



HongLeong Assurance

HLA INVESTMENT-LINKED FUNDS
Fund Performance Report
for the financial year ended 30 June 2022

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Chief Executive Officer's Message

Dear valued policyholders,

Once again, we take great pleasure in presenting to you the HLA Investment-Linked Funds Annual Report for the financial year ended 30 June 2022. Through another year of extraordinary circumstances, Hong Leong Assurance (HLA) proved once again that our dedication to our values of putting clients first, offering advisory with integrity, and providing the best in insurance solutions, have not only guided us through uncertain conditions, but have also enabled our solid growth.

We began our financial year highly impacted by the deadly COVID-19 variant, Delta, which led to countries speeding up COVID-19 vaccinations in order to protect the lives of their citizens. Developed markets, which had vaccine producing capabilities and were more financially able, saw a lesser impact on their economies as a high percentage of their citizens were already vaccinated. Hence, developed markets kept their economies relatively open compared to emerging markets that were slower in receiving vaccine supplies and had to revert back to lockdowns.

After two years of pandemic lockdowns, many countries had pushed forward to an endemic phase. However, as countries around the world returned to normalcy, global markets experienced heightened volatility as China's continued lockdowns caused severe supply chain disruptions worldwide. This was further exacerbated by the Russian-Ukraine war, which drove commodity prices to all-time highs, resulting in corporates having to pass on some of the higher cost pressures to consumers and causing inflation to rise in a broad-based manner.

Central Banks had no choice in this situation but to use monetary policy tools to fend off inflation. We saw how Central Banks' stance went from being neutral to hawkish in a very short period of time as inflation numbers continued to push through new highs. As Central Banks rushed to increase interest rates aggressively, fears of recession began to set in with worries of demand destruction. However, with commodity prices starting to weaken, this has led to hopes that we could escape a recession or at least a short one, with Central Banks possibly pausing their rate hikes in the first half of 2023.

The challenges thrown at us by all these events are aplenty, but this has only made us more determined to emerge stronger and swiftly adapt to the environment. At HLA, we have always taken advantage of adversities and turned them into opportunities to position ourselves stronger for the future. We see challenging periods and market dips as merely avenues to enhance and build our portfolios for the longer term. This strategy has not only energized us to outperform in the long run, but have also empowered our commitment to help customers achieve their financial goals.

A testament to customers' continuous trust in HLA is reflected in the double awards we have garnered in 2022. Our award-winning moments include being crowned **Domestic Life Insurer of the Year – Malaysia** for an amazing 7th consecutive time by Asian Banking and Finance Insurance Asia Awards 2022. We also took home the **Best Life Insurance Company – Malaysia** award for the 5th time by International Finance Awards 2022. We couldn't have achieved these international recognitions without our loyal policyholders.

Hence, we thank you for your patronage and reassure you of our commitment to always remain your most trusted and preferred life insurer of choice. We promise to continuously strive to elevate our touchstones of excellence and commitment in delivering the best financial planning solutions for you and your family.

Loh Guat Lan
Group Managing Director/Chief Executive Officer

Fund Objectives, Strategies & Approaches

HLA VENTURE GROWTH FUND

The objective of HLA Venture Growth Fund is to achieve higher returns than the general stock market by investing into growth stocks which potentially generate more superior returns.

This fund focuses on growth stocks listed in Bursa Malaysia and/or in any foreign stock exchanges that provide potentially higher capital gains.

HLA VENTURE BLUE CHIP FUND

The objective of HLA Venture Blue Chip Fund is to achieve returns comparable to the general stock market by taking average risks, with focus on well-capitalised and financially sound “blue chip” stocks to achieve a balance of capital gains and dividend income.

This fund provides participation in the stock market without taking excessive risk by focusing on fundamentally strong “blue chip” stocks listed in Bursa Malaysia and/or in any foreign stock exchanges. This fund is suitable for investors with moderate risk tolerance and expects returns that are comparable to the market as represented by the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI).

HLA VENTURE DANA PUTRA

The objective of HLA Venture Dana Putra is to achieve capital growth over the medium to long term.

This fund invests in Syariah-approved securities and money market instruments.

HLA VENTURE INCOME FUND

The objective of HLA Venture Income Fund is to achieve high principal security and steady income by investing in fixed-income instruments. Returns will be comparable to prevailing interest rates but correspondingly, the risks will be significantly lower than that for equities investment.

This fund focuses on fixed income securities and money market instruments as well as benchmarked against Maybank's 3 months fixed deposit rate. This fund is suitable for investors who have low to moderate risk profile.

Fund Objectives, Strategies & Approaches

HLA VENTURE MANAGED FUND

The objective of HLA Venture Managed Fund is aim to provide investors with prospects for long-term capital appreciation through diversification in various capital instruments including equity, government securities, private debt securities, money market instruments and foreign assets as well as derivatives. This fund aims to outperform the benchmark comprising of FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI) and Maybank 12-month fixed deposit rate in a ratio of 50:50.

This fund will participate in both fixed income and equity markets as well as benchmarked against the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI) and Maybank 12-month fixed deposit rate in equal proportion. This fund is suitable for investors who are willing to take moderate risk.

HLA VENTURE GLOBAL FUND

The objective of HLA Venture Global Fund is to provide investors with steady growth and consistency in income return over a medium to long term investment horizons by investing into global equities.

This fund will initially invest in, but not limited to Hong Leong Asia-Pacific Dividend Fund and Hong Leong Strategic Fund that uses equity, fixed income and money market instruments as their underlying assets. This fund will seek to diversify its investment geographically and by asset classes i.e. global equity of companies involved in the extraction, processing, transportation and distribution of natural resources, high dividend yield equities in Asia Pacific region (excluding Japan), global equities and/or local equities.

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 sectorial and investment themes in Malaysian equities market.

The fund would be actively managed, rotating between sectors deemed to benefit the most at any given point in time, and would comprise several Core Sectors and Trading/Rotational Sectors which would vary depending on prevailing market conditions. The strategy will be to identify the themes in its early phase to capitalize on its growth. This fund is suitable for aggressive investors who are willing to take higher risk and wish to seek higher returns from a diversified portfolio with thematic investment opportunities.

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 Instruments of Deposit (FRNID) issued by CIMB Bank Berhad. The FRNID is principal protected at maturity by CIMB Bank. The FRNID dynamically adjusts its exposure to the strategy, such as to reduce exposure when the strategy has negative performance and increase exposure when it has positive performance.

Fund Objectives, Strategies & Approaches

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.

This fund may be placed with any licensed financial institution under the Islamic Financial Services Act 2013, determined by the fund manager.

HLA SECURE FUND

The objective of HLA Secure Fund is to provide investors with steady and consistent return over a long-term investment horizon by investing into local and global fixed income securities and equities.

The strategy is to provide investors an affordable access into a diversified investment portfolio with a mixture of equities and fixed income instrument. 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 Affin Hwang Select Income Fund (Target Fund), with the option to increase the number of funds or replace Affin Hwang Select Income Fund with other fund(s) in future. The Target Fund will invest primarily in Asia pacific excluding Japan companies.

HONG LEONG SMART GROWTH FUND

The primary objective of the fund is to provide investors with steady long-term capital growth at moderate risk.

The strategy is to provide investors an access into a diversified portfolio of growth stocks listed on Bursa Malaysia and/or in any foreign stock exchanges that offer potential capital appreciation at moderate risk. The fund may feed into collective investment schemes that meet the fund's objective. At inception, HLSGF will invest by feeding into Kenanga Growth Fund (Target Fund) with the option to increase the number of funds or replace the Target Fund in future. The Target Fund's assets are actively invested in a diversified portfolio of Malaysian equity and equity-related securities, such as warrants and convertible loan stocks which are capable of being converted into new shares. The Target Fund may invest up to 25% of the Fund's NAV in foreign markets, which may include but not limited to Singapore, Indonesia, Thailand, Philippines, Vietnam, India, Hong Kong, China, Japan, Korea, Taiwan, Australia, United States of America and any other Eligible Markets where the regulatory authority is an ordinary or associate member of the International Organization of Securities Commissions. The Target Fund does not have an active asset allocation strategy but seeks to manage portfolios by investing in companies that satisfy the criteria of having a sustainable and credible business model, and are also trading at a discount to their intrinsic value. However, under conditions of extreme market volatility and/or when the market is trading at valuations deemed unsustainable, the Fund will seek to judiciously scale back its equity exposure.

Fund Objectives, Strategies & Approaches

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.

At inception, the fund will invest by feeding into Hong Leong Dana Maa'rof and HLA Venture Dana Putra (Target Funds) with the option to increase the number of funds or replace the Target Funds in future. Generally, the Target Funds select undervalued companies that have the potential to offer good Medium-To-Long Term capital growth. In terms of fixed income instruments, selection depends largely on credit quality to assure relative certainty in profit income, principal payment, and overall total return stability.

HLA VALUE FUND

The objective of HLA Value Fund is to achieve large capital gains by investing in companies that are well-managed and financially stable which are undervalued or at deep discount to their net tangible asset values.

The strategy is to provide investors an access into a diversified portfolio of value stocks listed on Bursa Malaysia and/or in any foreign stock exchanges that offer potential capital appreciation. The fund may feed into collective investment schemes that meet the fund's objective. At inception, the fund will invest by feeding into Hong Leong Value Fund, formerly known as Hong Leong Penny Stock Fund (Target Fund) with the option to increase the number of funds or replace the Target Fund in future. The Target Fund will invest with a value investment strategy across equity securities of all market capitalization level of companies operating in Malaysia. Generally, companies that have valuations at a discount to the market and/or its sector peers are selected. Additionally, the Target Fund may also invest in stocks with market capitalization of up to RM1 billion that are not well covered by equity research houses and stockbrokers.

HONG LEONG SMART INVEST FUND

The primary objective of Hong Leong SMART Invest Fund is to achieve large capital gains by investing in companies that are well-managed and financially stable which are undervalued or at deep discount to their net tangible asset values.

The strategy is to provide investors an access into a diversified portfolio of value stocks listed on Bursa Malaysia and/or in any foreign stock exchanges that offer potential capital appreciation. The fund will principally feed into collective investment schemes that meet the fund's objective. At inception, the fund will invest by feeding into Hong Leong Value Fund, formerly known as Hong Leong Penny Stock Fund (Target Fund) with the option to increase the number of funds or replace the Target Fund in future. The Target Fund will invest with a value investment strategy across equity securities of all market capitalization level of companies operating in Malaysia. Generally, companies that have valuations at a discount to the market and/or its sector peers are selected. Additionally, the Target Fund may also invest in stocks with market capitalization of up to RM1 billion that are not well covered by equity research houses and stockbrokers.

Fund Objectives, Strategies & Approaches

HLA HORIZON FUNDS

The fund is designed to offer customers a Minimum Guaranteed Unit Price upon fund maturity and yet offer the opportunity to enhance returns via a leveraged exposure. The fund will periodically lock in part of the gains (10 years after launch of the fund) and thereby increasing the customers' Minimum Guaranteed Unit Price at fund maturity.

The fund is open ended with three maturity dates to match customer financial planning needs: Horizon28 to be matured in Year 2028, Horizon38 in Year 2038 and Horizon48 in Year 2048.

The fund will invest into Floating Rate Negotiable Instruments of Deposit (FRNID). FRNID allocate into two major components: Mean Variance Optimization (MVO) Strategy and Zero-coupon Negotiable Instrument of Deposit (ZNID).

To enhance investment return, MVO Strategy will be leveraged by 3 times. This MVO Strategy uses the Efficient Frontier to find the optimal portfolio returns for a defined risk, limiting to basket volatility to around 8%. The portfolio consists of 4 asset classes:

- (i) 4 equities indices (S&P500, Euro Stoxx 50, Hang Seng China Enterprises, MSCI Emerging Market),
- (ii) 2 bond indices (Franklin Templeton & PIMCO),
- (iii) Spot Gold index
- (iv) Cash index

These indices are published at Bloomberg to provide transparency to customer.

The ZNID provides the Minimum Guaranteed Unit Price upon each fund's maturity. The initial Minimum Guaranteed Unit Price as follow:

Fund	Initial Minimum Guaranteed Unit Price at fund maturity
HLA Horizon28	RM1.00
HLA Horizon38	RM1.50
HLA Horizon48	RM2.00

Over time, Minimum Guaranteed Unit Price may go up via a profit taking mechanism. This mechanism will lock the gains provided the condition stated below is met, by transferring portion of gains from the MVO Strategy to the ZNID on a yearly basis as follow:

Fund Year	% of the MVO Strategy Gains
1 to 10	0%
11 to 20	50%
21 to 30	100%

The condition for profit taking:

$$\left[\frac{MVO_t}{MVO_{prevPT}} - 1 \right] > 0$$

Where,

MVO_t = mark-to-market value of MVO per unit

MVO_{prevPT} = mark-to-market value of MVO at the time of previous actual executed profit taking per unit

Fund Objectives, Strategies & Approaches

HLA DIVIDEND GROWTH FUND

The objective of HLA Dividend Growth Fund is to provide investors with return that is potentially higher than prevailing fixed deposit rates. At the same time, the fund also attempts to attain Medium-to-Long term capital appreciation.

The fund will principally feed into third party collective investment schemes that meet the fund's objective. The fund may also invest directly in a diversified portfolio of domestic and/or foreign assets including equities, equity-related securities, deposits or any other financial instruments that offer potential capital appreciation.

At inception, the fund will invest by feeding into Hong Leong Dividend Fund (Target Fund), with the option to increase the number of funds or replace the Target Fund in future. The Target Fund will invest primarily in equity securities of growth companies operating in Malaysia. Generally, companies which have good dividend payout policies and reasonable Medium-to-Long term capital appreciation opportunities will be selected. At the same time, the Target Fund will invest in fixed income securities with good credit quality yield enhancement opportunities.

HLA BALANCED FUND

The HLA Balanced Fund is aims to achieve consistent capital growth over the medium-to-long term by investing in a diversified investment portfolio containing a balanced mixture of equities and fixed income securities.

HLA Balanced Fund will principally feed into third party collective investment schemes that meet the fund's objective. The fund may also invest directly in a diversified portfolio of domestic and/or foreign assets including equities, equity-related securities, deposits or any other financial instruments that offer potential capital appreciation.

At inception, the fund will invest by feeding into Hong Leong Balanced Fund (Target Fund), with the option to increase the number of funds or replace the Target Fund in future. The Target Fund invests in equity securities of companies operating in Malaysia. Generally, companies that have low shareholders' risk, strong balance sheets with strong operating cash flows and sustainable earnings, and low relative valuations represented by reasonable price earnings ratio (PER) or price-to-book ratios (P/B) are selected. The manager combines a "top-down" asset and sector allocation analysis with a "bottom-up" stock selection process for the equity portion of the fund. For the fixed income portion of the Target Fund, the manager maintains fundamental and active management of the Target Fund, where investment decisions are made in accordance to future projections of interest rates, return on investments and access to liquidity.

Fund Objectives, Strategies & Approaches

HLA DYNAMIC FUND

The objective of HLA Dynamic Fund is to achieve large capital gains by investing in companies that are well-managed and financially stable which are undervalued or at deep discount to their net tangible asset values.

The fund will principally feed into third party collective investment schemes that meet the fund's objective. The fund may also invest directly in a diversified portfolio of domestic and/or foreign assets including equities, equity-related securities, deposits or any other financial instruments that offer potential capital appreciation.

At inception, the fund will invest by feeding into Hong Leong Value Fund (Target Fund), with the option to increase the number of funds or replace the Target Fund in future. The Target Fund will invest with a value investment strategy across equity securities of all market capitalization level of companies operating in Malaysia. Generally, companies that have valuations at a discount to the market and/or its sector peers are selected. The manager of the Target Fund will also look at forward looking company-specific events that may lead to a change in the overall business prospects and valuations in its selection of securities for investment. Additionally, the Target Fund may also invest in stocks with market capitalization of up to RM1 billion that are not well covered by equity research houses and stockbrokers.

HLA GLOBAL ESG FUND

The objective of HLA Global ESG Fund is to provide medium-to-long term capital growth by investing in a globally diversified portfolio of companies with a focus on Environmental, Social and Governance (ESG) criteria in the investment process.

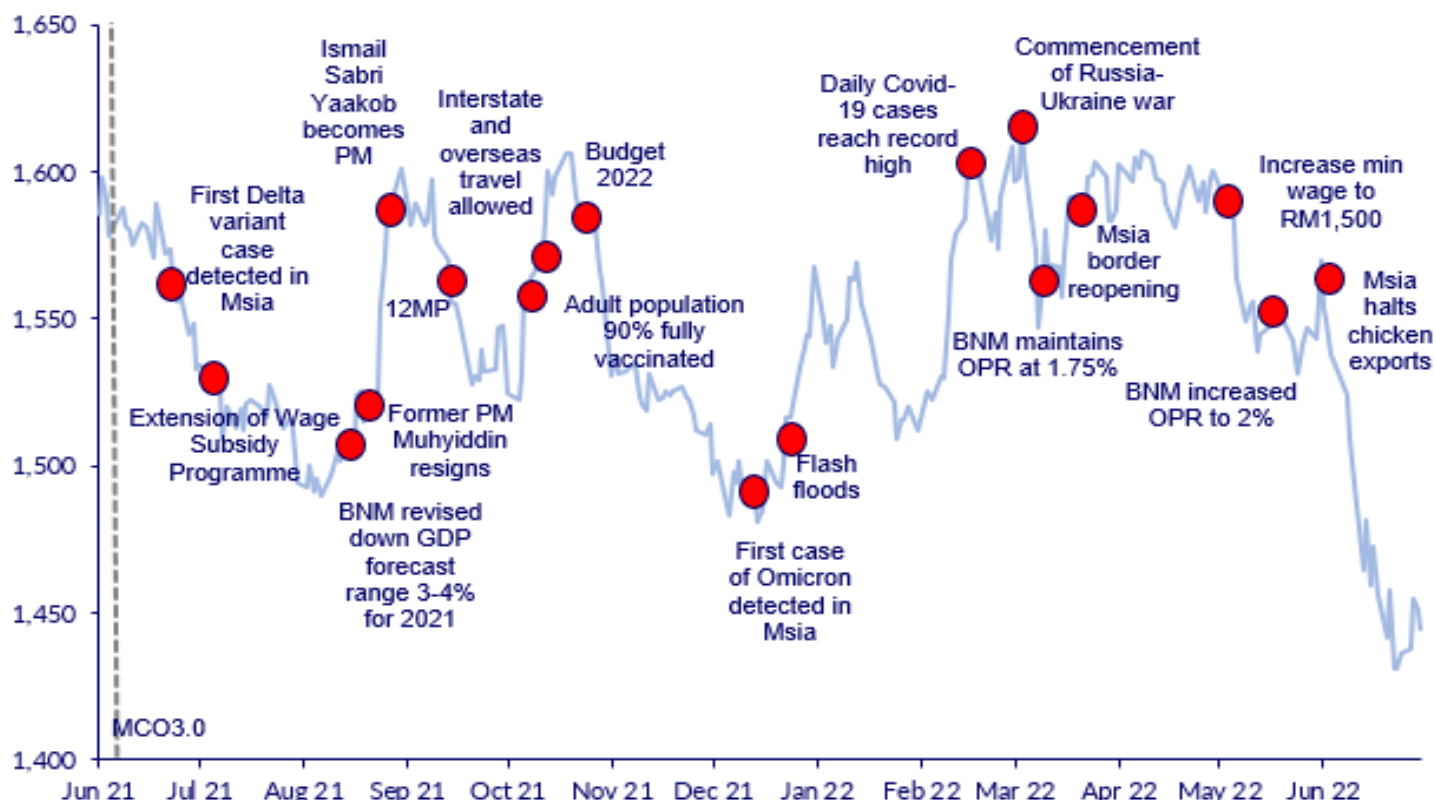
HLA Global ESG Fund will principally feed into third party collective investment schemes that meet the fund's objective. The fund may also invest directly in a diversified portfolio of domestic and/or foreign assets including equities, equity-related securities, deposits or any other financial instruments that offer potential capital appreciation.

At inception, the fund will invest by feeding into Hong Leong Global ESG Fund (Target Fund), with the option to increase the number of funds or replace the Target Fund in future. The Target Fund follows a rule-based strategy and will only invest in securities of companies with a strong ESG scoring. The Target Fund will incorporate the principles of ESG in security selection through MSCI ESG Ratings. Through MSCI ESG Ratings, companies with poor performance on ESG Factors would be excluded in the investable universe. The Target Fund will only invest in securities with an ESG rating that indicates that the company has a good track record of managing the most significant ESG risks and opportunities relative to industry peers. As such, the investable universe of the Target Fund comprises all equities with a minimum of BBB ESG rating by MSCI. The Target Fund emphasizes on responsible investing and as such will ensure a minimum of 70% of its NAV is invested in accordance with ESG criteria. Additionally, the Target Fund may also invest in money market instruments and deposits with financial institutions. The Target Fund does not incorporate ESG factors for money market instruments and deposits as the said instruments are used for liquidity purposes.

Investment Review

Equities Market

FBM Kuala Lumpur Composite Index (1 July 2021 – 30 June 2022)



Source: CLSA Ltd.

For the financial year 2022, Malaysia saw a synchronized hit globally by the high mortality rate delta-variant which resulted in us charting new highs of 20,000 daily cases at that point of time. This led to the government having to reinstate lockdowns for a third time, MCO 3.0 whilst it offered an extension of its wage subsidy programme to the nation through the challenging times. The government prioritised speeding up vaccination rates on a massive scale, targeting to reach a 90% vaccinated population by end December 2021.

At the same time, we had a change in guard for the Prime Minister role to Datuk Seri Ismail Sabri after Tan Sri Muhyiddin Yasin stepped down. As Datuk Seri Ismail Sabri adopted his new role, the government had to make the tough decision of introducing a one-off Common Prosperity tax under Budget 2022 to allay rating agencies concerns on the Malaysian government's fiscal deficit position. In addition, Malaysia was hit by the worst floods in years at the end of December 2021.

Investment Review

Equities Market (cont'd)

However, there was a glimmer of hope as Malaysia moved in tandem with other nations in starting to reopen its economy, causing a V-shaped rebound in both consumer and business sentiment as mobility was restored. This resulted in funds rebalancing their portfolios shifting from growth to value especially in light of a tighter liquidity environment. Thus there was a sell down in high-PE (price to earnings) sectors such as technology and buying into lower-PE reopening sectors such as the banks and commodities. Malaysia, known as a commodity-nation, further benefitted from foreign inflows after many years following the Ukraine-Russia war which drove up commodity prices. The foreign inflows were timely as retail investors continued to shy away from the market with more of the work force moving out of 'work from home' mode and revenge spending on travel and other services once again. Steering the portfolios through these challenging times has certainly been tough as the falling in and out of favour for these sectors has made gains unsustainable and short term in nature. In line with depressed valuations and sporadic sell down of stocks, however, we have seen more corporate actions to privatize, merge or acquire other companies.

The KLCI was lower by -5.77% during the period under review to close at 1,444.22 points.

Fixed Income Market

Similar to the equity market, the fixed income landscape underwent turbulent times during the reporting period with a greater impact as it saw a turn in fortunes following historically low interest rates since the onset of the pandemic. Over in the US, the financial year began with a decline in US Treasuries (UST) yields as the Delta variant threw a wrench in the economic recovery trajectory. A few months later, the contagious Omicron variant came into the fold but the effects were less pronounced owing to strong vaccination rate and the less potent nature of the variant. As we approached the end of the calendar year, concerns on economic strength began to subside as the labor market grew stronger coupled with inflation readings that were inching upwards. The high Dec 2021 CPI print of 7% coupled with a hawkish pivot from a previously dovish Federal Reserve (Fed) drove yields higher with the 10Y UST climbing to 1.87% at the start of the new calendar year (June 2021: 1.50%).

When the Ukraine war took place in second half of the reporting period, UST briefly rallied due to fears that a corresponding economic slowdown would ensue. These concerns were soon eclipsed by staggering inflation readings, the likes of which had not been witnessed in the last 40 years. Since March 2022, the Fed has hiked interest rates 3 times to tame inflation, bringing it to a cumulative 150bps hike. At its high, the 10Y note was hovering at 3.48%, the highest since April 2011. Assurances from the Fed to bring inflation down to 2% will be critical to where the UST will settle. At the end of our financial year, the 10Y note settled at 3.01% as recessionary fears over aggressive tightening were being priced in by market participants.

Domestically, Malaysian Government Securities (MGS) were largely seen tracking the movement of the UST despite reporting lower inflation numbers. Fundamentally, the financial year started with a decline in MGS yields due to various lockdown measures in response to the rapid spread of the Delta variant. But, once Malaysia transitioned to an endemic phase, yields on the domestic note began to rise as the economic reopening supported risk-on sentiments. The central bank surprised the market when it opted to increase the OPR by 25bps in May 2022, a move that was deemed pre-emptive given the relatively low inflation readings (April 2022 CPI: 2.3%). However, several factors such as strong 5% GDP growth in 1Q2022, worries on food security, and the MYR's depreciation gave credence to the central bank's decision to begin its rate-hike cycle. The tail-end of the financial year witnessed encouraging news as S&P revised the outlook of Malaysia's sovereign rating to stable from negative, fortifying confidence in the sovereign's credit strength. As we closed out the financial year, the domestic yield decreased in tandem with its US counterpart with the 10Y MGS settling at 4.26%, down from 4.45% in May 2022.

Investment Outlook

Equities Market

For the rest of 2022, the market will continue to be sensitive to inflation readings, the pace of rate hikes and its impact on economic data. With inflation charting new highs, the pace of rate hikes has continued to adjust rapidly higher than market expectations. Such aggressive hikes will definitely put a dampener on consumer sentiment and could have other unknown ripple effects on the economy. Key data that the market is keeping a close eye on is unemployment especially within the tech startup space where much of the liquidity generated during the pandemic flowed to.

In Malaysia, we are lagging in terms of rate hikes which is not unlike other emerging markets in Asia. During our financial year, Bank Negara hiked OPR by 25bps bringing OPR to 2.00%. It is highly likely that we will keep in pace with global rate hikes to taper inflationary pressures and to protect the Ringgit's strength against regional currencies. In terms of economic recovery, our biggest hurdle has been in obtaining foreign labour which has capped the output capabilities of our key industries including manufacturing, plantations and construction which are heavily reliant on foreign labour. Another overhang comes from the domestic political situation which will hopefully be resolved once Malaysia's 15th General Elections are held.

The only saving grace for markets is that sentiment is almost at its worst and funds are generally quite cashed up. However, we believe that investors are now at a crossroads; undecided whether we will go into a recession which is where the general consensus is increasingly tilted towards. If a recession does play through, the market has another leg down as it hasn't been priced in. Once consensus earnings have been adjusted and inflation tamed, investors may be more comfortable to put their money to work and we look forward to this happening.

All in all, we are mindful that our financial year 2023 will be another challenging one with many moving parts as we move towards an endemic phase. We remain defensive and will maintain our barbell strategy by investing in both the value and growth sectors. Sectors that we continue to favour include interest rate hike beneficiaries (banks), selected recovery/reopening names (consumers with pricing power) and 5G/ technology (easing of supply chain bottlenecks). Any pullback on the Malaysian equity market will be a good entry point as we remain positive on the Malaysian economy in the medium term.

Fixed Income Market

Inflation and recession will, in our view, be the two overwhelming variables that will shape the fixed income landscape in the next financial year. With inflation still running red-hot in the US coupled with a hawkishly aggressive Fed, the bond market would be susceptible to bearish sentiments on the back of appalling inflation data and stiff policy actions. On the flip side, the steadfast effort to curb inflation increases the possibility of a recession coming onstream. While the Fed remains adamant in its conviction that a soft landing is possible, the market may still trade with the possibility of recession in mind as history suggests that an aggressive rate-hike cycle usually leads to a potential recession.

On the domestic front, inflationary pressures while still tepid could potentially creep up owing to the ongoing resumption in economic activity. Moreover, rising food prices caused by supply chain issues will also play an important role in shaping public policy. Close attention will be directed to the tone of the central bank to gauge its priority and therefore potential policy actions. On a last note, risk sentiment in the domestic bond market may be influenced by the mounting political risk associated with the general election scheduled for 2023.

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE GROWTH FUND

Performance Review

For the financial period under review, the benchmark FBMKLCI posted a decline of 5.77%. In 2022, market volatility has been extremely elevated. Malaysia and the rest of the world have been facing multiple de-rating headwinds (rising rates, higher inflation & geopolitical developments).

The Fund fell by 11.09% underperforming the index, which was propped up by some heavyweight sectors, by 5.32%. The main detractors in the portfolio were Tencent, Ali Baba, Inari, Tenaga and TM which dragged overall fund performance.

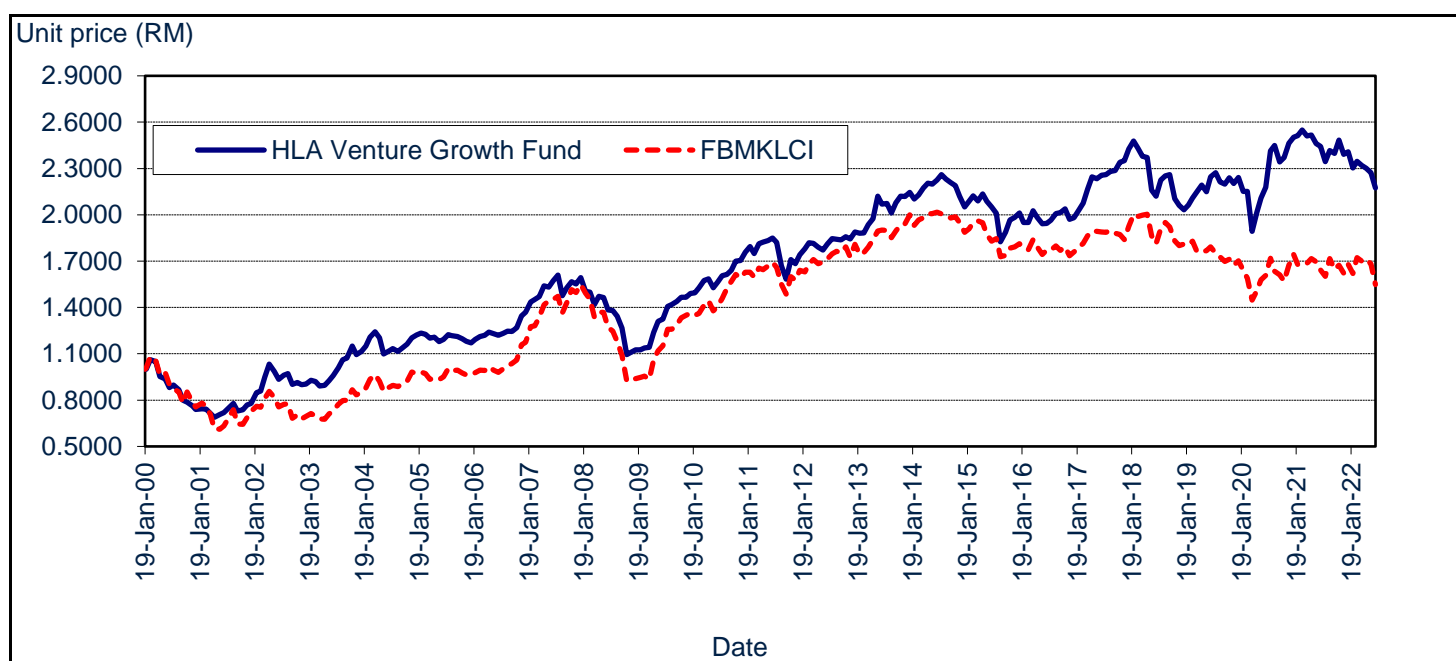
Outlook/Strategy

The market started off the year 2022 on a hopeful note. With borders reopening and a stronger economy, the outlook was more optimistic but this was marred by higher-than-expected US rate hikes, recession worries, earnings volatility amid commodity price swings, possible GST reintroduction and political noises running up to the 15th general election.

The global cyclical slowdown is likely to be the key driver for Asian markets over the coming months. An environment of slowing economic growth and tightening financial conditions have historically supported the outperformance of stocks with higher “quality” attributes. These include companies with stable earnings growth, strong pricing power and low gearing. Going forward, the focus will still be on liquid big cap stocks with strong balance sheet and proven management.

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE GROWTH FUND

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	369,828	419,285	378,195	393,080	373,364
Number of units ('000)	170,192	171,580	173,626	175,099	176,734
NAV per unit (RM)	2.173	2.444	2.178	2.245	2.113
Highest NAV/unit for the financial year (RM)	2.536	2.645	2.309	2.267	2.523
Lowest NAV/unit for the financial year (RM)	2.149	2.198	1.742	1.989	2.102
Total annual return - capital growth	-11.09%	12.21%	-2.98%	6.25%	-6.01%
Average annual return					
- 1 year	-11.09%	12.21%	-2.98%	6.25%	-6.01%
- 3 year	-1.07%	5.22%	-1.04%	5.28%	1.13%
- 5 year	-0.67%	5.22%	1.31%	0.27%	0.50%
Performance of relevant benchmark indices (FBMKLCI)					
- 1 year	-5.77%	2.11%	-10.24%	-1.15%	-4.09%
- 3 year	-4.54%	-3.13%	-4.97%	0.36%	-0.30%
- 5 year	-3.62%	-1.47%	-2.41%	-2.24%	-0.93%

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Quoted equities	93.08	94.86	93.90	91.88	81.56
Derivative assets	0.01	-	0.13	0.03	-
Cash and cash equivalents	5.83	5.51	5.84	8.77	19.77
Others	1.08	(0.37)	0.13	(0.68)	(1.33)
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE GROWTH FUND

Quoted equities composition by sector					
	Weightings %				
	2022	2021	2020	2019	2018
Construction	1.93	1.73	3.30	4.10	3.16
Consumer products & services	12.66	11.48	8.03	10.76	13.14
Energy	7.05	6.38	8.26	12.83	12.88
Finance services	29.07	23.85	19.74	20.48	22.23
Health care	1.79	3.70	12.08	2.89	1.20
Industrial products & services	7.21	6.26	5.24	6.30	6.81
Infrastructure	-	-	-	-	0.99
Plantation	1.99	1.20	2.84	2.73	3.51
Properties	0.49	0.57	2.25	5.88	3.58
Technology	21.13	24.75	17.26	10.65	7.73
Telecommunications & media	6.28	6.67	6.53	7.19	7.76
Trading/services	5.23	7.12	7.02	7.73	7.83
Utilities	5.07	6.29	7.45	8.46	9.18
Warrants	0.10	-	-	-	-
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE BLUE CHIP FUND

Performance Review

For the financial period under review, the Fund declined by 10.67%, underperforming the benchmark FBMKLCI which declined by 5.77%. The underperformance of 4.90% was mainly due to stock selection and composition of the fund. The main stocks in the portfolio such as Tencent, Ali Baba, Ping An, Inari and Tenaga were the main drags to the overall fund performance.

Global markets were very volatile with prices declining across most asset classes. Malaysian equity performance was not spared from external developments. Markets will continue to be volatile for the rest of 2022 as investors assess the effects of successive hefty rate hikes and quantitative tightening (QT) in the US and price-in the possibility of further inflationary pressures from harsher European sanctions against Russia. Domestically, the market will need to brace for another phase of inflation given untenable costly government subsidies, price controls and the weak currency.

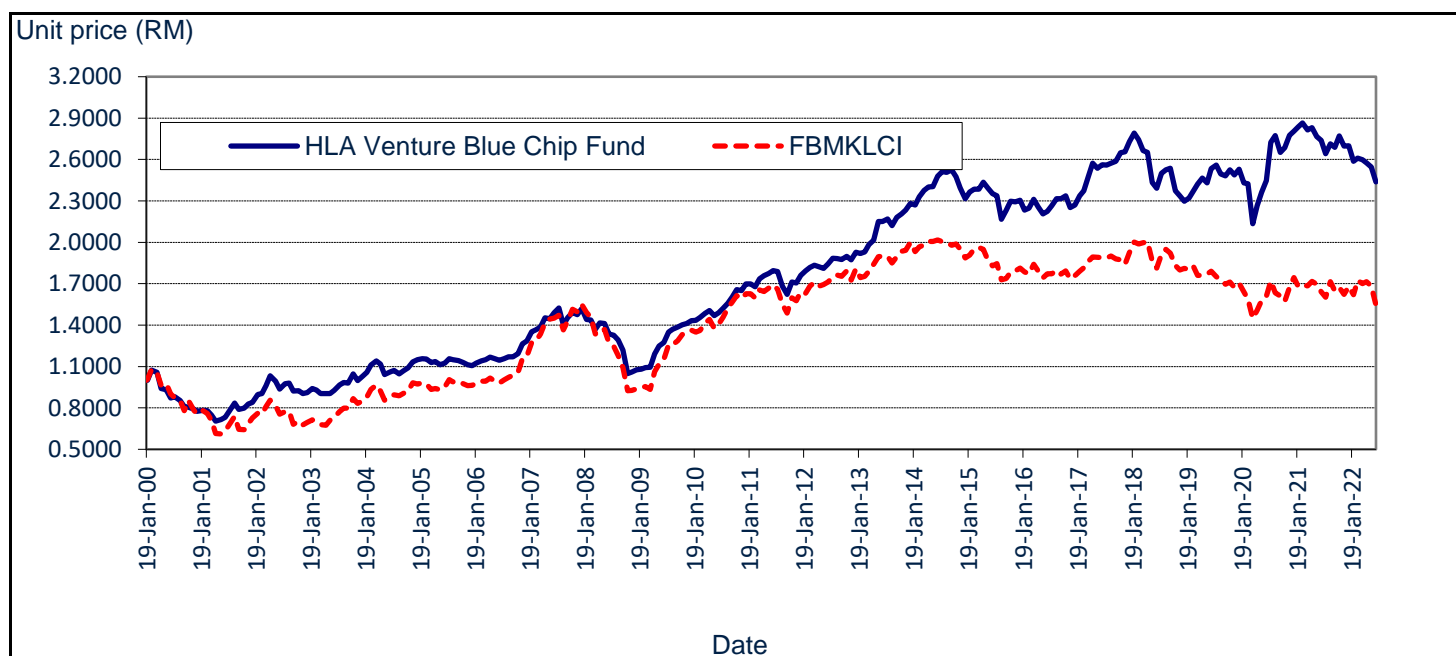
During the period under review, the Fund was 80.71% invested in equities. The Fund has foreign equities of around 14% in Hong Kong for diversification purposes. However, the internet and new economy stocks in Hong Kong were impacted by enhanced government regulations last year but we expect further regulatory easing. While volatility will likely persist, these names now offer good risk reward.

Outlook/Strategy

Asian equities will likely remain volatile in the near term as macro risks from global growth, rates and inflation outlook are still highly uncertain. In terms of investment strategy, the focus will still be on liquid big cap stocks with strong balance sheet, high dividend yield and solid management.

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE BLUE CHIP FUND

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	516,171	455,215	303,027	253,827	207,551
Number of units ('000)	211,787	166,858	123,851	100,233	87,083
NAV per unit (RM)	2.437	2.728	2.447	2.532	2.383
Highest NAV/unit for the financial year (RM)	2.817	2.969	2.602	2.548	2.825
Lowest NAV/unit for the financial year (RM)	2.411	2.472	1.977	2.260	2.369
Total annual return - capital growth	-10.67%	11.48%	-3.36%	6.25%	-6.59%
Average annual return					
- 1 year	-10.67%	11.48%	-3.36%	6.25%	-6.59%
- 3 year	-1.25%	4.83%	-1.36%	4.72%	0.53%
- 5 year	-0.89%	4.60%	0.86%	0.52%	2.25%
Performance of relevant benchmark indices (FBMKLCI)					
- 1 year	-5.77%	2.11%	-10.24%	-1.15%	-4.09%
- 3 year	-4.54%	-3.13%	-4.97%	0.36%	-0.30%
- 5 year	-3.62%	-1.47%	-2.41%	-2.24%	-0.93%

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Quoted equities	78.81	85.60	88.41	85.73	79.86
Quoted unit trusts and real estate investment trusts ("REITs")	1.90	2.21	2.85	2.18	1.08
Derivative assets	0.01	-	0.14	0.03	-
Cash and cash equivalents	18.48	12.96	8.85	12.74	18.54
Others	0.80	(0.77)	(0.25)	(0.68)	0.52
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE BLUE CHIP FUND

Quoted equities composition by sector					
	Weightings %				
	2022	2021	2020	2019	2018
Construction	2.16	2.24	2.90	4.09	2.96
Consumer products & services	14.24	11.60	6.70	9.76	12.72
Energy	5.26	5.29	7.23	12.78	10.43
Finance services	28.16	23.64	21.55	24.72	26.95
Health care	1.70	4.23	14.27	3.17	1.16
Industrial products & services	5.14	4.05	4.40	6.59	7.82
Infrastructure	-	-	-	-	1.03
Plantation	4.61	0.84	1.50	0.91	2.40
Properties	0.46	1.31	2.98	5.78	4.05
Technology	23.25	28.25	18.42	9.61	7.19
Telecommunications & media	6.02	7.41	5.71	6.69	8.09
Trading/services	4.11	5.14	6.17	7.60	6.82
Utilities	4.80	6.00	8.17	8.30	8.38
Warrants	0.09	-	-	-	-
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE DANA PUTRA

Performance Review

For the financial period under review, the Fund declined by 10.93% versus the benchmark of -13.75%, decline in the benchmark FBME Mas Shariah index resulting in an outperformance of 2.82%. The main contributors in the portfolio were Sam Engineering, Sime Plantations, Petronas Chemical, Bermaz and IHH.

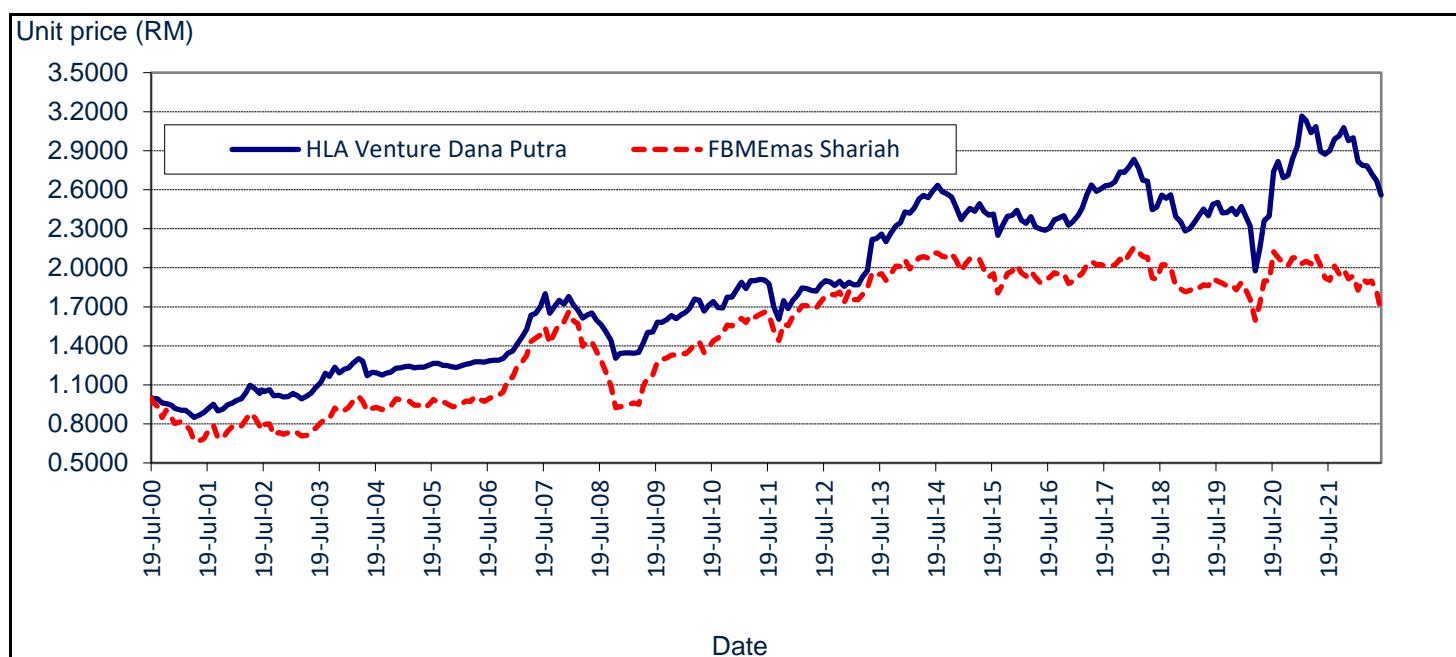
Outlook/Strategy

Malaysian equities will remain volatile. With the economic re-opening now fully priced in, the markets' attempt to digest prospects for the balance of 2022 and beyond are being hampered by limited forward visibility on business and macroeconomic conditions. Sentiment will remain fragile, given the various external and internal macroeconomic threats. The upcoming GE15 is an extra uncertainty hanging over fiscal policy as the government attempts to balance pleasing the people against fiscal consolidation.

For the period under review, the Fund was 70.0% invested. We adopted a barbell approach to portfolio construction by adding beta and defensives to the portfolio. Going forward, the Fund would adopt a more defensive stance and will continue to invest in good quality companies that can offer earnings growth with strong capital management.

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE DANA PUTRA

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	138,520	135,129	91,034	78,577	67,937
Number of units ('000)	54,158	47,043	37,977	31,588	27,590
NAV per unit (RM)	2.558	2.872	2.397	2.488	2.462
Highest NAV/unit for the financial year (RM)	3.098	3.248	2.562	2.583	2.892
Lowest NAV/unit for the financial year (RM)	2.531	2.438	1.820	2.231	2.440
Total annual return - capital growth	-10.93%	19.82%	-3.66%	1.06%	-5.23%
Average annual return					
- 1 year	-10.93%	19.82%	-3.66%	1.06%	-5.23%
- 3 year	0.94%	5.55%	-2.58%	2.99%	0.93%
- 5 year	-0.31%	5.16%	0.02%	-0.74%	2.22%
Performance of relevant benchmark indices (FBME Mas Shariah)					
- 1 year	-13.75%	1.15%	-0.77%	0.33%	-5.69%
- 3 year	-4.48%	0.24%	-2.04%	0.08%	-0.32%
- 5 year	-3.62%	0.12%	-0.28%	-1.87%	-0.33%

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Quoted equities	69.46	70.49	83.77	88.34	69.55
Quoted unit trusts and REITs	0.57	0.58	1.42	-	-
Cash and cash equivalents	29.32	30.01	15.59	12.34	31.46
Others	0.65	(1.08)	(0.78)	(0.68)	(1.01)
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE DANA PUTRA

Quoted equities composition by sector					
	Weightings %				
	2022	2021	2020	2019	2018
Construction	6.65	7.71	6.80	6.83	7.81
Consumer products & services	12.08	11.25	11.43	15.09	18.61
Energy	4.20	6.14	8.12	14.20	11.58
Finance services	6.30	6.54	3.84	5.41	2.53
Health Care	1.51	5.92	17.32	4.25	1.81
Industrial products & services	13.56	11.94	14.05	11.46	11.62
Plantation	6.23	0.92	5.75	7.20	8.92
Properties	1.00	1.44	2.02	4.90	6.29
Technology	29.19	27.56	13.41	14.14	12.79
Telecommunications & media	8.46	10.20	5.97	6.19	6.45
Transportation & logistics	2.79	1.43	-	-	-
Utilities	7.75	8.88	11.29	10.33	11.59
Warrants	0.28	0.07	-	-	-
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE INCOME FUND

Performance Review

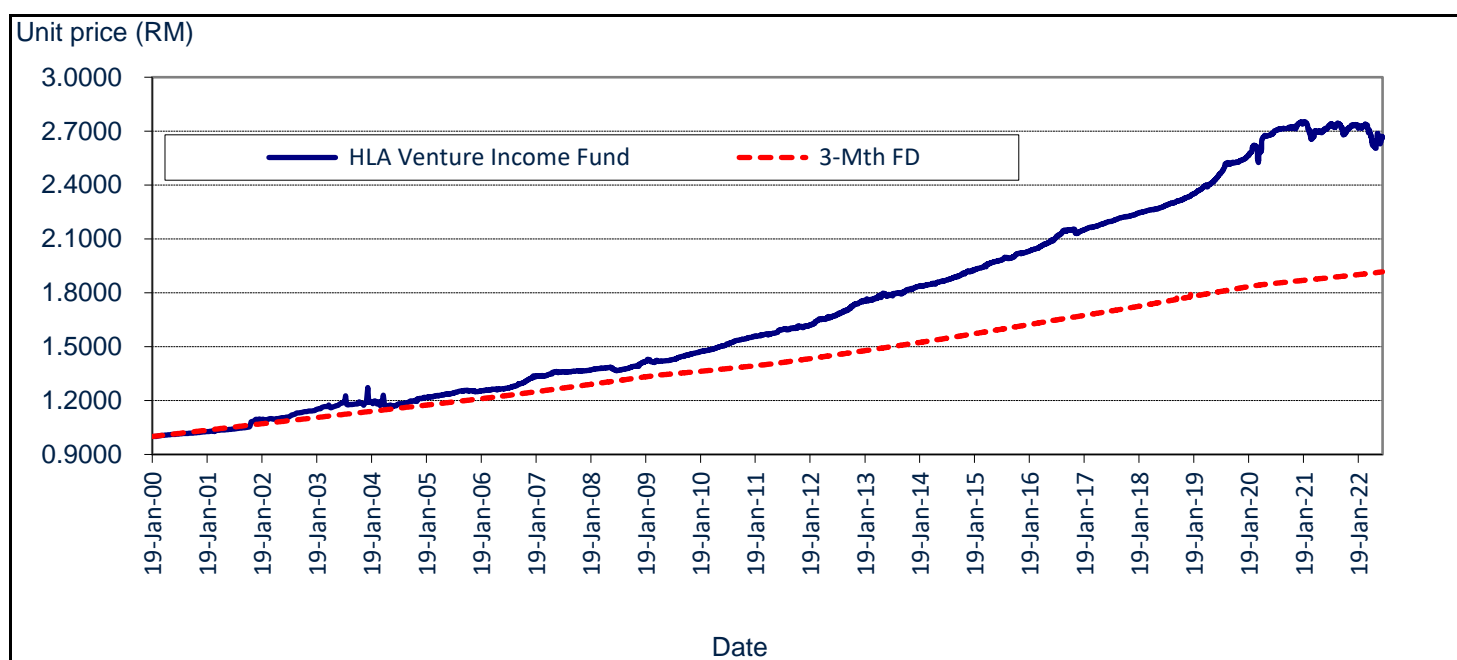
For the financial period under review, the Fund declined by 1.99%, underperforming the benchmark return of 1.78% (3-month Maybank Fixed Deposit rate). The underperformance was due to the major upward shift in yield curve during the year where market players braced for interest rate normalization by major central banks globally led by US Federal Reserve, resulting in elevated local bond yields.

Outlook/Strategy

Domestically, while cognizant of impending inflationary pressures, we believe that the bond market has already priced in the aggressive stance of future monetary policy action with current valuation accounting for at least five rate increases. In fact, we believe the market has overpriced the likelihood of a rate hike despite the anticipated increase in inflationary pressure in the second half of 2022. In the next three to six months, we expect local bond yields to decline from their current levels, as the current valuation is rather attractive. S&P's revision of outlook for Malaysia's sovereign rating from negative to stable on June 27 will also lend some support to the bond market. In view of the above, we will continue to monitor economic data that could induce significant risk off sentiments while waiting for an opportunity to reinvest.

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE INCOME FUND

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	520,183	433,618	297,575	182,234	141,720
Number of units ('000)	195,402	159,653	110,680	74,322	62,160
NAV per unit (RM)	2.662	2.716	2.689	2.452	2.280
Highest NAV/unit for the financial year (RM)	2.745	2.753	2.689	2.449	2.280
Lowest NAV/unit for the financial year (RM)	2.604	2.654	2.450	2.279	2.196
Total annual return - capital growth	-1.99%	1.00%	9.67%	7.54%	3.87%
Average annual return					
- 1 year	-1.99%	1.00%	9.67%	7.54%	3.87%
- 3 year	2.85%	6.37%	7.50%	5.62%	5.07%
- 5 year	4.26%	5.89%	7.18%	6.28%	5.50%
Performance of relevant benchmark indices (3-Mth FD)					
- 1 year	1.78%	1.71%	2.61%	3.17%	3.13%
- 3 year	2.07%	2.56%	3.06%	3.21%	3.24%
- 5 year	2.60%	2.88%	3.23%	3.37%	3.36%

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Malaysia Government Securities and other Government guaranteed assets	60.60	63.43	28.07	37.97	8.81
Unquoted corporate bonds	35.63	31.45	39.18	55.06	77.88
Cash and cash equivalents	2.53	4.22	39.14	6.30	9.20
Others	1.24	0.90	(6.39)	0.67	4.11
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE MANAGED FUND

Performance Review

For the financial period under review, the Fund declined 6.82%, underperforming the benchmark index (50% of 12-month compounded Maybank Fixed Deposit rate + 50% FBMKLCI) which fell by 1.95%. This resulted in an underperformance of 4.87%. At the end of the review period, the Fund had 45.4% in equities.

Outlook/Strategy

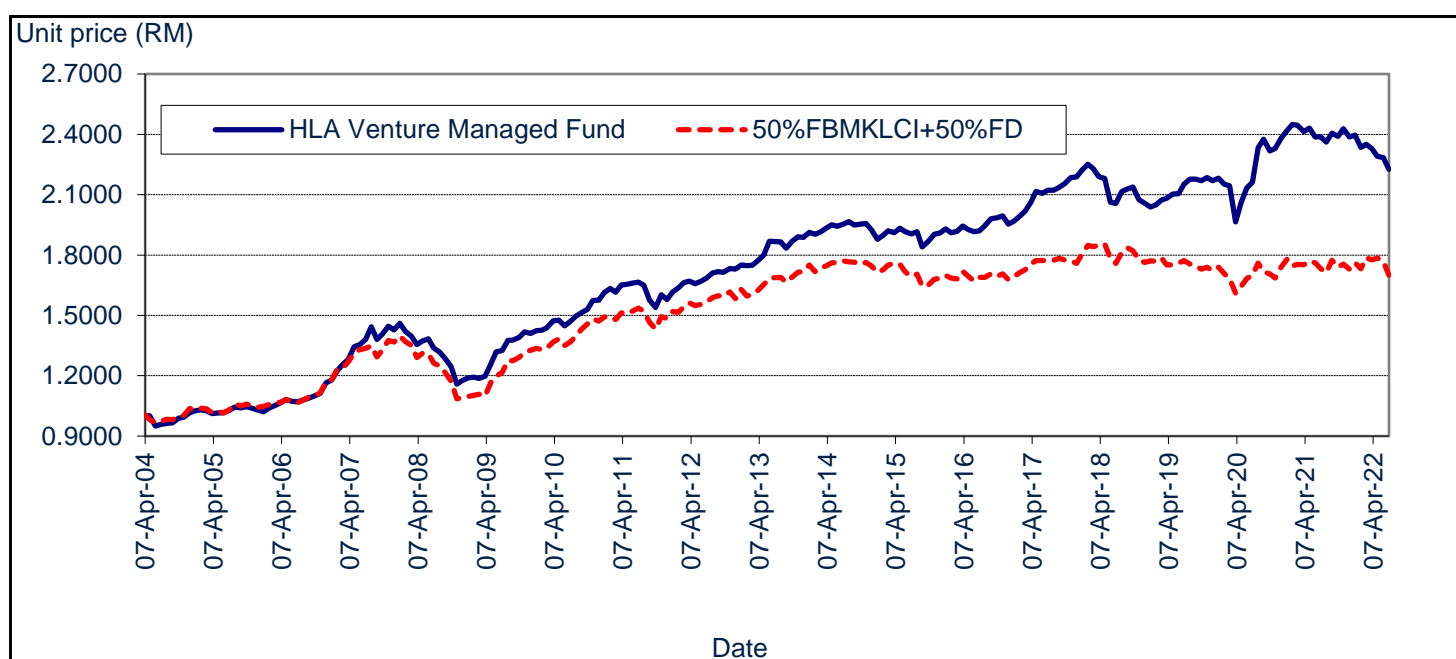
Heading into 2022, investors were prepared for a vibrant economic cycle. Instead, they were slapped with higher inflation, slowing economic growth and rising recession risks. This year's inflation surge has produced a hawkish pivot which means more restrictive central bank policy and tightening financial conditions.

For the fixed income portion, the Fund was 50.4% invested in bonds at the end of the review period. The Fund was affected by the major upward shift in bond yield curve during the year. Market players braced for interest rate normalization by major central banks globally led by the US Federal Reserve, which resulted in elevated local bond yields.

On the domestic bond market, while cognizant of impending inflationary pressures, we believe that it has already priced in the aggressive stance of future monetary policy action and in fact the market has overpriced the likelihood of a rate hike in the second half of 2022. In the next three to six months, we expect local bond yields to decline from their current levels, as the current valuation is rather attractive. We will continue to monitor economic data that could induce significant risk off sentiments while waiting for an opportunity to reinvest.

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE MANAGED FUND

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	304,617	311,312	264,221	252,600	218,198
Number of units ('000)	136,861	130,319	122,253	117,460	106,332
NAV per unit (RM)	2.226	2.389	2.161	2.151	2.052
Highest NAV/unit for the financial year (RM)	2.446	2.493	2.208	2.152	2.268
Lowest NAV/unit for the financial year (RM)	2.212	2.175	1.891	2.014	2.045
Total annual return - capital growth	-6.82%	10.55%	0.46%	4.82%	-3.12%
Average annual return					
- 1 year	-6.82%	10.55%	0.46%	4.82%	-3.12%
- 3 year	1.16%	5.47%	0.68%	4.03%	2.63%
- 5 year	1.02%	4.90%	2.72%	2.08%	2.06%
Performance of relevant benchmark indices (50%FBMKLCI+50%FD)					
- 1 year	-1.95%	1.98%	-4.17%	0.88%	-0.90%
- 3 year	-1.39%	-0.47%	-1.40%	1.67%	1.25%
- 5 year	-0.84%	0.53%	0.06%	0.03%	0.84%

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Quoted equities	44.08	45.23	45.25	43.55	40.95
Quoted unit trusts and REITs	1.34	1.35	1.57	1.46	0.56
Malaysia Government Securities and other Government guaranteed assets	12.82	9.67	9.12	11.53	9.76
Unquoted corporate bonds	37.59	28.72	33.28	37.26	40.41
Derivative assets	-	-	0.03	-	-
Cash and cash equivalents	3.12	15.20	11.65	6.08	5.27
Others	1.05	(0.17)	(0.90)	0.12	3.05
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE MANAGED FUND

Quoted equities composition by sector					
	Weightings %				
	2022	2021	2020	2019	2018
Construction	4.58	5.19	4.19	3.52	2.69
Consumer products & services	11.93	11.45	7.67	11.20	15.37
Energy	6.68	6.38	7.33	11.97	8.92
Finance services	28.68	23.64	20.63	26.95	23.76
Health care	1.40	4.42	16.75	2.67	1.02
Industrial products & services	6.38	7.10	7.69	8.76	11.47
Plantation	4.96	1.69	2.44	4.52	5.11
Properties	0.93	1.18	3.16	1.24	3.11
Technology	21.32	25.89	15.73	11.37	8.60
Telecommunications & media	4.89	6.04	5.01	6.48	7.43
Trading/services	2.22	-	-	-	-
Utilities	5.86	7.02	9.40	11.32	12.52
Warrants	0.17	-	-	-	-
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE GLOBAL FUND

Performance Review

For the financial period under review, the Fund declined 17.19% versus the benchmark of -14.78%, thereby underperforming by 2.41%. The return for the underlying funds, i.e HLA Strategic Fund and Hong Leong Asia-Pacific Dividend Fund were -10.27% and -22.52% respectively.

Hong Leong Strategic Fund registered a return of -10.27% during the period under review. Sector-wise, industrial products sector was the key contributor to the Fund's performance while technology and consumer products sectors were the detractors.

Hong Leong Asia-Pacific Dividend Fund posted a return of -22.52% during the period under review. Sector-wise, technology was the key contributor to the Fund's performance. Real estate sector was the laggard.

Outlook/Strategy

While we expect global markets to remain volatile amid headwinds such as the Russia-Ukraine war, zero-COVID policy in China and the prospect of substantially tighter US monetary policy, we continue to be optimistic on the Malaysian economy in 2022 driven by sustained economic re-opening leading to broad-based recovery.

The Fund will continue to invest in companies with strong fundamentals that are able to withstand the ever-changing macro outlook as well as would benefit from superior pricing power and efficient cost management. We prefer sectors that are sensitive to the rebound in domestic economic growth such as consumer and banks as well as selected export stocks that will benefit from enduring industry trends.

Bank Negara has signalled that normalisation of monetary policy will be measured and gradual to support economic growth. However, we will keep duration short in view of a rising rate outlook in the global bond market. We will maintain a defensive position in the government bond holdings.

For the region, we are positive on companies that will benefit from the secular rise in domestic demand in Asia and companies that will benefit from improving global growth outlook.

While we expect global markets to remain volatile amid headwinds such as the Russia-Ukraine war, zero-COVID policy in China and the prospect of substantially tighter US monetary policy, we continue to be optimistic on the Malaysian economy in 2022 driven by sustained economic re-opening leading to broad-based recovery.

The Fund will continue to invest in companies with strong fundamentals that are able to withstand the ever-changing macro outlook as well as would benefit from superior pricing power and efficient cost management. We prefer sectors that are sensitive to the rebound in domestic economic growth such as consumer as well as selected export stocks that will benefit from enduring industry trends.

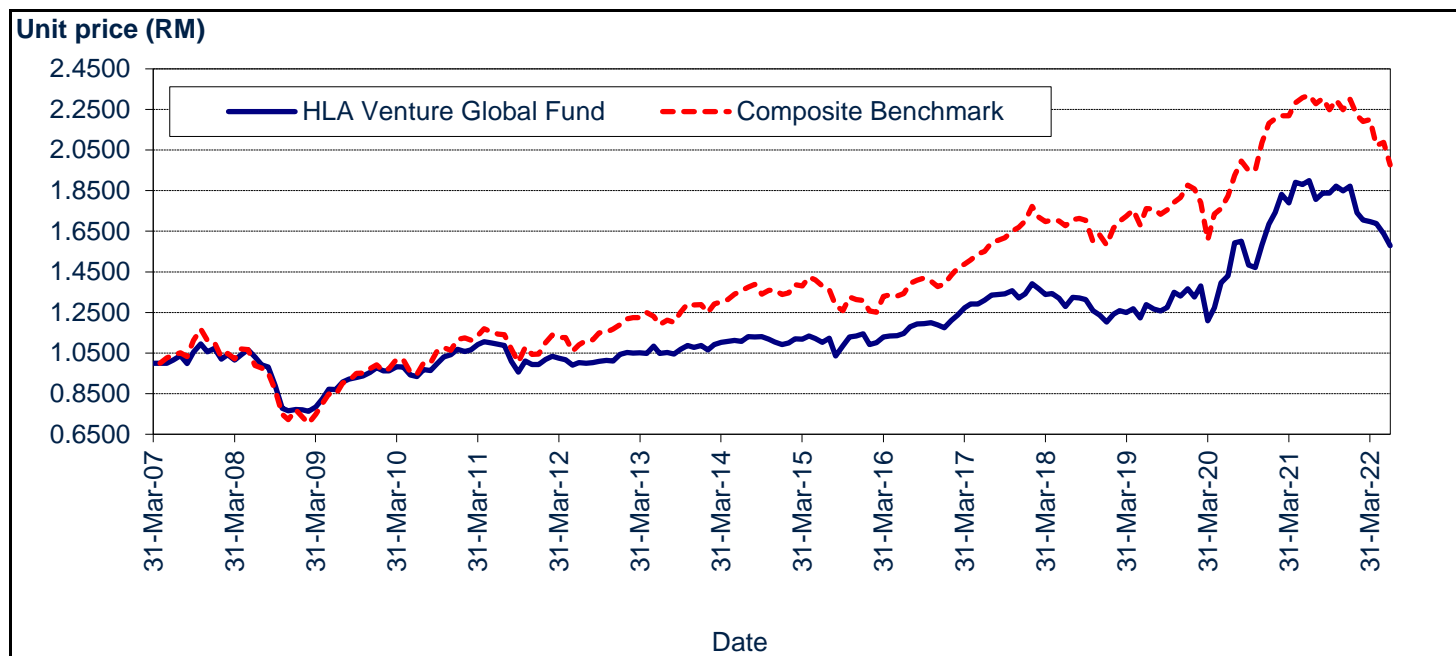
Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE GLOBAL FUND

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE GLOBAL FUND

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	35,236	42,044	31,697	28,638	28,395
Number of units ('000)	22,304	22,034	22,284	22,231	22,229
NAV per unit (RM)	1.580	1.908	1.422	1.288	1.277
Highest NAV/unit for the financial year (RM)	1.915	1.928	1.490	1.337	1.401
Lowest NAV/unit for the financial year (RM)	1.546	1.436	1.110	1.188	1.279
Total annual return - capital growth	-17.19%	34.18%	10.40%	0.86%	-2.59%
Average annual return					
- 1 year	-17.19%	34.18%	10.40%	0.86%	-2.59%
- 3 year	7.56%	16.47%	2.82%	4.23%	5.36%
- 5 year	4.10%	13.39%	5.85%	3.21%	4.51%
Performance of relevant benchmark indices (Composite Benchmark)					
- 1 year	-14.78%	27.19%	3.55%	5.03%	8.12%
- 3 year	4.08%	12.78%	5.87%	10.36%	7.16%
- 5 year	5.49%	14.53%	6.42%	5.95%	8.17%

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Unquoted unit trusts	99.55	101.54	99.38	98.48	97.81
Cash and cash equivalents	0.09	0.16	0.71	0.74	1.61
Others	0.36	(1.70)	(0.09)	0.78	0.58
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE FLEXI FUND

Performance Review

For the financial period under review, the Fund declined by 8.02% compared to the FBMKLCI benchmark index return of -5.77% resulting in an underperformance of 2.25%. The main detractors to fund performance include UWC, Greatec, Inari, BIMB and Dialog.

Outlook/Strategy

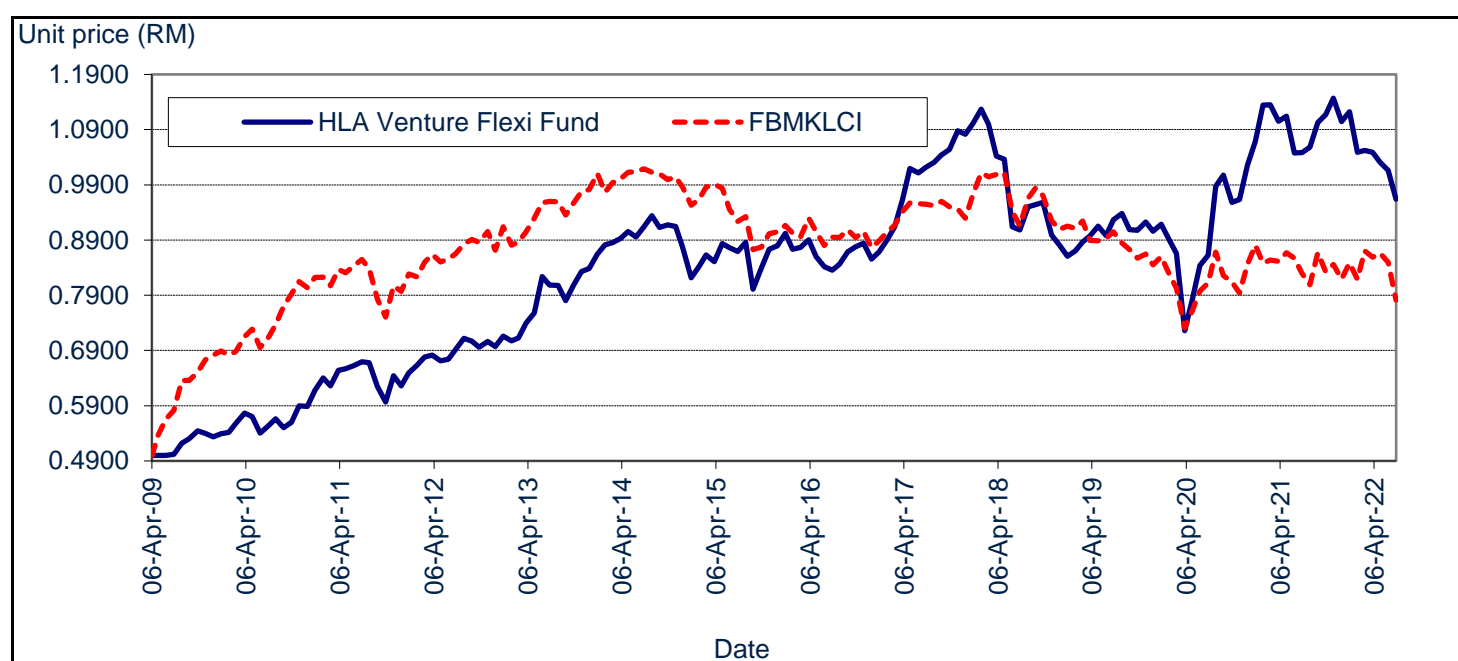
Global headwinds from the still ongoing Ukraine-Russia and China COVID-19 situation continue to cloud over markets. Amidst a perfect storm of tightening monetary policies, softer economic growth in China and concerns of stagflation amidst current red-hot inflation, markets tumbled. Malaysia was not spared and also declined eventually. With an increasingly hawkish US Fed and other developed market central banks, global monetary conditions are likely to tighten further and, as such, generate slower growth towards year-end and in 2023, in most parts of the world. BNM may consider frontloading policy rate hikes to keep inflation risks at bay.

With investors' attention turning toward digesting market conditions that are likely to prevail in 2H22 and beyond, but with the limited forward visibility on business conditions, investor sentiment will remain somewhat fragile given the various external and internal macroeconomic threats coupled with domestic political and regulatory worries.

We adopted a barbell strategy to navigate the volatility from sentiment shifts. This approach to stock selection reflects a mix of resilience and mis-priced recovery plays at the two extreme ends of the risk spectrum. Going forward, the Fund will continue to invest in good quality companies that can offer earnings growth with good dividend yields.

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE FLEXI FUND

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	139,237	130,756	89,909	70,975	46,448
Number of units ('000)	144,435	124,745	104,275	76,594	51,277
NAV per unit (RM)	0.964	1.048	0.862	0.927	0.906
Highest NAV/unit for the financial year (RM)	1.158	1.176	0.956	0.966	1.148
Lowest NAV/unit for the financial year (RM)	0.955	0.876	0.671	0.848	0.904
Total annual return - capital growth	-8.02%	21.58%	-7.01%	2.32%	-11.09%
Average annual return					
- 1 year	-8.02%	21.58%	-7.01%	2.32%	-11.09%
- 3 year	1.33%	5.22%	-5.14%	3.76%	1.50%
- 5 year	-1.08%	5.16%	-0.12%	0.37%	2.48%
Performance of relevant benchmark indices (FBMKLCI)					
- 1 year	-5.77%	2.11%	-10.24%	-1.15%	-4.09%
- 3 year	-4.54%	-3.13%	-4.97%	0.36%	-0.30%
- 5 year	-3.62%	-1.47%	-2.41%	-2.24%	-0.93%

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Quoted equities	85.43	81.93	86.69	83.96	73.68
Quoted unit trusts and REITs	1.66	1.84	2.04	2.29	1.12
Cash and cash equivalents	12.31	17.00	10.71	13.28	25.64
Others	0.60	(0.77)	0.56	0.47	(0.44)
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VENTURE FLEXI FUND

Quoted equities composition by sector					
	Weightings %				
	2022	2021	2020	2019	2018
Construction	4.12	5.57	4.76	4.74	4.00
Consumer products & services	14.65	13.47	10.69	12.16	19.15
Energy	6.49	5.59	6.60	12.47	7.41
Finance services	27.20	22.43	17.35	22.11	20.54
Health care	0.63	4.52	16.10	3.66	0.71
Industrial products & services	10.05	9.57	12.45	9.51	11.95
Plantation	4.82	-	1.79	3.51	3.59
Properties	0.47	0.70	1.42	3.30	4.93
Technology	22.97	23.24	13.57	13.54	14.33
Telecommunications & media	4.71	6.30	4.17	5.81	6.38
Transportation & logistics	-	1.27	-	0.27	0.63
Utilities	3.60	7.29	11.10	8.92	6.38
Warrants	0.29	0.05	-	-	-
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA EVERGREEN FUNDS

Performance Review

As Malaysia transitioned to COVID-19 endemicity, local economic activity picked up momentum and the labour market strengthened, as evidenced by the encouraging 1Q2022 GDP growth of 5% year-on-year. With the economy on firmer footing, Bank Negara Malaysia reduced its monetary accommodation, raising the Overnight Policy Rate (OPR) by 25 bps to 2.00% in May 2022. This marked the first change in policy rates since July 2020 and the first rise since January 2018. Subsequently, inflationary pressure became the hot topic as global growth and demand recovered. These pressures were then exacerbated by the military conflict in Ukraine, supply chain constraints and record rise in commodity prices. The combination of economic recovery and persistent inflationary pressures then sparked many central banks around the world to raise interest rates to combat the spectre of inflation. Both short and long term interest rates rose as at 30 June 2022 compared to a year earlier.

The performance of the respective FRNIDs from June 2021 to June 2022 is listed in the table below:

	June 2021	June 2022	Performance
13Y Maximum Assurance FRNID	1.159	1.165	0.52%
15Y Maximum Assurance FRNID	1.125	1.113	-1.07%
18Y Maximum Assurance FRNID	1.052	1.025	-2.57%
20Y Maximum Assurance FRNID	1.006	0.971	-3.48%
25Y Maximum Assurance FRNID	0.862	0.803	-6.84%

Outlook/Strategy

The 13Y and 15Y Maximum Assurance FRNID have been “cashlocked” since 2016 while the 18Y, 20Y, and 25Y FRNIDs have been cashlocked in 2019. As such, all products no longer have any exposure to the Max InvestSave 30Y Index. The RUPs of all the FRNIDs will now behave much like zero coupon bonds as they eventually reach their respective Guaranteed Level at maturity. The Guaranteed Levels are not expected to increase any further.

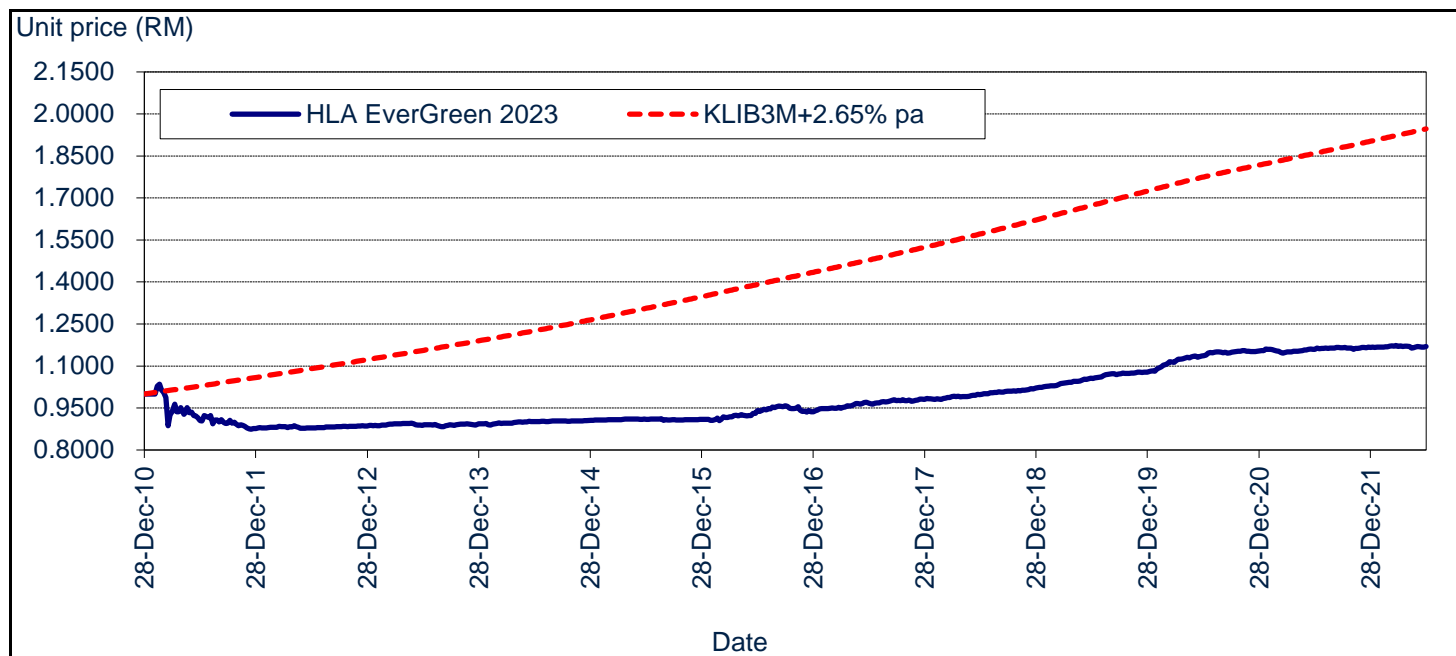
Comparative Fund Performance

For the financial year ended 30 June 2022

HLA EVERGREEN 2023

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA EVERGREEN 2023

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	23,202	25,035	26,367	25,459	25,437
Number of units ('000)	19,916	21,602	23,219	24,100	25,515
NAV per unit (RM)	1.165	1.159	1.136	1.056	0.997
Highest NAV/unit for the financial year (RM)	1.173	1.161	1.137	1.056	0.998
Lowest NAV/unit for the financial year (RM)	1.159	1.137	1.056	0.997	0.964
Total annual return - capital growth	0.52%	2.02%	7.58%	5.92%	3.10%
Average annual return					
- 1 year	0.52%	2.02%	7.58%	5.92%	3.10%
- 3 year	3.44%	5.42%	5.83%	4.48%	3.15%
- 5 year	4.10%	4.90%	4.94%	3.44%	2.48%
Performance of relevant benchmark indices (KLIB3M+2.65%p.a.)					
- 1 year	4.69%	4.75%	6.13%	6.47%	6.25%
- 3 year	5.46%	6.12%	6.69%	6.74%	6.76%
- 5 year	6.34%	6.73%	7.19%	7.31%	7.20%

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Floating rate negotiable instruments of deposit	102.33	101.93	101.73	101.31	100.69
Cash and cash equivalents	0.09	0.05	0.04	0.04	1.13
Others	(2.42)	(1.98)	(1.77)	(1.35)	(1.82)
Total	100.00	100.00	100.00	100.00	100.00

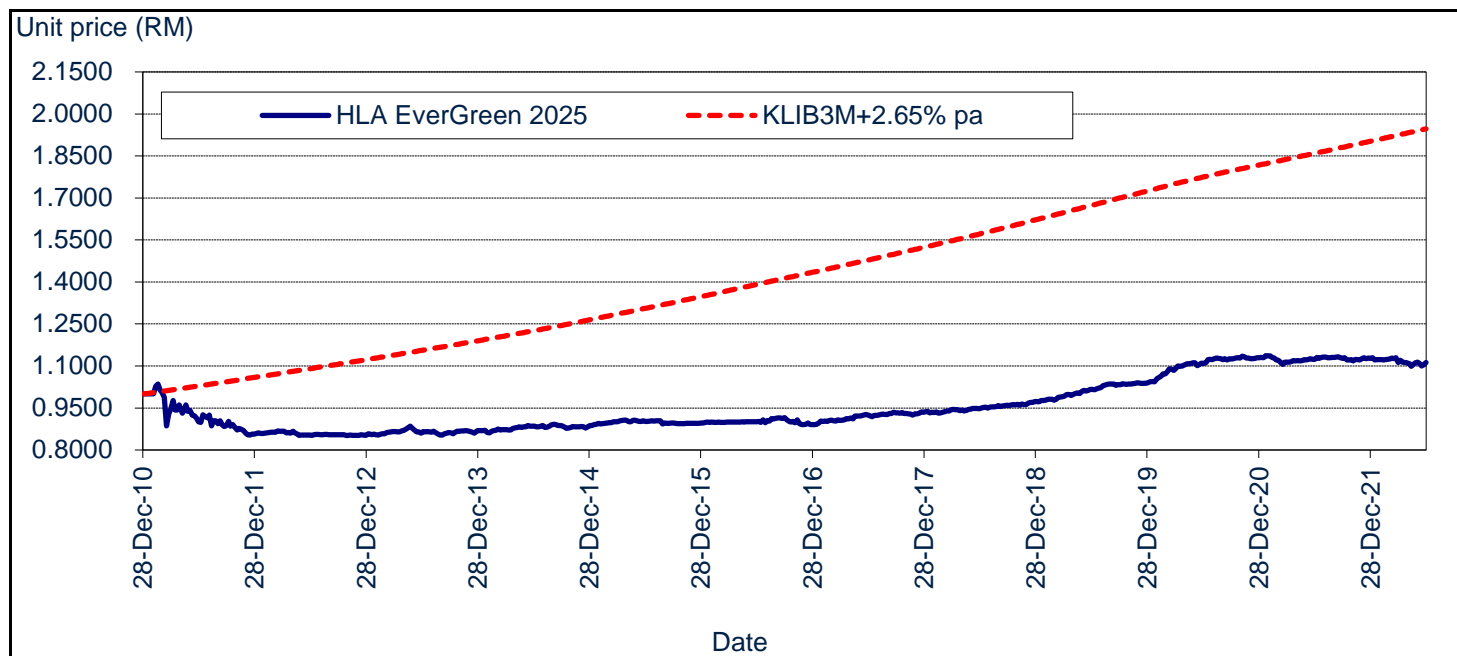
Comparative Fund Performance

For the financial year ended 30 June 2022

HLA EVERGREEN 2025

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA EVERGREEN 2025

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	10,391	10,765	10,865	9,674	8,209
Number of units ('000)	9,332	9,572	9,790	9,521	8,664
NAV per unit (RM)	1.113	1.125	1.110	1.016	0.948
Highest NAV/unit for the financial year (RM)	1.132	1.137	1.111	1.016	0.948
Lowest NAV/unit for the financial year (RM)	1.099	1.106	1.015	0.948	0.919
Total annual return - capital growth	-1.07%	1.35%	9.25%	7.17%	2.49%
Average annual return					
- 1 year	-1.07%	1.35%	9.25%	7.17%	2.49%
- 3 year	3.18%	6.22%	6.67%	4.25%	1.58%
- 5 year	4.06%	4.97%	4.53%	2.99%	2.07%
Performance of relevant benchmark indices (KLIB3M+2.65%p.a.)					
- 1 year	4.69%	4.75%	6.13%	6.47%	6.25%
- 3 year	5.46%	6.12%	6.69%	6.74%	6.76%
- 5 year	6.34%	6.73%	7.19%	7.31%	7.20%

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Floating rate negotiable instruments of deposit	100.95	101.22	101.32	100.72	99.95
Cash and cash equivalents	0.23	0.10	0.08	0.10	0.72
Others	(1.18)	(1.32)	(1.40)	(0.82)	(0.67)
Total	100.00	100.00	100.00	100.00	100.00

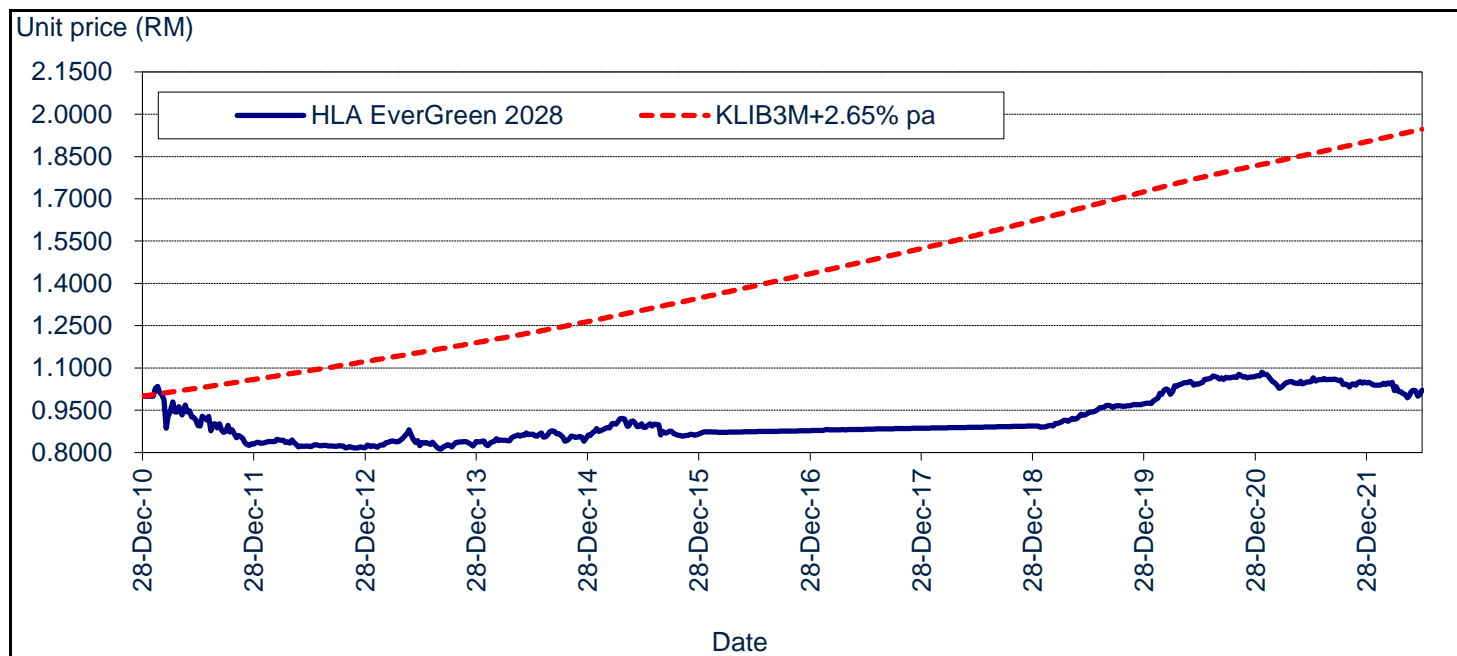
Comparative Fund Performance

For the financial year ended 30 June 2022

HLA EVERGREEN 2028

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA EVERGREEN 2028

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	19,228	17,843	15,799	12,334	8,830
Number of units ('000)	18,753	16,956	15,157	13,147	9,925
NAV per unit (RM)	1.025	1.052	1.042	0.938	0.890
Highest NAV/unit for the financial year (RM)	1.065	1.085	1.052	0.938	0.890
Lowest NAV/unit for the financial year (RM)	0.994	1.027	0.943	0.890	0.882
Total annual return - capital growth	-2.57%	0.96%	11.09%	5.39%	0.91%
Average annual return					
- 1 year	-2.57%	0.96%	11.09%	5.39%	0.91%
- 3 year	3.09%	6.07%	6.05%	2.44%	-0.48%
- 5 year	3.24%	4.07%	3.08%	1.71%	1.60%
Performance of relevant benchmark indices (KLIB3M+2.65%p.a.)					
- 1 year	4.69%	4.75%	6.13%	6.47%	6.25%
- 3 year	5.46%	6.12%	6.69%	6.74%	6.76%
- 5 year	6.34%	6.73%	7.19%	7.31%	7.20%

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Floating rate negotiable instruments of deposit	99.98	100.70	101.05	100.36	99.80
Cash and cash equivalents	0.57	0.06	0.09	0.13	0.44
Others	(0.55)	(0.76)	(1.14)	(0.49)	(0.24)
Total	100.00	100.00	100.00	100.00	100.00

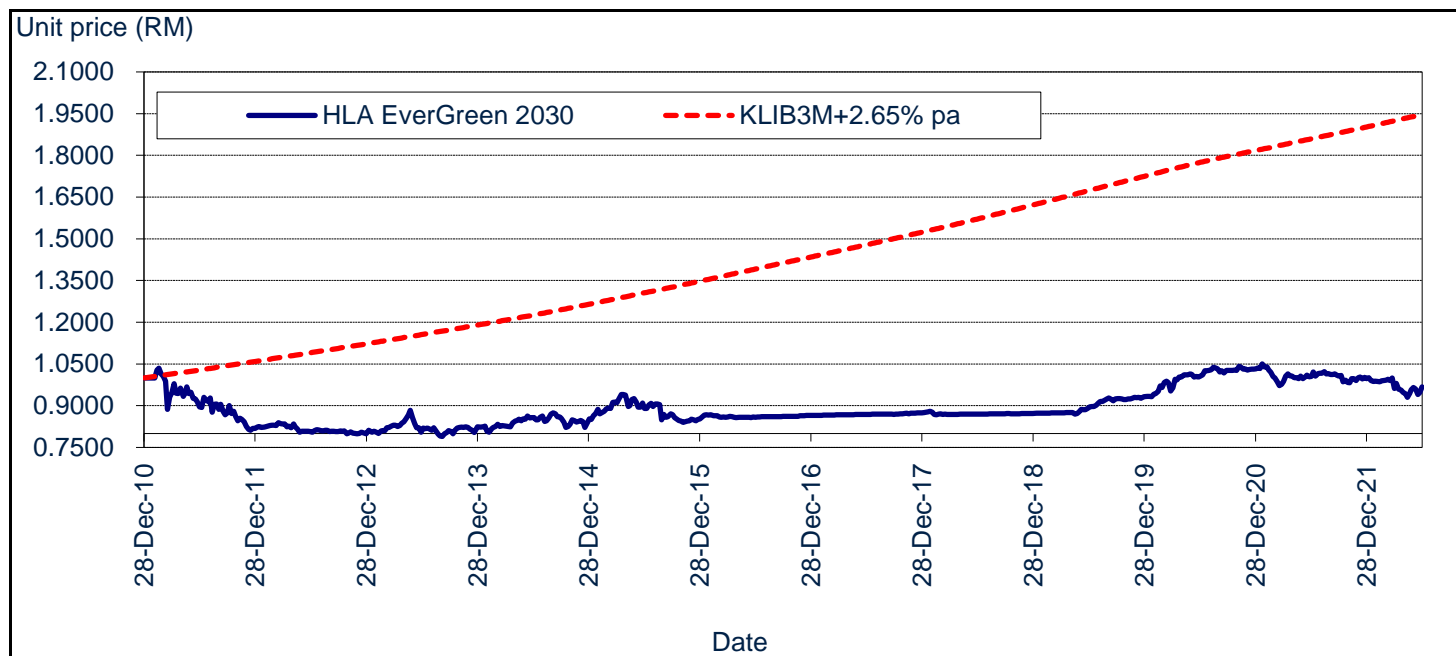
Comparative Fund Performance

For the financial year ended 30 June 2022

HLA EVERGREEN 2030

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA EVERGREEN 2030

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	53,842	53,209	49,956	39,768	31,464
Number of units ('000)	55,453	52,887	49,823	44,697	36,180
NAV per unit (RM)	0.971	1.006	1.003	0.890	0.870
Highest NAV/unit for the financial year (RM)	1.023	1.050	1.015	0.890	0.880
Lowest NAV/unit for the financial year (RM)	0.931	0.972	0.896	0.869	0.867
Total annual return - capital growth	-3.48%	0.30%	12.70%	2.30%	0.12%
Average annual return					
- 1 year	-3.48%	0.30%	12.70%	2.30%	0.12%
- 3 year	3.03%	5.21%	5.14%	1.20%	-1.50%
- 5 year	2.35%	3.42%	2.02%	0.79%	1.61%
Performance of relevant benchmark indices (KLIB3M+2.65%p.a.)					
- 1 year	4.69%	4.75%	6.13%	6.47%	6.25%
- 3 year	5.46%	6.12%	6.69%	6.74%	6.76%
- 5 year	6.34%	6.73%	7.19%	7.31%	7.20%

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Floating rate negotiable instruments of deposit	100.10	100.74	101.05	100.16	99.95
Cash and cash equivalents	0.32	0.02	0.02	0.07	0.10
Others	(0.42)	(0.76)	(1.07)	(0.23)	(0.05)
Total	100.00	100.00	100.00	100.00	100.00

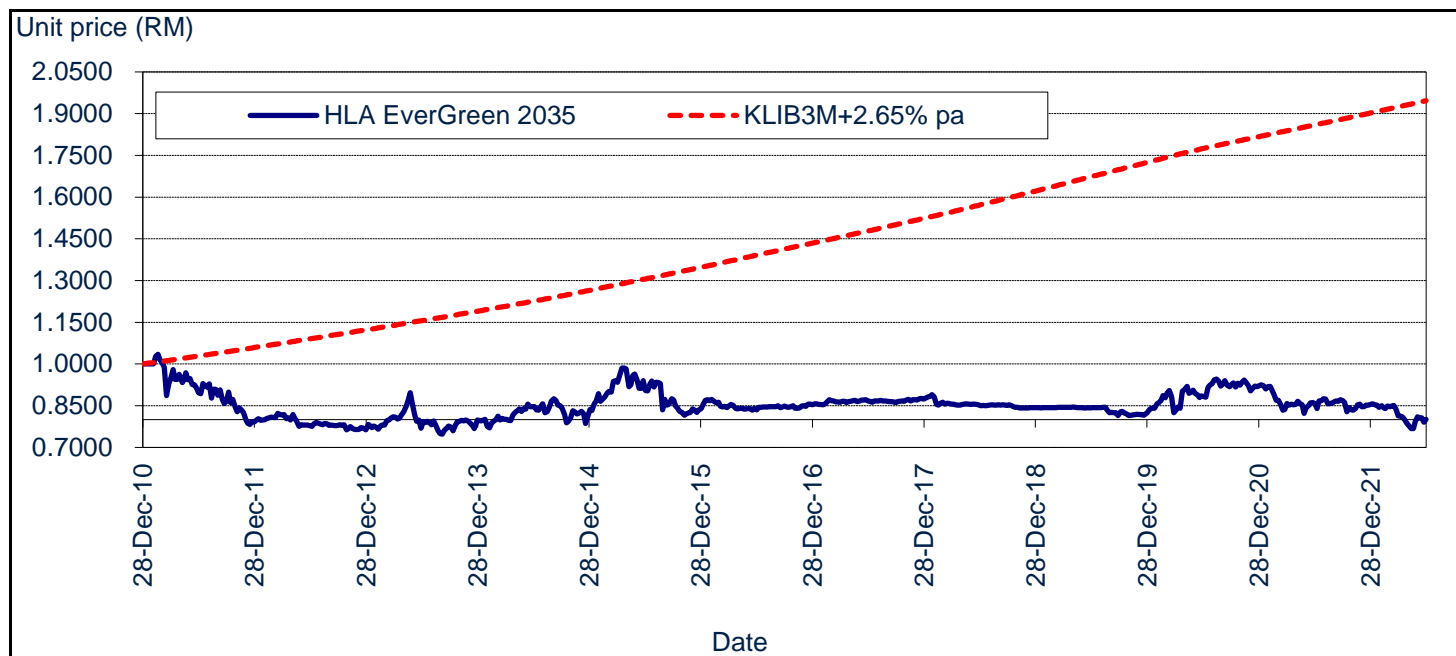
Comparative Fund Performance

For the financial year ended 30 June 2022

HLA EVERGREEN 2035

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA EVERGREEN 2035

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	854,598	853,097	792,000	639,014	486,976
Number of units ('000)	1,064,257	989,114	894,695	758,455	571,366
NAV per unit (RM)	0.803	0.862	0.885	0.843	0.852
Highest NAV/unit for the financial year (RM)	0.875	0.946	0.919	0.854	0.890
Lowest NAV/unit for the financial year (RM)	0.768	0.823	0.814	0.842	0.852
Total annual return - capital growth	-6.84%	-2.60%	4.98%	-1.06%	-1.73%
Average annual return					
- 1 year	-6.84%	-2.60%	4.98%	-1.06%	-1.73%
- 3 year	-1.58%	0.39%	0.69%	0.08%	-3.15%
- 5 year	-1.48%	0.50%	-1.19%	-0.07%	2.16%
Performance of relevant benchmark indices (KLIB3M+2.65%p.a.)					
- 1 year	4.69%	4.75%	6.13%	6.47%	6.25%
- 3 year	5.46%	6.12%	6.69%	6.74%	6.76%
- 5 year	6.34%	6.73%	7.19%	7.31%	7.20%

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Floating rate negotiable instruments of deposit	99.13	99.87	100.24	99.91	99.88
Cash and cash equivalents	0.27	0.01	0.03	0.02	0.09
Others	0.60	0.12	(0.27)	0.07	0.03
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

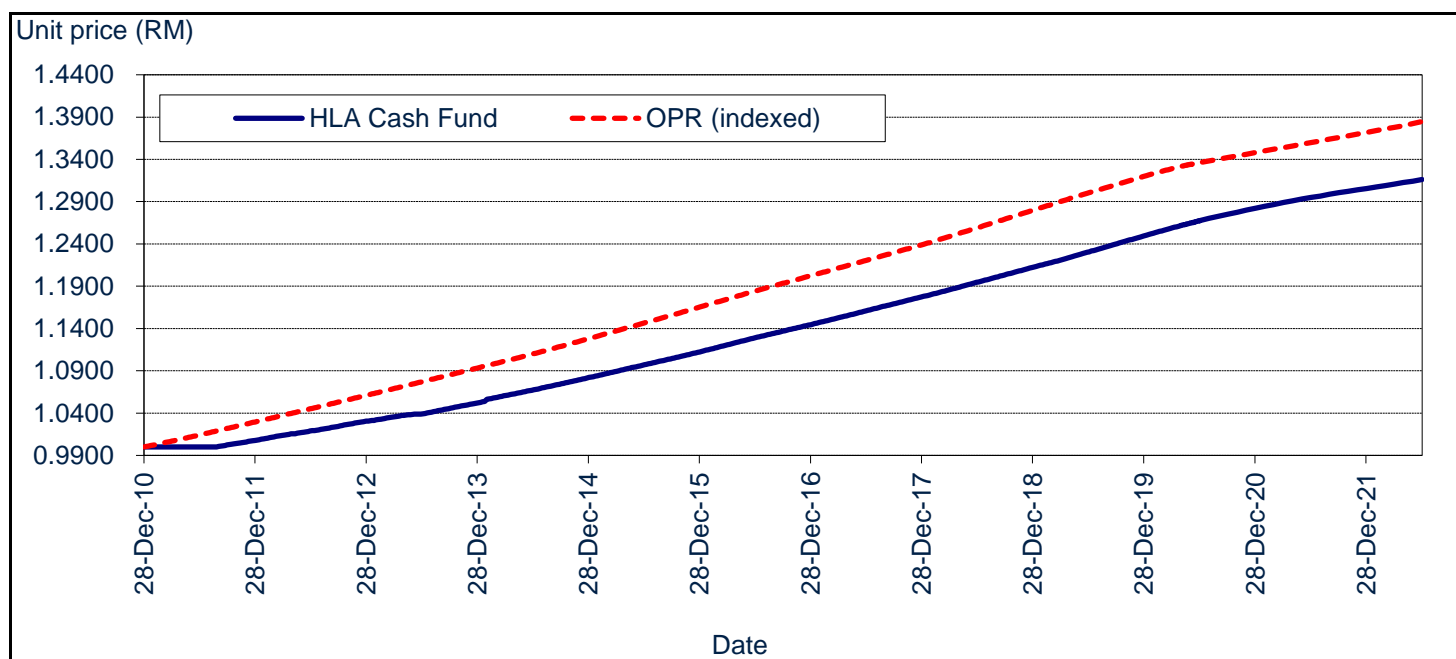
HLA CASH FUND

Performance Review

For the period under review, the fund registered a return of 0.23%, underperforming the benchmark return of 1.83% as the deposit rates are lower than the conventional rates, given that this is an Islamic fund. The performance was further impacted by one-off tax adjustments.

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA CASH FUND

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	27,398	29,117	31,684	38,978	35,740
Number of units ('000)	20,822	22,170	24,992	31,669	29,902
NAV per unit (RM)	1.316	1.313	1.268	1.231	1.195
Highest NAV/unit for the financial year (RM)	1.316	1.295	1.268	1.230	1.195
Lowest NAV/unit for the financial year (RM)	1.295	1.268	1.230	1.195	1.161
Total annual return - capital growth	0.23%	3.55%	3.01%	3.01%	2.93%
Average annual return					
- 1 year	0.23%	3.55%	3.01%	3.01%	2.93%
- 3 year	2.30%	3.29%	3.07%	2.98%	2.98%
- 5 year	2.67%	3.24%	3.12%	3.05%	2.91%
Performance of relevant benchmark indices (OPR)					
- 1 year	1.83%	1.76%	2.81%	3.25%	3.14%
- 3 year	2.18%	2.67%	3.16%	3.25%	3.26%
- 5 year	2.69%	2.96%	3.31%	3.43%	3.38%

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Deposits with financial institution	81.76	74.65	91.03	59.19	46.79
Cash and cash equivalents	18.03	22.83	7.62	40.61	53.69
Others	0.21	2.52	1.35	0.20	(0.48)
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA SECURE FUND

Performance Review

The fund declined 5.43% during the period under review, underperforming its benchmark by 3.83% which declined lesser at -1.60% in the same period.

Outlook/Strategy

Central bank tightening policies and liquidity withdrawals will be a key headwind in the near term. As the US Federal Reserve steps up its fight against inflation by aggressively tightening monetary policy, economic conditions are expected to turn softer. A spate of data already shows increasing evidence of this as new orders and manufacturing activity declines. Earnings expectations have also declined as higher input costs crimp margins. However, risk is now skewed towards a shallower recession with limited risk of slumping into a full blown financial crisis due to a lack of major credit imbalances, while household balance sheets remain healthy. With this backdrop, the Manager has been tilting the Fund's equity holdings towards quality growth names with healthy cashflows that would be resilient in a downturn. We are also avoiding economically sensitive sectors.

Latest economic indicators suggest that inflation is starting to peak as commodity and energy prices wane from their recent highs. The stickiest parts of inflation, including wages and shelter costs appear to be reaching its near term peak, where it could then taper off. As price pressures ease, this could quell the Fed's hawkish stance.

Against a global storm of inflation and looming rate hikes, China equities have emerged as a safe harbour this year. Policy shifts are luring investors back to China as its battered markets begins to look attractive with a recovery gaining momentum, with authorities are seen pivoting away from its strict zero-COVID strategy. The Chinese government has also reaffirmed its commitment to achieving its economic and social goals this year through various policy levers and stimulus. As such, have been adding Chinese equity exposure, particularly reopening plays which benefits from easing of restrictions and the gradual opening up of the economy. News flow on the Chinese property sector has also crimped sentiment. While there has been negative news flow on the sector, the government has announced easing measures in recent months in an attempt to support the sector. However, we believe that a more urgent and material policy response is needed to prevent further contagion. The fund has been underweight the Chinese property sector.

The Fund's fixed income portion will maintain its short duration positioning, while looking to gradually redeploy into longer dated government bonds market pricing has been too aggressively bearish while also considering the risk of a looming recession. We are cautious on corporate bonds, maintaining some cash buffer and sticking to shorter dated bonds to generate income and reduce volatility.

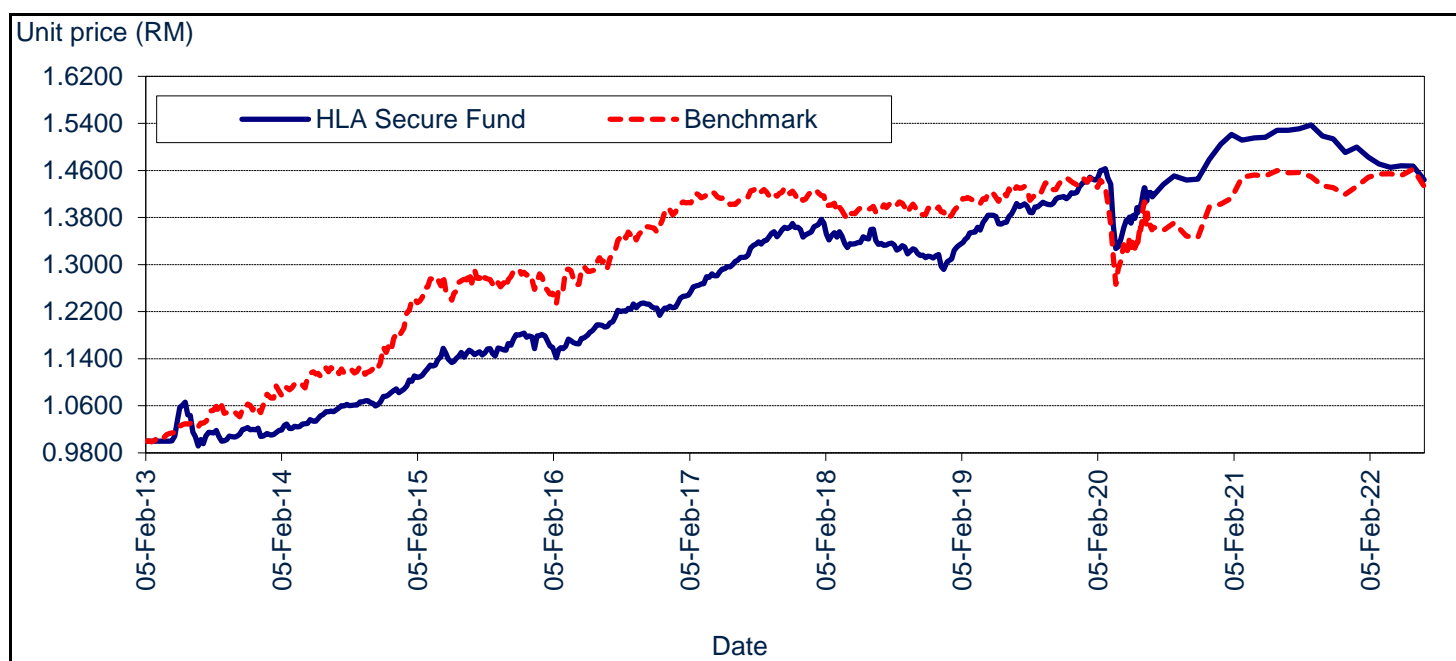
Comparative Fund Performance

For the financial year ended 30 June 2022

HLA SECURE FUND

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA SECURE FUND

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	22,968	23,669	21,117	18,746	14,231
Number of units ('000)	15,896	15,495	14,921	13,444	10,670
NAV per unit (RM)	1.445	1.528	1.415	1.394	1.334
Highest NAV/unit for the financial year (RM)	1.544	1.532	1.463	1.394	1.377
Lowest NAV/unit for the financial year (RM)	1.424	1.416	1.327	1.292	1.313
Total annual return - capital growth	-5.43%	7.99%	1.51%	4.50%	1.52%
Average annual return					
- 1 year	-5.43%	7.99%	1.51%	4.50%	1.52%
- 3 year	1.22%	4.85%	2.56%	5.62%	5.27%
- 5 year	1.99%	5.62%	4.57%	6.50%	6.76%
Performance of relevant benchmark indices					
- 1 year	-1.60%	6.74%	-4.35%	2.33%	-1.35%
- 3 year	0.15%	1.49%	-1.15%	3.39%	3.28%
- 5 year	0.28%	2.49%	1.50%	5.43%	7.21%

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Unquoted unit trusts	99.35	100.19	99.87	100.14	100.21
Cash and cash equivalents	0.48	0.08	0.11	0.06	0.22
Others	0.17	(0.27)	0.02	(0.20)	(0.43)
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

HONG LEONG SMART GROWTH FUND

Performance Review

For the period under review, the Fund registered a negative return of 8.58%, underperforming the benchmark FBMKLCI which decreased by 5.77%. The underperformance of 2.81% was mainly due to stock selection. US equities slid to close at one of the worst first-half sessions in 52 years with S&P 500 down by 20.6% YTD and 8.4% in June. The Dow Jones fell by 15.3% YTD, its worst first-half performance since 1962 while Nasdaq fell 29.5% YTD, a record worst first-half performance. The annual inflation rate in the US accelerated to 8.6% in May 2022, the highest since 1981 due to soaring energy costs from the prolonged Russia-Ukraine war which added more cost pressures along with labour shortages and supply disruptions. The Federal Reserve hiked interest rate by 75bps, the biggest increase since 1994 to a range of 1.5% to 1.75% in June 2022. The FOMC members indicated a much stronger path of rate hikes ahead to tame inflationary pressures. Analysts are now expecting the Fed to hike interest rates to approximately 3.5% by end of this year. Locally, the KLCI index fell by 8.02% in June to 1,444 points, its sharpest monthly decline since the start of the COVID-19 pandemic in March 2020. YTD, FBMKLCI, FBM100, FBM Small Cap and FBM Shariah index fell by -7.9%, -8.8%, -9.7%, and -14.3% respectively. The weak index was due to negative global market sentiment over concerns of inflation and monetary tightening which could tip the global economy into a recession. Analysts are expecting BNM to raise its OPR by 50 bps in 2HCY22. Nonetheless, inflation remains suppressed by the government's decision to keep electricity and water tariff rates unchanged for the time being. For month of June, foreign investors were net sellers at RM1,282m, a reversal from last month net buying position of RM77m. This bring the cumulative foreign net inflow for 1H22 to RM6.1b (vs. 5M22 net buy of RM7.4b). The top three best-performing sectors in May were REIT (-2.0%), Transport (-3.3%), and Consumer (-3.4%). The top three worst-performing sectors were Energy (-17%), Plantation (-13.4%), and Healthcare (-12.8%).

Outlook/Strategy

With US entering late cycle dynamics and decelerating growth, rising inflation and policy tightening would weigh on economic expansion. Key focus remains on the path of central bank monetary policy, easing of geopolitical tensions, China lockdowns, as well as corporate earnings. Malaysia continues to benefit from economic reopening, with a post-lockdown cyclical rebound ongoing on the back of higher consumer spending. Meanwhile, China's policy stimulus to spur economic growth, maintaining stability of capital markets, could lend support to the regional economic recovery. However, Malaysia still remains geared to global growth and economic conditions given its high dependence on exports. We still maintain a defensive strategy, focusing on companies where fundamentals remain solid. Sector wise, we still like consumer discretionary, financials, and industrials. For structural growth themes such as tech, we are buyers on market weakness for its longer-term potential.

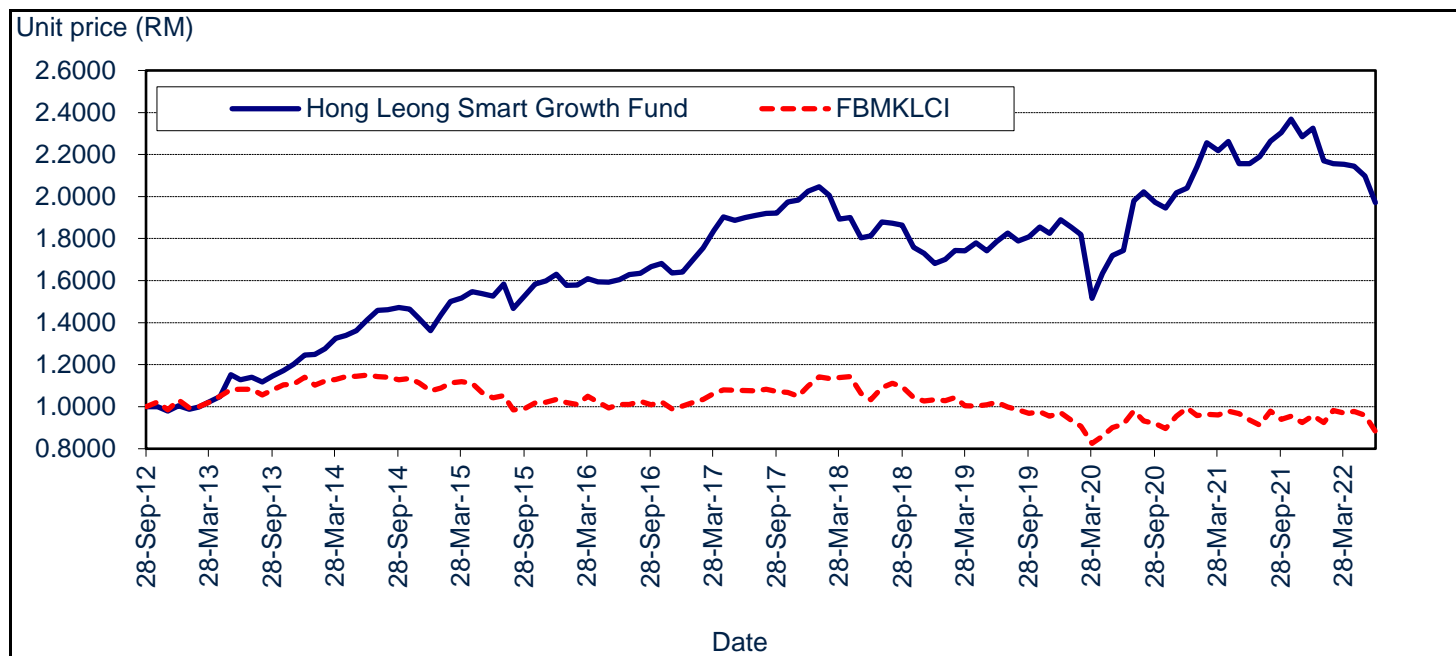
Comparative Fund Performance

For the financial year ended 30 June 2022

HONG LEONG SMART GROWTH FUND

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HONG LEONG SMART GROWTH FUND

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	185,464	225,228	198,547	218,162	234,605
Number of units ('000)	94,057	104,435	114,826	122,205	130,324
NAV per unit (RM)	1.972	2.157	1.729	1.785	1.800
Highest NAV/unit for the financial year (RM)	2.386	2.342	1.925	1.893	2.085
Lowest NAV/unit for the financial year (RM)	1.965	1.760	1.318	1.646	1.800
Total annual return - capital growth	-8.58%	24.75%	-3.14%	-0.83%	-5.36%
Average annual return					
- 1 year	-8.58%	24.75%	-3.14%	-0.83%	-5.36%
- 3 year	3.49%	6.61%	-3.03%	3.78%	6.06%
- 5 year	0.74%	6.91%	2.71%	5.32%	12.14%
Performance of relevant benchmark indices (FBMKLCI)					
- 1 year	-5.77%	2.11%	-10.24%	-1.15%	-4.09%
- 3 year	-4.54%	-3.13%	-4.97%	0.36%	-0.30%
- 5 year	-3.62%	-1.47%	-2.41%	-2.24%	-0.93%

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Unquoted unit trusts	99.77	101.14	100.19	100.23	100.30
Cash and cash equivalents	0.04	0.10	0.06	0.12	0.29
Others	0.19	(1.24)	(0.25)	(0.35)	(0.59)
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA DANA SURIA

Performance Review

For the financial period under review, the Fund declined 8.25% versus the benchmark of -8.29% ,thereby outperforming slightly by 0.04%. The return for the underlying funds, i.e HLA Venture Dana Putra and Hong Leong Dana Maa'rof were -10.93% and -6.98% respectively.

HLA Venture Dana Putra declined by 10.93% versus the benchmark of -13.75%, decline in the benchmark FBME Mas Shariah index resulting in an outperformance of 2.82%. The main contributors in the portfolio were Sam Engineering, Sime Plantations, Petronas Chemical, Bermaz and IHH.

Hong Leong Dana Maa'rof posted a return of -6.98% during the period under review. In the Shariah-compliant equity segment, consumer products & services sector was the key contributor to the Fund's performance. Industrial products & services sector was the laggard. In the sukuk segment, financial sector was the key contributor to the Fund's performance. However, sovereign sukuk continued to be the main detractor.

Outlook/Strategy

Malaysian equities will remain volatile. With the economic re-opening now fully priced in, the markets' attempt to digest prospects for the balance of 2022 and beyond are being hampered by limited forward visibility on business and macroeconomic conditions. Sentiment will remain fragile, given the various external and internal macroeconomic threats. The upcoming GE15 is an extra uncertainty hanging over fiscal policy as the government attempts to balance pleasing the people against fiscal consolidation.

For the period under review, the Fund was 70.0% invested. We adopted a barbell approach to portfolio construction by adding beta and defensives to the portfolio. Going forward, the Fund would adopt a more defensive stance and will continue to invest in good quality companies that can offer earnings growth with strong capital management.

While we expect global markets to remain volatile amid headwinds such as the Russia-Ukraine war, zero-COVID policy in China and the prospect of substantially tighter US monetary policy, we continue to be optimistic on the Malaysian economy in 2022 driven by sustained economic re-opening leading to broad-based recovery.

The Fund will continue to invest in Shariah-compliant companies with strong fundamentals that are able to withstand the ever-changing macro outlook as well as would benefit from superior pricing power and efficient cost management.

We prefer sectors that are sensitive to the rebound in domestic economic growth such as consumer as well as selected-export stocks that will benefit from enduring industry trends.

We foresee central bank's monetary policy to remain accommodative and future hikes to be done in a measured and gradual manner.

We maintain our defensive strategy to reduce duration in the Fund in order to manage fund volatility.

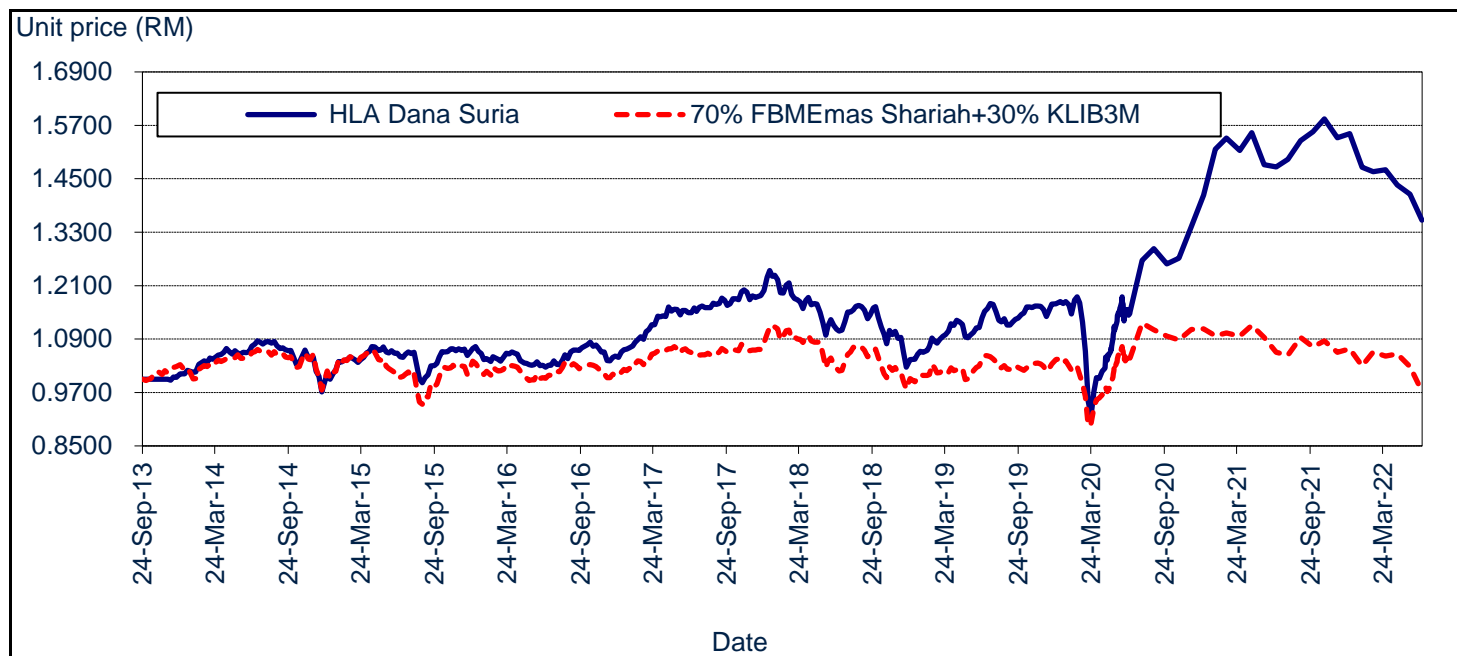
Comparative Fund Performance

For the financial year ended 30 June 2022

HLA DANA SURIA

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA DANA SURIA

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	10,573	9,557	7,011	6,692	6,161
Number of units ('000)	7,791	6,461	6,110	5,879	5,563
NAV per unit (RM)	1.357	1.479	1.148	1.138	1.108
Highest NAV/unit for the financial year (RM)	1.600	1.568	1.185	1.165	1.244
Lowest NAV/unit for the financial year (RM)	1.346	1.165	0.918	1.027	1.099
Total annual return - capital growth	-8.25%	28.83%	0.88%	2.71%	-4.07%
Average annual return					
- 1 year	-8.25%	28.83%	0.88%	2.71%	-4.07%
- 3 year	6.41%	11.16%	-0.20%	3.67%	1.94%
- 5 year	3.50%	8.86%	1.93%	2.05%	2.16%
Performance of relevant benchmark indices (70% FBME Mas Shariah +30% KLIB3M)					
- 1 year	-8.29%	1.28%	0.25%	2.03%	-3.41%
- 3 year	-2.29%	1.20%	-0.40%	1.42%	0.65%
- 5 year	-1.65%	1.17%	0.86%	-0.29%	0.89%

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Unquoted unit trusts	99.86	100.99	99.11	99.13	99.27
Cash and cash equivalents	0.14	0.16	0.17	0.16	0.17
Others	-	(1.15)	0.72	0.71	0.56
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VALUE FUND

Performance Review

Hong Leong Value Fund posted a decline of 14.37% during the period under review, underperforming the benchmark by 6.76%. Sector-wise, financials and commodities were the key contributor to the Fund's performance. Technology sector was the laggard.

Outlook/Strategy

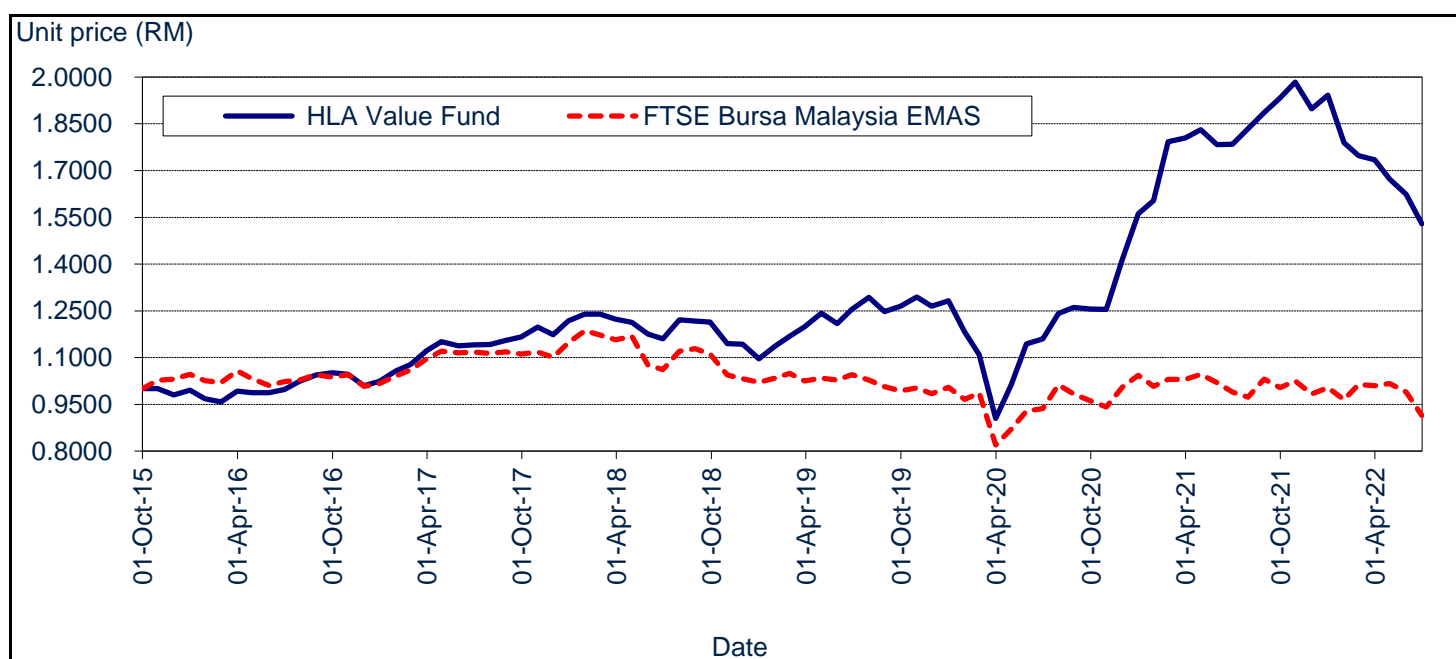
While we expect global markets to remain volatile amid headwinds such as the Russia-Ukraine war, zero-COVID policy in China and the prospect of substantially tighter US monetary policy, we continue to be optimistic on the Malaysian economy in 2022 driven by sustained economic re-opening leading to broad-based recovery.

The Fund will continue to invest in companies with strong fundamentals that are able to withstand the ever-changing macro outlook as well as would benefit from superior pricing power and efficient cost management.

We prefer sectors that are sensitive to the rebound in domestic economic growth such as consumer as well as selected export stocks that will benefit from enduring industry trends.

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA VALUE FUND

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	264,218	210,158	100,880	87,209	72,615
Number of units ('000)	173,187	117,954	86,975	69,666	63,265
NAV per unit (RM)	1.526	1.782	1.160	1.252	1.148
Highest NAV/unit for the financial year (RM)	2.002	1.868	1.314	1.264	1.296
Lowest NAV/unit for the financial year (RM)	1.514	1.166	0.782	1.072	1.131
Total annual return - capital growth	-14.37%	53.62%	-7.35%	9.06%	1.06%
Average annual return					
- 1 year	-14.37%	53.62%	-7.35%	9.06%	1.06%
- 3 year	7.29%	18.41%	0.70%	8.65%	4.93%
- 5 year	6.87%	15.86%	3.20%	N/A	N/A
Performance of relevant benchmark indices (FBMEmas)					
- 1 year	-7.61%	5.73%	-10.44%	-1.50%	-5.06%
- 3 year	-4.17%	-2.24%	-5.42%	0.73%	2.03%
- 5 year	-3.64%	-0.65%	-1.28%	N/A	N/A

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Unquoted unit trusts	98.83	100.64	95.64	98.49	98.33
Cash and cash equivalents	0.29	0.17	2.30	1.39	1.11
Others	0.88	(0.81)	2.06	0.12	0.56
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

HONG LEONG SMART INVEST FUND

Performance Review

Hong Leong Smart Invest Fund declined of 14.57% during the period under review, underperforming the benchmark by 6.96%. Sector-wise, financials and commodities were the key contributor to the Fund's performance. Technology sector was the laggard.

Outlook/Strategy

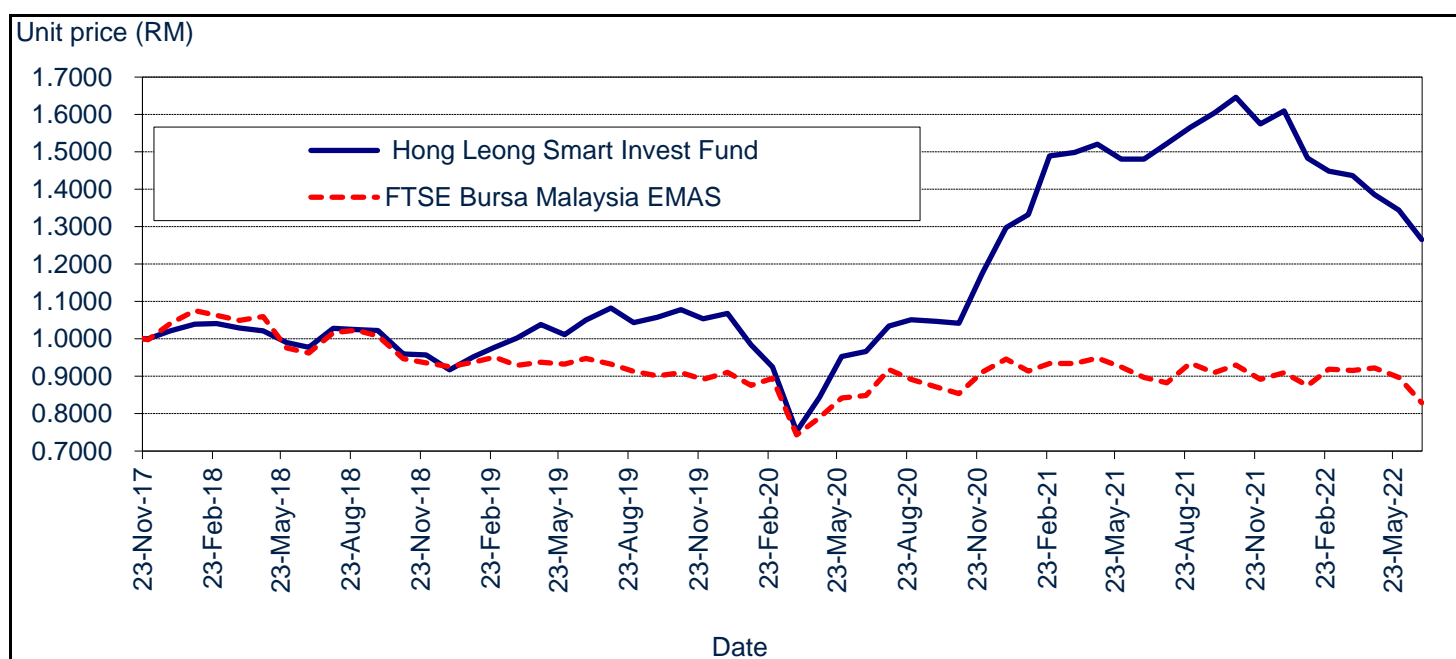
While we expect global markets to remain volatile amid headwinds such as the Russia-Ukraine war, zero-COVID policy in China and the prospect of substantially tighter US monetary policy, we continue to be optimistic on the Malaysian economy in 2022 driven by sustained economic re-opening leading to broad-based recovery.

The Fund will continue to invest in companies with strong fundamentals that are able to withstand the ever-changing macro outlook as well as would benefit from superior pricing power and efficient cost management.

We prefer sectors that are sensitive to the rebound in domestic economic growth such as consumer as well as selected export stocks that will benefit from enduring industry trends.

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HONG LEONG SMART INVEST FUND

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	757,521	579,136	251,623	173,164	81,148
Number of units ('000)	598,406	390,835	260,385	165,391	81,425
NAV per unit (RM)	1.266	1.482	0.966	1.047	0.997
Highest NAV/unit for the financial year (RM)	1.661	1.551	1.100	1.056	1.079
Lowest NAV/unit for the financial year (RM)	1.254	0.972	0.650	0.898	0.966
Total annual return - capital growth	-14.57%	53.42%	-7.74%	5.02%	-0.30%
Average annual return					
- 1 year	-14.57%	53.42%	-7.74%	5.02%	-0.30%
- 3 year	6.97%	16.22%	-1.13%	N/A	N/A
- 5 year	N/A	N/A	N/A	N/A	N/A
Performance of relevant benchmark indices (FBMEmas)					
- 1 year	-7.61%	5.73%	-10.44%	-1.50%	-3.79%
- 3 year	-4.17%	-2.24%	-5.04%	N/A	N/A
- 5 year	N/A	N/A	N/A	N/A	N/A

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Unquoted unit trusts	98.64	100.77	97.73	99.65	93.05
Cash and cash equivalents	0.20	0.14	1.49	0.60	6.47
Others	1.16	(0.91)	0.78	(0.25)	0.48
Total	100.00	100.00	100.00	100.00	100.00

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA HORIZON FUNDS

Performance Review

HLA Horizon Index is within negative territory given asset prices are still reeling in from the heightened volatility as global markets signals a transition into a recession regime. However, the rotational nature across different asset classes of the MVO allowed the index to negate albeit reduce the negative impact on returns as asset weights are rebalanced every month depending on the expected returns reflected from how each asset class moved over the period. Overall NAV of the fund is still in positive territory amidst tailwinds across all asset classes. Ringgit rates, too has start to elevate, following the general trend across region causing slight dampening in the MYR zero bond returns. For the financial year throughout this COVID-19 recovery period, the MVO has systematically switched between equities and less-risky assets as a means of normalizing asset returns against unexpected volatility jumps across asset classes. As the global economy restarts back to normalcy, the strategy would periodically seek to rotate back into asset class that can provide similar form of diversification while seeking to maximise returns.

Outlook/Strategy

The HLA Horizon indices are dynamically exposed to a reference proprietary basket that includes a diversified mix of asset classes via a dynamic management rule. The performance of the Index is driven by a mean-variance optimisation algorithm which decides its weightings to the reference assets based on the target volatility and near-term historical returns of the reference asset to optimise returns without excessive exposure to risk. The strategy also provide for leveraged exposure on the basket through a total return swap which allows investors to achieve diversified and magnified returns should the basket outperforms.

Negative output gaps have encouraged some central banks in Southeast Asia to err on the side of caution with monetary policy normalization despite rising inflationary pressure. In Q3, however, a sustained domestic demand recovery and aggressive rate hikes by the Fed are likely to prompt unusually large and/or inter-meeting rate hikes by some central banks, although their policy rates are unlikely to reach neutral levels this year. In contrast, central banks of advanced Asian economies have prioritized inflation amid robust labour market conditions, pointing to further tightening even into slowing growth.

The Fed and ECB are expected to raise rates sharply over the next 1-2 years to regain control over inflation. While Asian central banks will also be tightening, our forecasts see policy rates in Asia rising only half as much on average, and at a slower pace.

Across emerging market assets – equities, local markets, FX and hard currency bonds – this has been the worst April in terms of returns since the GFC. For EM local and hard currency bonds, this is also the worst YTD performance since the GFC (hard currency being the poorest in the EM complex). For EM equities and EMFX, the YTD drawdowns are only short of the same period in 2020 (which included the impact of global lockdowns).

EM has been hit by a triple whammy from widening commodity (particularly, food) price fears, concerns around growth slowdown (including the fallout of zero-COVID strategy in China), and the combination of higher core rates vol and poorer DM equities (with central banks increasingly in 'whatever it takes' mode). With policy in EM mostly either running out of room, or - truer for Asia - lacking intent (for fear of short circuiting growth) to keep pace with DM tightening; the focus is shifting to higher currency (uncompetitive real rates) and bond (need for more fiscal action) vol.

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA HORIZON FUNDS

Outlook/Strategy

The fund will continue to rebalance its allocation monthly based on Mean Variance Optimisation (MVO) targeting 8% volatility while maximising expected returns of each asset class.

The performance of the underlying indices as at 30 June 2022 is listed in the table below:

Underlying Indices	Weightage as at June 2022	Performance as at June 2022	Weightage as at June 2021	Performance as at June 2021
HLA Horizon	100.00%	-	100.00%	-
iShares MSCI EM Index Fund	0.00%	-4.64%	0.00%	1.15%
S&P500 Index	0.00%	-8.97%	19.62%	1.82%
Euro Stoxx 50 Index	0.00%	-9.29%	34.19%	-0.90%
Hang Seng China Enterprises Index	0.00%	8.25%	0.00%	0.77%
Gold	8.33%	-2.44%	16.13%	-5.77%
Templeton Global Bond Fund	0.00%	-4.15%	0.00%	-0.49%
PIMCO Funds - Total Return Bond Fund	0.00%	-3.05%	0.00%	0.30%
DB Fed Funds Effective Rate TR Index	91.67%	0.11%	30.06%	0.01%

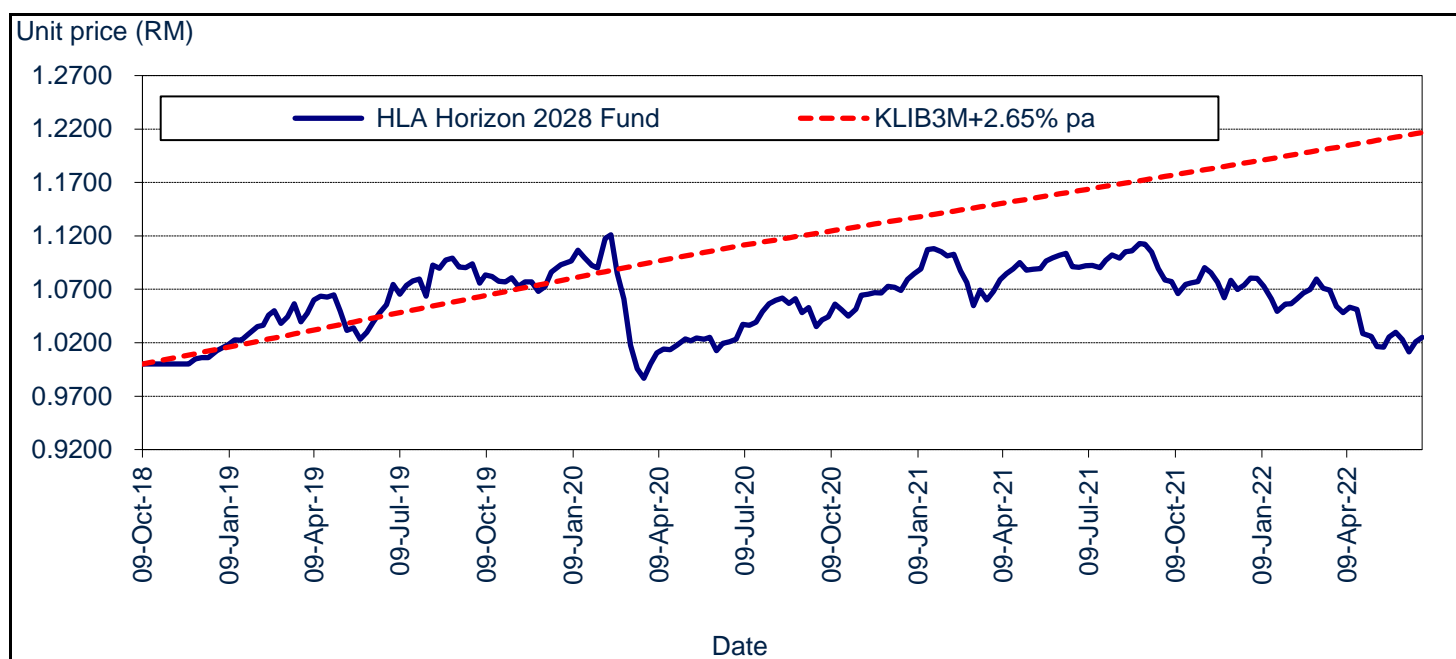
Comparative Fund Performance

For the financial year ended 30 June 2022

HLA HORIZON28 FUND

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA HORIZON28 FUND

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	8,458	6,298	3,360	1,561	N/A
Number of units ('000)	8,133	5,773	3,294	1,480	N/A
NAV per unit (RM)	1.040	1.091	1.020	1.055	N/A
Highest NAV/unit for the financial year (RM)	1.113	1.108	1.121	1.065	N/A
Lowest NAV/unit for the financial year (RM)	1.012	1.023	0.987	1.000	N/A
Total annual return - capital growth	-4.67%	6.96%	-3.32%	5.50%	N/A
Average annual return					
- 1 year	-4.67%	6.96%	-3.32%	5.50%	N/A
- 3 year	-0.47%	3.03%	N/A	N/A	N/A
- 5 year	N/A	N/A	N/A	N/A	N/A
Performance of relevant benchmark indices (KLIB3M+2.65%pa)					
- 1 year	4.68%	4.71%	6.16%	4.57%	N/A
- 3 year	5.45%	5.41%	N/A	N/A	N/A
- 5 year	N/A	N/A	N/A	N/A	N/A

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Floating rate negotiable instruments of deposit	98.49	100.38	99.79	99.49	N/A
Cash and cash equivalents	1.52	0.08	0.18	0.95	N/A
Others	(0.01)	(0.46)	0.03	(0.44)	N/A
Total	100.00	100.00	100.00	100.00	N/A

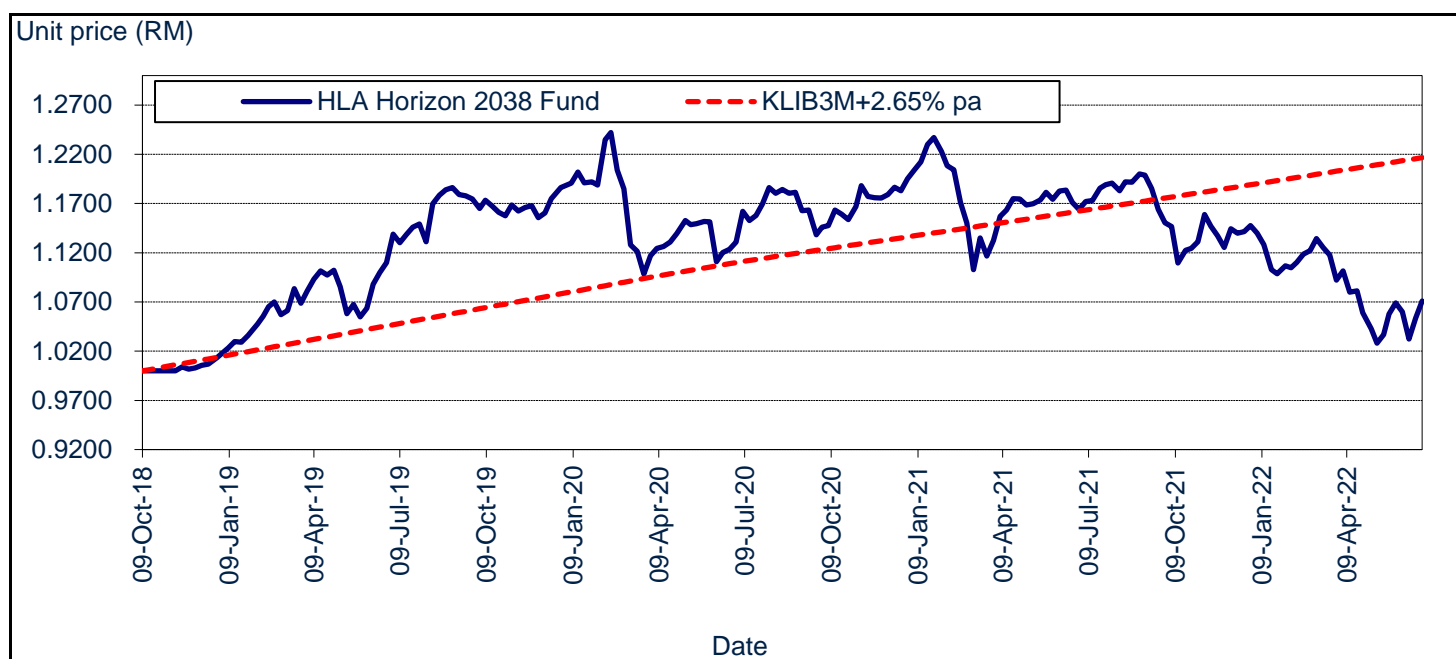
Comparative Fund Performance

For the financial year ended 30 June 2022

HLA HORIZON38 FUND

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA HORIZON38 FUND

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	360,157	258,061	111,444	31,010	N/A
Number of units ('000)	331,179	221,588	99,217	27,955	N/A
NAV per unit (RM)	1.088	1.165	1.123	1.109	N/A
Highest NAV/unit for the financial year (RM)	1.200	1.237	1.242	1.110	N/A
Lowest NAV/unit for the financial year (RM)	1.028	1.103	1.098	1.000	N/A
Total annual return - capital growth	-6.65%	3.74%	1.26%	10.90%	N/A
Average annual return					
- 1 year	-6.65%	3.74%	1.26%	10.90%	N/A
- 3 year	-0.65%	5.50%	N/A	N/A	N/A
- 5 year	N/A	N/A	N/A	N/A	N/A
Performance of relevant benchmark indices (KLIB3M+2.65%pa)					
- 1 year	4.68%	4.71%	6.16%	4.57%	N/A
- 3 year	5.45%	5.41%	N/A	N/A	N/A
- 5 year	N/A	N/A	N/A	N/A	N/A

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Floating rate negotiable instruments of deposit	98.15	100.26	100.28	99.07	N/A
Cash and cash equivalents	1.53	0.02	0.02	1.49	N/A
Others	0.32	(0.28)	(0.30)	(0.56)	N/A
Total	100.00	100.00	100.00	100.00	N/A

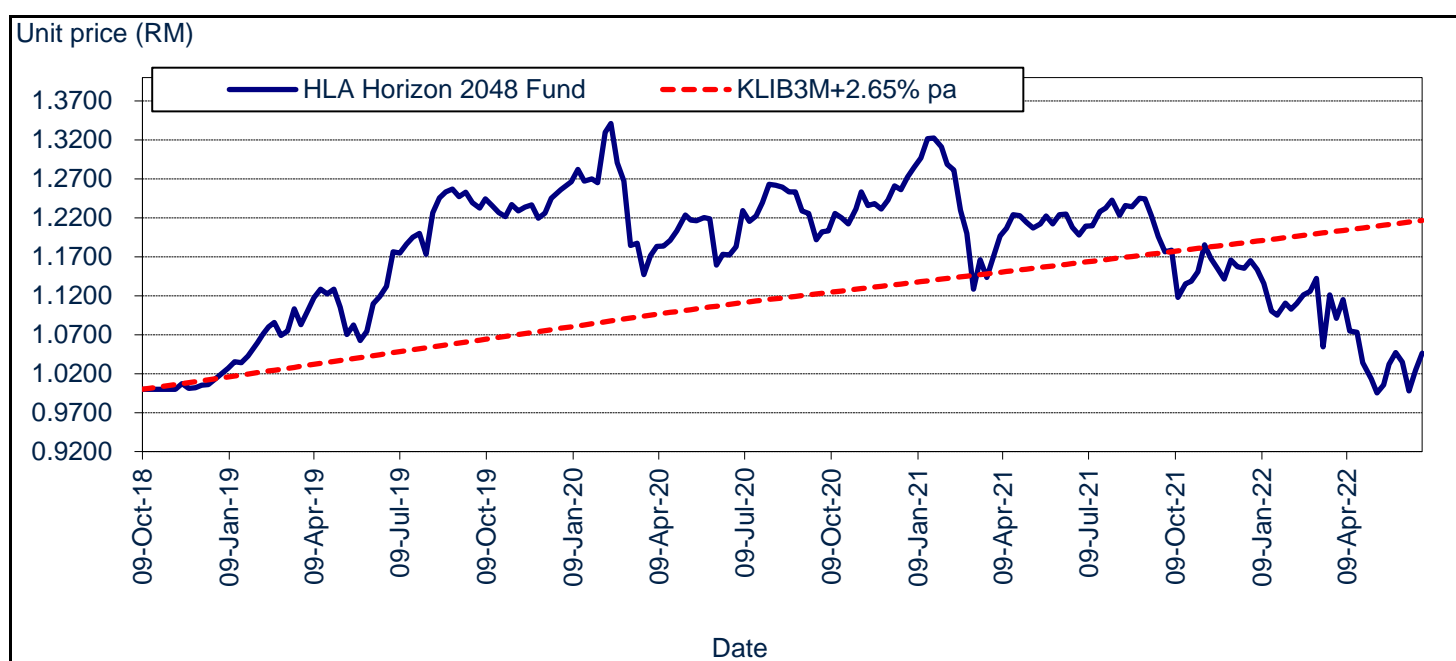
Comparative Fund Performance

For the financial year ended 30 June 2022

HLA HORIZON48 FUND

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA HORIZON48 FUND

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	161,391	125,192	56,005	14,637	N/A
Number of units ('000)	151,517	104,473	47,779	12,928	N/A
NAV per unit (RM)	1.065	1.198	1.172	1.132	N/A
Highest NAV/unit for the financial year (RM)	1.245	1.322	1.341	1.132	N/A
Lowest NAV/unit for the financial year (RM)	0.995	1.128	1.147	1.000	N/A
Total annual return - capital growth	-11.10%	2.22%	3.53%	13.20%	N/A
Average annual return					
- 1 year	-11.10%	2.22%	3.53%	13.20%	N/A
- 3 year	-1.97%	6.60%	N/A	N/A	N/A
- 5 year	N/A	N/A	N/A	N/A	N/A
Performance of relevant benchmark indices (KLIB3M+2.65%pa)					
- 1 year	4.68%	4.71%	6.16%	4.57%	N/A
- 3 year	5.45%	5.41%	N/A	N/A	N/A
- 5 year	N/A	N/A	N/A	N/A	N/A

Category of the fund					
	Weightings %				
	2022	2021	2020	2019	2018
Floating rate negotiable instruments of deposit	97.36	100.13	100.12	100.26	N/A
Cash and cash equivalents	1.80	0.01	-	0.37	N/A
Others	0.84	(0.14)	(0.12)	(0.63)	N/A
Total	100.00	100.00	100.00	100.00	N/A

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA DIVIDEND GROWTH FUND

Performance Review

HLA Dividend Growth Fund posted a decline of 5.35%, underperforming the benchmark of 3.6% since the fund's inception as at 30th July 2021. Sector-wise, industrial products and finance sectors were the key contributors to the Fund's performance while technology and property sectors were the laggards.

Outlook/Strategy

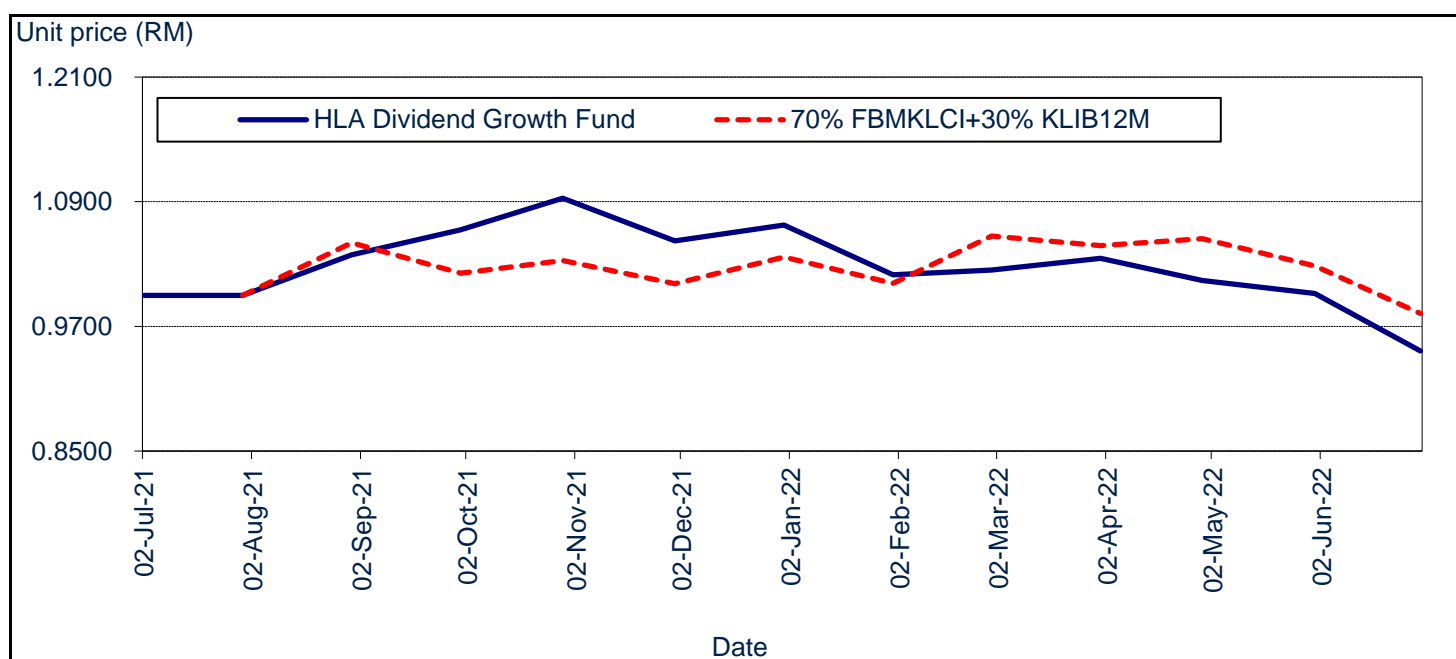
While we expect global markets to remain volatile amid headwinds such as the Russia-Ukraine war, zero-COVID policy in China and the prospect of substantially tighter US monetary policy, we continue to be optimistic on the Malaysian economy in 2022 driven by sustained economic re-opening leading to broad-based recovery.

The Fund will continue to invest in companies with strong fundamentals that are able to withstand the ever-changing macro outlook as well as would benefit from superior pricing power and efficient cost management.

We prefer sectors that are sensitive to the rebound in domestic economic growth such as consumer and banks as well as selected export stocks that will benefit from enduring industry trends.

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA DIVIDEND GROWTH FUND

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	52,724	N/A	N/A	N/A	N/A
Number of units ('000)	55,707	N/A	N/A	N/A	N/A
NAV per unit (RM)	0.947	N/A	N/A	N/A	N/A
Highest NAV/unit for the financial year (RM)	1.116	N/A	N/A	N/A	N/A
Lowest NAV/unit for the financial year (RM)	0.930	N/A	N/A	N/A	N/A
Total annual return - capital growth	-5.35%	N/A	N/A	N/A	N/A
Average annual return					
- 1 year	-5.35%	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 (70% FBMKLCI +30% KLIB12M)					
- 1 year	-1.75%	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 %				
	2022	2021	2020	2019	2018
Unquoted unit trusts	98.74	N/A	N/A	N/A	N/A
Cash and cash equivalents	0.28	N/A	N/A	N/A	N/A
Others	0.98	N/A	N/A	N/A	N/A
Total	100.00	N/A	N/A	N/A	N/A

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA DYNAMIC FUND

Performance Review

HLA Dynamic Fund posted a decline of 3.05%, underperforming the benchmark by 6.04% since the fund's inception as at 27th of April 2022. Sector-wise, financials and commodities were the key contributor to the Fund's performance. Technology sector was the laggard.

Outlook/Strategy

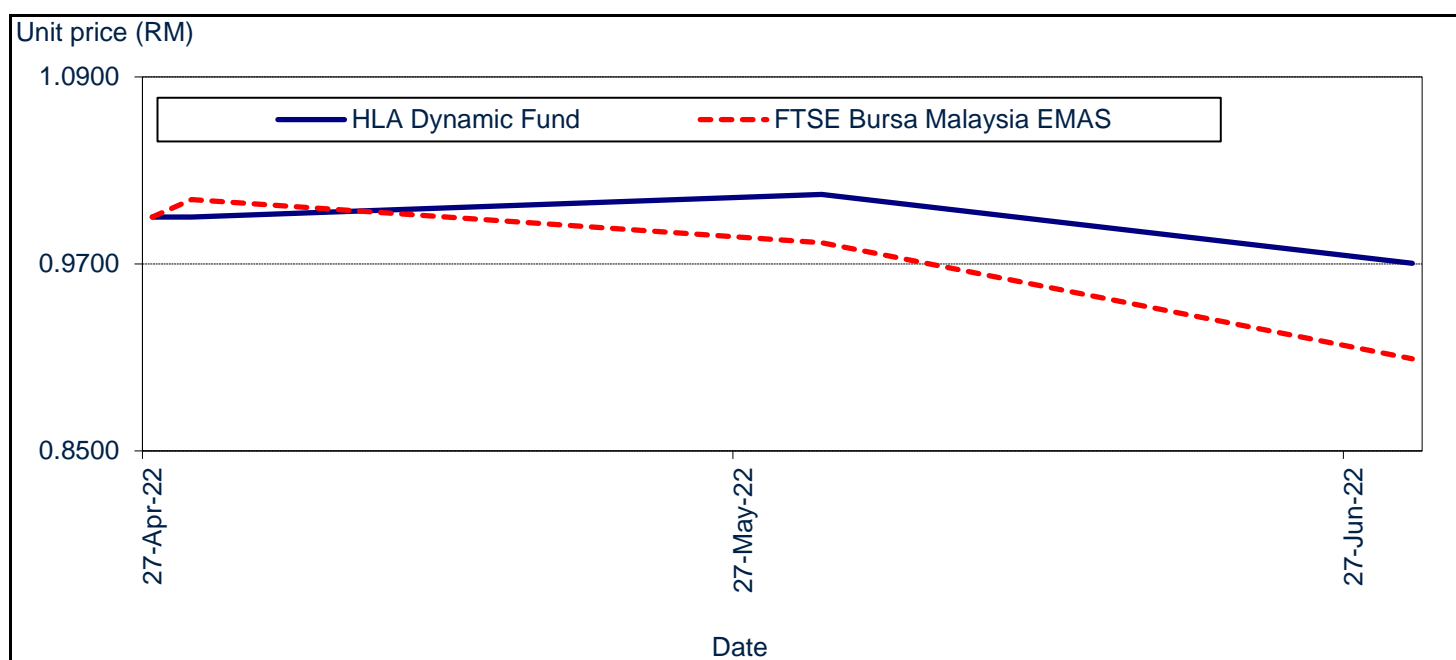
While we expect global markets to remain volatile amid headwinds such as the Russia-Ukraine war, zero-COVID policy in China and the prospect of substantially tighter US monetary policy, we continue to be optimistic on the Malaysian economy in 2022 driven by sustained economic re-opening leading to broad-based recovery.

The Fund will continue to invest in companies with strong fundamentals that are able to withstand the ever-changing macro outlook as well as would benefit from superior pricing power and efficient cost management.

We prefer sectors that are sensitive to the rebound in domestic economic growth such as consumer as well as selected export stocks that will benefit from enduring industry trends.

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA DYNAMIC FUND

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	2,717	N/A	N/A	N/A	N/A
Number of units ('000)	2,803	N/A	N/A	N/A	N/A
NAV per unit (RM)	0.970	N/A	N/A	N/A	N/A
Highest NAV/unit for the financial year (RM)	1.025	N/A	N/A	N/A	N/A
Lowest NAV/unit for the financial year (RM)	0.953	N/A	N/A	N/A	N/A
Total annual return - capital growth	-3.05%	N/A	N/A	N/A	N/A
Average annual return					
- 1 year	-3.05%	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)					
- 1 year	-9.09%	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 %				
	2022	2021	2020	2019	2018
Unquoted unit trusts	98.53	N/A	N/A	N/A	N/A
Cash and cash equivalents	1.50	N/A	N/A	N/A	N/A
Others	(0.03)	N/A	N/A	N/A	N/A
Total	100.00	N/A	N/A	N/A	N/A

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA BALANCED FUND

Performance Review

HLA Balanced Fund registered a return of -1.1%, underperforming the benchmark by 5.04% since the fund's inception as at 27th April 2022. In the equity segment, commodities and financials sectors were the key contributors to the Fund's performance. Technology sector was the laggard. In the fixed income segment, financial sector was the key contributor to the Fund's performance. Government sector was the detractor.

Outlook/Strategy

While we expect global markets to remain volatile amid headwinds such as the Russia-Ukraine war, zero-COVID policy in China and the prospect of substantially tighter US monetary policy, we continue to be optimistic on the Malaysian economy in 2022 driven by sustained economic re-opening leading to broad-based recovery.

The Fund will continue to invest in companies with strong fundamentals that are able to withstand the ever-changing macro outlook as well as would benefit from superior pricing power and efficient cost management.

We prefer sectors that are sensitive to the rebound in domestic economic growth such as consumer as well as selected export stocks that will benefit from enduring industry trends.

Bank Negara has signalled that normalisation of monetary policy will be measured and gradual to support economic growth. However, we will keep duration short in view of a rising rate outlook in the global bond market. We will be defensive on duration and look to maintain corporate bond holdings with strong credits for higher yield carry to provide the desired income.

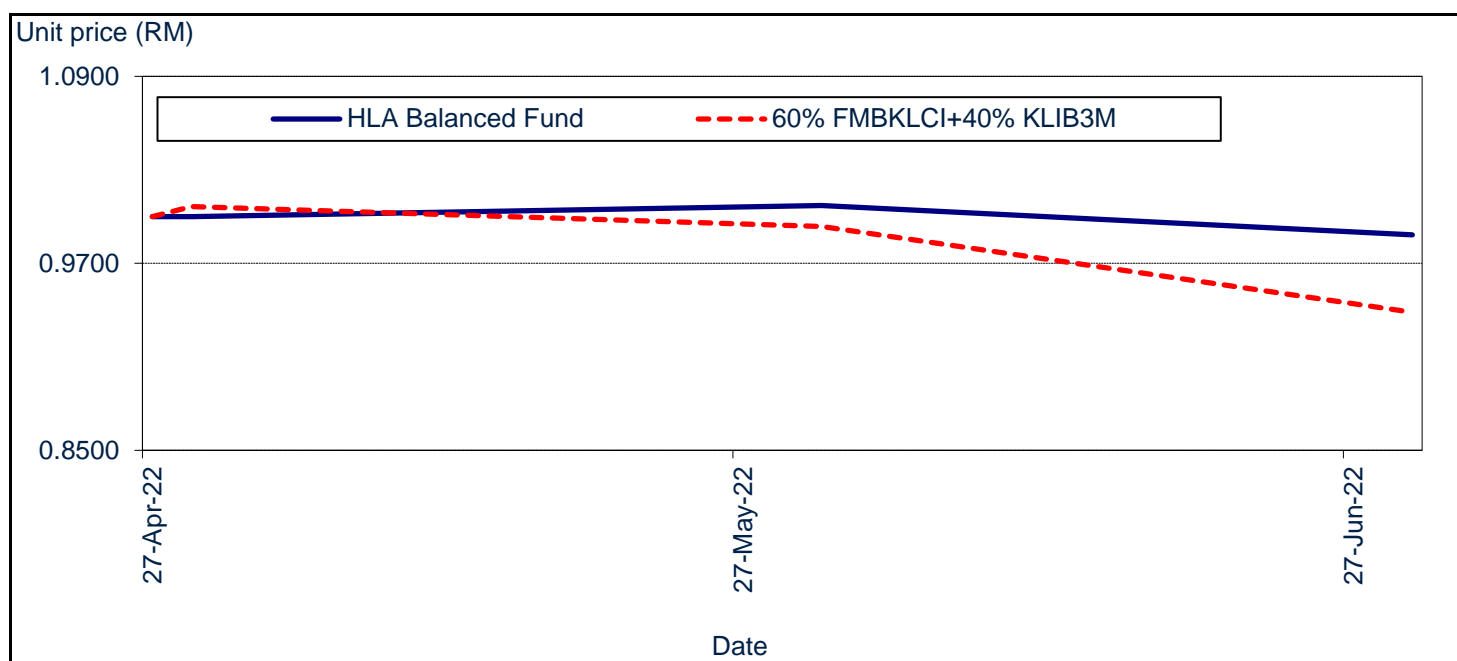
Comparative Fund Performance

For the financial year ended 30 June 2022

HLA BALANCED FUND

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA BALANCED FUND

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	76	N/A	N/A	N/A	N/A
Number of units ('000)	77	N/A	N/A	N/A	N/A
NAV per unit (RM)	0.989	N/A	N/A	N/A	N/A
Highest NAV/unit for the financial year (RM)	1.012	N/A	N/A	N/A	N/A
Lowest NAV/unit for the financial year (RM)	0.980	N/A	N/A	N/A	N/A
Total annual return - capital growth	-1.10%	N/A	N/A	N/A	N/A
Average annual return					
- 1 year	-1.10%	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 (60% FMBKLCI +40% KLIB3M)					
- 1 year	-6.14%	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 %				
	2022	2021	2020	2019	2018
Unquoted unit trusts	98.91	N/A	N/A	N/A	N/A
Cash and cash equivalents	0.98	N/A	N/A	N/A	N/A
Others	0.11	N/A	N/A	N/A	N/A
Total	100.00	N/A	N/A	N/A	N/A

Comparative Fund Performance

For the financial year ended 30 June 2022

HLA GLOBAL ESG FUND

Performance Review

Hong Leong Global ESG fund posted a return of 0.05% since the fund's inception as at 27th April 2022. The target fund is mostly invested in cash and cash equivalent as at 30 Jun 2022. As a result, HLA Global ESG fund outperformed its benchmark MSCI ACWI ESG Universal Index by 7.78%, as the benchmark fell 7.73%.

Outlook/Strategy

In our view, overall inflation in the U.S. should start to decline, but only slowly. Some transitory forces, boost to household spending, should fade in 2H 2022.

Global inflation is likely to be mixed. Europe is expected to face a challenging winter with a spike in oil and gas prices. Asia could experience some demand-pull inflation as its domestic economy and tourism sector reopen, but given that fiscal stimulus has been more moderate compared with the U.S., we believe overall inflation pressure should be less challenging.

The Fed is expected to raise its policy rate to 3.5-3.75% by the end of 2022. For now, it seems content to have its policy rate peak at around 4% by mid-2023, but this is likely to be influenced by how fast inflation peaks.

Most developed markets and Asian central banks should also be on track to raise interest rates to cool inflation, albeit at a less aggressive pace relative to the Fed. The Bank of Japan is an exception here considering the absence of sustained demand-led cost pressure. Tighter monetary policy globally would also imply the interest rate differentials between the U.S. dollar (USD) and these currencies should stabilize, putting a brake on USD appreciation.

The market correction over 1H 2022 has improved the valuation proposition of equities, especially in the U.S. Corporate earnings for 1Q 2022 in the U.S. have been solid, and the key going forward is for companies to better manage their profit margins. Not all companies can achieve this, and therefore active management is key in selecting companies that can benefit from ongoing economic growth, strong pricing power and discipline on cost management. Value and quality should remain in favour until there is a clear peak in interest rates.

On the strategy front, we remain fully holding cash position given the unfavourable outlook which may see further downside in the coming months. However, we believe that the valuation is getting more attractive and we have identified companies with good resiliency against the downshift of the economic growth.

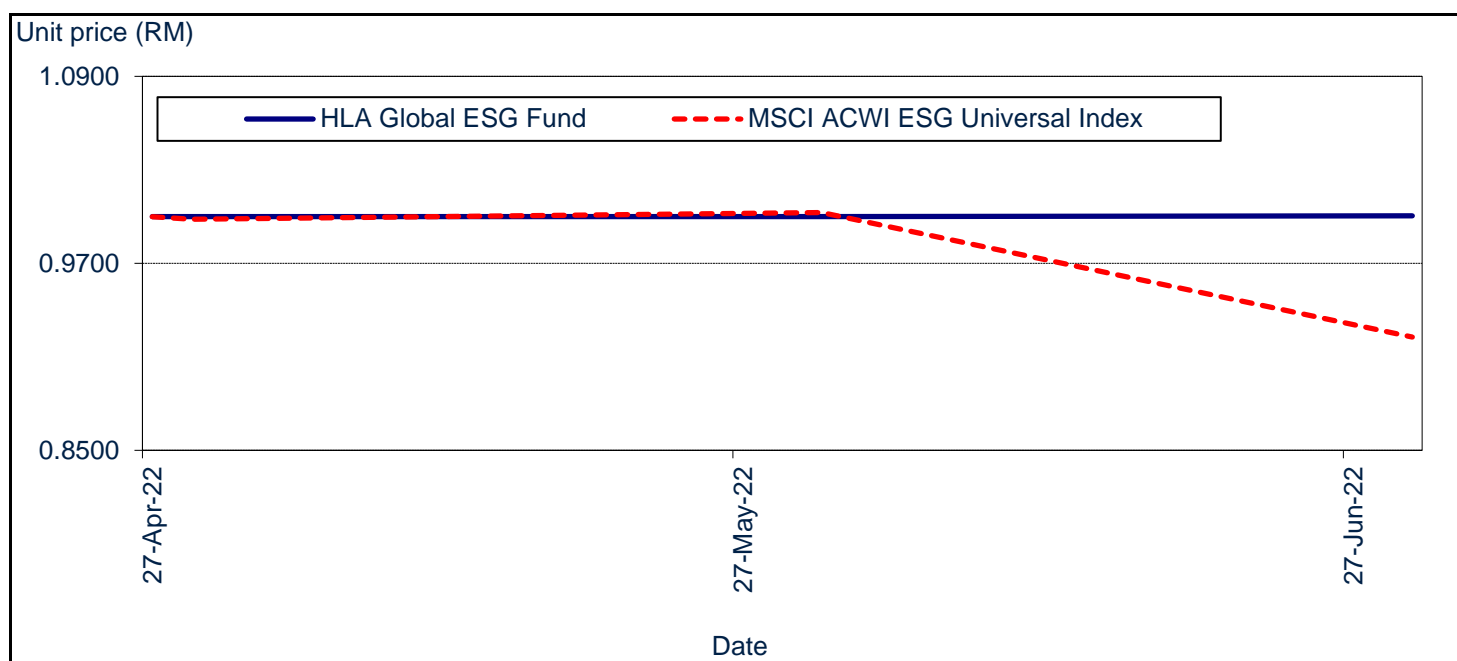
Comparative Fund Performance

For the financial year ended 30 June 2022

HLA GLOBAL ESG FUND

As at 30 June 2022

Price movement, calculation indexed



Comparative Fund Performance

For the financial year ended 30 June 2022

HLA GLOBAL ESG FUND

Performance of the fund					
	2022	2021	2020	2019	2018
Total NAV (RM'000)	385	N/A	N/A	N/A	N/A
Number of units ('000)	385	N/A	N/A	N/A	N/A
NAV per unit (RM)	1.001	N/A	N/A	N/A	N/A
Highest NAV/unit for the financial year (RM)	1.001	N/A	N/A	N/A	N/A
Lowest NAV/unit for the financial year (RM)	1.000	N/A	N/A	N/A	N/A
Total annual return - capital growth	0.05%	N/A	N/A	N/A	N/A
Average annual return					
- 1 year	0.05%	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 (MSCI ACWI ESG Universal Index)					
- 1 year	-7.73%	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 %				
	2022	2021	2020	2019	2018
Unquoted unit trusts	99.83	N/A	N/A	N/A	N/A
Cash and cash equivalents	3.24	N/A	N/A	N/A	N/A
Others	(3.07)	N/A	N/A	N/A	N/A
Total	100.00	N/A	N/A	N/A	N/A

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE GROWTH FUND				
Quoted equities-local:				
Construction				
- IJM Corporation Berhad	3,845,800	9,863,108	6,653,234	1.80
Consumer products & services				
- Bermaz Auto Berhad	3,891,600	8,316,207	6,615,720	1.79
- Farm Fresh Berhad	2,300,000	3,137,913	3,726,000	1.01
- Genting Berhad	2,881,300	18,591,655	13,081,102	3.54
- Genting Malaysia Berhad	5,570,000	19,937,213	15,818,800	4.28
- MR DIY Group (M) Berhad	2,100,000	2,263,744	4,347,000	1.18
	16,742,900	52,246,732	43,588,622	11.80
Energy				
- Dialog Group Berhad	3,730,176	3,489,496	7,945,275	2.15
- Yinson Holdings Berhad	8,161,160	13,679,728	16,322,320	4.41
	11,891,336	17,169,224	24,267,595	6.56
Finance services				
- CIMB Group Holdings Berhad	6,470,014	35,575,841	32,091,269	8.68
- Malayan Banking Berhad	3,575,171	30,641,178	30,710,719	8.30
- RHB Bank Berhad	4,021,738	21,953,658	23,044,559	6.23
	14,066,923	88,170,677	85,846,547	23.21
Health care				
- IHH Healthcare Berhad	954,700	5,875,995	6,157,815	1.67
Industrial products & services				
- Petronas Chemicals Group Berhad	1,678,000	14,862,291	15,102,000	4.08
- Press Metal Berhad	650,000	3,871,232	3,094,000	0.84
- Scientex Berhad	1,914,000	4,976,400	6,622,440	1.79
	4,242,000	23,709,923	24,818,440	6.71

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE GROWTH FUND				
Quoted equities-local:				
Plantation				
- Sime Darby Plantation Berhad	1,582,625	8,314,050	6,852,766	1.85
Properties				
- Sime Darby Property Berhad	3,779,310	4,142,391	1,700,689	0.46
Technology				
- CTOS Digital Berhad	3,036,700	4,218,588	3,856,609	1.04
- Inari Amertron Berhad	6,580,900	10,646,103	17,373,576	4.70
- My Eg Services Berhad	12,929,416	8,748,995	11,377,886	3.08
- Opensys (M) Berhad	4,500,000	3,005,238	1,530,000	0.41
- Unisem (M) Berhad	1,000,000	2,884,780	2,300,000	0.62
- UWC Berhad	1,000,000	1,935,182	3,290,000	0.89
	29,047,016	31,438,886	39,728,071	10.74
Telecommunications & media				
- Axiata Group Berhad	3,111,859	17,020,399	8,806,561	2.38
- Digi.Com Berhad	1,035,300	4,885,572	3,623,550	0.98
- Telekom Malaysia Berhad	1,750,000	10,254,601	9,187,500	2.48
	5,897,159	32,160,572	21,617,611	5.84
Utilities				
- Mega First Corporation Berhad	882,000	1,632,276	3,078,180	0.83
- Tenaga Nasional Berhad	1,800,000	21,081,379	14,364,000	3.88
	2,682,000	22,713,655	17,442,180	4.71
Quoted warrants:				
Energy				
- Yinson Holdings Berhad 21.06.2025	999,325	-	339,771	0.09
Total quoted equities-local	95,731,094	295,805,213	279,013,341	75.44

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE GROWTH FUND				
Quoted equities-foreign:				
Finance services				
- AIA Group Limited	200,200	8,079,561	9,553,004	2.58
- Ping An Insurance Group Co	156,000	6,990,918	4,669,375	1.25
	356,200	15,070,479	14,222,379	3.83
Technology				
- Alibaba Group Holding Limited	182,000	19,172,095	11,426,232	3.09
- Baidu, Inc	50,000	6,587,380	4,165,796	1.13
- Grand Venture Technology Pte Ltd	1,500,000	5,310,320	3,434,869	0.93
- JD.Com Inc	76,110	9,251,948	10,794,943	2.92
- Netjoy Holdings Limited	1,500,000	5,499,263	1,615,824	0.44
- Pentamaster International Limited	3,050,000	2,104,440	1,574,306	0.43
	6,358,110	47,925,446	33,011,970	8.94
Trading/services				
- Tencent Holdings Limited	90,500	15,779,698	17,994,669	4.87
Total quoted equities-foreign	6,804,810	78,775,623	65,229,018	17.64
Grand total	102,535,904	374,580,836	344,242,359	93.08

HLA VENTURE BLUE CHIP FUND

Quoted equities-local:

Construction

- AME Elite Consortium Berhad	1,500,000	1,882,557	2,445,000	0.48
- Gabungan AQRS Berhad	1,209,900	1,684,546	387,168	0.08
- Gamuda Berhad	604,757	1,969,428	2,165,030	0.42
- IJM Corporation Berhad	2,181,000	5,589,670	3,773,130	0.73
	5,495,657	11,126,201	8,770,328	1.71

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE BLUE CHIP FUND				
Quoted equities-local:				
Consumer products & services				
- Bermaz Auto Berhad	2,326,700	4,932,305	3,955,390	0.77
- Farm Fresh Berhad	2,800,000	3,820,068	4,536,000	0.88
- Genting Berhad	5,093,300	25,331,245	23,123,582	4.48
- Genting Malaysia Berhad	6,936,800	21,840,468	19,700,512	3.82
- MR DIY Group (M) Berhad	2,625,000	2,829,680	5,433,750	1.05
	19,781,800	58,753,766	56,749,234	11.00
Energy				
- Dialog Group Berhad	2,945,840	7,719,485	6,274,639	1.22
- Yinson Holdings Berhad	7,566,440	10,578,189	15,132,880	2.93
	10,512,280	18,297,674	21,407,519	4.15
Finance services				
- Bursa Malaysia Berhad	400,000	3,496,231	2,652,000	0.52
- CIMB Group Holdings Berhad	6,118,925	29,939,110	30,349,868	5.88
- Malayan Banking Berhad	2,776,109	23,134,635	23,846,776	4.62
- Public Bank Berhad	3,739,995	15,337,215	16,343,778	3.17
- RHB Bank Berhad	4,136,007	22,565,639	23,699,320	4.59
	17,171,036	94,472,830	96,891,742	18.78
Health care				
- Hartalega Holdings Berhad	430,000	7,391,416	1,315,800	0.25
- IHH Healthcare Berhad	666,000	4,018,758	4,295,700	0.83
- Top Glove Corporation Berhad	1,263,100	6,277,909	1,313,624	0.25
	2,359,100	17,688,083	6,925,124	1.33
Industrial products & services				
- Petronas Chemicals Group Berhad	1,233,100	11,214,089	11,097,900	2.15
- Press Metal Berhad	1,182,200	7,168,212	5,627,272	1.09
- Scientex Berhad	1,215,300	3,159,780	4,204,938	0.81
	3,630,600	21,542,081	20,930,110	4.05

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE BLUE CHIP FUND				
Quoted equities-local:				
Plantation				
- Sime Darby Plantation Berhad	4,330,581	21,058,799	18,751,416	3.63
Properties				
- Sime Darby Property Berhad	4,143,841	3,825,779	1,864,728	0.36
Technology				
- CTOS Digital Berhad	5,600,000	8,749,125	7,112,000	1.38
- Excel Force MSC Berhad	3,750,000	3,095,769	1,612,500	0.31
- GHL Systems Berhad	3,000,000	5,053,220	3,630,000	0.70
- Greatech Technology Berhad	1,338,700	4,579,447	4,899,642	0.95
- Inari Amertron Berhad	7,511,500	17,287,734	19,830,360	3.84
- MyEG Services Berhad	20,673,070	15,456,636	18,192,302	3.52
- Opensys (M) Berhad	4,211,700	2,693,150	1,431,978	0.28
- Unisem (M) Berhad	1,000,000	2,869,438	2,300,000	0.45
- UWC Berhad	910,000	1,761,016	2,993,900	0.58
	47,994,970	61,545,535	62,002,682	12.01
Telecommunications & media				
- Axiata Group Berhad	2,100,052	9,415,290	5,943,147	1.15
- Digi.Com Berhad	1,260,000	5,911,096	4,410,000	0.85
- Telekom Malaysia Berhad	2,200,000	13,218,402	11,550,000	2.24
	5,560,052	28,544,788	21,903,147	4.24
Utilities				
- Mega First Corporation Berhad	662,000	1,225,232	2,310,380	0.45
- Tenaga Nasional Berhad	2,153,300	23,709,229	17,183,334	3.33
	2,815,300	24,934,461	19,493,714	3.78

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE BLUE CHIP FUND				
Quoted warrants:				
Construction				
- AME Elite Consortium Berhad 22.09.2026	333,333	-	58,333	0.01
Energy				
- Yinson Holdings Berhad 21.06.2025	926,502	-	315,011	0.06
Total quoted equities-local	125,055,052	361,789,997	336,063,088	65.11
Quoted equities-foreign:				
Consumer products & services				
- Nissin Foods Co Limited	400,000	1,560,619	1,178,205	0.23
Finance services				
- AIA Group Limited	221,000	9,175,139	10,545,524	2.04
- Ping An Insurance Group Co	238,500	11,068,820	7,138,786	1.38
	459,500	20,243,959	17,684,310	3.42
Trading/services				
- Tencent Holdings Limited	84,100	16,661,836	16,722,118	3.24
Technology				
- Alibaba Group Holding Limited	155,300	17,122,117	9,749,966	1.88
- Baidu, Inc	77,550	9,071,400	6,461,150	1.25
- Grand Venture Technology Pte Ltd	1,500,000	5,310,320	3,434,869	0.67
- JD.Com Inc	69,752	9,184,998	9,893,166	1.92
- Netjoy Holdings Limited	1,500,000	5,499,263	1,615,824	0.31
- Pentamaster International Limited	2,738,000	1,912,574	1,413,263	0.28
	6,040,602	48,100,672	32,568,238	6.31
Telecommunications & media				
- Citic Telecom International Holdings Limited	1,782,000	2,892,259	2,599,457	0.50
Total quoted equities-foreign	8,766,202	89,459,345	70,752,328	13.70

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE BLUE CHIP FUND				
Quoted REITs:				
- Atrium Real Estate Investment Trust	3,780,000	4,044,600	5,518,800	1.07
- Axis Real Estate Investment Trust	1,497,875	2,688,362	2,875,920	0.56
- IGB Real Estate Investment Trust	750,000	1,216,704	1,200,000	0.23
- Tower Real Estate Investment Trust	500,000	606,138	222,500	0.04
	6,527,875	8,555,804	9,817,220	1.90
Grand total	140,349,129	459,805,146	416,632,636	80.71
HLA VENTURE DANA PUTRA				
Quoted equities-local:				
Construction				
- AME Elite Consortium Berhad	1,621,500	1,964,247	2,643,045	1.91
- Gamuda Berhad	409,486	1,398,396	1,465,960	1.06
- IJM Corporation Berhad	730,000	1,993,541	1,262,900	0.91
- Kerjaya Prospek Group Berhad	924,695	1,078,467	1,026,412	0.74
	3,685,681	6,434,651	6,398,317	4.62
Consumer products & services				
- Bermaz Auto Berhad	1,565,500	3,481,342	2,661,350	1.92
- Farm Fresh Berhad	800,000	1,091,448	1,296,000	0.94
- MR DIY Group (M) Berhad	1,582,500	2,552,079	3,275,775	2.36
- QL Resources Berhad	708,000	430,061	3,681,600	2.66
- Sime Darby Berhad	333,628	718,785	710,628	0.51
	4,989,628	8,273,715	11,625,353	8.39

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE DANA PUTRA				
Quoted equities-local:				
Energy				
- Dialog Group Berhad	1,895,784	3,583,713	4,038,020	2.92
Finance services				
- BIMB Holdings Berhad	1,656,900	5,049,655	4,440,492	3.21
- Bursa Malaysia Berhad	90,000	773,997	596,700	0.43
- Syarikat Takaful Malaysia Berhad	317,041	1,373,135	1,024,042	0.74
	2,063,941	7,196,787	6,061,234	4.38
Health care				
- IHH Healthcare Berhad	194,000	1,202,359	1,251,300	0.90
- Top Glove Corporation Berhad	193,700	1,263,207	201,448	0.15
	387,700	2,465,566	1,452,748	1.05
Industrial products & services				
- Jentayu Sustainables Berhad	2,247,000	1,696,037	1,011,150	0.73
- P.I.E. Industrial Berhad	387,350	1,474,419	1,216,279	0.88
- Petronas Chemicals Group Berhad	376,000	3,393,642	3,384,000	2.44
- Press Metal Berhad	300,000	1,786,722	1,428,000	1.03
- Sam Engineering & Equipment (M) Berhad	330,000	665,917	1,006,500	0.73
- Scientex Berhad	753,600	2,148,099	2,607,456	1.88
- SKP Resources Berhad	779,700	1,502,394	1,224,129	0.88
- V.S Industry Berhad	1,171,000	1,597,906	1,165,145	0.84
	6,344,650	14,265,136	13,042,659	9.41
Plantation				
- Genting Plantations Berhad	150,000	1,414,114	967,500	0.70
- Sime Darby Plantation Berhad	1,160,768	5,707,315	5,026,125	3.63
	1,310,768	7,121,429	5,993,625	4.33
Properties				
- Sime Darby Property Berhad	1,370,628	1,381,608	616,783	0.45
- SP Setia Berhad	514,031	1,565,991	349,541	0.25
	1,884,659	2,947,599	966,324	0.70

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE DANA PUTRA				
Quoted equities-local:				
Technology				
- CTOS Digital Berhad	2,053,100	2,870,983	2,607,437	1.88
- D&O Green Technologies Berhad	710,000	3,686,435	2,733,500	1.97
- Excel Force MSC Berhad	1,360,000	945,525	584,800	0.42
- Frontken Corporation Berhad	403,700	1,215,934	924,473	0.67
- GHL Systems Berhad	1,266,500	2,218,178	1,532,465	1.11
- Greatech Technology Berhad	752,400	3,524,704	2,753,784	1.99
- Inari Amertron Berhad	2,284,400	5,031,167	6,030,816	4.35
- MyEG Services Berhad	6,153,896	4,067,654	5,415,428	3.91
- Opensys (M) Berhad	1,875,000	1,289,692	637,500	0.46
- Pentamaster Corporation Berhad	319,200	1,631,957	1,177,848	0.85
- Unisem (M) Berhad	200,000	593,996	460,000	0.33
- UWC Berhad	981,400	2,272,216	3,228,806	2.33
	18,359,596	29,348,441	28,086,857	20.27
Telecommunications & media				
- Axiata Group Berhad	741,455	3,928,101	2,098,318	1.51
- Digi.Com Berhad	150,000	692,516	525,000	0.38
- Telekom Malaysia Berhad	935,800	5,107,588	4,912,950	3.55
- Time Dotcom Berhad	138,900	436,678	608,382	0.44
	1,966,155	10,164,883	8,144,650	5.88
Transportation & logistics				
- Lingkaran Trans Kota Holdings	560,000	2,689,636	2,688,000	1.94
Utilities				
- Mega First Corporation Berhad	858,400	1,629,892	2,995,816	2.16
- Tenaga Nasional Berhad	559,000	6,116,138	4,460,820	3.22
	1,417,400	7,746,030	7,456,636	5.38

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE DANA PUTRA				
Quoted warrants:				
Construction				
- AME Elite Consortium Berhad 22.09.2026	360,333	-	63,058	0.05
Industrial products & services				
- Jentayu Sustainables Berhad 20.02.2032	1,123,500	-	157,290	0.11
- V.S Industry Bhd 14.06.2024	239,200	-	44,252	0.03
	1,362,700	-	201,542	0.14
Total quoted equities-local	46,588,995	102,237,586	96,219,023	69.46
Quoted REITs:				
- Axis Real Estate Investment Trust	412,440	761,518	791,885	0.57
Grand total	47,001,435	102,999,104	97,010,908	70.03

HLA VENTURE INCOME FUND

Malaysian Government Securities and other Government guaranteed assets:

- Malaysia Investment Issue (Maturing on 07.10.2032)	15,000,000	14,988,200	14,865,000	2.86
- Malaysia Investment Issue (Maturing on 15.05.2052)	20,000,000	19,997,000	20,962,000	4.03
- Malaysia Investment Issue (Maturing on 15.07.2036)	35,000,000	30,416,620	30,642,500	5.89
- Malaysia Investment Issue (Maturing on 15.11.2049)	39,000,000	39,668,840	36,504,000	7.02
- Malaysia Investment Issue (Maturing on 30.09.2027)	3,000,000	2,988,210	2,905,500	0.56
- Malaysia Investment Issue (Maturing on 30.09.2041)	30,000,000	27,735,000	28,521,000	5.48

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE INCOME FUND				
Malaysian Government Securities and other Government guaranteed assets:				
- Malaysian Government Securities (Maturing on 05.07.2034)	60,000,000	62,767,200	55,675,800	10.70
- Malaysian Government Securities (Maturing on 07.04.2037)	20,000,000	19,962,000	20,290,000	3.90
- Malaysian Government Securities (Maturing on 15.06.2050)	85,000,000	78,796,890	73,695,000	14.17
- Malaysian Government Securities (Maturing on 15.10.2042)	31,000,000	30,440,650	31,174,220	5.99
Total Malaysian Government Securities and other Government guaranteed assets	338,000,000	327,760,610	315,235,020	60.60
Unquoted corporate bonds:				
Corporate bonds-local				
- Alliance Bank Malaysia Berhad (Maturing on 27.10.2032)	17,000,000	17,000,000	16,117,020	3.10
- BGSM Management Sendirian Berhad (Maturing on 27.12.2023)	500,000	507,100	514,745	0.10
- CIMB Group Holdings Berhad (Maturing on 12.11.2030)	8,500,000	8,500,000	8,159,065	1.57
- CIMB Group Holdings Berhad (Maturing on 29.03.2028)	750,000	750,000	758,453	0.15
- GENM Capital Berhad (Maturing on 11.07.2023)	5,000,000	5,000,000	4,798,750	0.92
- Impian Ekspresi Sendirian Berhad (Maturing on 27.11.2023)	17,000,000	17,023,800	16,806,880	3.23
- Imtiaz Sukuk II Berhad (Maturing on 11.05.2029)	10,000,000	10,000,000	9,856,400	1.89
- Infracap Resources Sendirian Berhad (Maturing on 15.04.2036)	10,000,000	10,000,000	9,712,300	1.87
- Kimanis Power Sendirian Berhad (Maturing on 08.08.2028)	5,000,000	5,409,500	5,223,200	1.00

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE INCOME FUND				
Unquoted corporate bonds:				
Corporate bonds-local				
- Kuala Lumpur Kepong Berhad (Maturing on 16.03.2037)	10,000,000	10,000,000	9,456,500	1.82
- Telekom Berhad (Maturing on 31.10.2028)	5,000,000	5,011,900	5,040,300	0.97
- Tenaga Nasional Berhad (Maturing on 25.11.2041)	20,000,000	20,000,000	18,386,800	3.54
- Tenaga Nasional Berhad (Maturing on 27.08.2038)	5,000,000	5,000,000	4,844,800	0.93
- TNB Power Generation Sendirian Berhad (Maturing on 02.06.2042)	70,000,000	70,000,000	70,612,500	13.57
- United Overseas Bank (M) Berhad (Maturing on 25.07.2028)	5,000,000	5,000,000	5,066,900	0.97
Total corporate bonds-local	188,750,000	189,202,300	185,354,613	35.63
Grand total	526,750,000	516,962,910	500,589,633	96.23

HLA VENTURE MANAGED FUND

Quoted equities-local:

Construction

- AME Elite Consortium Berhad	2,163,000	2,596,989	3,525,690	1.16
- Gamuda Berhad	255,928	817,145	916,222	0.30
- IJM Corporation Berhad	988,000	2,734,390	1,709,240	0.56
	3,406,928	6,148,524	6,151,152	2.02

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE MANAGED FUND				
Quoted equities-local:				
Consumer products & services				
- Bermaz Auto Berhad	2,001,400	4,748,628	3,402,380	1.12
- Farm Fresh Berhad	1,100,000	1,500,741	1,782,000	0.58
- Genting Berhad	1,124,100	6,058,521	5,103,414	1.68
- Genting Malaysia Berhad	1,416,450	5,129,216	4,022,718	1.32
- MR DIY Group (M) Berhad	825,000	889,328	1,707,750	0.56
	6,466,950	18,326,434	16,018,262	5.26
Energy				
- Dialog Group Berhad	970,352	1,341,208	2,066,850	0.68
- Yinson Holdings Berhad	3,451,000	6,624,198	6,902,000	2.27
	4,421,352	7,965,406	8,968,850	2.95
Finance services				
- CIMB Group Holdings Berhad	2,557,065	14,430,512	12,683,041	4.16
- Malayan Banking Berhad	1,383,123	12,215,581	11,881,027	3.90
- Public Bank Berhad	300,000	1,273,086	1,311,000	0.43
- RHB Bank Berhad	1,746,281	9,509,585	10,006,190	3.28
	5,986,469	37,428,764	35,881,258	11.77
Health care				
- IHH Healthcare Berhad	291,000	1,769,717	1,876,950	0.62
Industrial products & services				
- Petronas Chemicals Group Berhad	502,000	4,512,319	4,518,000	1.48
- Press Metal Berhad	275,000	1,637,829	1,309,000	0.43
- Scientex Berhad	789,900	2,053,740	2,733,054	0.90
	1,566,900	8,203,888	8,560,054	2.81
Plantation				
- Sime Darby Plantation Berhad	1,536,766	7,871,056	6,654,197	2.18

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE MANAGED FUND				
Quoted equities-local:				
Properties				
- Sime Darby Property Berhad	2,763,682	2,529,399	1,243,657	0.41
Technology				
- CTOS Digital Berhad	1,179,100	1,808,553	1,497,457	0.49
- GHL Systems Berhad	1,000,000	1,684,711	1,210,000	0.40
- Greatech Technology Berhad	259,800	1,472,836	950,868	0.31
- Inari Amertron Berhad	2,990,000	6,166,513	7,893,600	2.59
- MyEG Services Berhad	5,352,944	3,578,649	4,710,591	1.54
- Opensys (M) Berhad	960,000	633,231	326,400	0.11
- Unisem (M) Berhad	300,000	862,806	690,000	0.23
- UWC Berhad	400,000	774,073	1,316,000	0.43
	12,441,844	16,981,372	18,594,916	6.10
Telecommunications & media				
- Axiata Group Berhad	992,843	5,495,154	2,809,746	0.92
- Digi.Com Berhad	250,000	1,170,030	875,000	0.29
- Telekom Malaysia Berhad	550,000	3,232,390	2,887,500	0.95
	1,792,843	9,897,574	6,572,246	2.16
Utilities				
- Mega First Corporation Berhad	318,000	588,765	1,109,820	0.36
- Tenaga Nasional Berhad	847,000	11,112,992	6,759,060	2.22
	1,165,000	11,701,757	7,868,880	2.58
Quoted warrants:				
Construction				
- AME Elite Consortium Berhad 22.09.2026	480,666	-	84,117	0.03
Energy				
- Yinson Holdings Berhad 21.06.2025	422,571	-	143,674	0.05
Total quoted equities-local	42,742,971	128,823,891	118,618,213	38.94

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE MANAGED FUND				
Quoted equities-foreign:				
Finance services				
- AIA Group Ltd	20,000	991,619	954,346	0.31
- Ping An Insurance Group Co	56,000	2,465,811	1,676,193	0.55
	76,000	3,457,430	2,630,539	0.86
Technology				
- Alibaba Group Holding Limited	57,000	5,741,959	3,578,545	1.17
- Baidu, Inc	11,000	1,453,397	916,475	0.30
- Grand Venture Technology Pte Ltd	500,000	1,770,107	1,144,956	0.38
- JD.Com Inc	25,476	3,313,279	3,613,349	1.19
- Netjoy Holdings Limited	725,000	2,657,977	780,982	0.26
	1,318,476	14,936,719	10,034,307	3.30
Trading/services				
- Tencent Holding Ltd	15,000	3,895,964	2,982,542	0.98
Total quoted equities-foreign	1,409,476	22,290,113	15,647,388	5.14
Quoted REITs:				
- Atrium Real Estate Investment Trust	2,800,000	2,996,000	4,088,000	1.34
Malaysian Government Securities and other Government guaranteed assets:				
- Malaysia Investment Issue (Maturing on 04.08.2037)	2,000,000	1,991,140	1,991,300	0.65
- Malaysia Investment Issue (Maturing on 15.11.2049)	10,000,000	10,400,000	9,360,000	3.07

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE MANAGED FUND				
Malaysian Government Securities and other Government guaranteed assets:				
- M'Sian Government Securities (Maturing on 15.06.2050)	25,000,000	24,024,300	21,675,000	7.12
- M'Sian Government Securities (Maturing on 15.10.2042)	4,000,000	4,025,400	4,022,480	1.32
- Plus Berhad (Maturing on 31.12.2038)	2,000,000	2,375,200	2,009,140	0.66
Total Malaysian Government Securities and other Government guaranteed assets	43,000,000	42,816,040	39,057,920	12.82
Unquoted corporate bonds:				
Corporate bonds-local				
- Alliance Bank Malaysia Berhad (Maturing on 27.10.2032)	3,000,000	3,000,000	2,844,180	0.93
- BGSM Management Sendirian Berhad (Maturing on 27.12.2023)	400,000	405,680	411,796	0.14
- CIMB Bank Berhad (Maturing on 17.05.2024)	3,500,000	3,500,000	3,553,725	1.17
- CIMB Group Holdings Berhad (Maturing on 12.11.2030)	1,500,000	1,500,000	1,439,835	0.47
- CIMB Group Holdings Berhad (Maturing on 23.11.2029)	2,500,000	2,580,750	2,482,300	0.81
- CIMB Group Holdings Berhad (Maturing on 29.03.2028)	750,000	750,000	758,452	0.25
- GENM Capital Berhad (Maturing on 11.07.2033)	5,000,000	5,000,000	4,798,750	1.58
- Impian Ekspresi Sendirian Berhad (Maturing on 27.11.2023)	3,000,000	3,004,200	2,965,920	0.97
- Imtiaz Sukuk II Berhad (Maturing on 11.05.2029)	25,000,000	25,000,000	24,641,000	8.09

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE MANAGED FUND				
Unquoted corporate bonds:				
Corporate bonds-local				
- Infracap Resources Sendirian Berhad (Maturing on 15.04.2036)	5,000,000	5,000,000	4,856,150	1.59
- Malayan Banking Berhad (Maturing on 31.01.2031)	1,000,000	1,041,800	1,018,570	0.33
- Pengurusan Air SPV Berhad (Maturing on 04.06.2027)	5,000,000	5,000,000	4,775,450	1.57
- Public Bank Berhad (Maturing on 27.10.2028)	5,000,000	5,000,000	5,077,150	1.67
- Public Bank Berhad (Maturing on 27.07.2029)	5,000,000	5,000,000	5,010,100	1.64
- Sarawak Energy Berhad (Maturing on 25.04.2036)	5,000,000	5,379,000	5,105,200	1.68
- Tenaga Nasional Berhad (Maturing on 27.08.2038)	5,000,000	5,000,000	4,844,800	1.59
- Tenaga Nasional Berhad (Maturing on 25.11.2041)	5,000,000	5,000,000	4,596,700	1.51
- TNB Power Generation Sendirian Berhad (Maturing on 02.06.2042)	30,000,000	30,000,000	30,262,500	9.94
- United Overseas Bank (M) Berhad (Maturing on 25.07.2028)	5,000,000	5,000,000	5,066,900	1.66
Total corporate bonds-local	115,650,000	116,161,430	114,509,478	37.59
Grand total	205,602,447	313,087,474	291,920,999	95.83

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE GLOBAL FUND				
Unquoted unit trusts:				
- HLG Asia-Pacific Dividend Fund	42,464,080	18,668,636	23,508,114	66.72
- HLG Strategic Fund	45,049,381	18,048,675	11,568,681	32.83
Grand total	87,513,461	36,717,311	35,076,795	99.55
HLA VENTURE FLEXI FUND				
Quoted equities-local:				
Construction				
- AME Elite Consortium Berhad	1,609,500	1,949,086	2,623,485	1.88
- Gamuda Berhad	409,486	1,398,396	1,465,960	1.05
- IJM Corporation Berhad	467,400	1,254,953	808,602	0.58
	2,486,386	4,602,435	4,898,047	3.51
Consumer products & services				
- Bermaz Auto Berhad	1,135,000	2,507,567	1,929,500	1.39
- Farm Fresh Berhad	800,000	1,091,448	1,296,000	0.93
- Genting Berhad	1,033,800	5,292,219	4,693,452	3.37
- Genting Malaysia Berhad	2,042,450	6,401,778	5,800,558	4.17
- MR DIY Group (M) Bhd	1,560,000	2,285,793	3,229,200	2.32
- Sime Darby Berhad	224,503	489,186	478,191	0.34
	6,795,753	18,067,991	17,426,901	12.52
Energy				
- Dialog Group Berhad	1,355,400	3,576,576	2,887,002	2.07
- Yinson Holdings Berhad	2,415,560	4,809,673	4,831,120	3.47
	3,770,960	8,386,249	7,718,122	5.54

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE FLEXI FUND				
Quoted equities-local:				
Finance services				
- BIMB Holdings Berhad	1,032,700	3,110,147	2,767,636	1.99
- Bursa Malaysia Berhad	90,000	773,997	596,700	0.43
- CIMB Group Holdings Berhad	2,268,761	11,631,058	11,253,055	8.08
- Malayan Banking Berhad	974,930	8,559,608	8,374,649	6.01
- Public Bank Berhad	760,000	3,151,658	3,321,200	2.39
- RHB Bank Berhad	952,516	5,193,910	5,457,917	3.92
- Syarikat Takaful Malaysia Berhad	179,583	762,661	580,053	0.42
	6,258,490	33,183,039	32,351,210	23.24
Health care				
- IHH Healthcare Berhad	88,000	534,634	567,600	0.41
- Top Glove Corporation Berhad	171,200	823,806	178,048	0.13
	259,200	1,358,440	745,648	0.54
Industrial products & services				
- Jentayu Sustainables Berhad	2,247,300	1,696,264	1,011,285	0.73
- P.I.E. Industrial Berhad	387,350	1,474,419	1,216,279	0.87
- Petronas Chemicals Group Berhad	296,000	2,688,411	2,664,000	1.91
- Press Metal Berhad	300,000	1,786,722	1,428,000	1.03
- Sam Engineering & Equipment (M) Berhad	351,300	684,925	1,071,465	0.78
- Scientex Berhad	665,700	1,931,512	2,303,322	1.65
- SKP Resources Berhad	779,700	1,502,394	1,224,129	0.88
- V.S Industry Berhad	1,036,900	1,330,194	1,031,716	0.74
	6,064,250	13,094,841	11,950,196	8.59
Plantation				
- Genting Plantations Berhad	150,000	1,414,114	967,500	0.69
- Sime Darby Plantation Berhad	1,100,000	5,203,470	4,763,000	3.42
	1,250,000	6,617,584	5,730,500	4.11
Properties				
- Sime Darby Property Berhad	1,247,203	1,114,663	561,241	0.40

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE FLEXI FUND				
Quoted equities-local:				
Technology				
- CTOS Digital Berhad	2,053,100	2,870,983	2,607,437	1.87
- D&O Green Technologies Berhad	710,000	3,686,435	2,733,500	1.96
- Frontken Corporation Berhad	375,000	1,144,051	858,750	0.62
- GHL Systems Berhad	1,250,000	2,188,568	1,512,500	1.09
- Greatech Technology Berhad	752,500	3,525,598	2,754,150	1.98
- Inari Amertron Berhad	2,159,100	4,916,546	5,700,024	4.09
- MyEG Services Berhad	4,993,640	3,353,590	4,394,403	3.16
- Opensys (M) Berhad	1,875,000	1,289,692	637,500	0.46
- Pentamaster Corporation Berhad	423,500	1,410,624	1,562,715	1.12
- Revenue Group Berhad	922,700	1,739,097	885,792	0.64
- Unisem (M) Berhad	200,000	565,647	460,000	0.33
- UWC Berhad	977,600	2,210,852	3,216,304	2.31
	16,692,140	28,901,683	27,323,075	19.63
Telecommunications & media				
- Axiata Group Berhad	598,450	2,984,085	1,693,613	1.22
- Telekom Malaysia Berhad	744,000	4,512,036	3,906,000	2.81
	1,342,450	7,496,121	5,599,613	4.03
Utilities				
- Mega First Corporation Berhad	655,400	1,302,940	2,287,346	1.64
- Tenaga Nasional Berhad	250,000	3,102,050	1,995,000	1.43
	905,400	4,404,990	4,282,346	3.07
Quoted warrants:				
Construction				
- AME Elite Consortium Berhad 22.09.2026	357,666	-	62,591	0.04

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA VENTURE FLEXI FUND				
Quoted equities-local:				
Energy				
- Yinson Holdings Berhad 21.06.2025	295,782	-	100,566	0.07
Industrial products & services				
- Jentayu Sustainables Berhad 20.02.2032	1,123,650	-	157,311	0.11
- V.S Industry Berhad 14.06.2024	214,000	-	39,590	0.03
	1,991,098	-	360,058	0.25
Total quoted equities-local	49,063,330	127,228,036	118,946,957	85.43
Quoted REITs:				
- Atrium Real Estate Investment Trust	1,260,000	1,348,200	1,839,600	1.32
- IGB Real Estate Investment Trust	300,000	486,822	480,000	0.34
	1,560,000	1,835,022	2,319,600	1.66
Grand total	50,623,330	129,063,058	121,266,557	87.09
HLA EVERGREEN FUNDS				
Floating rate negotiable instruments of deposit:				
- CIMB Bank Berhad				
HLA Evergreen 2023	20,053,169	18,401,495	23,743,594	102.33
HLA Evergreen 2025	9,326,012	9,023,763	10,488,816	100.95
HLA Evergreen 2028	18,701,336	18,115,186	19,224,824	99.98
HLA Evergreen 2030	55,734,666	51,260,957	53,896,593	100.10
HLA Evergreen 2035	1,094,125,256	910,376,021	847,152,738	99.13

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HLA CASH FUND				
Deposits with financial institution:				
- RHB Islamic Bank Berhad	22,399,484	22,399,484	22,399,484	81.76
HLA SECURE FUND				
Unquoted unit trust:				
- Affin Hwang Select Income Fund	33,986,906	24,407,897	22,818,809	99.35
HONG LEONG SMART GROWTH FUND				
Unquoted unit trust:				
- Kenanga Growth Fund	177,497,344	192,875,782	185,040,981	99.77
HLA DANA SURIA				
Unquoted unit trusts:				
- Hong Leong Dana Maarof	10,019,699	5,189,717	5,188,200	49.07
- HLA Venture Dana Putra	2,099,828	5,501,548	5,370,521	50.79
	12,119,527	10,691,265	10,558,721	99.86
HLA VALUE FUND				
Unquoted unit trust:				
- Hong Leong Value Fund	3,131,094,336	307,000,784	261,133,268	98.83

Details of Investment

	Quantity (unit)	Cost (RM)	Market value as at 30.6.2022 (RM)	% of net asset value
HONG LEONG SMART INVEST FUND				
Unquoted unit trust:				
- Hong Leong Value Fund	8,959,069,239	859,029,414	747,186,375	98.64
HLA HORIZON FUNDS				
Floating rate negotiable instruments of deposit:				
- Hong Leong Bank Berhad				
HLA Horizon28 Fund	7,700,820	8,477,950	8,330,114	98.49
HLA Horizon38 Fund	311,013,380	372,135,996	353,477,676	98.15
HLA Horizon48 Fund	142,909,940	176,142,488	157,126,025	97.36
HLA DIVIDEND GROWTH FUND				
Unquoted unit trust:				
- Hong Leong Dividend Fund	76,303,841	58,689,974	52,062,111	98.74
HLA DYNAMIC FUND				
Unquoted unit trust:				
- Hong Leong Value Fund	32,100,683	2,700,000	2,677,197	98.53
HLA BALANCED FUND				
Unquoted unit trust:				
- Hong Leong Balanced Fund	163,529	76,300	75,240	98.91
HLA GLOBAL ESG FUND				
Unquoted unit trust:				
- Hong Leong Global ESG Fund	383,923	384,000	384,153	99.83

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, HONG LEONG SMART INVEST FUND, HLA HORIZON28 FUND, HLA HORIZON38 FUND, HLA HORIZON48 FUND, HLA DIVIDEND GROWTH FUND, HLA DYNAMIC FUND, HLA BALANCED FUND and HLA GLOBAL ESG FUND (hereinafter referred to collectively as "the Funds")

I, Loh Guat Lan, being the Chief Executive Officer of HONG LEONG ASSURANCE BERHAD ("the Manager"), state that to the best knowledge and belief of the Manager, the accompanying financial information set out on pages 104 to 146 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 Business issued by Bank Negara Malaysia.

On behalf of the Manager

Loh Guat Lan

Petaling Jaya
9 September 2022

Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT TO THE POLICYHOLDERS 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, HLA VALUE FUND, HONG LEONG SMART INVEST FUND, HLA HORIZON28 FUND, HLA HORIZON38 FUND, HLA HORIZON48 FUND, HLA DIVIDEND GROWTH FUND, HLA DYNAMIC FUND, HLA BALANCED FUND, HLA GLOBAL ESG FUND (hereinafter referred to collectively as "the Funds")

REPORT ON THE AUDIT OF THE FINANCIAL INFORMATION

Opinion

We have audited the financial information of the Funds, which comprise the statement of assets and liabilities as at 30 June 2022, and the statement of income and expenditure, and statement of changes in net asset value for the financial year then ended, and notes to the financial information, including a summary of significant accounting policies, as set out in pages 104 to 146.

In our opinion, the accompanying financial information of the Funds for the financial year ended 30 June 2022 are prepared, in all material respects, in accordance with the accounting policies set out in Note 3 to the financial information and the Guidelines on Investment-Linked Business issued by Bank Negara Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial information" section of our report. We are independent of the Funds in accordance with the ethical requirements that are relevant to our audit of the financial information in Malaysia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – basis of accounting

We draw attention to Note 3 to the financial information, which describes the basis of accounting. The financial information is prepared to assist the Funds to meet the requirements of the Guidelines on Investment-Linked Business issued by Bank Negara Malaysia. As a result, the financial information may not be suitable for another purpose. Our report is intended solely for the policyholders of the Funds as a body and should not be distributed to or used by parties other than the policyholders of the Funds. Our opinion is not modified in respect of this matter.

Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT TO THE POLICYHOLDERS 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, HLA VALUE FUND, HONG LEONG SMART INVEST FUND, HLA HORIZON28 FUND, HLA HORIZON38 FUND, HLA HORIZON48 FUND, HLA DIVIDEND GROWTH FUND, HLA DYNAMIC FUND, HLA BALANCED FUND, HLA GLOBAL ESG FUND (hereinafter referred to collectively as "the Funds")

REPORT ON THE AUDIT OF THE FINANCIAL INFORMATION (CONT'D)

Responsibilities of the Manager for the financial information

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

In preparing the financial information, the Manager is responsible for assessing the Funds' ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Manager either intend to liquidate the Funds or to cease operations, or has no realistic alternative but to do so.

The Manager is responsible for overseeing the Fund's financial reporting process.

Auditors' responsibilities for the audit of the financial information

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

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

- (a) Identify and assess the risks of material misstatement of the financial information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT TO THE POLICYHOLDERS 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, HLA VALUE FUND, HONG LEONG SMART INVEST FUND, HLA HORIZON28 FUND, HLA HORIZON38 FUND, HLA HORIZON48 FUND, HLA DIVIDEND GROWTH FUND, HLA DYNAMIC FUND, HLA BALANCED FUND, HLA GLOBAL ESG FUND (hereinafter referred to collectively as "the Funds")

REPORT ON THE AUDIT OF THE FINANCIAL INFORMATION (CONT'D)

Auditors' responsibilities for the audit of the financial information (cont'd)

- (b) Obtain an understanding of internal control relevant to audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Manager's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- (d) Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Funds to cease to continue as a going concern.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
9 September 2022

Statement of Assets and Liabilities

As at 30 June 2022

	HLA Venture Growth Fund		HLA Venture Blue Chip Fund	
	2022	2021	2022	2021
	RM	RM	RM	RM
Investments	344,242,359	397,741,682	416,632,636	399,741,235
Quoted equities	344,242,359	397,741,682	406,815,416	389,654,667
Quoted unit trusts and REITs	-	-	9,817,220	10,086,568
Derivative assets	43,136	-	43,136	-
Deferred tax assets	2,439,068	-	3,468,066	-
Tax recoverable	1,856,284	-	1,360,476	-
Investment receivables	335,650	1,143,831	388,032	1,231,878
Other receivables	3,146	2,206	151,955	-
Cash and cash equivalents	21,567,618	23,096,807	95,402,920	58,998,306
Total assets	370,487,261	421,984,526	517,447,221	459,971,419
Derivative liabilities	192,198	384,174	220,366	422,149
Deferred tax liabilities	-	1,159,097	-	1,257,453
Tax payable	-	486,940	-	941,334
Amount due to operating fund	461,129	663,696	1,052,555	839,511
Other payables	6,108	6,108	3,417	1,296,300
Total liabilities	659,435	2,700,015	1,276,338	4,756,747
Net asset value	369,827,826	419,284,511	516,170,883	455,214,672
Represented by				
Unitholders' capital	233,936,706	237,205,889	459,278,256	339,700,984
Undistributed income carried forward	135,891,120	182,078,622	56,892,627	115,513,688
	369,827,826	419,284,511	516,170,883	455,214,672
Number of units in circulation	170,192,299	171,580,212	211,787,151	166,858,202
Net asset value per unit	2.173	2.444	2.437	2.728

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

Statement of Assets and Liabilities

As at 30 June 2022

	HLA Venture Dana Putra		HLA Venture Income Fund	
	2022 RM	2021 RM	2022 RM	2021 RM
Investments	97,010,908	96,036,699	500,589,633	411,428,036
Quoted equities	96,219,023	95,254,273	-	-
Quoted unit trusts and REITs	791,885	782,426	-	-
Malaysia Government Securities and other Government guaranteed assets	-	-	315,235,020	275,008,500
Unquoted corporate bonds	-	-	185,354,613	136,419,536
Deferred tax assets	479,056	-	1,309,868	209,617
Tax recoverable	249,315	-	821,461	155,164
Investment receivables	156,055	312,462	4,597,658	3,807,445
Other receivables	226,266	-	-	1
Cash and cash equivalents	40,619,731	40,554,913	13,182,228	18,291,626
Total assets	138,741,331	136,904,074	520,500,848	433,891,889
Derivative liabilities	-	-	-	10,054
Deferred tax liabilities	-	867,695	-	-
Tax payable	-	819,160	-	-
Amount due to operating fund	216,002	80,500	231,373	20,931
Other payables	5,327	7,413	86,028	242,665
Total liabilities	221,329	1,774,768	317,401	273,650
Net asset value	138,520,002	135,129,306	520,183,447	433,618,239
Represented by				
Unitholders' capital	120,662,525	100,955,668	448,407,635	351,772,287
Undistributed income carried forward	17,857,477	34,173,638	71,775,812	81,845,952
	138,520,002	135,129,306	520,183,447	433,618,239
Number of units in circulation	54,158,054	47,043,252	195,401,525	159,653,196
Net asset value per unit	2.558	2.872	2.662	2.716

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

Statement of Assets and Liabilities

As at 30 June 2022

	HLA Venture Managed Fund		HLA Venture Global Fund	
	2022 RM	2021 RM	2022 RM	2021 RM
Investments	291,920,999	264,503,473	35,076,795	42,690,802
Quoted equities	134,265,601	140,807,484	-	-
Quoted unit trusts and REITs	4,088,000	4,200,000	-	-
Unquoted unit trusts	-	-	35,076,795	42,690,802
Malaysia Government Securities and other Government guaranteed assets	39,057,920	30,096,080	-	-
Unquoted corporate bonds	114,509,478	89,399,909	-	-
Derivative assets	14,379	-	-	-
Deferred tax assets	1,696,403	-	131,241	-
Tax recoverable	571,162	-	-	-
Investment receivables	1,345,575	1,853,680	-	-
Other receivables	1,616	-	36,502	43,626
Cash and cash equivalents	9,498,505	47,305,854	31,344	65,941
Total assets	305,048,639	313,663,007	35,275,882	42,800,369
Derivative liabilities	53,219	71,435	-	-
Deferred tax liabilities	-	241,958	-	681,421
Tax payable	-	1,696,929	26,136	15,162
Amount due to operating fund	374,999	328,418	13,061	58,259
Other payables	3,570	12,620	1,060	1,060
Total liabilities	431,788	2,351,360	40,257	755,902
Net asset value	304,616,851	311,311,647	35,235,625	42,044,467
Represented by				
Unitholders' capital	246,129,845	230,862,150	23,476,203	22,986,737
Undistributed income carried forward	58,487,006	80,449,497	11,759,422	19,057,730
	304,616,851	311,311,647	35,235,625	42,044,467
Number of units in circulation	136,861,479	130,318,687	22,304,369	22,033,934
Net asset value per unit	2.226	2.389	1.580	1.908

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

Statement of Assets and Liabilities

As at 30 June 2022

	HLA Venture Flexi Fund		HLA EverGreen 2023	
	2022	2021	2022	2021
	RM	RM	RM	RM
Investments	121,266,557	109,541,639	23,743,594	25,519,215
Quoted equities	118,946,957	107,138,639	-	-
Quoted unit trusts and REITs	2,319,600	2,403,000	-	-
Floating rate negotiable instruments of deposit	-	-	23,743,594	25,519,215
Deferred tax assets	623,720	-	-	-
Tax recoverable	197,958	-	-	-
Investment receivables	108,280	329,947	-	-
Other receivables	170,937	-	-	-
Cash and cash equivalents	17,134,109	22,223,146	19,828	12,076
Total assets	139,501,561	132,094,732	23,763,422	25,531,291
Deferred tax liabilities	-	392,391	427,368	461,745
Tax payable	-	846,620	33,302	33,472
Amount due to operating fund	263,159	84,255	99,268	1
Other payables	1,060	15,311	1,060	1,060
Total liabilities	264,219	1,338,577	560,998	496,278
Net asset value	139,237,342	130,756,155	23,202,424	25,035,013
Represented by				
Unitholders' capital	135,025,522	114,027,734	16,014,038	18,069,541
Undistributed income carried forward	4,211,820	16,728,421	7,188,386	6,965,472
	139,237,342	130,756,155	23,202,424	25,035,013
Number of units in circulation	144,434,695	124,745,018	19,916,002	21,601,883
Net asset value per unit	0.964	1.048	1.165	1.159

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

Statement of Assets and Liabilities

As at 30 June 2022

	HLA EverGreen 2025		HLA EverGreen 2028	
	2022	2021	2022	2021
	RM	RM	RM	RM
Investments	10,488,816	10,897,037	19,224,824	17,967,649
Floating rate negotiable instruments of deposit	10,488,816	10,897,037	19,224,824	17,967,649
Tax recoverable	-	-	-	16,605
Amount due from operating fund	-	-	-	3
Cash and cash equivalents	24,176	10,889	110,355	10,128
Total assets	10,512,992	10,907,926	19,335,179	17,994,385
Deferred tax liabilities	117,204	138,810	88,771	150,337
Tax payable	3,392	2,651	744	-
Amount due to operating fund	790	-	16,237	-
Other payables	1,060	1,060	1,060	1,060
Total liabilities	122,446	142,521	106,812	151,397
Net asset value	10,390,546	10,765,405	19,228,367	17,842,988
Represented by				
Unitholders' capital	9,215,977	9,472,445	18,603,993	16,659,550
Undistributed income carried forward	1,174,569	1,292,960	624,374	1,183,438
	10,390,546	10,765,405	19,228,367	17,842,988
Number of units in circulation	9,332,296	9,571,996	18,752,784	16,955,595
Net asset value per unit	1.113	1.125	1.025	1.052

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

Statement of Assets and Liabilities

As at 30 June 2022

	HLA EverGreen 2030		HLA EverGreen 2035	
	2022	2021	2022	2021
	RM	RM	RM	RM
Investments	53,896,593	53,600,686	847,152,738	851,980,172
Floating rate negotiable instruments of deposit	53,896,593	53,600,686	847,152,738	851,980,172
Deferred tax assets	-	-	5,057,863	-
Tax recoverable	-	29,499	383,181	1,033,531
Cash and cash equivalents	174,953	11,014	2,288,302	110,297
Total assets	54,071,546	53,641,199	854,882,084	853,124,000
Deferred tax liabilities	210,851	431,221	-	18,192
Tax payable	14,194	-	-	-
Amount due to operating fund	3,244	60	275,962	466
Other payables	1,060	1,060	7,967	7,967
Total liabilities	229,349	432,341	283,929	26,625
Net asset value	53,842,197	53,208,858	854,598,155	853,097,375
Represented by				
Unitholders' capital	51,964,652	49,306,783	961,858,729	897,202,764
Undistributed income/(loss) carried forward	1,877,545	3,902,075	(107,260,574)	(44,105,389)
	53,842,197	53,208,858	854,598,155	853,097,375
Number of units in circulation	55,452,899	52,887,483	1,064,256,958	989,113,859
Net asset value per unit	0.971	1.006	0.803	0.862

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

Statement of Assets and Liabilities

As at 30 June 2022

	HLA Cash Fund		HLA Secure Fund	
	2022 RM	2021 RM	2022 RM	2021 RM
Investments	22,399,484	21,735,049	22,818,809	23,715,237
Unquoted unit trusts	-	-	22,818,809	23,715,237
Deposits with financial institution	22,399,484	21,735,049	-	-
Deferred tax assets	-	-	127,127	-
Tax recoverable	19,150	391,711	-	40,071
Amount due from operating fund	-	-	-	31,020
Investment receivables	137,753	363,441	-	-
Other receivables	10,389	37,001	42,060	11,667
Cash and cash equivalents	4,939,823	6,648,587	109,771	18,960
Total assets	27,506,599	29,175,789	23,097,767	23,816,955
Deferred tax liabilities	-	-	-	60,936
Tax payable	-	-	2,939	-
Amount due to operating fund	107,959	57,345	69,934	-
Other payables	1,060	1,060	57,060	86,911
Total liabilities	109,019	58,405	129,933	147,847
Net asset value	27,397,580	29,117,384	22,967,834	23,669,108
Represented by				
Unitholders' capital	40,923,792	42,704,473	21,147,693	20,510,235
Undistributed (loss)/income carried forward	(13,526,212)	(13,587,089)	1,820,141	3,158,873
	27,397,580	29,117,384	22,967,834	23,669,108
Number of units in circulation	20,821,552	22,169,699	15,895,650	15,494,532
Net asset value per unit	1.316	1.313	1.445	1.528

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

Statement of Assets and Liabilities

As at 30 June 2022

	Hong Leong Smart Growth Fund		HLA Dana Suria	
	2022 RM	2021 RM	2022 RM	2021 RM
Investments	185,040,981	227,798,190	10,558,721	9,652,207
Unquoted unit trusts	185,040,981	227,798,190	10,558,721	9,652,207
Deferred tax assets	626,784	-	10,604	-
Other receivables	336,490	387,003	20,036	4,484
Cash and cash equivalents	69,999	234,561	14,435	15,736
Total assets	186,074,254	228,419,754	10,603,796	9,672,427
Deferred tax liabilities	-	2,189,581	-	98,658
Tax payable	289,306	388,446	10,128	5,700
Amount due to operating fund	316,783	610,267	19,374	9,384
Other payables	3,838	3,838	1,060	1,283
Total liabilities	609,927	3,192,132	30,562	115,025
Net asset value	185,464,327	225,227,622	10,573,234	9,557,402
Represented by				
Unitholders' capital	114,160,244	137,591,249	9,173,559	7,211,283
Undistributed income carried forward	71,304,083	87,636,373	1,399,675	2,346,119
	185,464,327	225,227,622	10,573,234	9,557,402
Number of units in circulation	94,056,826	104,434,837	7,790,787	6,460,858
Net asset value per unit	1.972	2.157	1.357	1.479

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

Statement of Assets and Liabilities

As at 30 June 2022

	HLA Value Fund		Hong Leong Smart Invest Fund	
	2022 RM	2021 RM	2022 RM	2021 RM
Investments	261,133,268	211,512,035	747,186,375	583,604,690
Unquoted unit trusts	261,133,268	211,512,035	747,186,375	583,604,690
Deferred tax assets	3,669,401	-	8,947,443	-
Tax recoverable	-	144,874	65,292	193,803
Other receivables	597,905	197,374	716,154	548,512
Cash and cash equivalents	754,183	356,154	1,522,546	822,573
Total assets	266,154,757	212,210,437	758,437,810	585,169,578
Deferred tax liabilities	-	1,398,300	-	5,288,070
Tax payable	28,065	-	-	-
Amount due to operating fund	1,368,608	183,021	915,407	744,186
Other payables	539,723	471,468	1,328	1,753
Total liabilities	1,936,396	2,052,789	916,735	6,034,009
Net asset value	264,218,361	210,157,648	757,521,075	579,135,569
Represented by				
Unitholders' capital	250,692,230	150,250,579	739,550,479	430,179,446
Undistributed income carried forward	13,526,131	59,907,069	17,970,596	148,956,123
	264,218,361	210,157,648	757,521,075	579,135,569
Number of units in circulation	173,187,308	117,953,729	598,406,072	390,834,567
Net asset value per unit	1.526	1.782	1.266	1.482

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

Statement of Assets and Liabilities

As at 30 June 2022

	HLA Horizon28 Fund		HLA Horizon38 Fund	
	2022 RM	2021 RM	2022 RM	2021 RM
Investments	8,330,114	6,322,526	353,477,676	258,721,066
Floating rate negotiable instruments of deposit	8,330,114	6,322,526	353,477,676	258,721,066
Deferred tax assets	11,827	-	1,492,665	-
Tax recoverable	-	970	-	32,176
Cash and cash equivalents	128,762	4,831	5,507,856	39,231
Total assets	8,470,703	6,328,327	360,478,197	258,792,473
Deferred tax liabilities	-	22,804	-	500,956
Tax payable	1,043	-	-	-
Amount due to operating fund	10,389	6,164	320,383	229,155
Other payables	1,060	1,060	1,060	1,060
Total liabilities	12,492	30,028	321,443	731,171
Net asset value	8,458,211	6,298,299	360,156,754	258,061,302
Represented by				
Unitholders' capital	8,747,033	6,115,264	385,297,565	256,106,315
Undistributed (loss)/income carried forward	(288,822)	183,035	(25,140,811)	1,954,987
	8,458,211	6,298,299	360,156,754	258,061,302
Number of units in circulation	8,133,014	5,773,275	331,179,277	221,588,283
Net asset value per unit	1.040	1.091	1.088	1.165

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

Statement of Assets and Liabilities

As at 30 June 2022

	HLA Horizon48 Fund		HLA Dividend Growth Fund	
	2022 RM	2021 RM	2022 RM	2021 RM
Investments	157,126,025	125,349,373	52,062,111	-
Unquoted unit trusts	-	-	52,062,111	-
Floating rate negotiable instruments of deposit	157,126,025	125,349,373	-	-
Deferred tax assets	1,521,317	-	530,229	-
Tax recoverable	-	12,380	-	-
Other receivables	-	-	76,632	-
Cash and cash equivalents	2,903,189	10,328	147,538	-
Total assets	161,550,531	125,372,081	52,816,510	-
Deferred tax liabilities	-	58,668	-	-
Tax payable	8,230	-	30,126	-
Amount due to operating fund	150,163	120,164	59,439	-
Other payables	1,060	1,060	2,650	-
Total liabilities	159,453	179,892	92,215	-
Net asset value	161,391,078	125,192,189	52,724,295	-
Represented by				
Unitholders' capital	182,465,211	126,266,263	57,590,202	-
Undistributed loss carried forward	(21,074,133)	(1,074,074)	(4,865,907)	-
	161,391,078	125,192,189	52,724,295	-
Number of units in circulation	151,517,186	104,472,550	55,707,085	-
Net asset value per unit	1.065	1.198	0.947	-

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

Statement of Assets and Liabilities

As at 30 June 2022

	HLA Dynamic Fund		HLA Balanced Fund	
	2022 RM	2021 RM	2022 RM	2021 RM
Investments	2,677,197	-	75,240	-
Unquoted unit trusts	2,677,197	-	75,240	-
Deferred tax assets	1,824	-	85	-
Other receivables	1,019	-	78	-
Cash and cash equivalents	40,813	-	747	-
Total assets	2,720,853	-	76,150	-
Tax payable	80	-	4	-
Amount due to operating fund	1,042	-	78	-
Other payables	2,650	-	-	-
Total liabilities	3,772	-	82	-
Net asset value	2,717,081	-	76,068	-
Represented by				
Unitholders' capital	2,740,790	-	76,868	-
Undistributed loss carried forward	(23,709)	-	(800)	-
	2,717,081	-	76,068	-
Number of units in circulation	2,802,682	-	76,938	-
Net asset value per unit	0.970	-	0.989	-

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

Statement of Assets and Liabilities

As at 30 June 2022

	HLA Global ESG Fund	
	2022	2021
	RM	RM
Investments	384,153	-
Unquoted unit trusts	384,153	-
Cash and cash equivalents	12,468	-
Total assets	396,621	-
Deferred tax liabilities	12	-
Other payables	11,800	-
Total liabilities	11,812	-
Net asset value	384,809	-
Represented by		
Unitholders' capital	384,668	-
Undistributed income carried forward	141	-
	384,809	-
Number of units in circulation	384,620	-
Net asset value per unit	1.001	-

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

Statement of Income and Expenditure

For the financial year ended 30 June 2022

	HLA Venture Growth Fund		HLA Venture Blue Chip Fund	
	2022 RM	2021 RM	2022 RM	2021 RM
Dividend income	12,299,852	11,353,855	13,613,700	11,223,894
Interest income	434,921	441,960	1,564,616	795,686
Profit on disposal of investments	-	11,136,307	-	8,528,541
Unrealised capital gain on investments	-	30,194,452	-	20,725,887
Realised gains on foreign exchange	-	3,507,790	-	2,881,832
Unrealised gains on foreign exchange	233,391	-	243,631	-
Total income	12,968,164	56,634,364	15,421,947	44,155,840
Investment management fees	(5,894,672)	(6,247,187)	(7,112,727)	(5,819,980)
Other outgo	(6,108)	(6,108)	(3,364)	(3,329)
Loss on disposal of investments	(9,748,027)	-	(9,012,165)	-
Unrealised capital loss on investments	(45,290,495)	-	(60,323,175)	-
Realised losses on foreign exchange	(2,690,511)	-	(2,963,246)	-
Unrealised losses on foreign exchange	-	(818,866)	-	(769,254)
Total outgo	(63,629,813)	(7,072,161)	(79,414,677)	(6,592,563)
Net (loss)/income before taxation	(50,661,649)	49,562,203	(63,992,730)	37,563,277
Taxation	4,474,147	(3,487,749)	5,371,669	(2,573,472)
Net (loss)/income after taxation	(46,187,502)	46,074,454	(58,621,061)	34,989,805
Undistributed income brought forward	182,078,622	136,004,168	115,513,688	80,523,883
Undistributed income carried forward	135,891,120	182,078,622	56,892,627	115,513,688

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

Statement of Income and Expenditure

For the financial year ended 30 June 2022

	HLA Venture Dana Putra		HLA Venture Income Fund	
	2022	2021	2022	2021
	RM	RM	RM	RM
Dividend income	2,624,659	2,764,209	-	-
Interest income	642,864	336,318	18,745,228	12,543,428
Profit on disposal of investments	-	8,981,110	-	340,930
Unrealised capital gain on investments	-	8,577,109	-	-
Realised gains on foreign exchange	-	-	-	155,509
Unrealised gains on foreign exchange	-	-	9,130	-
Total income	3,267,523	20,658,746	18,754,358	13,039,867
Investment management fees	(1,904,279)	(1,708,351)	(2,375,939)	(1,843,455)
Other outgo	(1,112)	(1,073)	(2,318)	(2,307)
Loss on disposal of investments	(2,767,112)	-	(10,895,573)	-
Unrealised capital loss on investments	(16,380,024)	-	(16,114,081)	(7,426,508)
Realised losses on foreign exchange	-	-	(95,846)	-
Unrealised losses on foreign exchange	-	-	-	(3,811)
Total outgo	(21,052,527)	(1,709,424)	(29,483,757)	(9,276,081)
Net (loss)/income before taxation	(17,785,004)	18,949,322	(10,729,399)	3,763,786
Taxation	1,468,843	(1,420,282)	659,259	(431,333)
Net (loss)/income after taxation	(16,316,161)	17,529,040	(10,070,140)	3,332,453
Undistributed income brought forward	34,173,638	16,644,598	81,845,952	78,513,499
Undistributed income carried forward	17,857,477	34,173,638	71,775,812	81,845,952

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

Statement of Income and Expenditure

For the financial year ended 30 June 2022

	HLA Venture Managed Fund		HLA Venture Global Fund	
	2022 RM	2021 RM	2022 RM	2021 RM
Dividend income	5,062,793	4,662,293	1,844,449	2,725,391
Interest income	6,818,171	5,648,882	797	1,589
Profit on disposal of investments	-	12,775,864	-	108,533
Unrealised capital gain on investments	-	13,388,796	-	8,524,447
Realised gains on foreign exchange	-	430,271	-	-
Unrealised gains on foreign exchange	31,065	-	-	-
Other income	-	-	281,222	128,997
Total income	11,912,029	36,906,106	2,126,468	11,488,957
Investment management fees	(3,849,852)	(3,719,177)	-	-
Other outgo	(3,344)	(3,357)	(1,060)	(1,060)
Loss on disposal of investments	(9,017,040)	(407,115)	(82,678)	-
Unrealised capital loss on investments	(22,263,145)	(2,521,396)	(10,110,291)	-
Realised losses on foreign exchange	(708,221)	-	-	-
Unrealised losses on foreign exchange	-	(103,162)	-	-
Total outgo	(35,841,602)	(6,754,207)	(10,194,029)	(1,060)
Net (loss)/income before taxation	(23,929,573)	30,151,899	(8,067,561)	11,487,897
Taxation	1,967,082	(2,338,577)	769,253	(717,158)
Net (loss)/income after taxation	(21,962,491)	27,813,322	(7,298,308)	10,770,739
Undistributed income brought forward	80,449,497	52,636,175	19,057,730	8,286,991
Undistributed income carried forward	58,487,006	80,449,497	11,759,422	19,057,730

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

Statement of Income and Expenditure

For the financial year ended 30 June 2022

	HLA Venture Flexi Fund		HLA EverGreen 2023	
	2022	2021	2022	2021
	RM	RM	RM	RM
Dividend income	3,962,434	3,445,152	-	-
Interest income	298,691	189,447	-	-
Profit on disposal of investments	-	8,529,602	13,691	36,963
Unrealised capital gain on investments	-	10,741,293	235,828	540,361
Total income	4,261,125	22,905,494	249,519	577,324
Investment management fees	(2,093,930)	(1,747,675)	-	-
Other outgo	(1,060)	(999)	(1,060)	(1,060)
Loss on disposal of investments	(1,733,667)	-	-	-
Unrealised capital loss on investments	(14,172,988)	-	-	-
Total outgo	(18,001,645)	(1,748,674)	(1,060)	(1,060)
Net (loss)/income before taxation	(13,740,520)	21,156,820	248,459	576,264
Taxation	1,223,919	(1,551,569)	(25,545)	(45,641)
Net (loss)/income after taxation	(12,516,601)	19,605,251	222,914	530,623
Undistributed income/(loss) brought forward	16,728,421	(2,876,830)	6,965,472	6,434,849
Undistributed income carried forward	4,211,820	16,728,421	7,188,386	6,965,472

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

Statement of Income and Expenditure

For the financial year ended 30 June 2022

	HLA EverGreen 2025		HLA EverGreen 2028	
	2022	2021	2022	2021
	RM	RM	RM	RM
Profit on disposal of investments	-	15,190	-	26,664
Unrealised capital gain on investments	-	138,795	-	98,685
Total income	-	153,985	-	125,349
Other outgo	(1,060)	(1,060)	(1,060)	(1,060)
Loss on disposal of investments	(1,144)	-	(14,188)	-
Unrealised capital loss on investments	(118,764)	-	(561,990)	-
Total outgo	(120,968)	(1,060)	(577,238)	(1,060)
Net (loss)/income before taxation	(120,968)	152,925	(577,238)	124,289
Taxation	2,577	(5,246)	18,174	17,935
Net (loss)/income after taxation	(118,391)	147,679	(559,064)	142,224
Undistributed income brought forward	1,292,960	1,145,281	1,183,438	1,041,214
Undistributed income carried forward	1,174,569	1,292,960	624,374	1,183,438

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

Statement of Income and Expenditure

For the financial year ended 30 June 2022

	HLA EverGreen 2030		HLA EverGreen 2035	
	2022	2021	2022	2021
	RM	RM	RM	RM
Profit on disposal of investments	-	88,203	-	1,334,470
Total income	-	88,203	-	1,334,470
Other outgo	(1,060)	(1,060)	(7,822)	(7,852)
Loss on disposal of investments	(73,815)	-	(2,999,060)	-
Unrealised capital loss on investments	(2,044,451)	(34,757)	(64,215,031)	(28,393,700)
Total outgo	(2,119,326)	(35,817)	(67,221,913)	(28,401,552)
Net (loss)/income before taxation	(2,119,326)	52,386	(67,221,913)	(27,067,082)
Taxation	94,796	70,648	4,066,728	3,474,284
Net (loss)/income after taxation	(2,024,530)	123,034	(63,155,185)	(23,592,798)
Undistributed income/(loss) brought forward	3,902,075	3,779,041	(44,105,389)	(20,512,591)
Undistributed income/(loss) carried forward	1,877,545	3,902,075	(107,260,574)	(44,105,389)

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

Statement of Income and Expenditure

For the financial year ended 30 June 2022

	HLA Cash Fund		HLA Secure Fund	
	2022 RM	2021 RM	2022 RM	2021 RM
Dividend income	-	-	848,904	818,382
Interest income	571,747	785,129	-	-
Profit on disposal of investments	-	-	-	66,839
Unrealised capital gain on investments	-	-	-	855,134
Other income	-	-	46,567	45,523
Total income	571,747	785,129	895,471	1,785,878
Investment management fees	(75,297)	(75,627)	-	-
Other outgo	(1,060)	(1,052)	(1,060)	(1,060)
Loss on disposal of investments	-	-	(56,446)	-
Unrealised capital loss on investments	-	-	(2,305,797)	-
Total outgo	(76,357)	(76,679)	(2,363,303)	(1,060)
Net income/(loss) before taxation	495,390	708,450	(1,467,832)	1,784,818
Taxation	(434,513)	326,562	129,100	(35,871)
Net income/(loss) after taxation	60,877	1,035,012	(1,338,732)	1,748,947
Undistributed (loss)/income brought forward	(13,587,089)	(14,622,101)	3,158,873	1,409,926
Undistributed (loss)/income carried forward	(13,526,212)	(13,587,089)	1,820,141	3,158,873

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

Statement of Income and Expenditure

For the financial year ended 30 June 2022

	Hong Leong Smart Growth Fund		HLA Dana Suria	
	2022 RM	2021 RM	2022 RM	2021 RM
Dividend income	12,743,238	19,939,242	263,269	213,381
Profit on disposal of investments	859,743	4,530,362	-	136,172
Unrealised capital gain on investments	-	26,439,275	-	1,816,559
Other income	-	-	13,034	12,536
Total income	13,602,981	50,908,879	276,303	2,178,648
Other outgo	(3,836)	(3,817)	(1,060)	(1,058)
Loss on disposal of investments	-	-	(6,652)	-
Unrealised capital loss on investments	(32,242,190)	-	(1,310,081)	-
Total outgo	(32,246,026)	(3,817)	(1,317,793)	(1,058)
Net (loss)/income before taxation	(18,643,045)	50,905,062	(1,041,490)	2,177,590
Taxation	2,310,755	(2,685,668)	95,046	(154,293)
Net (loss)/income after taxation	(16,332,290)	48,219,394	(946,444)	2,023,297
Undistributed income brought forward	87,636,373	39,416,979	2,346,119	322,822
Undistributed income carried forward	71,304,083	87,636,373	1,399,675	2,346,119

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

Statement of Income and Expenditure

For the financial year ended 30 June 2022

	HLA Value Fund		Hong Leong Smart Invest Fund	
	2022 RM	2021 RM	2022 RM	2021 RM
Dividend income	12,209,079	21,634,808	33,664,114	53,997,589
Profit on disposal of investments	-	529,091	109,062	1,123,701
Unrealised capital gain on investments	-	39,563,554	-	110,562,595
Other income*	128,614	542,835	-	-
Total income	12,337,693	62,270,288	33,773,176	165,683,885
Other outgo	(1,136)	-	(1,328)	(1,304)
Loss on disposal of investments	(374,502)	-	-	-
Unrealised capital loss on investments	(62,922,859)	-	(177,679,183)	-
Total outgo	(63,298,497)	-	(177,680,511)	(1,304)
Net (loss)/income before taxation	(50,960,804)	62,270,288	(143,907,335)	165,682,581
Taxation	4,579,866	(3,255,195)	12,921,808	(9,111,422)
Net (loss)/income after taxation	(46,380,938)	59,015,093	(130,985,527)	156,571,159
Undistributed income/(loss) brought forward	59,907,069	891,976	148,956,123	(7,615,036)
Undistributed income carried forward	13,526,131	59,907,069	17,970,596	148,956,123

*There is no plough back during the financial year. (2021: Other income include plough back amount of RM470,960)

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

Statement of Income and Expenditure

For the financial year ended 30 June 2022

	HLA Horizon28 Fund		HLA Horizon38 Fund	
	2022 RM	2021 RM	2022 RM	2021 RM
Profit on disposal of investments	-	8,072	-	-
Unrealised capital gain on investments	-	374,298	-	5,886,179
Total income	-	382,370	-	5,886,179
Investment management fees	(95,444)	(63,900)	(4,135,921)	(2,481,123)
Other outgo	(1,060)	(1,060)	(1,060)	(1,060)
Loss on disposal of investments	(370)	-	-	-
Unrealised capital loss on investments	(406,578)	-	(24,920,262)	-
Total outgo	(503,452)	(64,960)	(29,057,243)	(2,482,183)
Net (loss)/income before taxation	(503,452)	317,410	(29,057,243)	3,403,996
Taxation	31,595	(29,609)	1,961,445	(438,719)
Net (loss)/income after taxation	(471,857)	287,801	(27,095,798)	2,965,277
Undistributed income/(loss) brought forward	183,035	(104,766)	1,954,987	(1,010,290)
Undistributed (loss)/income carried forward	(288,822)	183,035	(25,140,811)	1,954,987

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

Statement of Income and Expenditure

For the financial year ended 30 June 2022

	HLA Horizon48 Fund		HLA Dividend Growth Fund	
	2022 RM	2021 RM	2022 RM	2021 RM
Dividend income	-	-	1,138,342	-
Unrealised capital gain on investments	-	527,228	-	-
Other income	-	-	126,339	-
Total income	-	527,228	1,264,681	-
Investment management fees	(1,912,060)	(1,229,408)	-	-
Other outgo	(1,060)	(1,060)	(2,650)	-
Loss on disposal of investments	(38,337)	-	(98)	-
Unrealised capital loss on investments	(19,607,977)	-	(6,627,943)	-
Total outgo	(21,559,434)	(1,230,468)	(6,630,691)	-
Net loss before taxation	(21,559,434)	(703,240)	(5,366,010)	-
Taxation	1,559,375	(29,798)	500,103	-
Net loss after taxation	(20,000,059)	(733,038)	(4,865,907)	-
Undistributed loss brought forward	(1,074,074)	(341,036)	-	-
Undistributed loss carried forward	(21,074,133)	(1,074,074)	(4,865,907)	-

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

Statement of Income and Expenditure

For the financial year ended 30 June 2022

	HLA Dynamic Fund		HLA Balanced Fund	
	2022 RM	2021 RM	2022 RM	2021 RM
Dividend income	-	-	162	-
Other income	-	-	17	-
Total income	-	-	179	-
Other outgo	(2,650)	-	-	-
Unrealised capital loss on investments	(22,803)	-	(1,060)	-
Total outgo	(25,453)	-	(1,060)	-
Net loss before taxation	(25,453)	-	(881)	-
Taxation	1,744	-	81	-
Net loss after taxation	(23,709)	-	(800)	-
Undistributed income brought forward	-	-	-	-
Undistributed loss carried forward	(23,709)	-	(800)	-

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

Statement of Income and Expenditure

For the financial year ended 30 June 2022

	HLA Global ESG Fund	
	2022 RM	2021 RM
Unrealised capital gain on investments	153	-
Total income	153	-
Net income before taxation	153	-
Taxation	(12)	-
Net income after taxation	141	-
Undistributed income brought forward	-	-
Undistributed income carried forward	141	-

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 2022

	HLA Venture Growth Fund		HLA Venture Blue Chip Fund	
	2022	2021	2022	2021
	RM	RM	RM	RM
Net asset value at the beginning of the financial year	419,284,511	378,194,748	455,214,672	303,026,685
Amount received from unitholders for creation of units	21,156,853	23,390,015	143,226,546	138,313,634
Amount paid to unitholders for cancellation of units	(24,426,036)	(28,374,706)	(23,649,274)	(21,115,452)
	416,015,328	373,210,057	574,791,944	420,224,867
Net realised investment (loss)/income	(4,728,564)	18,862,197	(3,267,036)	16,154,951
Net unrealised investment (loss)/income	(41,458,938)	27,212,257	(55,354,025)	18,834,854
Net asset value at the end of the financial year	369,827,826	419,284,511	516,170,883	455,214,672

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 2022

	HLA Venture Dana Putra		HLA Venture Income Fund	
	2022	2021	2022	2021
	RM	RM	RM	RM
Net asset value at the beginning of the financial year	135,129,306	91,034,069	433,618,239	297,575,303
Amount received from unitholders for creation of units	28,202,248	33,668,695	145,260,568	160,881,550
Amount paid to unitholders for cancellation of units	(8,495,391)	(7,102,498)	(48,625,220)	(28,171,067)
	154,836,163	117,600,266	530,253,587	430,285,786
Net realised investment (loss)/income	(1,282,888)	9,508,880	4,934,561	10,077,545
Net unrealised investment (loss)/income	(15,033,273)	8,020,160	(15,004,701)	(6,745,092)
Net asset value at the end of the financial year	138,520,002	135,129,306	520,183,447	433,618,239

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 2022

	HLA Venture Managed Fund		HLA Venture Global Fund	
	2022	2021	2022	2021
	RM	RM	RM	RM
Net asset value at the beginning of the financial year	311,311,647	264,221,177	42,044,467	31,696,616
Amount received from unitholders for creation of units	30,322,215	36,527,659	2,585,024	2,011,202
Amount paid to unitholders for cancellation of units	(15,054,520)	(17,250,511)	(2,095,558)	(2,434,090)
	326,579,342	283,498,325	42,533,933	31,273,728
Net realised investment (loss)/income	(1,668,772)	17,316,313	1,999,321	2,939,368
Net unrealised investment (loss)/income	(20,293,719)	10,497,009	(9,297,629)	7,831,371
Net asset value at the end of the financial year	304,616,851	311,311,647	35,235,625	42,044,467

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 2022

	HLA Venture Flexi Fund		HLA EverGreen 2023	
	2022	2021	2022	2021
	RM	RM	RM	RM
Net asset value at the beginning of the financial year	130,756,155	89,908,847	25,035,013	26,366,549
Amount received from unitholders for creation of units	28,503,928	29,200,080	363,077	235,117
Amount paid to unitholders for cancellation of units	(7,506,140)	(7,958,023)	(2,418,580)	(2,097,276)
	151,753,943	111,150,904	22,979,510	24,504,390
Net realised investment income/(loss)	640,277	9,668,491	(47,291)	(15,265)
Net unrealised investment (loss)/income	(13,156,878)	9,936,760	270,205	545,888
Net asset value at the end of the financial year	139,237,342	130,756,155	23,202,424	25,035,013

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 2022

	HLA EverGreen 2025		HLA EverGreen 2028	
	2022	2021	2022	2021
	RM	RM	RM	RM
Net asset value at the beginning of the financial year	10,765,405	10,864,852	17,842,988	15,798,523
Amount received from unitholders for creation of units	222,660	437,859	2,489,226	2,837,534
Amount paid to unitholders for cancellation of units	(479,128)	(684,985)	(544,783)	(935,293)
	10,508,937	10,617,726	19,787,431	17,700,764
Net realised investment (loss)/income	(21,233)	3,758	(58,640)	28,499
Net unrealised investment (loss)/income	(97,158)	143,921	(500,424)	113,725
Net asset value at the end of the financial year	10,390,546	10,765,405	19,228,367	17,842,988

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 2022

	HLA EverGreen 2030		HLA EverGreen 2035	
	2022	2021	2022	2021
	RM	RM	RM	RM
Net asset value at the beginning of the financial year	53,208,858	49,955,779	853,097,375	791,999,597
Amount received from unitholders for creation of units	5,262,172	6,642,709	111,528,323	135,483,716
Amount paid to unitholders for cancellation of units	(2,604,303)	(3,512,664)	(46,872,358)	(50,793,140)
	55,866,727	53,085,824	917,753,340	876,690,173
Net realised investment (loss)/income	(200,449)	84,127	(4,016,208)	2,301,533
Net unrealised investment (loss)/income	(1,824,081)	38,907	(59,138,977)	(25,894,331)
Net asset value at the end of the financial year	53,842,197	53,208,858	854,598,155	853,097,375

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 2022

	HLA Cash Fund		HLA Secure Fund	
	2022 RM	2021 RM	2022 RM	2021 RM
Net asset value at the beginning of the financial year	29,117,384	31,683,673	23,669,108	21,116,784
Amount received from unitholders for creation of units	3,234,196	2,913,765	1,713,212	2,445,310
Amount paid to unitholders for cancellation of units	(5,014,877)	(6,515,066)	(1,075,754)	(1,641,933)
	27,336,703	28,082,372	24,306,566	21,920,161
Net realised investment income	60,877	1,035,012	779,002	963,236
Net unrealised investment (loss)/income	-	-	(2,117,734)	785,711
Net asset value at the end of the financial year	27,397,580	29,117,384	22,967,834	23,669,108

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 2022

	Hong Leong Smart Growth Fund		HLA Dana Suria	
	2022	2021	2022	2021
	RM	RM	RM	RM
Net asset value at the beginning of the financial year	225,227,622	198,546,539	9,557,402	7,011,257
Amount received from unitholders for creation of units	2,778,235	12,001,588	2,516,790	1,277,846
Amount paid to unitholders for cancellation of units	(26,209,240)	(33,539,899)	(554,514)	(754,998)
	201,796,617	177,008,228	11,519,678	7,534,105
Net realised investment income	13,093,535	23,895,566	254,375	357,821
Net unrealised investment (loss)/income	(29,425,825)	24,323,828	(1,200,819)	1,665,476
Net asset value at the end of the financial year	185,464,327	225,227,622	10,573,234	9,557,402

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 2022

	HLA Value Fund		Hong Leong Smart Invest Fund	
	2022 RM	2021 RM	2022 RM	2021 RM
Net asset value at the beginning of the financial year	210,157,648	100,879,828	579,135,569	251,623,355
Amount received from unitholders for creation of units	117,774,023	77,443,284	376,560,010	248,969,272
Amount paid to unitholders for cancellation of units	(17,332,372)	(27,180,557)	(67,188,977)	(78,028,217)
	310,599,299	151,142,555	888,506,602	422,564,410
Net realised investment income	11,474,219	22,761,910	32,458,143	54,937,414
Net unrealised investment (loss)/income	(57,855,157)	36,253,183	(163,443,670)	101,633,745
Net asset value at the end of the financial year	264,218,361	210,157,648	757,521,075	579,135,569

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 2022

	HLA Horizon28 Fund		HLA Horizon38 Fund	
	2022 RM	2021 RM	2022 RM	2021 RM
Net asset value at the beginning of the financial year	6,298,299	3,360,398	258,061,302	111,444,170
Amount received from unitholders for creation of units	3,064,979	2,867,585	144,197,602	153,095,568
Amount paid to unitholders for cancellation of units	(433,210)	(217,485)	(15,006,352)	(9,443,713)
	8,930,068	6,010,498	387,252,552	255,096,025
Net realised investment loss	(99,910)	(56,945)	(4,169,157)	(2,450,008)
Net unrealised investment (loss)/income	(371,947)	344,746	(22,926,641)	5,415,285
Net asset value at the end of the financial year	8,458,211	6,298,299	360,156,754	258,061,302

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 2022

	HLA Horizon48 Fund		HLA Dividend Growth Fund	
	2022 RM	2021 RM	2022 RM	2021 RM
Net asset value at the beginning of the financial year	125,192,189	56,005,303	-	-
Amount received from unitholders for creation of units	61,664,529	74,423,723	57,988,453	-
Amount paid to unitholders for cancellation of units	(5,465,581)	(4,503,799)	(398,251)	-
	181,391,137	125,925,227	57,590,202	-
Net realised investment (loss)/income	(1,972,068)	(1,218,088)	1,231,807	-
Net unrealised investment (loss)/income	(18,027,991)	485,050	(6,097,714)	-
Net asset value at the end of the financial year	161,391,078	125,192,189	52,724,295	-

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 2022

	HLA Dynamic Fund		HLA Balanced Fund	
	2022	2021	2022	2021
	RM	RM	RM	RM
Amount received from unitholders for creation of units	2,740,790	-	76,868	-
	2,740,790	-	76,868	-
Net realised investment (loss)/income	(2,730)	-	175	-
Net unrealised investment loss	(20,979)	-	(975)	-
Net asset value at the end of the financial year	2,717,081	-	76,068	-

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 2022

	HLA Global ESG Fund	
	2022 RM	2021 RM
Amount received from unitholders for creation of units	384,668	-
Net unrealised investment income	141	-
Net asset value at the end of the financial year	384,809	-

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, HLA Value Fund, Hong Leong Smart Invest Fund, HLA Horizon28 Fund, HLA Horizon38 Fund, HLA Horizon48 Fund, HLA Dividend Growth Fund, HLA Dynamic Fund, HLA Balanced Fund and HLA Global ESG 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, including investment-linked and annuity businesses. There have been no significant changes in the nature of the principal activities 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 Business issued by Bank Negara Malaysia ("BNM") in all material aspects.

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

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.

(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.

Notes to the Financial Information

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

(c) Foreign currencies (cont'd)

(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 financial 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, balances and deposits held with financial institutions with maturities of three months or less that are readily convertible to known amount of cash which are subject to an insignificant risk of changes in value.

(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.

(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.

Notes to the Financial Information

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

(g) Taxation (cont'd)

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.

A 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 . INCOME DISTRIBUTION

There has been no distribution made or proposed during the financial year.

5 . INVESTMENT OBJECTIVES, STRATEGIES, RESTRICTIONS AND LIMITATIONS

There has been no changes in the investment objectives, strategies, restrictions and limitations during the financial year.

6 . INVESTMENTS

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

7 . PERFORMANCE TABLE

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

8 . COMPARATIVES

There are no comparative figures for HLA Dividend Growth Fund, HLA Dynamic Fund, HLA Balanced Fund and HLA Global ESG Fund as these are the first set of financial information since their establishment.

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