911	0.903	0.896	0.923
Lowest NAV/unit for the financial year (RM)	0.904	0.901	0.884	0.878	0.874
Total annual return - capital growth	2.20%	1.11%	1.58%	-2.21%	-0.44%
Average annual return					
- 1 year	2.20%	1.11%	1.58%	-2.21%	-0.44%
- 3 year	1.99%	1.18%	-0.10%	N/A	N/A
- 5 year	0.80%	N/A	N/A	N/A	N/A
Performance of relevant benchmark indices (KLIB3M+2.65%p.a.)					
- 1 year	5.05%	5.37%	5.14%	5.37%	5.71%
- 3 year	5.46%	5.58%	5.70%	N/A	N/A
- 5 year	5.93%	N/A	N/A	N/A	N/A

Category of the fund					
	Weightings %				
	2016	2015	2014	2013	2012
Floating rate negotiable instrument of deposit	100.37	99.92	100.35	100.16	99.93
Cash and cash equivalents	0.10	1.05	0.39	0.01	0.02
Others	(0.47)	(0.97)	(0.74)	(0.17)	0.05
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

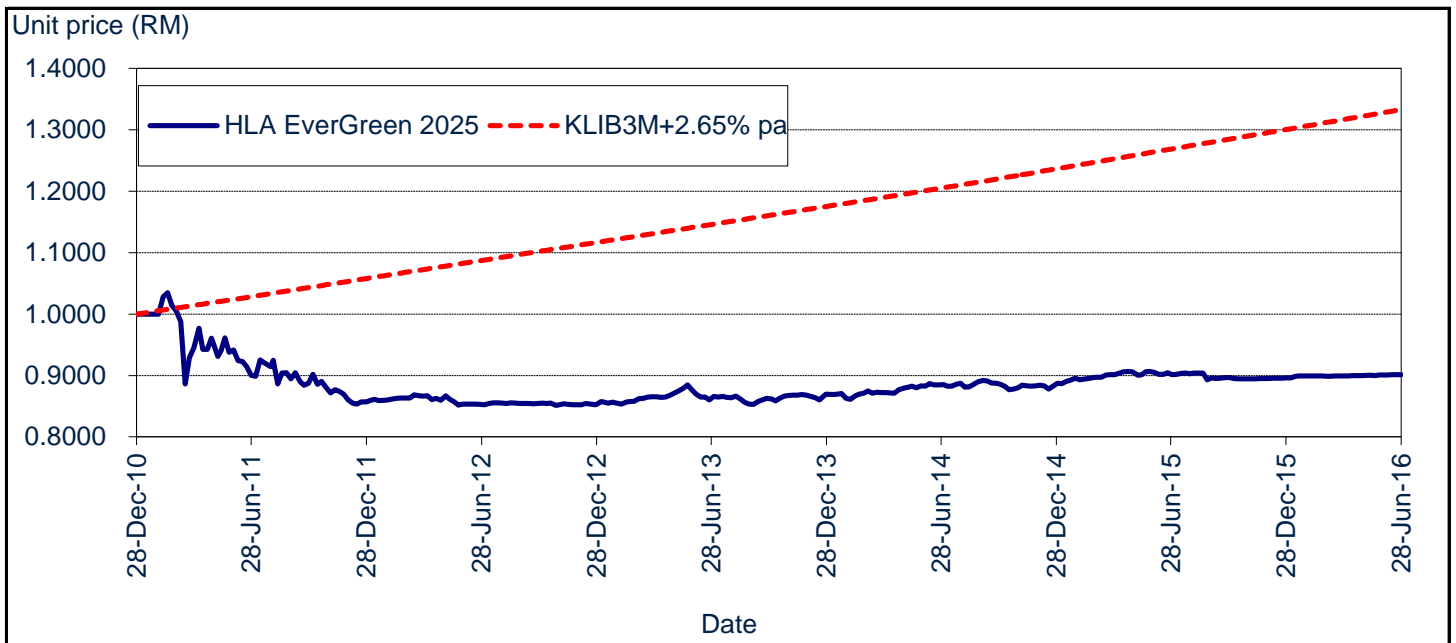


# Comparative Fund Performance

**HLA EVERGREEN 2025**

**As at 30 June 2016**

**Price movement, calculation indexed**



## Comparative Fund Performance

### HLA EVERGREEN 2025

Performance of the fund					
	2016	2015	2014	2013	2012
Total NAV (RM'000)	4,779	2,685	1,095	415	195
Number of units ('000)	5,303	2,968	1,238	483	228
NAV per unit (RM)	0.901	0.905	0.884	0.859	0.858
Highest NAV/unit for the financial year (RM)	0.904	0.907	0.887	0.885	0.925
Lowest NAV/unit for the financial year (RM)	0.893	0.877	0.853	0.852	0.852
Total annual return - capital growth	-0.44%	2.38%	2.91%	0.12%	-5.51%
Average annual return					
- 1 year	-0.44%	2.38%	2.91%	0.12%	-5.51%
- 3 year	1.60%	1.90%	-0.58%	N/A	N/A
- 5 year	0.02%	N/A	N/A	N/A	N/A
Performance of relevant benchmark indices (KLIB3M+2.65%p.a.)					
- 1 year	5.05%	5.37%	5.14%	5.37%	5.71%
- 3 year	5.46%	5.58%	5.70%	N/A	N/A
- 5 year	5.93%	N/A	N/A	N/A	N/A

Category of the fund					
	Weightings %				
	2016	2015	2014	2013	2012
Floating rate negotiable instrument of deposit	99.59	99.71	99.26	98.46	98.81
Cash and cash equivalents	0.62	0.54	0.97	1.40	0.61
Others	(0.21)	(0.25)	(0.23)	0.14	0.58
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

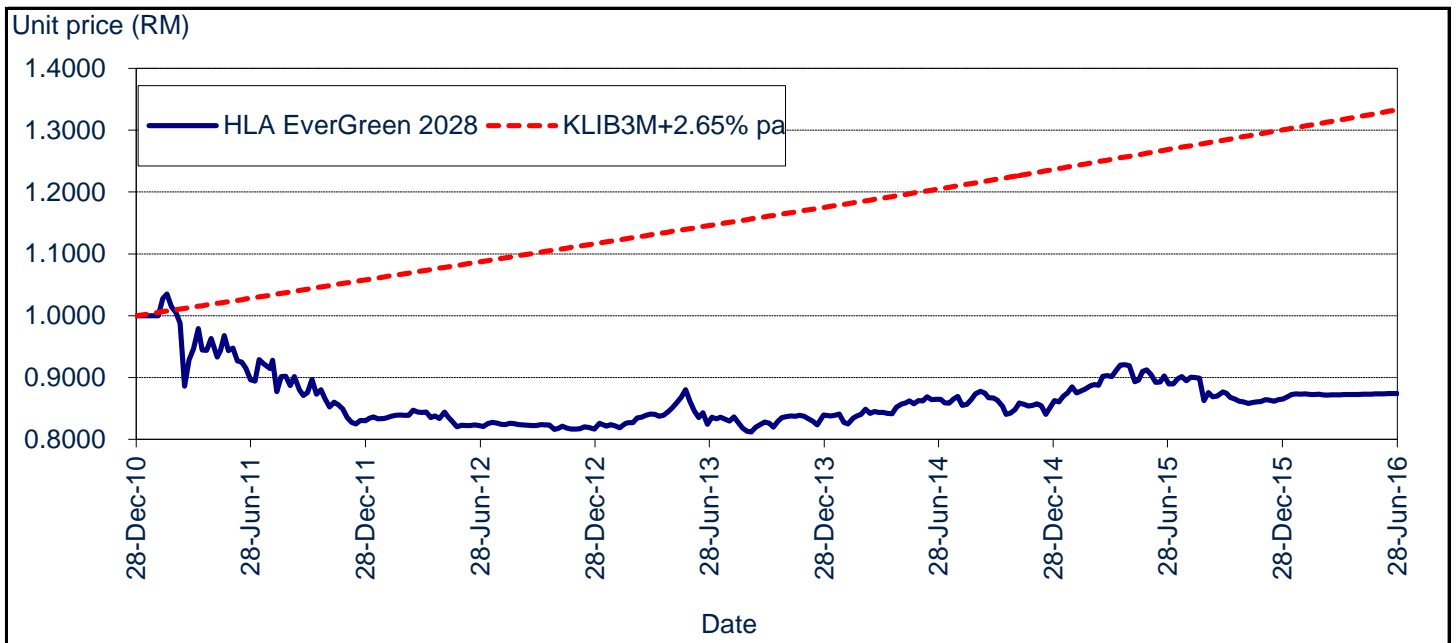


# Comparative Fund Performance

**HLA EVERGREEN 2028**

**As at 30 June 2016**

**Price movement, calculation indexed**



## Comparative Fund Performance

### HLA EVERGREEN 2028

Performance of the fund					
	2016	2015	2014	2013	2012
Total NAV (RM'000)	4,314	2,986	1,934	915	396
Number of units ('000)	4,936	3,306	2,238	1,110	469
NAV per unit (RM)	0.874	0.903	0.864	0.824	0.843
Highest NAV/unit for the financial year (RM)	0.902	0.921	0.869	0.880	0.929
Lowest NAV/unit for the financial year (RM)	0.858	0.840	0.812	0.816	0.820
Total annual return - capital growth	-3.21%	4.51%	4.85%	-2.25%	-7.26%
Average annual return					
- 1 year	-3.21%	4.51%	4.85%	-2.25%	-7.26%
- 3 year	2.01%	2.74%	-1.18%	N/A	N/A
- 5 year	-0.49%	N/A	N/A	N/A	N/A
Performance of relevant benchmark indices (KLIB3M+2.65%p.a.)					
- 1 year	5.05%	5.37%	5.14%	5.37%	5.71%
- 3 year	5.46%	5.58%	5.70%	N/A	N/A
- 5 year	5.93%	N/A	N/A	N/A	N/A

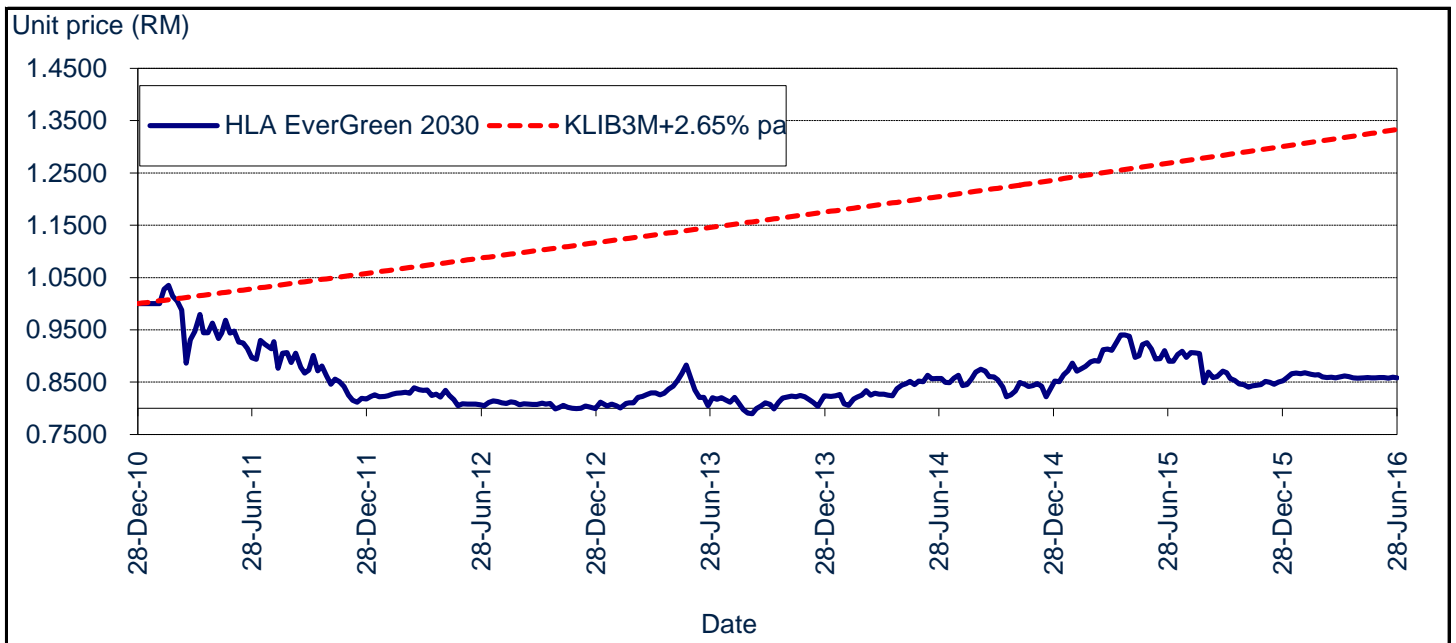
Category of the fund					
	Weightings %				
	2016	2015	2014	2013	2012
Floating rate negotiable instrument of deposit	99.49	99.75	100.15	99.49	99.35
Cash and cash equivalents	0.80	0.85	0.37	0.39	0.19
Others	(0.29)	(0.60)	(0.52)	0.12	0.46
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

# Comparative Fund Performance

**HLA EVERGREEN 2030**

**As at 30 June 2016**

**Price movement, calculation indexed**



## Comparative Fund Performance

### HLA EVERGREEN 2030

Performance of the fund					
	2016	2015	2014	2013	2012
Total NAV (RM'000)	16,167	11,105	6,110	2,503	963
Number of units ('000)	18,816	12,196	7,135	3,111	1,138
NAV per unit (RM)	0.859	0.911	0.856	0.805	0.846
Highest NAV/unit for the financial year (RM)	0.909	0.940	0.863	0.883	0.930
Lowest NAV/unit for the financial year (RM)	0.840	0.822	0.789	0.799	0.805
Total annual return - capital growth	-5.71%	6.43%	6.34%	-4.85%	-5.16%
Average annual return					
- 1 year	-5.71%	6.43%	6.34%	-4.85%	-5.16%
- 3 year	2.20%	3.45%	-1.47%	N/A	N/A
- 5 year	-0.85%	N/A	N/A	N/A	N/A
Performance of relevant benchmark indices (KLIB3M+2.65%p.a.)					
- 1 year	5.05%	5.37%	5.14%	5.37%	5.71%
- 3 year	5.46%	5.58%	5.70%	N/A	N/A
- 5 year	5.93%	N/A	N/A	N/A	N/A

Category of the fund					
	Weightings %				
	2016	2015	2014	2013	2012
Floating rate negotiable instrument of deposit	99.86	100.04	100.17	99.62	99.29
Cash and cash equivalents	0.32	0.60	0.34	0.19	0.12
Others	(0.18)	(0.64)	(0.51)	0.19	0.59
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

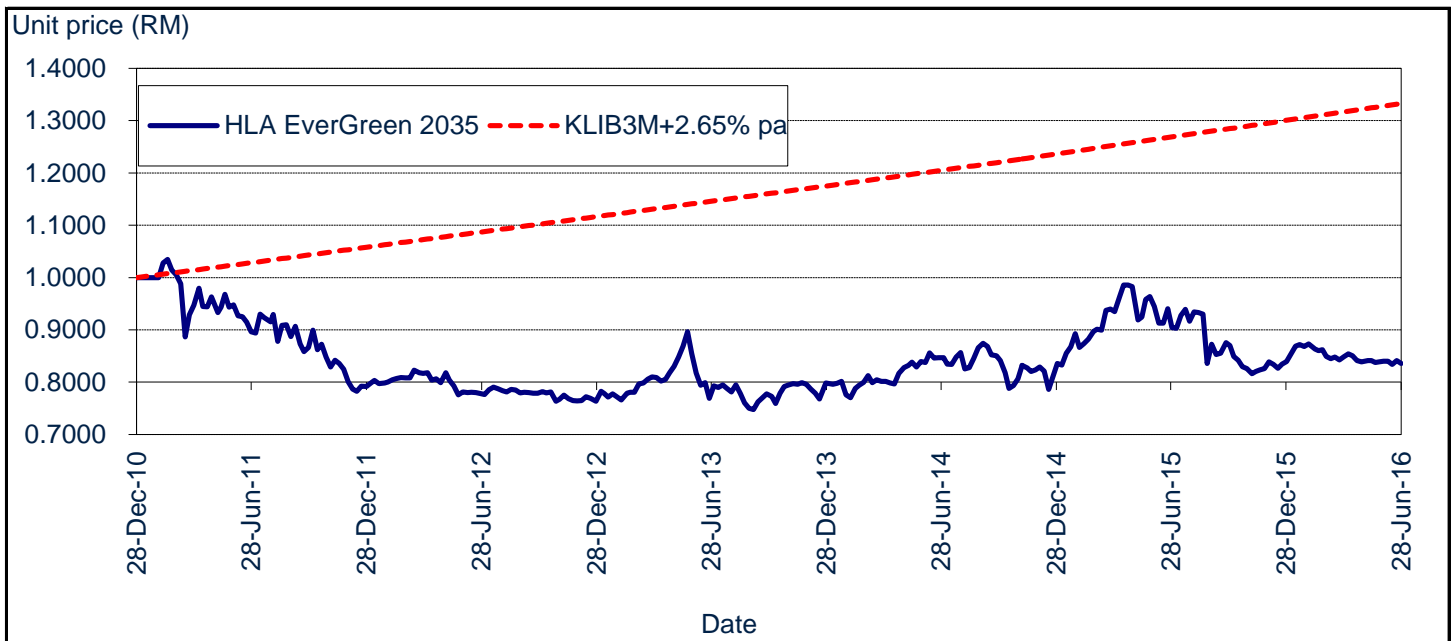


# Comparative Fund Performance

**HLA EVERGREEN 2035**

**As at 30 June 2016**

**Price movement, calculation indexed**



## Comparative Fund Performance

### HLA EVERGREEN 2035

Performance of the fund					
	2016	2015	2014	2013	2012
Total NAV (RM'000)	191,321	105,612	49,220	8,635	1,640
Number of units ('000)	227,463	112,227	58,161	11,235	2,002
NAV per unit (RM)	0.841	0.941	0.846	0.769	0.819
Highest NAV/unit for the financial year (RM)	0.939	0.986	0.856	0.896	0.930
Lowest NAV/unit for the financial year (RM)	0.816	0.786	0.748	0.764	0.776
Total annual return - capital growth	-10.63%	11.23%	10.01%	-6.11%	-10.00%
Average annual return					
- 1 year	-10.63%	11.23%	10.01%	-6.11%	-10.00%
- 3 year	2.89%	5.39%	-1.84%	N/A	N/A
- 5 year	-1.35%	N/A	N/A	N/A	N/A
Performance of relevant benchmark indices (KLIB3M+2.65%p.a.)					
- 1 year	5.05%	5.37%	5.14%	5.37%	5.71%
- 3 year	5.46%	5.58%	5.70%	N/A	N/A
- 5 year	5.93%	N/A	N/A	N/A	N/A

Category of the fund					
	Weightings %				
	2016	2015	2014	2013	2012
Floating rate negotiable instrument of deposit	99.81	100.71	100.38	99.95	99.65
Cash and cash equivalents	0.19	0.19	0.23	0.08	0.24
Others	-	(0.90)	(0.61)	(0.03)	0.11
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

# Comparative Fund Performance

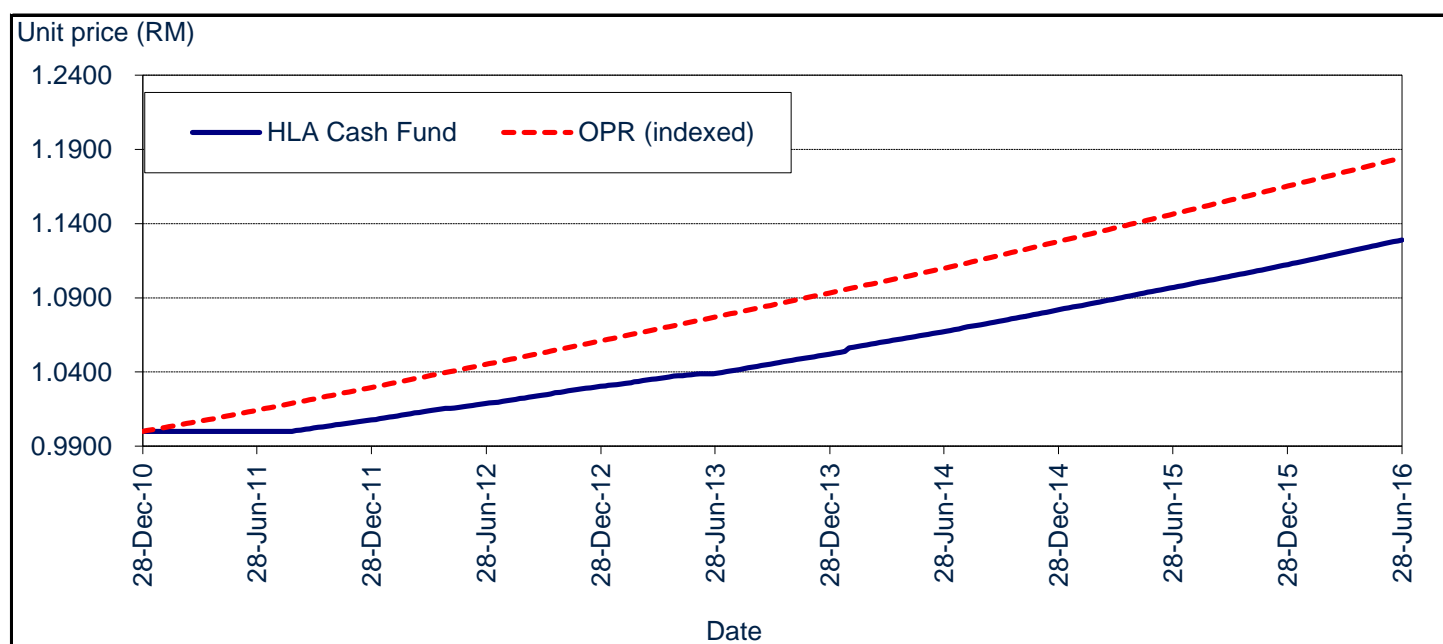
## HLA CASH FUND

### Performance Review

For the financial period under review, the Fund's NAV posted a gain of 3.01% while the benchmark return was 3.29%. The Fund underperformed the benchmark slightly because the permitted investments are restricted to Islamic deposits where the interest rates are lower than the benchmark Overnight Policy Rate which is the benchmark.

As at 30 June 2016

Price movement, calculation indexed



## Comparative Fund Performance

### HLA CASH FUND

Performance of the fund					
	2016	2015	2014	2013	2012
Total NAV (RM'000)	25,025	15,994	8,544	2,436	463
Number of units ('000)	22,155	14,576	8,003	2,336	430
NAV per unit (RM)	1.130	1.097	1.068	1.043	1.077
Highest NAV/unit for the financial year (RM)	1.129	1.097	1.067	1.039	1.018
Lowest NAV/unit for the financial year (RM)	1.097	1.068	1.039	1.018	1.000
Total annual return - capital growth	3.01%	2.72%	2.40%	-3.16%	7.70%
Average annual return					
- 1 year	3.01%	2.72%	2.40%	-3.16%	7.70%
- 3 year	2.89%	2.56%	2.23%	N/A	N/A
- 5 year	2.58%	N/A	N/A	N/A	N/A
Performance of relevant benchmark indices (OPR)					
- 1 year	3.29%	3.35%	3.04%	3.04%	3.04%
- 3 year	3.33%	3.24%	3.13%	N/A	N/A
- 5 year	3.35%	N/A	N/A	N/A	N/A

Category of the fund					
	Weightings %				
	2016	2015	2014	2013	2012
Fixed and call deposits	-	-	-	-	93.98
Cash and cash equivalents	100.08	100.14	100.26	100.03	6.08
Others	(0.08)	(0.14)	(0.26)	(0.03)	(0.06)
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

# Comparative Fund Performance

## HLA SECURE FUND

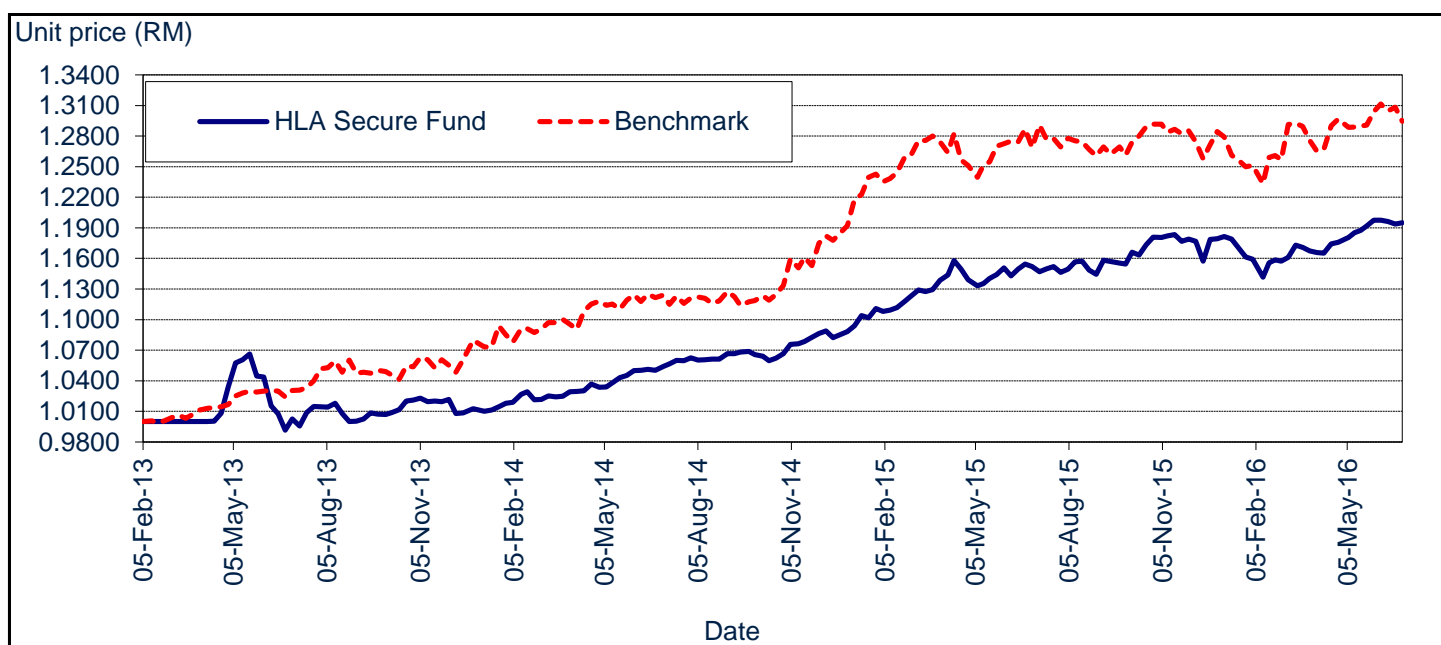
### Performance Review

Affin Hwang Select Income Fund returned 3.56% during the period under review. Over the same period, the fund benchmark gained 2.02%. Comparing to the benchmark, the fund has outperformed by 1.54%. The fund benchmark consists of 70% Maybank 12-month Fixed Deposit Rate and 30% Dow Jones / Asia Pacific Select Dividend 30 Index. Despite the uncertainties and tail risk events, the fund managed to keep its volatility low throughout the year. Its annualised standard deviation stood at 4.18% p.a., noticeably lower than the benchmark. The volatility of benchmark stood 5.03% p.a.

Looking ahead, high dividend yielding stocks and income-like equities remain the primary focus for equity portion. The equity manager believes the global search for yield assets would continue on the back of ultra-loose monetary policies and slower global growth outlook. On the fixed income front, we maintain our global view that the bond yields are going to stay lower for longer as central banks pursued monetary easing. Hence, the fixed income manager maintains long duration bias for global rates. For Asian credit outlook, the technical looks very favourable to the extent that some of the high yield bonds traded around 3-5% levels. We are mindful of the stretched fixed income valuations and considering taking profit along the way. At this moment, we prefer to stick to the liquid benchmark names. Overall, the managers are positive on the outlook for both equity and fixed income markets as the world economy is adjusting to slower growth with no near term recession risk. Both the fundamentals and technicals remain supportive to the broad asset classes, allowing the Managers to deliver commendable returns going forward.

As at 30 June 2016

Price movement, calculation indexed



## Comparative Fund Performance

### HLA SECURE FUND

Performance of the fund					
	2016	2015	2014	2013	2012
Total NAV (RM'000)	6,627	3,790	1,298	7	N/A
Number of units ('000)	5,554	3,291	1,234	7	N/A
NAV per unit (RM)	1.193	1.152	1.052	0.997	N/A
Highest NAV/unit for the financial year (RM)	1.198	1.158	1.051	1.066	N/A
Lowest NAV/unit for the financial year (RM)	1.142	1.054	0.992	0.992	N/A
Total annual return - capital growth	3.56%	9.51%	5.52%	-0.30%	N/A
Average annual return					
- 1 year	3.56%	9.51%	5.52%	-0.30%	N/A
- 3 year	6.83%	N/A	N/A	N/A	N/A
- 5 year	N/A	N/A	N/A	N/A	N/A
Performance of relevant benchmark indices					
- 1 year	2.02%	13.14%	9.48%	2.43%	N/A
- 3 year	8.79%	N/A	N/A	N/A	N/A
- 5 year	N/A	N/A	N/A	N/A	N/A

Category of the fund					
	Weightings %				
	2016	2015	2014	2013	2012
Unquoted unit trusts	103.51	100.37	99.49	97.07	N/A
Cash and cash equivalents	0.21	0.29	0.61	2.82	N/A
Others	(3.72)	(0.66)	(0.10)	0.11	N/A
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>N/A</b>

# Comparative Fund Performance

## HONG LEONG SMART GROWTH FUND

### Performance Review

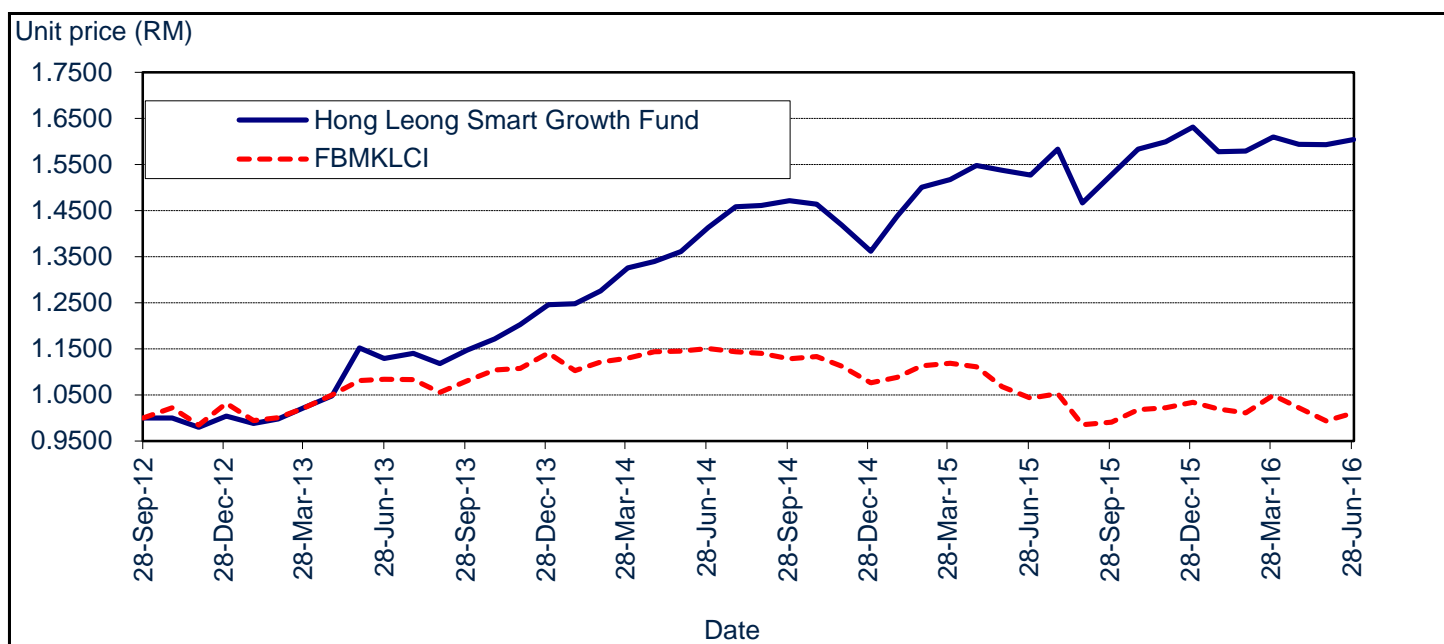
For the period under review, the Fund registered a return of 5.25%, outperforming FBM KLCI return of -3.08%. The outperformance was mainly due to better stock selection.

### Outlook/Strategy

Short term volatility warrants a defensive strategy. We have turned defensive both in terms of cash holdings and stock selections ahead of this unexpected event. In the longer-term, we expect markets to stabilise as central banks like Bank of Japan ("BOJ"), Bank of England ("BOE"), European Central Bank ("ECB") are likely to embark on more easing, whilst Fed tightening looks likely to be off the table not just for July and September but probably for the rest of the year. This implies markets would come back once the initial "dust settles". We advocate buying on dips as our earlier cash raising has enabled us to bottom fish on weakness. Stock picking remains the key with focus on sectors with earnings visibility and dividend support.

### As at 30 June 2016

#### Price movement, calculation indexed



## Comparative Fund Performance

### HONG LEONG SMART GROWTH FUND

Performance of the fund					
	2016	2015	2014	2013	2012
Total NAV (RM'000)	190,108	139,010	41,720	10,153	N/A
Number of units ('000)	118,623	91,266	29,594	9,069	N/A
NAV per unit (RM)	1.603	1.523	1.410	1.120	N/A
Highest NAV/unit for the financial year (RM)	1.634	1.578	1.413	1.163	N/A
Lowest NAV/unit for the financial year (RM)	1.433	1.286	1.100	0.970	N/A
Total annual return - capital growth	5.25%	8.01%	25.89%	12.00%	N/A
Average annual return					
- 1 year	5.25%	8.01%	25.89%	12.00%	N/A
- 3 year	14.04%	N/A	N/A	N/A	N/A
- 5 year	N/A	N/A	N/A	N/A	N/A
Performance of relevant benchmark indices (FBMKLCI)					
- 1 year	-3.08%	-9.35%	6.16%	8.36%	N/A
- 3 year	-2.25%	N/A	N/A	N/A	N/A
- 5 year	N/A	N/A	N/A	N/A	N/A

Category of the fund					
	Weightings %				
	2016	2015	2014	2013	2012
Unquoted unit trusts	99.62	100.48	97.32	100.06	N/A
Cash and cash equivalents	0.13	0.06	3.75	0.52	N/A
Others	0.25	(0.54)	(1.07)	(0.58)	N/A
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>N/A</b>



# Comparative Fund Performance

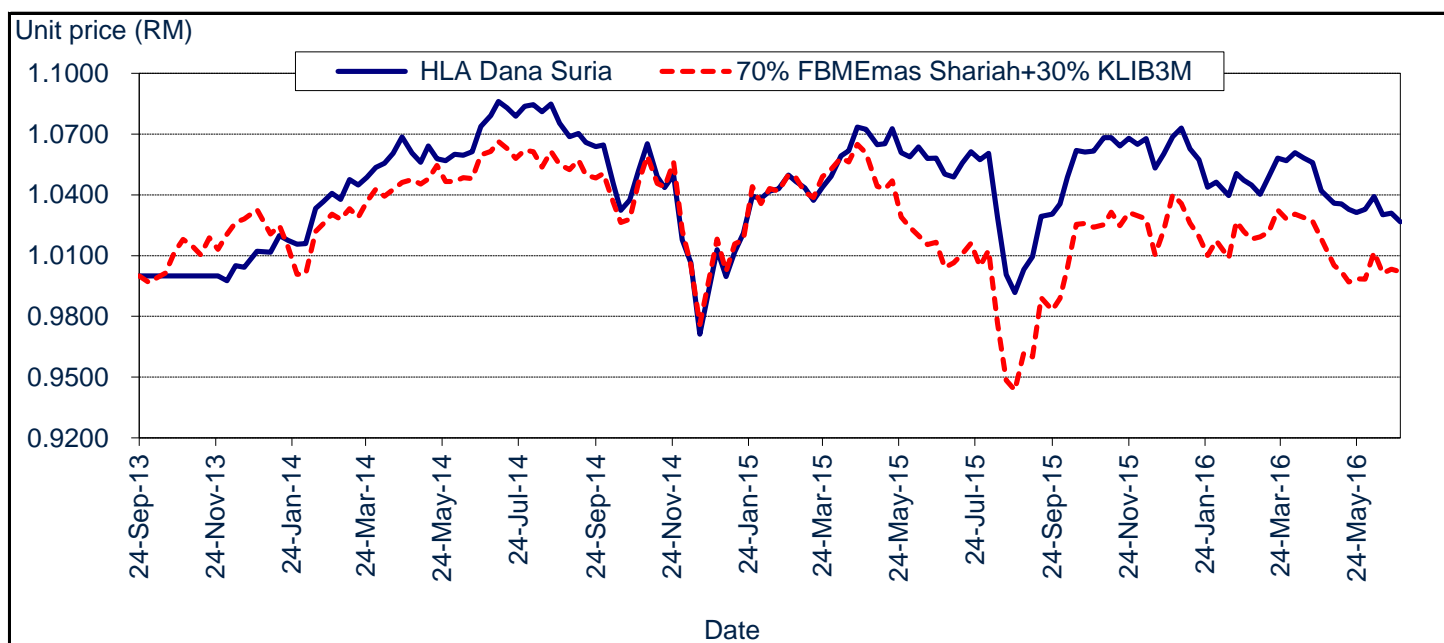
## HLA DANA SURIA

For the financial period under review, the Fund declined by -2.10% while the benchmark index (70% of FBMEmas Shariah + 30% of 3 month Klibor) registered a loss of 0.21%. As at end June 2016, the Fund invested equally in the underlying funds of HLA Venture Dana Putra and Hong Leong Dana Maarof. The return for the underlying funds namely; HLA Venture Dana Putra and Hong Leong Dana Maarof were -4.88% and -0.32% respectively.

HLA Venture Dana Putra's underperformance is explained as above. As for Hong Leong Dana Maarof, the positive performance was cushioned by the high exposure in the manufacturing and utilities sectors.

**As at 30 June 2016**

**Price movement, calculation indexed**



## Comparative Fund Performance

### HLA DANA SURIA

Performance of the fund					
	2016	2015	2014	2013	2012
Total NAV (RM'000)	7,404	8,994	11,329	N/A	N/A
Number of units ('000)	7,222	8,591	10,569	N/A	N/A
NAV per unit (RM)	1.025	1.047	1.072	N/A	N/A
Highest NAV/unit for the financial year (RM)	1.073	1.086	1.074	N/A	N/A
Lowest NAV/unit for the financial year (RM)	0.992	0.971	0.998	N/A	N/A
Total annual return - capital growth	-2.10%	-2.33%	7.20%	N/A	N/A
Average annual return					
- 1 year	-2.10%	-2.33%	7.20%	N/A	N/A
- 3 year	N/A	N/A	N/A	N/A	N/A
- 5 year	N/A	N/A	N/A	N/A	N/A
Performance of relevant benchmark indices (70% FBMEmas Shariah +30% KLIB3M)					
- 1 year	-0.21%	-5.25%	5.98%	N/A	N/A
- 3 year	N/A	N/A	N/A	N/A	N/A
- 5 year	N/A	N/A	N/A	N/A	N/A

Category of the fund					
	Weightings %				
	2016	2015	2014	2013	2012
Unquoted unit trusts	99.53	98.84	99.90	N/A	N/A
Cash and cash equivalents	0.47	1.35	0.76	N/A	N/A
Others	-	(0.19)	(0.66)	N/A	N/A
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>N/A</b>	<b>N/A</b>

# Comparative Fund Performance

## HLA VALUE FUND

### Performance Review

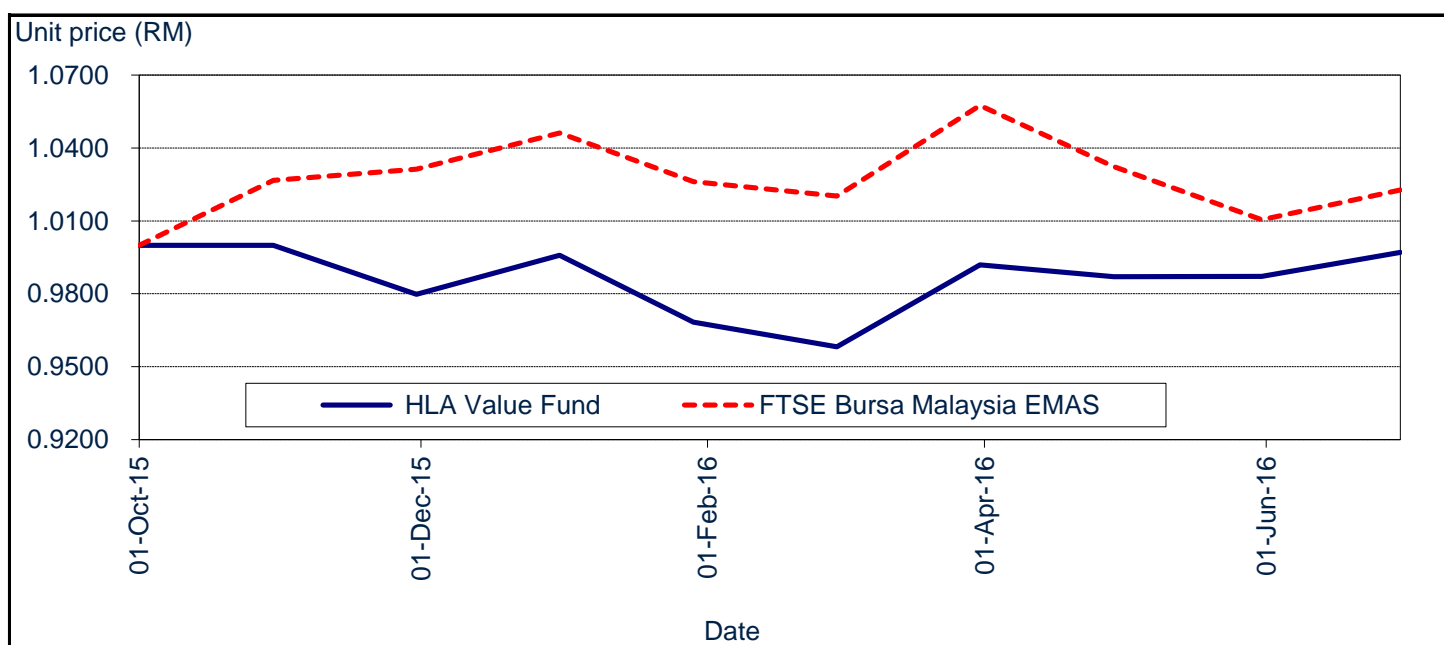
For the 9 month period under review, HLA Value Fund declined 0.60%, underperforming the benchmark. The outperformers in the Fund were Air Asia, IGB Reit and RHB Bank while the laggards were Evergreen, V.S Industry and LCTH Corporation. Exporters underperformed due to the strengthening Ringgit, which rose almost 10% against the US Dollar during the period.

### Outlook/Strategy

The Fund still sees opportunities in Malaysian equities. The Fund will continue to adopt the bottom-up stock picking strategy with preference for high-yield stocks and large-cap stocks that have been sold down.

### As at 30 June 2016

#### Price movement, calculation indexed



## Comparative Fund Performance

### HLA VALUE FUND

Performance of the fund					
	2016	2015	2014	2013	2012
Total NAV (RM'000)	220	N/A	N/A	N/A	N/A
Number of units ('000)	221	N/A	N/A	N/A	N/A
NAV per unit (RM)	0.994	N/A	N/A	N/A	N/A
Highest NAV/unit for the financial year (RM)	1.004	N/A	N/A	N/A	N/A
Lowest NAV/unit for the financial year (RM)	0.951	N/A	N/A	N/A	N/A
Total annual return - capital growth	-0.60%	N/A	N/A	N/A	N/A
Average annual return					
- 9 months	-0.60%	N/A	N/A	N/A	N/A
- 3 year	N/A	N/A	N/A	N/A	N/A
- 5 year	N/A	N/A	N/A	N/A	N/A
Performance of relevant benchmark indices (FBMEmas)					
- 9 months	2.28%	N/A	N/A	N/A	N/A
- 3 year	N/A	N/A	N/A	N/A	N/A
- 5 year	N/A	N/A	N/A	N/A	N/A

Category of the fund					
	Weightings %				
	2016	2015	2014	2013	2012
Unquoted unit trusts	100.03	N/A	N/A	N/A	N/A
Cash and cash equivalents	0.03	N/A	N/A	N/A	N/A
Others	(0.06)	N/A	N/A	N/A	N/A
<b>Total</b>	<b>100.00</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

## Details of Investment

### HLA VENTURE GROWTH FUND

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>Quoted equities-local:</b>				
<b>Construction</b>				
- Econpile Holdings Bhd	4,274,300	4,736,967	5,642,076	1.64
- Ekovest Bhd	2,264,700	3,459,232	3,397,050	0.99
- Gamuda Bhd	1,910,000	9,038,694	9,282,600	2.70
- IJM Corporation Bhd	2,245,000	6,094,089	7,835,050	2.28
- JAKS Resources Bhd	2,837,100	2,164,218	2,638,503	0.77
- WCT Engineering Bhd	3,853,325	9,087,775	5,779,988	1.68
	<b>17,384,425</b>	<b>34,580,975</b>	<b>34,575,267</b>	<b>10.06</b>
<b>Consumer products</b>				
- QL Resources Bhd	1,800,000	1,828,183	7,866,000	2.29
- Spritzer Bhd	1,210,000	2,560,661	2,867,700	0.83
	<b>3,010,000</b>	<b>4,388,844</b>	<b>10,733,700</b>	<b>3.12</b>
<b>Finance</b>				
- CIMB Group Holdings Bhd	3,924,904	23,183,090	17,151,830	4.98
- Malayan Banking Bhd	1,926,031	16,524,320	15,677,892	4.56
- MPH Capital Bhd	2,000,300	3,894,610	2,660,399	0.77
	<b>7,851,235</b>	<b>43,602,020</b>	<b>35,490,121</b>	<b>10.31</b>
<b>Industrial products</b>				
- CB Industrial Product Holdings Bhd	3,112,100	5,504,707	6,348,684	1.84
- Kerjaya Prospek Group Bhd	1,765,400	3,213,028	3,583,762	1.04
- KNM Group Bhd	8,700,000	4,396,110	3,567,000	1.04
- SKP Resources Bhd	3,852,400	3,678,565	4,468,784	1.30
	<b>17,429,900</b>	<b>16,792,410</b>	<b>17,968,230</b>	<b>5.22</b>

## Details of Investment

### HLA VENTURE GROWTH FUND

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>Quoted equities-local:</b>				
<b>Infrastructure</b>				
- Lingkaran Trans Kota Holdings	938,900	4,007,897	5,342,341	1.55
<b>Plantation</b>				
- IOI Corporation Bhd	1,600,000	8,536,001	6,944,000	2.02
- Sime Darby Bhd	1,000,000	9,324,992	7,590,000	2.21
	2,600,000	17,860,993	14,534,000	4.23
<b>Properties</b>				
- Matrix Concepts Holdings Bhd	1,516,667	3,699,987	3,761,334	1.09
- Sunway Bhd	1,200,000	2,341,326	3,600,000	1.05
- UOA Development Bhd	2,820,300	5,732,837	6,176,457	1.79
	5,536,967	11,774,150	13,537,791	3.93
<b>Quoted equities-local:</b>				
<b>Trading/services</b>				
- Axiata Group Berhad	1,957,155	10,982,759	11,018,783	3.20
- Berjaya Auto Bhd	800,000	1,837,152	1,856,000	0.54
- Bumi Armada Bhd	2,340,000	2,905,823	1,696,500	0.49
- Dialog Group Bhd	8,338,176	5,123,688	12,840,791	3.73
- Digi.Com Bhd	1,540,300	7,187,687	7,362,634	2.14
- Genting Bhd	1,119,200	10,385,401	9,177,440	2.67
- Malakoff Corporation Bhd	2,473,900	4,475,916	3,958,240	1.15
- MY EG Services Bhd	3,450,000	5,540,359	6,796,500	1.97
- Prestariang Bhd	2,472,900	6,883,751	4,896,342	1.42
- Sapurakencana Petroleum Bhd	1,500,000	2,102,547	2,205,000	0.64
- Telekom Malaysia Bhd	419,022	1,968,952	2,836,779	0.82
- Tenaga Nasional Bhd	1,710,000	18,874,176	24,111,000	7.01
- Yinson Holdings Bhd	2,300,000	6,285,980	6,279,000	1.82
	30,420,653	84,554,191	95,035,009	27.60
<b>Total quoted equities-local</b>	<b>85,172,080</b>	<b>217,561,480</b>	<b>227,216,459</b>	<b>66.02</b>

## Details of Investment

### HLA VENTURE GROWTH FUND

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>Quoted equities-foreign:</b>				
<b>Finance</b>				
- Industrial and Commercial Bank of China	3,000,000	6,310,354	6,670,521	1.94
<b>Plantation</b>				
- Bumitama Agri Ltd	1,300,000	3,607,172	2,967,389	0.86
- Wilmar International Ltd	1,241,700	7,113,733	5,798,301	1.68
	2,541,700	10,720,905	8,765,690	2.54
<b>Technology</b>				
- Avichina Industry & Technology Co Ltd	950,000	3,530,032	2,644,087	0.77
<b>Total quoted equities-foreign</b>	6,491,700	20,561,291	18,080,298	5.25
<b>Quoted REITs:</b>				
- IGB Real Estate Investment Trust	1,350,000	1,705,695	2,173,500	0.63
<b>Grand total</b>	<b>93,013,780</b>	<b>239,828,466</b>	<b>247,470,257</b>	<b>71.90</b>

## Details of Investment

### HLA VENTURE BLUE CHIP FUND

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>Quoted equities-local:</b>				
<b>Construction</b>				
- Econpile Holdings Bhd	800,000	889,798	1,056,000	0.61
- Gamuda Bhd	970,000	3,729,586	4,714,200	2.73
- IJM Corporation Bhd	1,329,000	3,602,306	4,638,210	2.68
- Jaks Resources Bhd	1,600,000	1,212,316	1,488,000	0.86
- Malaysian Resources Corporation Bhd	1,774,800	2,674,406	1,881,288	1.09
- Kerjaya Prospek Group Bhd	950,000	1,729,000	1,928,500	1.12
	<b>7,423,800</b>	<b>13,837,412</b>	<b>15,706,198</b>	<b>9.09</b>
<b>Finance</b>				
- CIMB Group Holdings Bhd	1,721,440	9,081,280	7,522,693	4.35
- Malayan Banking Bhd	902,152	7,126,039	7,343,517	4.25
- MPHB Capital Berhad	203,800	260,482	271,054	0.16
- Public Bank Bhd	70,159	371,087	1,361,085	0.79
- RHB Bank Bhd	195,632	1,130,102	1,001,636	0.58
	<b>3,093,183</b>	<b>17,968,990</b>	<b>17,499,985</b>	<b>10.13</b>
<b>Industrial products</b>				
- CB Industrial Product Holdings Bhd	1,900,000	3,879,370	3,876,000	2.24
- KNM Group Bhd	5,380,000	3,614,605	2,205,800	1.28
	<b>7,280,000</b>	<b>7,493,975</b>	<b>6,081,800</b>	<b>3.52</b>
<b>Quoted equities-local:</b>				
<b>Infrastructure</b>				
- Lingkaran Trans Kota Holdings	847,300	1,923,562	4,821,137	2.79
<b>Plantation</b>				
- Boustead Plantations Bhd	144,700	231,520	214,156	0.12
- IOI Corporation Bhd	990,000	4,646,645	4,296,600	2.49
- Kuala Lumpur Kepong Bhd	91,000	1,077,004	2,116,660	1.22
- Sime Darby Bhd	350,396	2,897,022	2,659,505	1.54
	<b>1,576,096</b>	<b>8,852,191</b>	<b>9,286,921</b>	<b>5.37</b>



## Details of Investment

### HLA VENTURE BLUE CHIP FUND

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>Properties</b>				
- IOI Properties Group	1,166,665	2,137,038	2,741,663	1.59
- Sunway Bhd	686,628	936,234	2,059,884	1.19
- Titijaya Land Bhd	1,500,000	2,304,394	2,160,000	1.25
- UOA Development Bhd	459,900	1,046,120	1,007,181	0.58
	<b>3,813,193</b>	<b>6,423,786</b>	<b>7,968,728</b>	<b>4.61</b>
<b>Quoted equities-local:</b>				
<b>Trading/services</b>				
- Axiata Group Bhd	519,704	1,656,059	2,925,933	1.69
- Berjaya Auto Bhd	410,000	941,638	951,200	0.55
- Bumi Armada Bhd	1,390,000	2,552,674	1,007,750	0.58
- Dialog Group Bhd	483,840	429,510	745,114	0.43
- Digi.Com Bhd	880,000	4,053,510	4,206,400	2.43
- Genting Bhd	355,000	2,783,087	2,911,000	1.68
- Genting Malaysia Bhd	428,100	1,423,369	1,905,045	1.10
- Magnum Bhd	600,000	1,326,118	1,380,000	0.80
- Malakoff Corporation Berhad	639,000	1,158,786	1,022,400	0.59
- Malaysia Airports Holdings Bhd	302,901	2,163,918	1,853,754	1.07
- MBM Resources Bhd	437,000	963,039	878,370	0.51
- Media Chinese International Limited	1,128,400	1,005,761	806,806	0.47
- Media Prima Bhd	1,419,500	3,456,704	1,958,910	1.13
- MY EG Services Bhd	1,200,000	2,412,633	2,364,000	1.37
- Prestariang Bhd	460,600	1,312,718	911,988	0.53
- Sapurakencana Petroleum Bhd	350,000	480,996	514,500	0.30
- Star Publications (M) Bhd	200,000	581,819	522,000	0.30
- Telekom Malaysia Bhd	264,267	866,480	1,789,088	1.04
- Tenaga Nasional Bhd	878,500	7,999,966	12,386,850	7.17
- Yinson Holdings Bhd	4,667,500	4,512,896	12,742,275	7.37
	<b>17,014,312</b>	<b>42,081,681</b>	<b>53,783,383</b>	<b>31.11</b>

## Details of Investment

### HLA VENTURE BLUE CHIP FUND

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>Total quoted equities-local</b>	41,047,884	98,581,597	115,148,152	66.62
<b>Quoted equities-foreign:</b>				
<b>Finance</b>				
- Industrial and Commercial Bank of China	100,000	204,583	222,351	0.13
<b>Plantation</b>				
-First Resources Ltd	250,000	1,373,583	1,167,412	0.68
<b>Total quoted equities-foreign</b>	350,000	1,578,166	1,389,763	0.81
<b>Quoted REITs:</b>				
- CapitaMalls Malaysia Trust	2,367,200	2,515,505	3,669,160	2.12
- IGB Real Estate Investment Trust	2,000,000	2,526,800	3,220,000	1.86
- Pavilion Real Estate Investment Trust	324,000	1,115,377	1,810,791	1.05
- MRCB-Quill Reit	2,295,000	2,828,516	2,662,200	1.54
- Tower Real Estate Investment Trust	500,000	606,138	605,000	0.35
	7,486,200	9,592,336	11,967,151	6.92
<b>Quoted REITs-foreign:</b>				
- Frasers Hospitality Trust	1,500,000	3,434,770	3,446,289	2.00
<b>Grand total</b>	<b>50,384,084</b>	<b>113,186,869</b>	<b>131,951,355</b>	<b>76.35</b>

## Details of Investment

### HLA VENTURE DANA PUTRA

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>Quoted equities-local:</b>				
<b>Construction</b>				
- Econpile Holdings Bhd	150,000	165,536	198,000	0.35
- Gamuda Bhd	372,000	1,658,173	1,807,920	3.19
- IJM Corporation Bhd	432,000	1,289,306	1,507,680	2.66
- Malaysian Resources Corporation Bhd	600,000	1,009,515	636,000	1.12
- WCT Engineering Bhd	495,264	1,233,809	742,896	1.31
	<b>2,049,264</b>	<b>5,356,339</b>	<b>4,892,496</b>	<b>8.63</b>
<b>Consumer products</b>				
- Apollo Food Holdings Bhd	85,000	492,359	488,750	0.86
- QL Resources Bhd	603,000	632,362	2,635,110	4.65
- SEG International Bhd	1,000,000	1,373,903	1,200,000	2.12
- Spritzer Bhd	300,000	593,188	711,000	1.26
	<b>1,988,000</b>	<b>3,091,812</b>	<b>5,034,860</b>	<b>8.89</b>
<b>Industrial products</b>				
- CB Industrial Product Holdings Bhd	800,000	1,497,289	1,632,000	2.88
- KNM Group Bhd	1,480,000	757,433	606,800	1.07
- Scientex Bhd	73,500	884,282	914,340	1.61
- Kerjaya Prospek Group Bhd	439,200	799,344	891,576	1.57
	<b>2,792,700</b>	<b>3,938,348</b>	<b>4,044,716</b>	<b>7.13</b>
<b>Quoted equities-local:</b>				
<b>Manufacturing</b>				
- Inari Amertron Bhd	235,300	709,288	698,841	1.23
<b>Plantation</b>				
- Boustead Plantations Bhd	600,000	969,600	888,000	1.57
- IOI Corporation Bhd	470,000	2,536,166	2,039,800	3.60
- Kuala Lumpur Kepong Bhd	36,000	866,377	837,360	1.48
- Kim Loong Resources Bhd	243,000	837,527	797,040	1.41
- Sime Darby Bhd	263,057	2,470,006	1,996,603	3.52
	<b>1,612,057</b>	<b>7,679,676</b>	<b>6,558,803</b>	<b>11.58</b>

## Details of Investment

### HLA VENTURE DANA PUTRA

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>Properties</b>				
- IOI Properties Group	554,165	992,863	1,302,288	2.30
- SP Setia Bhd	222,200	712,073	644,380	1.14
- Titijaya Land Bhd	400,000	624,100	576,000	1.02
- UOA Development Bhd	414,900	861,290	908,631	1.60
	<b>1,591,265</b>	<b>3,190,326</b>	<b>3,431,299</b>	<b>6.06</b>
<b>Quoted equities-local:</b>				
<b>Trading/services</b>				
- Axiata Group Bhd	278,942	1,608,835	1,570,443	2.77
- Berjaya Auto Bhd	120,000	275,743	278,400	0.49
- Bumi Armada Bhd	256,600	530,366	186,035	0.33
- Dialog Group Bhd	955,584	415,093	1,471,599	2.60
- Digi.Com Bhd	364,400	1,739,754	1,741,832	3.08
- Malakoff Corporation Bhd	390,600	705,942	624,960	1.10
- Media Chinese International	539,300	637,131	385,599	0.68
- MY EG Services Bhd	675,000	1,395,704	1,329,750	2.35
- Prestariang Bhd	570,000	1,579,303	1,128,600	1.99
- Sapurakencana Petroleum Bhd	350,000	480,996	514,500	0.91
- Telekom Malaysia Bhd	128,084	575,700	867,129	1.54
- Tenaga Nasional Bhd	364,000	3,623,216	5,132,400	9.07
	<b>4,992,510</b>	<b>13,567,783</b>	<b>15,231,247</b>	<b>26.91</b>
<b>Total quoted equities-local</b>	<b>15,261,096</b>	<b>37,533,572</b>	<b>39,892,262</b>	<b>70.43</b>
<b>Grand total</b>	<b>15,261,096</b>	<b>37,533,572</b>	<b>39,892,262</b>	<b>70.43</b>

## Details of Investment

### HLA VENTURE INCOME FUND

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>Unquoted corporate bonds:</b>				
<b>Corporate bonds-local</b>				
- Alliance Bank Malaysia Bhd (Maturing on 18.12.2025)	8,000,000	8,005,200	8,182,720	7.13
- Ambank Bhd (Maturing on 18.08.2039)	1,000,000	1,000,000	1,096,780	0.96
- Ambank (M) Bhd (Maturing on 29.12.2023)	3,000,000	3,000,000	3,020,130	2.63
- Berjaya Land Bhd (Maturing on 16.12.2019)	10,000,000	10,065,000	10,157,650	8.86
- BGSM Management Sdn Bhd (Maturing on 28.12.2016)	1,040,879	1,084,076	1,050,518	0.92
- BGSM Management Sdn Bhd (Maturing on 24.12.2020)	5,000,000	5,043,500	5,109,350	4.45
- BGSM Management Sdn Bhd (Maturing on 27.12.2018)	1,300,000	1,308,190	1,314,339	1.16
- BGSM Management Sdn Bhd (Maturing on 27.12.2023)	500,000	507,100	520,905	0.45
- CIMB Bank Bhd (Maturing on 07.10.2038)	2,500,000	2,530,350	2,601,550	2.27
- CIMB Bank Bhd (Maturing on 23.12.2025)	2,000,000	2,014,400	2,006,620	1.75
- CIMB Group Holdings (Maturing on 25.11.2049)	5,000,000	5,000,000	5,060,750	4.41

## Details of Investment

### HLA VENTURE INCOME FUND

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>Unquoted corporate bonds:</b>				
<b>Corporate bonds-local</b>				
- EON Bank Berhad (Maturing on 09.09.2039)	500,000	524,200	548,325	0.48
- Gamuda Berhad (Maturing on 26.10.2018)	4,000,000	4,002,800	3,987,920	3.49
- Gamuda Berhad (Maturing on 23.04.2021)	5,000,000	5,004,500	5,005,400	4.37
- GB Services Bhd (Maturing on 08.11.2019)	1,000,000	1,035,300	1,031,110	0.90
- Grand Sepadu Nk Sdn Bhd (Maturing on 11.06.2020)	4,000,000	3,994,800	4,060,480	3.54
- Hong Leong Financial Group Bhd (Maturing on 30.11.2018)	500,000	500,025	500,670	0.44
- Hong Leong Islamic Bank Berhad (Maturing on 17.06.2024)	1,500,000	1,496,500	1,504,530	1.31
- Impian Ekspresi Sdn Bhd (Maturing on 29.11.2019)	1,000,000	998,000	1,015,610	0.89
- Malayan Banking Berhad (Maturing on 25.09.2068)	1,500,000	1,500,000	1,551,885	1.35
- Malaysia Airports Holdings (Maturing on 15.12.2049)	3,000,000	3,000,000	3,169,560	2.76
- OCBC Bank Berhad (Maturing on 15.08.2022)	1,000,000	1,000,000	994,710	0.87

## Details of Investment

### HLA VENTURE INCOME FUND

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>Unquoted corporate bonds:</b>				
<b>Corporate bonds-local</b>				
- Public Bank Berhad (Maturing on 03.08.2022)	2,700,000	2,717,360	2,704,887	2.36
- Public Bank Berhad (Maturing on 25.09.2023)	3,000,000	3,000,300	3,021,510	2.63
- Public Islamic Bank Berhad (Maturing on 07.06.2024)	3,000,000	3,000,000	3,023,010	2.64
- RHB Bank Berhad (Maturing on 30.11.2022)	5,000,000	5,010,000	4,996,400	4.36
- UEM Sunrise Berhad (Maturing on 13.12.2018)	6,500,000	6,499,600	6,518,395	5.67
- United Overseas Bank (Maturing on 08.05.2025)	2,000,000	2,000,000	2,011,320	1.74
<b>Total corporate bonds-local</b>	<b>84,540,879</b>	<b>84,841,201</b>	<b>85,767,034</b>	<b>74.79</b>
<b>Corporate bonds-foreign</b>				
- Prudential Plc (Maturing on 29.12.2049)	1,000,000	4,157,000	4,157,714	3.63
- Cooperative Rabobank US (Maturing on 29.12.2049)	1,000,000	4,380,000	4,503,960	3.92
- Demeter (Swiss Re Ltd) (Maturing on 15.08.2052)	1,900,000	7,733,000	7,756,714	6.76
<b>Total corporate bonds-foreign</b>	<b>3,900,000</b>	<b>16,270,000</b>	<b>16,418,388</b>	<b>14.31</b>
<b>Grand total</b>	<b>88,440,879</b>	<b>101,111,201</b>	<b>102,185,422</b>	<b>89.10</b>

## Details of Investment

### HLA VENTURE MANAGED FUND

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>Quoted equities-local:</b>				
<b>Construction</b>				
- Econpile Holdings Bhd	1,250,000	1,382,635	1,650,000	0.99
- Ekovest Bhd	1,000,000	1,524,309	1,500,000	0.90
- Gamuda Bhd	460,000	2,007,261	2,235,600	1.34
- IJM Corporation Bhd	555,000	1,682,847	1,936,950	1.16
- JAKS Resources Bhd	411,800	327,584	382,974	0.23
- WCT Engineering Bhd	974,664	2,237,669	1,461,996	0.88
	4,651,464	9,162,305	9,167,520	5.50
<b>Consumer products</b>				
- Guan Chong Bhd	1,000,000	1,536,341	895,000	0.54
- QL Resources Bhd	200,000	222,660	874,000	0.52
- Spritzer Bhd	293,000	647,014	694,410	0.42
	1,493,000	2,406,015	2,463,410	1.48
<b>Finance</b>				
- CIMB Group Holdings Bhd	682,164	4,230,212	2,981,057	1.79
- Malayan Banking Bhd	322,163	2,848,341	2,622,407	1.57
- MPHB Capital Bhd	650,000	1,381,204	864,500	0.52
	1,654,327	8,459,757	6,467,964	3.88
<b>Industrial products</b>				
- CB Industrial Product Holdings Bhd	170,000	272,532	346,800	0.21
- SKP Resources Bhd	1,250,000	1,114,817	1,450,000	0.87
- Kerjaya Prospek Group Bhd	500,000	910,000	1,015,000	0.61
	1,920,000	2,297,349	2,811,800	1.69



## Details of Investment

### HLA VENTURE MANAGED FUND

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>Quoted equities-local:</b>				
<b>Infrastructure</b>				
- Lingkaran Trans Kota Holdings	130,000	332,048	739,700	0.44
<b>Plantation</b>				
- IOI Corporation Bhd	400,000	2,317,780	1,736,000	1.04
- Sime Darby Bhd	200,000	1,858,070	1,518,000	0.91
	600,000	4,175,850	3,254,000	1.95
<b>Properties</b>				
- Matrix Concepts Holdings Bhd	583,333	1,422,842	1,446,666	0.87
- Sunway Bhd	300,000	907,457	900,000	0.54
- UOA Development Bhd	469,900	938,359	1,029,081	0.62
	1,353,233	3,268,658	3,375,747	2.03
<b>Quoted equities-local:</b>				
<b>Trading/services</b>				
- Axiata Group Bhd	606,753	3,463,532	3,416,020	2.05
- Berjaya Auto Berhad	205,400	473,567	476,528	0.29
- Bumi Armada Berhad	500,000	615,459	362,500	0.22
- Dialog Group Bhd	1,052,352	901,415	1,620,622	0.97
- Digi. Com Bhd	350,000	1,653,572	1,673,000	1.00
- Genting Bhd	217,100	1,899,912	1,780,220	1.07
- Malakoff Corporation Bhd	672,800	1,217,718	1,076,480	0.65
- Media Chinese International	1,100,000	1,230,973	786,500	0.47
- MY EG Services Bhd	954,000	1,727,710	1,879,380	1.13
- Prestariang Bhd	500,000	1,506,861	989,999	0.59
- Sapurakencana Petroleum Bhd	500,000	687,052	735,000	0.44
- Telekom Malaysia Bhd	146,657	824,100	992,868	0.60
- Tenaga Nasional Bhd	734,000	9,332,878	10,349,400	6.22
- Yinson Holdings Bhd	500,000	1,364,473	1,365,000	0.83
	8,039,062	26,899,222	27,503,517	16.53
<b>Total quoted equities-local</b>	<b>19,841,086</b>	<b>57,001,204</b>	<b>55,783,658</b>	<b>33.50</b>

## Details of Investment

### HLA VENTURE MANAGED FUND

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>Quoted REITs:</b>				
- IGB Real Estate Investment Trust	1,024,000	1,402,004	1,648,640	0.99
- Pavilion Real Estate Investment Trust	990,000	1,320,276	1,712,700	1.03
	2,014,000	2,722,280	3,361,340	2.02
<b>Unquoted corporate bonds:</b>				
<b>Corporate bonds-local</b>				
- Alliance Bank Malaysia Bhd (Maturing on 18.12.2025)	7,000,000	7,004,550	7,159,880	4.30
- Ambank Bhd (Maturing on 18.08.2039)	1,000,000	1,000,000	1,096,780	0.66
- Ambank(M) Bhd (Maturing on 29.12.2023)	2,000,000	2,000,000	2,013,420	1.21
- Berjaya Land Bhd (Maturing on 15.12.2017)	2,000,000	2,007,800	2,009,720	1.21
- Berjaya Land Bhd (Maturing on 16.12.2019)	5,500,000	5,535,750	5,575,075	3.35
- BGSM Management Sdn Bhd (Maturing on 28.12.2016)	753,374	784,639	760,350	0.46
- BGSM Management Sdn Bhd (Maturing on 24.12.2020)	5,000,000	5,043,500	5,109,350	3.07
- BGSM Management Sdn Bhd (Maturing on 27.12.2018)	1,200,000	1,207,560	1,213,236	0.73
- BGSM Management Sdn Bhd (Maturing on 27.12.2023)	400,000	405,680	416,724	0.25
- CIMB Bank Bhd (Maturing on 07.10.2038)	1,900,000	1,954,630	1,977,178	1.19
- CIMB Bank Bhd (Maturing on 23.12.2025)	2,000,000	2,014,400	2,006,620	1.20
- CIMB Bank Bhd (Maturing on 30.11.2022)	1,500,000	1,500,750	1,497,795	0.90
- CIMB Group Holdings (Maturing on 25.11.2049)	5,000,000	5,000,000	5,060,750	3.04
- EON Bank Berhad (Maturing on 09.09.2039)	1,000,000	1,048,400	1,096,650	0.66

## Details of Investment

### HLA VENTURE MANAGED FUND

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>Unquoted corporate bonds:</b>				
<b>Corporate bonds-local</b>				
- Gamuda Berhad (Maturing on 26.10.2018)	1,000,000	1,000,700	996,980	0.60
- Malaysia Airports Holdings (Maturing on 15.12.2049)	6,760,000	6,760,000	7,142,075	4.29
- OCBC Bank Berhad (Maturing on 15.08.2022)	4,000,000	4,000,000	3,978,840	2.39
- Projek Lebuhraya Usahasama Berhad (Maturing on 12.01.2025)	2,500,000	2,524,250	2,545,550	1.53
- Public Bank Berhad (Maturing on 03.08.2022)	700,000	704,880	701,267	0.42
- Public Bank Berhad (Maturing on 25.09.2023)	2,000,000	2,000,200	2,014,340	1.21
- Public Islamic Bank Berhad (Maturing on 07.06.2024)	2,000,000	2,000,000	2,015,340	1.21
- RHB Bank Berhad (Maturing on 06.05.2022)	100,000	99,400	99,943	0.06
- RHB Bank Berhad (Maturing on 30.11.2022)	6,000,000	6,020,700	5,995,680	3.60
- UEM Sunrise Berhad (Maturing on 13.12.2018)	3,500,000	3,499,900	3,509,905	2.11
- United Overseas Bank (Maturing on 08.05.2025)	3,000,000	3,000,000	3,016,980	1.80
<b>Total corporate bonds-local</b>	<b>67,813,374</b>	<b>68,117,689</b>	<b>69,010,428</b>	<b>41.45</b>
<b>Corporate bonds-foreign</b>				
- Cooperative Rabobank US (Maturing on 29.12.2049)	1,000,000	4,380,000	4,503,960	2.70
- Demeter (Swiss Re Ltd) (Maturing on 15.08.2052)	900,000	3,663,000	3,674,233	2.20
<b>Total corporate bonds-foreign</b>	<b>1,900,000</b>	<b>8,043,000</b>	<b>8,178,193</b>	<b>4.90</b>
<b>Grand total</b>	<b>91,568,460</b>	<b>135,884,173</b>	<b>136,333,619</b>	<b>81.87</b>

## Details of Investment

### HLA VENTURE GLOBAL FUND

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>Unquoted unit trust:</b>				
- HLG Asia-Pacific Dividend Fund	28,285,564	11,535,071	10,394,944	42.67
- HLG Strategic Fund	25,090,295	11,530,311	9,807,797	40.27
<b>Grand total</b>	<b>53,375,859</b>	<b>23,065,382</b>	<b>20,202,741</b>	<b>82.94</b>

### HLA VENTURE FLEXI FUND

#### Quoted equities-local:

##### Construction

- Econpile Holdings Bhd	190,000	210,604	250,800	0.99
- Gamuda Bhd	140,000	656,168	680,400	2.70
- IJM Corporation Bhd	163,400	495,124	570,266	2.26
- JAKS Resources Bhd	367,700	281,589	341,961	1.36
- WCT Engineering Bhd	451,088	803,422	676,632	2.68
	<b>1,312,188</b>	<b>2,446,907</b>	<b>2,520,059</b>	<b>9.99</b>

##### Consumer products

- Apollo Food Holdings Bhd	40,000	231,958	230,000	0.91
- Guan Chong Bhd	322,500	480,661	288,637	1.14
- Karex Bhd	70,000	174,921	168,700	0.67
- SEG International Bhd	400,000	549,681	480,000	1.90
- Spritzer Bhd	280,000	564,553	663,600	2.63
	<b>1,112,500</b>	<b>2,001,774</b>	<b>1,830,937</b>	<b>7.25</b>

## Details of Investment

### HLA VENTURE FLEXI FUND

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>Quoted equities-local:</b>				
<b>Finance</b>				
- CIMB Group Holdings Bhd	268,383	1,573,812	1,172,833	4.65
- Malayan Banking Bhd	129,285	1,153,978	1,052,380	4.18
- MPHB Capital Bhd	220,000	504,472	292,600	1.16
	617,668	3,232,262	2,517,813	9.99
<b>Industrial products</b>				
- CB Industrial Product Holdings Bhd	300,000	684,162	612,000	2.43
- KNM Group Bhd	700,000	353,710	287,000	1.14
- SKP Resources Bhd	200,000	172,843	232,000	0.92
- Kerjaya Prospek Group Bhd	250,000	455,000	507,500	2.01
	1,450,000	1,665,715	1,638,500	6.50
<b>Manufacturing</b>				
- Inari Amertron Bhd	75,000	235,171	222,750	0.89
<b>Plantation</b>				
- IOI Corporation Bhd	80,000	367,430	347,200	1.38
- Kim Loong Resources Bhd	100,000	358,115	328,000	1.30
	180,000	725,545	675,200	2.68
<b>Properties</b>				
- Matrix Concepts Holdings Bhd	245,000	604,298	607,600	2.41
- UOA Development Bhd	117,400	234,703	257,106	1.02
	362,400	839,001	864,706	3.43

## Details of Investment

### HLA VENTURE FLEXI FUND

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>Quoted equities-local:</b>				
<b>Trading/services</b>				
- Axiata Group Bhd	81,971	457,345	461,497	1.83
- Bison Consolidated Bhd	310,000	446,745	437,100	1.73
- Berjaya Auto Bhd	50,000	114,925	116,000	0.46
- Bumi Armada Bhd	250,000	311,101	181,250	0.72
- Dialog Group Bhd	302,400	476,738	465,696	1.85
- Digi. Com Bhd	95,000	467,258	454,100	1.80
- Genting Bhd	70,400	611,391	577,280	2.29
- MY EG Services Bhd	100,000	203,011	197,000	0.78
- Prestariang Bhd	170,000	470,809	336,600	1.34
- Sapurakencana Petroleum Bhd	150,000	206,255	220,500	0.88
- Tenaga Nasional Bhd	129,000	1,727,804	1,818,900	7.22
- Yinson Holdings Bhd	200,000	543,646	546,000	2.16
	1,908,771	6,037,028	5,811,923	23.06
<b>Total quoted equities-local</b>	<b>7,018,527</b>	<b>17,183,403</b>	<b>16,081,888</b>	<b>63.79</b>
<b>Quoted REITs:</b>				
- IGB Real Estate Investment Trust	210,000	287,272	338,100	1.34
- Pavilion Real Estate Investment Trust	160,000	176,121	276,800	1.10
	370,000	463,393	614,900	2.44
<b>Grand total</b>	<b>7,388,527</b>	<b>17,646,796</b>	<b>16,696,788</b>	<b>66.23</b>

### HLA EVERGREEN FUNDS

#### Floating rate negotiable instrument of deposit

- CIMB Bank				
HLA EVERGREEN 2023	29,840,272	26,010,346	27,634,778	100.37
HLA EVERGREEN 2025	5,317,243	4,730,181	4,759,837	99.59
HLA EVERGREEN 2028	4,959,631	4,249,296	4,292,462	99.49
HLA EVERGREEN 2030	19,059,574	16,198,942	16,144,793	99.86
HLA EVERGREEN 2035	234,714,690	196,308,626	190,966,219	99.81



## Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2016 (RM)	% of
<b>HLA SECURE FUND</b>				
<b>Unquoted unit trust:</b>				
- Affin Hwang Select Income Fund	9,708,258	6,695,969	6,859,855	103.51
<b>HONG LEONG SMART GROWTH FUND</b>				
<b>Unquoted unit trust:</b>				
- Kenanga Growth Fund	195,351,575	197,873,966	189,393,352	99.62
<b>HLA DANA SURIA</b>				
<b>Unquoted unit trust:</b>				
- Hong Leong Dana Maarof	7,692,139	4,087,031	3,612,228	48.78
- HLA Venture Dana Putra	1,642,934	4,151,210	3,757,062	50.75
	9,335,073	8,238,241	7,369,290	99.53
<b>HLA VALUE FUND</b>				
<b>Unquoted unit trust:</b>				
- Hong Leong Penny Stock Fund	1,742,158	217,939	219,686	100.03



## Statement by Manager

### INVESTMENT-LINKED FUNDS

comprising

HLA VENTURE GROWTH FUND

HLA VENTURE BLUE CHIP FUND

HLA VENTURE DANA PUTRA

HLA VENTURE INCOME FUND

HLA VENTURE MANAGED FUND

HLA VENTURE GLOBAL FUND

HLA VENTURE FLEXI FUND

HLA EVERGREEN 2023

HLA EVERGREEN 2025

HLA EVERGREEN 2028

HLA EVERGREEN 2030

HLA EVERGREEN 2035

HLA CASH FUND

HLA SECURE FUND

HONG LEONG SMART GROWTH FUND

HLA DANA SURIA

HLA VALUE FUND

(hereinafter referred to collectively as "the Funds")

I, Loh Guat Lan, being the Chief Executive Officer of HONG LEONG ASSURANCE BERHAD ("the Manager"), states that to the best knowledge and belief of the Manager, the accompanying financial information set out on pages 75 to 105 have been properly drawn up in accordance with the accounting policies prescribed in Note 3 to the financial information and the Guidelines on Investment-Linked Insurance/Takaful Business issued by Bank Negara Malaysia.

On behalf of the Manager

---

Loh Guat Lan

Petaling Jaya  
22 August 2016



# Independent auditors' report

**INDEPENDENT AUDITORS' REPORT TO THE POLICYHOLDERS OF  
HONG LEONG ASSURANCE BERHAD INVESTMENT-LINKED FUNDS**

**HLA VENTURE GROWTH FUND**

**HLA VENTURE BLUE CHIP FUND**

**HLA VENTURE DANA PUTRA**

**HLA VENTURE INCOME FUND**

**HLA VENTURE MANAGED FUND**

**HLA VENTURE GLOBAL FUND**

**HLA VENTURE FLEXI FUND**

**HLA EVERGREEN 2023**

**HLA EVERGREEN 2025**

**HLA EVERGREEN 2028**

**HLA EVERGREEN 2030**

**HLA EVERGREEN 2035**

**HLA CASH FUND**

**HLA SECURE FUND**

**HONG LEONG SMART GROWTH FUND**

**HLA DANA SURIA**

**HLA VALUE FUND**

**(hereinafter referred to collectively as "the Funds")**

## **REPORT ON THE FINANCIAL INFORMATION**

We have audited the financial information of the Funds, which comprise the statements of assets and liabilities as at 30 June 2016, the statements of income and expenditure and the statements of changes in net asset value of the Funds for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 75 to 105.

### Manager's Responsibility for the Financial Information

Hong Leong Assurance Berhad ("the Manager of the Funds") is responsible for the preparation of financial information in accordance with the accounting policies prescribed in Note 3 to the financial information and the Guidelines on Investment-Linked Insurance/Takaful Business issued by Bank Negara Malaysia, and for such internal control as the Manager of the Funds determines are necessary to enable the preparation of financial information that are free from material misstatement, whether due to fraud or error.

# Independent auditors' report

**INDEPENDENT AUDITORS' REPORT TO THE POLICYHOLDERS OF  
HONG LEONG ASSURANCE BERHAD INVESTMENT-LINKED FUNDS**

**HLA VENTURE GROWTH FUND**

**HLA VENTURE BLUE CHIP FUND**

**HLA VENTURE DANA PUTRA**

**HLA VENTURE INCOME FUND**

**HLA VENTURE MANAGED FUND**

**HLA VENTURE GLOBAL FUND**

**HLA VENTURE FLEXI FUND**

**HLA EVERGREEN 2023**

**HLA EVERGREEN 2025**

**HLA EVERGREEN 2028**

**HLA EVERGREEN 2030**

**HLA EVERGREEN 2035**

**HLA CASH FUND**

**HLA SECURE FUND**

**HONG LEONG SMART GROWTH FUND**

**HLA DANA SURIA**

**HLA VALUE FUND**

**(hereinafter referred to collectively as "the Funds")**

## **REPORT ON THE FINANCIAL INFORMATION (CONTINUED)**

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial information based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial information are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial information, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Manager's preparation of financial information 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 Manager's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimate made by the Manager, as well as evaluating the overall presentation of the financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



# Independent auditors' report

**INDEPENDENT AUDITORS' REPORT TO THE POLICYHOLDERS OF  
HONG LEONG ASSURANCE BERHAD INVESTMENT-LINKED FUNDS**

**HLA VENTURE GROWTH FUND**

**HLA VENTURE BLUE CHIP FUND**

**HLA VENTURE DANA PUTRA**

**HLA VENTURE INCOME FUND**

**HLA VENTURE MANAGED FUND**

**HLA VENTURE GLOBAL FUND**

**HLA VENTURE FLEXI FUND**

**HLA EVERGREEN 2023**

**HLA EVERGREEN 2025**

**HLA EVERGREEN 2028**

**HLA EVERGREEN 2030**

**HLA EVERGREEN 2035**

**HLA CASH FUND**

**HLA SECURE FUND**

**HONG LEONG SMART GROWTH FUND**

**HLA DANA SURIA**

**HLA VALUE FUND**

**(hereinafter referred to collectively as "the Funds")**

## **REPORT ON THE FINANCIAL INFORMATION (CONTINUED)**

### Opinion

In our opinion, the financial information of the Funds have been properly prepared in accordance with the accounting policies prescribed in Note 3 to the financial information and the Guidelines on Investment-Linked Insurance/Takaful Business issued by Bank Negara Malaysia.

### **OTHER MATTERS**

This report is made solely to the policyholders of the Funds, as a body in accordance with the Guidelines on Investment-Linked Insurance/Takaful Business issued by Bank Negara Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS

(No. AF: 1146)

Chartered Accountants

Kuala Lumpur

22 August 2016

## Statement of Assets and Liabilities

As at 30 June 2016

	HLA Venture Growth Fund		HLA Venture Blue Chip Fund	
	2016 RM	2015 RM	2016 RM	2015 RM
Investments	247,663,404	305,677,207	131,987,440	162,396,871
Quoted equities	245,296,757	303,425,572	116,537,915	149,293,415
Quoted unit trusts and REITs	2,173,500	1,795,500	15,413,440	13,103,456
Derivative assets	193,147	456,135	36,085	-
Deferred tax assets	-	29,995	-	6,889
Tax recoverable	4,034,063	1,104,595	17,578	-
Investment receivables	800,668	1,318,342	279,909	571,317
Other receivables	-	764,357	470,674	-
Cash and cash equivalents	95,018,887	47,620,040	42,829,247	18,915,521
<b>Total assets</b>	<b>347,517,022</b>	<b>356,514,536</b>	<b>175,584,848</b>	<b>181,890,598</b>
Derivative liabilities	-	826,447	-	193,039
Deferred tax liabilities	626,643	721,657	1,504,188	2,467,155
Tax payable	-	-	-	372,694
Amount due to operating fund	602,508	1,018,033	277,982	334,360
Other payables	2,107,747	5,200	968,769	4,680
<b>Total liabilities</b>	<b>3,336,898</b>	<b>2,571,337</b>	<b>2,750,939</b>	<b>3,371,928</b>
<b>Net asset value</b>	<b>344,180,124</b>	<b>353,943,199</b>	<b>172,833,909</b>	<b>178,518,670</b>
<b>Represented by</b>				
Unitholders' capital	249,217,039	239,618,600	107,139,446	102,425,089
Undistributed income carried forward	94,963,085	114,324,599	65,694,463	76,093,581
	<b>344,180,124</b>	<b>353,943,199</b>	<b>172,833,909</b>	<b>178,518,670</b>
<b>Number of units in circulation</b>	<b>177,558,327</b>	<b>173,160,037</b>	<b>77,936,288</b>	<b>76,094,879</b>
<b>Net asset value per unit</b>	<b>1.938</b>	<b>2.044</b>	<b>2.218</b>	<b>2.346</b>

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

## Statement of Assets and Liabilities

As at 30 June 2016

	HLA Venture Dana Putra		HLA Venture Income Fund	
	2016 RM	2015 RM	2016 RM	2015 RM
Investments	39,892,262	46,911,307	102,774,182	90,226,922
Quoted equities	39,892,262	46,911,307	-	-
Unquoted corporate bonds	-	-	102,185,422	90,226,922
Derivative assets	-	-	588,760	-
Tax recoverable	511,285	247,905	-	-
Investment receivables	189,777	248,082	513,149	618,206
Other receivables	1,517,000	108,795	-	-
Cash and cash equivalents	15,260,311	10,126,894	11,851,727	15,928,140
<b>Total assets</b>	<b>57,370,635</b>	<b>57,642,983</b>	<b>115,139,058</b>	<b>106,773,268</b>
Derivative liabilities	-	-	-	65,387
Deferred tax liabilities	188,695	455,656	130,028	113,624
Tax payable	-	-	191,109	42,214
Amount due to operating fund	54,565	95,914	123,432	39,360
Other payables	484,636	3,640	3,120	4,008,851
<b>Total liabilities</b>	<b>727,896</b>	<b>555,210</b>	<b>447,689</b>	<b>4,269,436</b>
<b>Net asset value</b>	<b>56,642,739</b>	<b>57,087,773</b>	<b>114,691,369</b>	<b>102,503,832</b>
<b>Represented by</b>				
Unitholders' capital	41,799,303	39,171,252	79,245,376	73,040,483
Undistributed income carried forward	14,843,436	17,916,521	35,445,993	29,463,349
	<b>56,642,739</b>	<b>57,087,773</b>	<b>114,691,369</b>	<b>102,503,832</b>
<b>Number of units in circulation</b>	<b>24,810,183</b>	<b>23,832,090</b>	<b>54,672,541</b>	<b>51,786,786</b>
<b>Net asset value per unit</b>	<b>2.283</b>	<b>2.395</b>	<b>2.098</b>	<b>1.979</b>

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

## Statement of Assets and Liabilities

As at 30 June 2016

	HLA Venture Managed Fund		HLA Venture Global Fund	
	2016 RM	2015 RM	2016 RM	2015 RM
Investments	136,650,879	125,597,356	20,202,741	19,862,854
Quoted equities	55,783,658	52,535,608	-	-
Quoted unit trusts and REITs	3,361,340	1,932,520	-	-
Unquoted unit trusts	-	-	20,202,741	19,862,854
Unquoted corporate bonds	77,188,621	71,129,228	-	-
Derivative assets	317,260	-	-	-
Deferred tax assets	-	134,223	229,011	256,202
Tax recoverable	678,784	162,943	-	-
Investment receivables	605,926	742,492	392	167
Other receivables	-	426,799	-	-
Cash and cash equivalents	29,752,869	17,458,043	4,098,509	1,603,997
<b>Total assets</b>	<b>167,688,458</b>	<b>144,521,856</b>	<b>24,530,653</b>	<b>21,723,220</b>
Deferred tax liabilities	56,707	-	-	-
Tax payable	-	-	143,489	24,987
Amount due to operating fund	252,259	362,391	28,262	35,064
Other payables	837,700	85,460	2,080	2,080
<b>Total liabilities</b>	<b>1,146,666</b>	<b>447,851</b>	<b>173,831</b>	<b>62,131</b>
<b>Net asset value</b>	<b>166,541,792</b>	<b>144,074,005</b>	<b>24,356,822</b>	<b>21,661,089</b>
<b>Represented by</b>				
Unitholders' capital	135,724,686	113,575,628	21,947,250	20,017,298
Undistributed income carried forward	30,817,106	30,498,377	2,409,572	1,643,791
	<b>166,541,792</b>	<b>144,074,005</b>	<b>24,356,822</b>	<b>21,661,089</b>
<b>Number of units in circulation</b>	<b>86,803,110</b>	<b>75,760,105</b>	<b>21,301,357</b>	<b>19,697,101</b>
<b>Net asset value per unit</b>	<b>1.919</b>	<b>1.902</b>	<b>1.143</b>	<b>1.100</b>

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

## Statement of Assets and Liabilities

As at 30 June 2016

	HLA Venture Flexi Fund		HLA EverGreen 2023	
	2016 RM	2015 RM	2016 RM	2015 RM
Investments	16,696,788	17,401,356	27,634,778	28,971,005
Quoted equities	16,081,888	17,049,656	-	-
Quoted unit trusts and REITs	614,900	351,700	-	-
Floating rate negotiable instrument of deposit	-	-	27,634,778	28,971,005
Deferred tax assets	76,001	106,870	-	-
Tax recoverable	237,107	1,462	1,725	18,398
Investment receivables	52,370	82,508	-	-
Other receivables	21,551	494,607	-	-
Cash and cash equivalents	8,514,969	3,093,321	28,172	303,975
<b>Total assets</b>	<b>25,598,786</b>	<b>21,180,124</b>	<b>27,664,675</b>	<b>29,293,378</b>
Deferred tax liabilities	-	-	129,955	85,161
Amount due to operating fund	56,145	62,265	1	212,595
Other payables	331,449	57,320	2,600	2,600
<b>Total liabilities</b>	<b>387,594</b>	<b>119,585</b>	<b>132,556</b>	<b>300,356</b>
<b>Net asset value</b>	<b>25,211,192</b>	<b>21,060,539</b>	<b>27,532,119</b>	<b>28,993,022</b>
<b>Represented by</b>				
Unitholders' capital	23,970,664	18,551,187	25,826,504	27,881,223
Undistributed income carried forward	1,240,528	2,509,352	1,705,615	1,111,799
	<b>25,211,192</b>	<b>21,060,539</b>	<b>27,532,119</b>	<b>28,993,022</b>
<b>Number of units in circulation</b>	<b>30,253,032</b>	<b>24,292,732</b>	<b>29,565,954</b>	<b>31,826,137</b>
<b>Net asset value per unit</b>	<b>0.833</b>	<b>0.867</b>	<b>0.931</b>	<b>0.911</b>

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

## Statement of Assets and Liabilities

As at 30 June 2016

	HLA EverGreen 2025		HLA EverGreen 2028	
	2016 RM	2015 RM	2016 RM	2015 RM
Investments	4,759,837	2,677,575	4,292,462	2,978,150
Floating rate negotiable instrument of deposit	4,759,837	2,677,575	4,292,462	2,978,150
Amount due from operating fund	2	-	2	-
Cash and cash equivalents	29,853	14,599	34,401	25,371
<b>Total assets</b>	<b>4,789,692</b>	<b>2,692,174</b>	<b>4,326,865</b>	<b>3,003,521</b>
Deferred tax liabilities	2,373	4,130	3,453	13,019
Tax payable	6,952	971	7,570	1,979
Amount due to operating fund	-	613	-	1,411
Other payables	1,040	1,040	1,560	1,560
<b>Total liabilities</b>	<b>10,365</b>	<b>6,754</b>	<b>12,583</b>	<b>17,969</b>
<b>Net asset value</b>	<b>4,779,327</b>	<b>2,685,420</b>	<b>4,314,282</b>	<b>2,985,552</b>
<b>Represented by</b>				
Unitholders' capital	4,741,788	2,638,650	4,234,996	2,829,268
Undistributed income carried forward	37,539	46,770	79,286	156,284
	<b>4,779,327</b>	<b>2,685,420</b>	<b>4,314,282</b>	<b>2,985,552</b>
<b>Number of units in circulation</b>	<b>5,303,296</b>	<b>2,968,263</b>	<b>4,936,424</b>	<b>3,305,836</b>
<b>Net asset value per unit</b>	<b>0.901</b>	<b>0.905</b>	<b>0.874</b>	<b>0.903</b>

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



## Statement of Assets and Liabilities

As at 30 June 2016

	HLA EverGreen 2030		HLA EverGreen 2035	
	2016	2015	2016	2015
	RM	RM	RM	RM
Investments	16,144,793	11,109,231	190,966,219	106,363,207
Floating rate negotiable instrument of deposit	16,144,793	11,109,231	190,966,219	106,363,207
Deferred tax assets	4,332	-	427,393	-
Amount due from operating fund	-	-	531	-
Cash and cash equivalents	52,521	66,276	346,686	201,418
<b>Total assets</b>	<b>16,201,646</b>	<b>11,175,507</b>	<b>191,740,829</b>	<b>106,564,625</b>
Deferred tax liabilities	-	60,167	-	790,853
Tax payable	32,989	8,718	417,640	159,390
Amount due to operating fund	21	2	-	9
Other payables	1,872	1,872	2,600	2,600
<b>Total liabilities</b>	<b>34,882</b>	<b>70,759</b>	<b>420,240</b>	<b>952,852</b>
<b>Net asset value</b>	<b>16,166,764</b>	<b>11,104,748</b>	<b>191,320,589</b>	<b>105,611,773</b>
<b>Represented by</b>				
Unitholders' capital	16,098,320	10,353,113	193,344,889	94,606,273
Undistributed income/(loss) carried forward	68,444	751,635	(2,024,300)	11,005,500
	<b>16,166,764</b>	<b>11,104,748</b>	<b>191,320,589</b>	<b>105,611,773</b>
<b>Number of units in circulation</b>	<b>18,815,932</b>	<b>12,196,311</b>	<b>227,463,404</b>	<b>112,227,226</b>
<b>Net asset value per unit</b>	<b>0.859</b>	<b>0.911</b>	<b>0.841</b>	<b>0.941</b>

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

## Statement of Assets and Liabilities

As at 30 June 2016

	HLA Cash Fund		HLA Secure Fund	
	2016 RM	2015 RM	2016 RM	2015 RM
Investments	-	-	6,859,855	3,803,929
Unquoted unit trusts	-	-	6,859,855	3,803,929
Tax recoverable	-	-	-	31
Amount due from operating fund	955	112	-	-
Investment receivables	40,556	2,852	-	-
Cash and cash equivalents	25,043,791	16,016,331	14,216	11,165
<b>Total assets</b>	<b>25,085,302</b>	<b>16,019,295</b>	<b>6,874,071</b>	<b>3,815,125</b>
Deferred tax liabilities	-	-	13,111	12,391
Tax payable	59,164	23,586	14,204	-
Amount due to operating fund	-	-	218,645	11,824
Other payables	1,560	1,560	1,040	1,040
<b>Total liabilities</b>	<b>60,724</b>	<b>25,146</b>	<b>247,000</b>	<b>25,255</b>
<b>Net asset value</b>	<b>25,024,578</b>	<b>15,994,149</b>	<b>6,627,071</b>	<b>3,789,870</b>
<b>Represented by</b>				
Unitholders' capital	24,557,255	15,498,619	6,193,066	3,533,338
Undistributed income carried forward	467,323	495,530	434,005	256,532
	<b>25,024,578</b>	<b>15,994,149</b>	<b>6,627,071</b>	<b>3,789,870</b>
<b>Number of units in circulation</b>	<b>22,155,267</b>	<b>14,575,831</b>	<b>5,554,114</b>	<b>3,290,912</b>
<b>Net asset value per unit</b>	<b>1.130</b>	<b>1.097</b>	<b>1.193</b>	<b>1.152</b>

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

## Statement of Assets and Liabilities

As at 30 June 2016

	Hong Leong Smart Growth Fund		HLA Dana Suria	
	2016 RM	2015 RM	2016 RM	2015 RM
Investments	189,393,352	139,672,675	7,369,290	8,889,403
Unquoted unit trusts	189,393,352	139,672,675	7,369,290	8,889,403
Deferred tax assets	678,449	-	69,516	31,794
Tax recoverable	-	-	-	13,464
Investment receivables	20	-	-	-
Cash and cash equivalents	243,976	76,846	34,277	121,849
<b>Total assets</b>	<b>190,315,797</b>	<b>139,749,521</b>	<b>7,473,083</b>	<b>9,056,510</b>
Deferred tax liabilities	-	95,683	-	-
Tax payable	205,106	13,563	20,638	-
Amount due to operating fund	46	627,718	46,789	60,806
Other payables	2,600	2,600	1,872	1,872
<b>Total liabilities</b>	<b>207,752</b>	<b>739,564</b>	<b>69,299</b>	<b>62,678</b>
<b>Net asset value</b>	<b>190,108,045</b>	<b>139,009,957</b>	<b>7,403,784</b>	<b>8,993,832</b>
<b>Represented by</b>				
Unitholders' capital	165,962,196	123,124,478	7,661,207	9,086,860
Undistributed income/(loss) carried forward	24,145,849	15,885,479	(257,423)	(93,028)
	<b>190,108,045</b>	<b>139,009,957</b>	<b>7,403,784</b>	<b>8,993,832</b>
<b>Number of units in circulation</b>	<b>118,622,752</b>	<b>91,265,838</b>	<b>7,221,724</b>	<b>8,591,050</b>
<b>Net asset value per unit</b>	<b>1.603</b>	<b>1.523</b>	<b>1.025</b>	<b>1.047</b>

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

## Statement of Assets and Liabilities

As at 30 June 2016

	HLA Value Fund	
	2016 RM	2015 RM
Investments	219,686	-
Unquoted unit trusts	219,686	-
Cash and cash equivalents	75	-
<b>Total assets</b>	<b>219,761</b>	<b>-</b>
Deferred tax liabilities	140	-
Amount due to operating fund	1	-
<b>Total liabilities</b>	<b>141</b>	<b>-</b>
<b>Net asset value</b>	<b>219,620</b>	<b>-</b>
<b>Represented by</b>		
Unitholders' capital	219,395	-
Undistributed income carried forward	225	-
	<b>219,620</b>	<b>-</b>
<b>Number of units in circulation</b>	<b>220,923</b>	<b>-</b>
<b>Net asset value per unit</b>	<b>0.994</b>	<b>-</b>

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

## Statement of Income and Expenditure

For the financial year ended 30 June 2016

	HLA Venture Growth Fund		HLA Venture Blue Chip Fund	
	2016 RM	2015 RM	2016 RM	2015 RM
Dividend income	8,214,788	9,557,155	5,067,939	5,023,996
Interest income	1,879,745	1,654,078	796,286	617,517
Profit on disposal of investments	-	2,007,538	-	8,965,906
Unrealised capital gain on investments	378,000	148,500	1,113,762	-
Realised gains on foreign exchange	4,568,472	-	1,462,860	-
Unrealised gains on foreign exchange	566,191	-	123,977	-
<b>Total income</b>	<b>15,607,196</b>	<b>13,367,271</b>	<b>8,564,824</b>	<b>14,607,419</b>
Investment management fees and expenses	(6,109,004)	(5,598,823)	(3,122,877)	(2,832,332)
Loss on disposal of investments	(28,831,179)	-	(3,548,465)	-
Unrealised capital loss on investments	(1,756,919)	(35,996,990)	(13,188,714)	(21,422,421)
Realised losses on foreign exchange	-	(3,647,403)	-	(739,967)
Unrealised losses on foreign exchange	-	(880,102)	-	(209,088)
<b>Total outgo</b>	<b>(36,697,102)</b>	<b>(46,123,318)</b>	<b>(19,860,056)</b>	<b>(25,203,808)</b>
<b>Net loss before taxation</b>	<b>(21,089,906)</b>	<b>(32,756,047)</b>	<b>(11,295,232)</b>	<b>(10,596,389)</b>
Taxation	1,728,392	3,177,804	896,114	1,220,205
<b>Net loss after taxation</b>	<b>(19,361,514)</b>	<b>(29,578,243)</b>	<b>(10,399,118)</b>	<b>(9,376,184)</b>
Undistributed income brought forward	114,324,599	143,902,842	76,093,581	85,469,765
<b>Undistributed income carried forward</b>	<b>94,963,085</b>	<b>114,324,599</b>	<b>65,694,463</b>	<b>76,093,581</b>

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

## Statement of Income and Expenditure

For the financial year ended 30 June 2016

	HLA Venture Dana Putra		HLA Venture Income Fund	
	2016 RM	2015 RM	2016 RM	2015 RM
Dividend income	1,350,021	1,317,907	-	-
Interest income	327,691	357,230	5,110,952	4,456,379
Profit on disposal of investments	-	-	1,445,348	1,306,611
Unrealised capital gain on investments	-	-	-	645,382
Realised gains on foreign exchange	-	-	678,387	-
Unrealised gains on foreign exchange	-	-	348,042	215,810
<b>Total income</b>	<b>1,677,712</b>	<b>1,675,137</b>	<b>7,582,729</b>	<b>6,624,182</b>
Investment management fees and expenses	(1,069,847)	(882,809)	(865,617)	(550,553)
Loss on disposal of investments	(631,706)	(1,131,415)	-	-
Unrealised capital loss on investments	(3,337,014)	(4,550,558)	(143,006)	-
Realised losses on foreign exchange	-	-	-	(57,207)
<b>Total outgo</b>	<b>(5,038,567)</b>	<b>(6,564,782)</b>	<b>(1,008,623)</b>	<b>(607,760)</b>
<b>Net (loss)/income before taxation</b>	<b>(3,360,855)</b>	<b>(4,889,645)</b>	<b>6,574,106</b>	<b>6,016,422</b>
Taxation	287,770	480,886	(591,462)	(484,415)
<b>Net (loss)/income after taxation</b>	<b>(3,073,085)</b>	<b>(4,408,759)</b>	<b>5,982,644</b>	<b>5,532,007</b>
Undistributed income brought forward	17,916,521	22,325,280	29,463,349	23,931,342
<b>Undistributed income carried forward</b>	<b>14,843,436</b>	<b>17,916,521</b>	<b>35,445,993</b>	<b>29,463,349</b>

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

## Statement of Income and Expenditure

For the financial year ended 30 June 2016

	HLA Venture Managed Fund		HLA Venture Global Fund	
	2016 RM	2015 RM	2016 RM	2015 RM
Dividend income	1,787,546	1,687,715	564,532	1,199,872
Interest income	4,403,663	3,573,329	101,235	55,767
Profit on disposal of investments	913,267	538,704	-	-
Unrealised capital gain on investments	2,082,180	733,351	339,888	-
Realised gains on foreign exchange	-	2,280	-	-
Unrealised gains on foreign exchange	304,439	-	-	-
<b>Total income</b>	<b>9,491,095</b>	<b>6,535,379</b>	<b>1,005,655</b>	<b>1,255,639</b>
Investment management fees and expenses	(2,845,558)	(1,909,854)	(141,388)	(21,630)
Loss on disposal of investments	(5,973,159)	(723,854)	-	-
Unrealised capital loss on investments	-	(7,840,112)	-	(1,595,452)
Realised losses on foreign exchange	(207,256)	-	-	-
Unrealised losses on foreign exchange	-	(5,796)	-	-
<b>Total outgo</b>	<b>(9,025,973)</b>	<b>(10,479,616)</b>	<b>(141,388)</b>	<b>(1,617,082)</b>
<b>Net income/(loss) before taxation</b>	<b>465,122</b>	<b>(3,944,237)</b>	<b>864,267</b>	<b>(361,443)</b>
Taxation	(146,393)	415,652	(98,486)	125,786
<b>Net income/(loss) after taxation</b>	<b>318,729</b>	<b>(3,528,585)</b>	<b>765,781</b>	<b>(235,657)</b>
Undistributed income brought forward	30,498,377	34,026,962	1,643,791	1,879,448
<b>Undistributed income carried forward</b>	<b>30,817,106</b>	<b>30,498,377</b>	<b>2,409,572</b>	<b>1,643,791</b>

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

## Statement of Income and Expenditure

For the financial year ended 30 June 2016

	HLA Venture Flexi Fund		HLA EverGreen 2023	
	2016 RM	2015 RM	2016 RM	2015 RM
Dividend income	504,516	481,198	-	-
Interest income	133,500	84,833	-	-
Profit on disposal of investments	-	763,292	144,319	216,356
Unrealised capital gain on investments	385,860	31,100	559,917	129,615
<b>Total income</b>	<b>1,023,876</b>	<b>1,360,423</b>	<b>704,236</b>	<b>345,971</b>
Investment management fees and expenses	(600,865)	(319,855)	(3,319)	(3,024)
Loss on disposal of investments	(1,789,469)	-	-	-
Unrealised capital loss on investments	-	(1,920,169)	-	-
<b>Total outgo</b>	<b>(2,390,334)</b>	<b>(2,240,024)</b>	<b>(3,319)</b>	<b>(3,024)</b>
<b>Net (loss)/income before taxation</b>	<b>(1,366,458)</b>	<b>(879,601)</b>	<b>700,917</b>	<b>342,947</b>
Taxation	97,634	98,708	(107,101)	9,524
<b>Net (loss)/income after taxation</b>	<b>(1,268,824)</b>	<b>(780,893)</b>	<b>593,816</b>	<b>352,471</b>
Undistributed income brought forward	2,509,352	3,290,245	1,111,799	759,328
<b>Undistributed income carried forward</b>	<b>1,240,528</b>	<b>2,509,352</b>	<b>1,705,615</b>	<b>1,111,799</b>

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



## Statement of Income and Expenditure

For the financial year ended 30 June 2016

	HLA EverGreen 2025		HLA EverGreen 2028	
	2016	2015	2016	2015
	RM	RM	RM	RM
Profit on disposal of investments	21,806	13,176	24,467	29,929
Unrealised capital gain on investments	-	29,544	-	91,789
Other income	-	-	16,615	-
<b>Total income</b>	<b>21,806</b>	<b>42,720</b>	<b>41,082</b>	<b>121,718</b>
Investment management fees and expenses	(3,912)	(1,557)	-	(2,004)
Unrealised capital loss on investments	(21,972)	-	(119,573)	-
<b>Total outgo</b>	<b>(25,884)</b>	<b>(1,557)</b>	<b>(119,573)</b>	<b>(2,004)</b>
<b>Net (loss)/income before taxation</b>	<b>(4,078)</b>	<b>41,163</b>	<b>(78,491)</b>	<b>119,714</b>
Taxation	(5,153)	(2,757)	1,493	(8,318)
<b>Net (loss)/income after taxation</b>	<b>(9,231)</b>	<b>38,406</b>	<b>(76,998)</b>	<b>111,396</b>
Undistributed income brought forward	46,770	8,364	156,284	44,888
<b>Undistributed income carried forward</b>	<b>37,539</b>	<b>46,770</b>	<b>79,286</b>	<b>156,284</b>

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

## Statement of Income and Expenditure

For the financial year ended 30 June 2016

	HLA EverGreen 2030		HLA EverGreen 2035	
	2016 RM	2015 RM	2016 RM	2015 RM
Profit on disposal of investments	128,221	126,515	1,794,192	2,187,014
Unrealised capital gain on investments	-	481,845	-	6,933,563
<b>Total income</b>	<b>128,221</b>	<b>608,360</b>	<b>1,794,192</b>	<b>9,120,577</b>
Investment management fees and expenses	(37,102)	(3,605)	(454,388)	(34,830)
Unrealised capital loss on investments	(806,243)	-	(15,228,075)	-
<b>Total outgo</b>	<b>(843,345)</b>	<b>(3,605)</b>	<b>(15,682,463)</b>	<b>(34,830)</b>
<b>Net (loss)/income before taxation</b>	<b>(715,124)</b>	<b>604,755</b>	<b>(13,888,271)</b>	<b>9,085,747</b>
Taxation	31,933	(44,349)	858,471	(696,319)
<b>Net (loss)/income after taxation</b>	<b>(683,191)</b>	<b>560,406</b>	<b>(13,029,800)</b>	<b>8,389,428</b>
Undistributed income brought forward	751,635	191,229	11,005,500	2,616,072
<b>Undistributed income/(loss) carried forward</b>	<b>68,444</b>	<b>751,635</b>	<b>(2,024,300)</b>	<b>11,005,500</b>

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

## Statement of Income and Expenditure

For the financial year ended 30 June 2016

	HLA Cash Fund		HLA Secure Fund	
	2016 RM	2015 RM	2016 RM	2015 RM
Dividend income	-	-	186,091	93,944
Interest income	700,688	384,954	-	-
Profit on disposal of investments	-	-	841	419
Unrealised capital gain on investments	-	-	8,994	142,746
Other income	-	-	-	1,150
<b>Total income</b>	<b>700,688</b>	<b>384,954</b>	<b>195,926</b>	<b>238,259</b>
Investment management fees and expenses	(673,204)	(32,766)	(3,015)	-
<b>Total outgo</b>	<b>(673,204)</b>	<b>(32,766)</b>	<b>(3,015)</b>	<b>-</b>
<b>Net income before taxation</b>	<b>27,484</b>	<b>352,188</b>	<b>192,911</b>	<b>238,259</b>
Taxation	(55,691)	(28,796)	(15,438)	(11,345)
<b>Net (loss)/income after taxation</b>	<b>(28,207)</b>	<b>323,392</b>	<b>177,473</b>	<b>226,914</b>
Undistributed income brought forward	495,530	172,138	256,532	29,618
<b>Undistributed income carried forward</b>	<b>467,323</b>	<b>495,530</b>	<b>434,005</b>	<b>256,532</b>

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

## Statement of Income and Expenditure

For the financial year ended 30 June 2016

	Hong Leong Smart Growth Fund		HLA Dana Suria	
	2016 RM	2015 RM	2016 RM	2015 RM
Dividend income	16,987,598	11,627,067	426,932	389,905
Interest income	6,934	9,722	-	-
Profit on disposal of investments	452,732	477,791	-	-
Other income	-	-	6,757	14,071
<b>Total income</b>	<b>17,447,264</b>	<b>12,114,580</b>	<b>433,689</b>	<b>403,976</b>
Investment management fees and expenses	(13,334)	(4,331)	-	-
Loss on disposal of investments	-	-	(127,673)	(141,671)
Unrealised capital loss on investments	(9,676,652)	(3,449,053)	(471,520)	(609,493)
<b>Total outgo</b>	<b>(9,689,986)</b>	<b>(3,453,384)</b>	<b>(599,193)</b>	<b>(751,164)</b>
<b>Net income/(loss) before taxation</b>	<b>7,757,278</b>	<b>8,661,196</b>	<b>(165,504)</b>	<b>(347,188)</b>
Taxation	503,092	257,489	1,109	59,268
<b>Net income/(loss) after taxation</b>	<b>8,260,370</b>	<b>8,918,685</b>	<b>(164,395)</b>	<b>(287,920)</b>
Undistributed (loss)/income brought forward	15,885,479	6,966,794	(93,028)	194,892
<b>Undistributed income/(loss) carried forward</b>	<b>24,145,849</b>	<b>15,885,479</b>	<b>(257,423)</b>	<b>(93,028)</b>

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

## Statement of Income and Expenditure

For the financial year ended 30 June 2016

	HLA Value Fund	
	2016 RM	2015 RM
Unrealised capital gain on investments	1,747	-
<b>Total income</b>	<b>1,747</b>	<b>-</b>
Investment management fees and expenses	(1,378)	-
Loss on disposal of investments	(4)	-
<b>Total outgo</b>	<b>(1,382)</b>	<b>-</b>
<b>Net (loss)/income before taxation</b>	<b>365</b>	<b>-</b>
Taxation	(140)	-
<b>Net income after taxation</b>	<b>225</b>	<b>-</b>
Undistributed income brought forward	-	-
<b>Undistributed income carried forward</b>	<b>225</b>	<b>-</b>

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

## Statement of Changes in Net Asset Value

For the financial year ended 30 June 2016

	HLA Venture Growth Fund		HLA Venture Blue Chip Fund	
	2016 RM	2015 RM	2016 RM	2015 RM
Net asset value at the beginning of the financial year	353,943,199	376,725,377	178,518,670	189,850,664
Amount received from unitholders for creation of units	33,181,437	33,605,852	18,531,135	14,799,955
Amount paid to unitholders for cancellation of units	(23,582,998)	(26,809,787)	(13,816,778)	(16,755,765)
	363,541,638	383,521,442	183,233,027	187,894,854
Net realised investment (loss)/income	(18,613,805)	4,212,062	595,779	10,524,804
Net unrealised investment loss	(747,709)	(33,790,305)	(10,994,897)	(19,900,988)
<b>Net asset value at the end of the financial year</b>	<b>344,180,124</b>	<b>353,943,199</b>	<b>172,833,909</b>	<b>178,518,670</b>

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

## Statement of Changes in Net Asset Value

For the financial year ended 30 June 2016

	HLA Venture Dana Putra		HLA Venture Income Fund	
	2016 RM	2015 RM	2016 RM	2015 RM
Net asset value at the beginning of the financial year	57,087,773	60,367,262	102,503,832	89,138,772
Amount received from unitholders for creation of units	7,193,737	5,796,781	15,634,595	14,244,227
Amount paid to unitholders for cancellation of units	(4,565,686)	(4,667,511)	(9,429,702)	(6,411,174)
	59,715,824	61,496,532	108,708,725	96,971,825
Net realised investment (loss)/income	(3,032)	(222,246)	5,794,011	4,739,711
Net unrealised investment (loss)/income	(3,070,053)	(4,186,513)	188,633	792,296
<b>Net asset value at the end of the financial year</b>	<b>56,642,739</b>	<b>57,087,773</b>	<b>114,691,369</b>	<b>102,503,832</b>

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

## Statement of Changes in Net Asset Value

For the financial year ended 30 June 2016

	HLA Venture Managed Fund		HLA Venture Global Fund	
	2016 RM	2015 RM	2016 RM	2015 RM
Net asset value at the beginning of the financial year	144,074,005	128,065,914	21,661,089	20,390,865
Amount received from unitholders for creation of units	31,156,535	27,711,424	3,256,853	3,171,521
Amount paid to unitholders for cancellation of units	(9,007,477)	(8,174,748)	(1,326,901)	(1,665,640)
	166,223,063	147,602,590	23,591,041	21,896,746
Net realised investment (loss)/income	(1,876,961)	3,014,967	453,084	1,232,159
Net unrealised investment income/(loss)	2,195,690	(6,543,552)	312,697	(1,467,816)
<b>Net asset value at the end of the financial year</b>	<b>166,541,792</b>	<b>144,074,005</b>	<b>24,356,822</b>	<b>21,661,089</b>

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



## Statement of Changes in Net Asset Value

For the financial year ended 30 June 2016

	HLA Venture Flexi Fund		HLA EverGreen 2023	
	2016 RM	2015 RM	2016 RM	2015 RM
Net asset value at the beginning of the financial year	21,060,539	16,221,764	28,993,022	33,412,778
Amount received from unitholders for creation of units	7,871,465	7,322,800	1,313,901	1,398,096
Amount paid to unitholders for cancellation of units	(2,451,988)	(1,703,132)	(3,368,620)	(6,170,323)
	26,480,016	21,841,432	26,938,303	28,640,551
Net realised investment (loss)/income	(1,623,815)	957,050	78,693	233,225
Net unrealised investment income/(loss)	354,991	(1,737,943)	515,123	119,246
<b>Net asset value at the end of the financial year</b>	<b>25,211,192</b>	<b>21,060,539</b>	<b>27,532,119</b>	<b>28,993,022</b>

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

## Statement of Changes in Net Asset Value

For the financial year ended 30 June 2016

	HLA EverGreen 2025		HLA EverGreen 2028	
	2016	2015	2016	2015
	RM	RM	RM	RM
Net asset value at the beginning of the financial year	2,685,420	1,094,707	2,985,552	1,933,633
Amount received from unitholders for creation of units	2,266,933	1,604,627	1,563,673	1,157,507
Amount paid to unitholders for cancellation of units	(163,795)	(52,320)	(157,945)	(216,984)
	4,788,558	2,647,014	4,391,280	2,874,156
Net realised investment income	10,983	11,226	33,009	26,950
Net unrealised investment (loss)/income	(20,214)	27,180	(110,007)	84,446
<b>Net asset value at the end of the financial year</b>	<b>4,779,327</b>	<b>2,685,420</b>	<b>4,314,282</b>	<b>2,985,552</b>

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

## Statement of Changes in Net Asset Value

For the financial year ended 30 June 2016

	HLA EverGreen 2030		HLA EverGreen 2035	
	2016	2015	2016	2015
	RM	RM	RM	RM
Net asset value at the beginning of the financial year	11,104,748	6,109,647	105,611,773	49,220,383
Amount received from unitholders for creation of units	6,412,733	4,866,091	104,899,446	53,346,113
Amount paid to unitholders for cancellation of units	(667,526)	(431,396)	(6,160,830)	(5,344,151)
	16,849,955	10,544,342	204,350,389	97,222,345
Net realised investment income	58,553	117,109	980,029	2,007,716
Net unrealised investment (loss)/income	(741,744)	443,297	(14,009,829)	6,381,712
<b>Net asset value at the end of the financial year</b>	<b>16,166,764</b>	<b>11,104,748</b>	<b>191,320,589</b>	<b>105,611,773</b>

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

## Statement of Changes in Net Asset Value

For the financial year ended 30 June 2016

	HLA Cash Fund		HLA Secure Fund	
	2016 RM	2015 RM	2016 RM	2015 RM
Net asset value at the beginning of the financial year	15,994,149	8,544,289	3,789,870	1,298,390
Amount received from unitholders for creation of units	10,159,276	8,308,169	2,928,429	2,310,388
Amount paid to unitholders for cancellation of units	(1,100,640)	(1,181,701)	(268,701)	(45,822)
	25,052,785	15,670,757	6,449,598	3,562,956
Net realised investment (loss)/income	(28,207)	323,392	169,199	95,588
Net unrealised investment income	-	-	8,274	131,326
<b>Net asset value at the end of the financial year</b>	<b>25,024,578</b>	<b>15,994,149</b>	<b>6,627,071</b>	<b>3,789,870</b>

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

## Statement of Changes in Net Asset Value

For the financial year ended 30 June 2016

	Hong Leong Smart Growth Fund		HLA Dana Suria	
	2016 RM	2015 RM	2016 RM	2015 RM
Net asset value at the beginning of the financial year	139,009,957	41,720,040	8,993,832	11,328,586
Amount received from unitholders for creation of units	92,854,706	123,085,673	(237,532)	(366,495)
Amount paid to unitholders for cancellation of units	(50,016,988)	(34,714,441)	(1,188,121)	(1,680,339)
	181,847,675	130,091,272	7,568,179	9,281,752
Net realised investment income	17,162,890	12,091,814	269,403	272,814
Net unrealised investment loss	(8,902,520)	(3,173,129)	(433,798)	(560,734)
<b>Net asset value at the end of the financial year</b>	<b>190,108,045</b>	<b>139,009,957</b>	<b>7,403,784</b>	<b>8,993,832</b>

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



## Statement of Changes in Net Asset Value

For the financial year ended 30 June 2016

	HLA Value Fund	
	2016 RM	2015 RM
Net asset value at the beginning of the financial year	-	-
Amount received from unitholders for creation of units	219,395	-
Net realised investment loss	(1,382)	-
Net unrealised investment income	1,607	-
<b>Net asset value at the end of the financial year</b>	<b>219,620</b>	<b>-</b>

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

# Notes to the Financial Information

## 1 . PRINCIPAL ACTIVITIES AND GENERAL INFORMATION

The HLA Investment-Linked Funds consist of HLA Venture Growth Fund, HLA Venture Blue Chip Fund, HLA Venture Dana Putra, HLA Venture Income Fund, HLA Venture Managed Fund, HLA Venture Global Fund, HLA Venture Flexi Fund, HLA EverGreen 2023, HLA EverGreen 2025, HLA EverGreen 2028, HLA EverGreen 2030, HLA EverGreen 2035, HLA Cash Fund, HLA Secure Fund, Hong Leong Smart Growth Fund, HLA Dana Suria and HLA Value Fund (hereinafter referred to collectively as "the Funds").

The principal activities of the Funds are to invest in authorised investments.

The Manager of the Funds is Hong Leong Assurance Berhad, a company incorporated in Malaysia, is engaged principally in the underwriting of life insurance business. There has been no significant change in the nature of the principal activity during the financial year.

## 2 . BASIS OF PREPARATION

The financial information of the Funds have been prepared under the historical cost convention except as disclosed in this summary of significant accounting policies. The financial information have been prepared in accordance with the accounting policies described in Note 3 to the financial information and the Guidelines on Investment-Linked Insurance/Takaful Business issued by Bank Negara Malaysia ("BNM") in all material aspects.

The preparation of the financial information requires the use of estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial information, and the reported amounts of income and expenses during the reported financial year. It also requires Manager to exercise its judgement in the process of applying the Company's accounting policies. Although these estimates are based on the Manager's best knowledge of current events and actions, actual results may differ from those estimates.

However, the Manager is of the opinion that there are currently no areas where assumptions and estimates that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year and no accounting policies which requires significant judgement to be exercised.

## Notes to the Financial Information

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### (a) Fair value through profit and loss financial assets ("FVTPL")

Financial assets at FVTPL comprise held-for-trading financial assets and financial assets other than held-for-trading ("HFT") that are designated at fair value through profit or loss.

The Funds designate their investment portfolio into HFT financial assets. Financial assets are classified as HFT if they are acquired or incurred principally for the purpose of selling or repurchasing it in the near term or they are part of a portfolio of identified securities that are managed together and for which there is evidence of a recent actual pattern of short term profit taking. These investments are initially recorded at fair value. Subsequent to initial recognition, these investments are remeasured at fair value. Fair value adjustments and realised gains and losses are recognised in statement of income and expenditure.

#### (b) Fair value of financial instruments

Quoted investments are valued at the closing market prices as at the date of statement of assets and liabilities.

Unquoted corporate bonds are valued at the indicative market price quoted by financial institutions as at the date of statement of assets and liabilities.

Structured investments are investments where part of the fund is invested in the fixed income instruments issued by financial institutions while the remaining fund are invested in instruments which linked to the performance of one or more prices, rates, indices, securities and other financial instruments. Structured investments are carried at fair values, determined by reference to quotation provided by financial institutions.

Cash at bank and deposits with licensed financial institutions are stated at approximately their carrying amount as at the date of statement of assets and liabilities.

The unrealised gains or losses in value of investment are credited or charged to the statement of income and expenditure.



## Notes to the Financial Information

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (c) Foreign currencies

##### (i) Functional and presentation currency

The financial information are presented in Ringgit Malaysia (RM), which is the Funds' functional and presentation currency.

##### (ii) Foreign currency transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transaction and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income and expenditure.

#### (d) Cash and cash equivalents

Cash and cash equivalents consist of cash and bank balances and fixed and call deposits with maturity of three months or less.

#### (e) Income recognition

Dividend income is recognised when the right to receive the dividend has been established.

Interest income is recognised on the accrual basis.

Gains or losses arising from the disposal of investments are credited or charged to the statement of income and expenditure.

#### (f) Investment management fees

Investment management fees are calculated in accordance with the provisions of the investment-linked policy document based on net asset value of the Funds.

## Notes to the Financial Information

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (g) Taxation

Taxation on the statement of income and expenditure comprises current and deferred tax. Current tax is the expected amount of tax payable in respect of the taxable income for the financial year, using tax rates enacted or substantially enacted at the date of statement of assets and liabilities, and any adjustment to tax payable in respect of previous financial years.

Deferred taxation is recognised in full using the liability method, on temporary differences at the date of statement of assets and liabilities between the tax bases of assets and liabilities and their carrying amounts in the financial information. However, deferred tax is not accounted for if it arises from initial recognition of an asset or a liability in a transaction other than a business combination that at the time of transaction affects neither accounting nor taxable profit or loss.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, using tax rates enacted or substantially enacted at the date of statement of assets and liabilities.

Deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

#### (h) Net creation of units

Net creation of units represents premiums paid by policyholders as payment for a new contract or subsequent payments to increase the amount of that contract. Net creation of units is recognised on a receipt basis.

#### (i) Net cancellation of units

Net cancellation of units represents cancellation of units arising from surrenders and withdrawals. Cancellation is recognised upon surrendering of the insurance contract.

### 4. INVESTMENTS

The details of investments of the Funds are set out in the Fund Performance Report.

### 5. PERFORMANCE TABLE

The performance table of the Funds is set out in the Fund Performance Report.

### 6. COMPARATIVES

There are no comparative figures for HLA Value Fund as this is the first set of financial information since its establishment on 1 October 2015.

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