

RHB CAPITAL FUND

ANNUAL REPORT 2025

For the financial year ended 30 April 2025

GENERAL INFORMATION ABOUT THE FUND

Name, Category and Type

Fund Name	-	RHB Capital Fund
Fund Category	-	Equity Fund
Fund Type	-	Growth

Investment Objective, Policy and Strategy

Objective of the Fund

To achieve long term growth through capital appreciation with all income including profits on realisation of investments being automatically reinvested for its compounding effect.

Strategy

This Fund seeks to achieve its investment objective by structuring a portfolio as follows:

- Minimum of 60% and up to 95% of Net Asset Value (“NAV”) will be invested in equities.
- Minimum of 5% of NAV will be invested in fixed income securities and/or liquid assets.

Although the Fund is actively managed, how active or the frequency of its trading strategy will very much depend on market opportunities.

The Fund seeks long term capital appreciation. To pursue this goal, the Fund invests primarily in Malaysian public listed companies with strong growth potential. The Manager utilises a strategy that seeks attractively priced companies in undervalued sectors, or in sectors that have strong upward stock price momentum which demonstrate strong increases in earnings per share and continue to strengthen their fundamental capabilities and competitive positions, amongst others.

The Manager uses fundamental valuation parameters to determine the relative value of the company compared to its peer universe. These numbers include price/earnings multiple of the company, earnings growth rates, relative price earnings to growth, cashflow, balance sheet strength, quality of management, relative positioning of the company in the industry in which it operates, return on equity, return on assets and return on investments, among others. Quarterly earnings expectations and results are carefully followed. Subject to the range stipulated above, the Fund’s asset allocation and stock selection could differ if any of the key macro and micro factors materially changes.

In addition to those described above, the Fund may invest in fixed income securities to preserve the value# of the Fund.

The Manager may take temporary defensive positions that may be inconsistent with the Fund's principal strategy in attempting to respond to adverse economic, political or any other market conditions. In such circumstances, the Manager may reallocate up to 100% of the Fund's equity investments into other asset classes such as fixed income securities, money market instruments and Deposits, which are defensive in nature.

Note: # Although the Fund aims to preserve its value, the Fund is not a capital guaranteed fund or a capital protected fund.

Performance Benchmark

FTSE Bursa Malaysia Kuala Lumpur Composite Index ("FBM KLCI").

Permitted Investments

The Fund may invest in securities of companies listed on Bursa Malaysia; unlisted securities including securities not listed or quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing or quotation and are offered directly to the Fund by the issuer; financial derivatives; collective investment schemes; structured products and warrants that carry the right in respect of a security traded in or under the rules of an Eligible Market; Malaysian government securities, cagamas bonds, Bank Negara Malaysia certificates, Malaysian treasury bills, bankers' acceptance and Government Investment Issue ("GII"); Malaysian currency balances in hand, Malaysian currency deposits with commercial banks, finance companies and Bank Islam Malaysia Berhad including negotiable certificates of deposit, banker's acceptances and placements of money at call with discount houses; foreign investments traded in or under the rules of a foreign market approved by Securities Commission Malaysia; unlisted fixed income securities; liquid assets (money market instruments and Deposits); and any other investments permitted by the Securities Commission Malaysia from time to time.

Distribution Policy

Distribution is incidental, subject to the availability of income at the end of the financial year.

MANAGER'S REPORT

MARKET AND ECONOMIC REVIEW

The Kuala Lumpur Composite Index (“KLCI”) ended the year 2024 at 1,642 points (“pts”) in December 2024. It was one of the best performing years. The benchmark Financial Times Stock Exchange Bursa Malaysia (“FBM”) KLCI closed out the year 12.90% higher with Construction (+60.70%), Utilities (+38.30%) and Property (+31.50%) the best performing sectors. Malaysia saw a slew of data centre mushrooming in year 2024 and construction companies are the main Malaysia. After lagging the performance of Morgan Stanley Capital International (“MSCI”) ex-Japan (“MXAJ”) during the September to November 2024 period, the KLCI rallied in December 2024 to close up 12.90% Year-on-Year (“yoy”) at year end 2024, outperforming MXAJ that increased 9.70% yoy. We believe the concerns on potentially higher United States (“US”) tariffs on goods from China following Donald Trump’s US Presidential election win on 5 November 2024 led to weak performance of the Hong Kong/China markets and MXAJ. Foreign funds remained net sellers in December 2024, increasing the net sell position to United States Dollar (“USD”) 957 million in year 2024; 86.00% higher than the net sell position of USD514 million in year 2023. The domestic funds continued to support the market to lift the KLCI to close at 1,642 pts.

Following the US Presidential inauguration on 20 Jan 2025, markets had to contend with a slew of Executive Orders, enforcement of a stricter immigration policy, the imposition, postponement and reversal of tariffs on various countries including China, Mexico and Canada in addition to new tariffs on foreign imports of steel and aluminium and mass firings of federal employees instigated by the Department of Government Efficiency. The implications of the extensive changes to US trade policy and haphazard messaging has created extreme market volatility, raising concerns on inflationary risks coupled with negative implications for investor, business and consumer sentiment. Recent weak US economic data points have ignited fears of stagflationary risks. The 2 Apr 2025 US tariff broadside against all its trading partners sets the stage for a volatile period ahead as markets tone down growth expectations pending possible tit-for-tat retaliatory measures that will keep market sentiment in risk-off mode. The KLCI fell 5.20% Month-on-Month (“mom”) to 1,557 pts in January 2025. Of Bursa Malaysia’s 13 sectorial indices, only the Real Estate Investment Fund sector recorded a gain in January 2025. Meanwhile, the three worst-performing sectors in January 2025 on a mom basis were Construction (-13.50%), Technology (-10.50%), and Utilities (-9.90%). The sectors most affected by the announcement of the US imposing controls on advanced chip exports, such as Construction and Technology, saw double-digit declines mom as the market took a sell first approach to data centre (“DC”) and artificial intelligence (“AI”) thematic sectors.

The KLCI fell further by 3.90% mom to 1,514 pts in March 2025, returning to levels last seen in February 2024. Towards the end of the financial period, the KLCI rose 1.80% mom to 1,540 pts in April 2025, outperforming the MSCI Emerging Market Index (+1.00% mom) and the MSCI All Country Asia ex-Japan Index (+0.50% mom).

REVIEW OF FUND PERFORMANCE DURING THE FINANCIAL YEAR

For the financial year under review, the Fund registered a negative total return of 24.28%* against its benchmark negative return of 2.27%*. Hence the fund underperformed the benchmark by 22.01% during the year under review. The Net Asset Value per unit of the Fund was RM0.8302 (2024: RM1.0964) as at 30 April 2025.

The fund has not achieved its objective in outperforming the market during the year under review.

The underperformance was mainly attributed by sector and stock selection. Glove and technology sector were the main detractors to the fund performance. The fund manager overweight both technology and glove sectors and these two sectors decline substantially in the first four months of year 2025. Glove stocks continued to report disappointed quarterly results with Average Selling Price (“ASP”) prices yet to recovered. Although there were positive news and sentiments with US imposing higher tariff on China glove players, investors’ confidence on this sector remain lukewarm. In addition, technology stocks prices were dampened by AI diffusion rule before the departure of Joe Biden and trade tariff news in April 2025.

Going forward, the portfolio manager will reduce holdings in tech stocks and increase holdings in high dividend yield stocks as we believe that the trade war is far from over. The portfolio will add more weights in consumer related stocks and defensive names to reduce the volatility of the portfolio.

** Source: Lipper Investment Management (“Lipper IM”), 13 May 2025*

MARKET OUTLOOK AND STRATEGY GOING FORWARD

US trade policy continues to change rapidly and drastically since February 2025. Broadly more severe than expected, 2 April 2025’s “Liberation Day” unveiled a 10.00% universal tariff imposed by the US and further tariffs could be implemented for countries with which the US has the largest trade deficits. We expect that the situation remains fluid and volatile and is far from over although the tariff war has de-escalated recently in mid-May 2025.

We are concerns about the adverse effects of tariffs on supply chains, consumer confidence, and corporate earnings. Tariffs are expected to lead to a slowdown in demand across various sectors due to increased costs being passed on to consumers. Companies are likely to face margin pressures as they navigate increased costs from tariffs. Many are considering price hikes to offset these costs, but this may result in reduced purchasing power and lower sales volumes, with companies needing to adjust pricing strategies.

To mitigate the risks associated with tariffs, companies are exploring strategies with a focus on managing costs such as diversifying supply chains, negotiating with vendors,

and adjusting product sourcing. Some may consider shifting manufacturing to manage costs and maintain competitiveness. We expect global growth to slow down and a contraction in the US real activity later this year 2025 is more likely than not and the likelihood of a global recession due to policies' impact on household and business spending power, sentiment, and global supply chains.

Previously, our primary conviction was that Malaysia would remain relatively unscathed by US tariff policies, as we were not a direct target due to the relatively low US trade deficit with Malaysia. However, the recent blanket tariffs imposed on all US trading partners, with higher levies on those countries where the US holds a trade deficit – including Malaysia – has heightened the risks. As a result, Malaysia is now more directly exposed to the adverse effects of these tariff policies. Combined with slower growth in major economies, these developments present substantial downside risks to trade and growth prospects, leading to our downward revision of the Gross Domestic Product (“GDP”) forecast. We believe risk appetite will likely remain subdued in the wake of the much bigger and broader than expected market tariff. Fundamental impact of tariffs is yet to come but investors and economists are raising recession possibility. We expect global growth to slow as uncertainties of the US policy is likely to affect consumer and business spending. Hence, downside risk to year 2025 earnings is now highly likely. We prefer domestic (construction), high dividend yield (banks) and defensive sectors in the medium term as these sectors will be able to meet earnings expectations in year 2025.

The domestic political landscape has been relatively stable so far. We expect the unity government's strong parliamentary majority to enable it to see out its full term till the next election cycle if Prime Minister Datuk Seri Anwar Ibrahim so chooses. The Government's reform process continues to take shape with the proposal to implement targeted subsidies for RON95 petrol that reflects the political will to improve public finances that will help to burnish the Government's reform credentials. The Government's approach to reforms continues to be an incremental one to allow time for markets to digest changes and for enforcement agencies to ensure minimal profiteering activities.

Amongst the key Association of Southeast Asian Nations (“ASEAN”) markets within the benchmark Emerging Market (“EM”) indices, we believe Malaysia continues to stand out prominently from a fundamental perspective. With macroeconomic headwinds posing challenges to the Indonesia and Thailand economies, we believe the ongoing foreign portfolio funds' ASEAN exit theme will bottom out sooner in Malaysia.

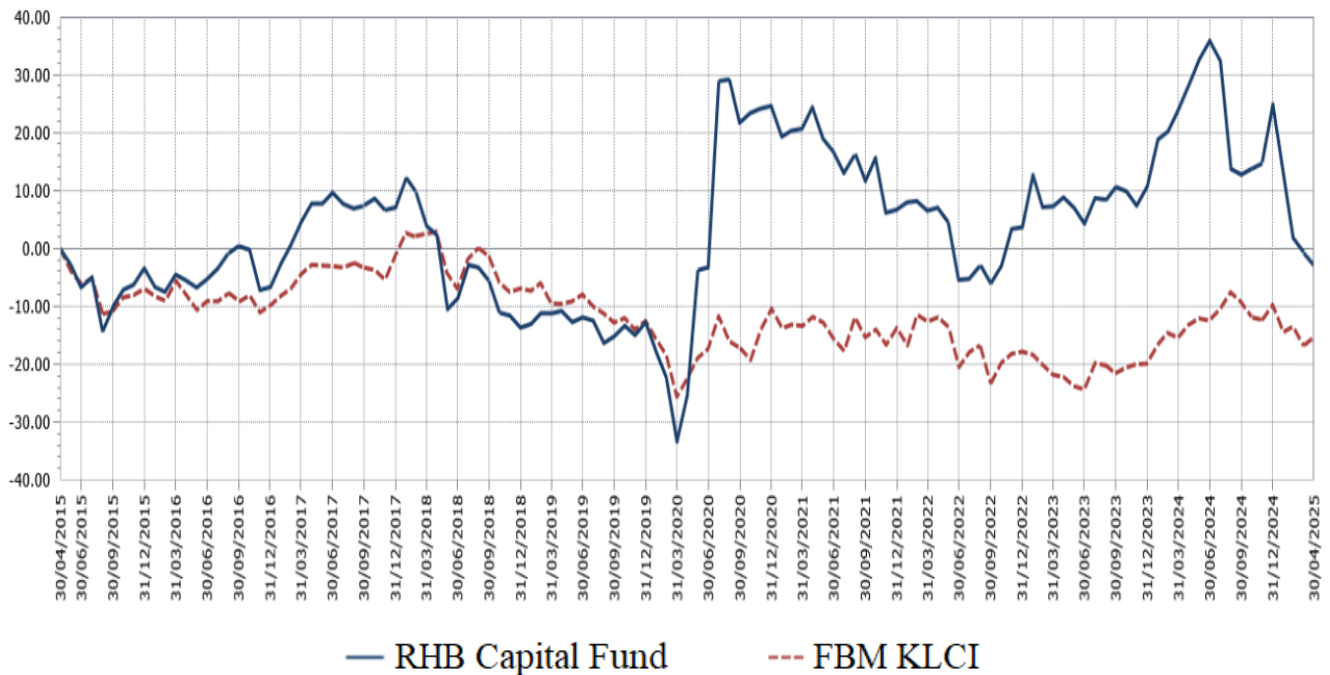
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PERFORMANCE DATA

	Annual Total Returns Financial Year Ended 30 April				
	2025 %	2024 %	2023 %	2022 %	2021 %
RHB Capital Fund					
- Capital Return	(24.28)	16.50	1.55	(20.91)	56.04
- Income Return	-	1.21	-	8.72	6.86
- Total Return	(24.28)	17.91	1.55	(14.01)	66.74
FBM KLCI	(2.27)	11.30	(11.53)	(0.08)	13.77

	Average Annual Returns			
	1 Year 30.04.2024- 30.04.2025 %	3 Years 30.04.2022- 30.04.2025 %	5 Years 30.04.2020- 30.04.2025 %	10 Years 30.04.2015- 30.04.2025 %
RHB Capital Fund	(24.28)	(3.21)	5.38	(0.30)
FBM KLCI	(2.27)	(1.27)	1.81	(1.64)

**Performance of RHB Capital Fund
for the period from 30 April 2015 to 30 April 2025
Cumulative Return Over The Period (%)**



Source: Lipper IM, 13 May 2025

The abovementioned performance figures are indicative returns based on daily Net Asset Value of a unit (as per Lipper Database) since 30 April 2015.

The calculation of the above returns is based on computation methods of Lipper.

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

The abovementioned performance computations have been adjusted to reflect distribution payments and unit splits wherever applicable.

Fund Size	As at 30 April		
	2025	2024	2023
Net Asset Value (RM million)	21.40	57.22*	51.21
Units In Circulation (million)	25.78	52.19	54.42
Net Asset Value Per Unit (RM)	0.8302	1.0964*	0.9411

Historical Data	Financial Year Ended 30 April		
	2025	2024	2023
Unit Prices			
NAV - Highest (RM)	1.2267	1.0968*	0.9951
- Lowest (RM)	0.7520	0.9018*	0.7709
Distribution and Unit Split			
Gross Distribution Per Unit (sen)	-	1.3000	-
Net Distribution Per Unit (sen)	-	1.3000	-
Distribution Date	-	25.04.2024	-
NAV before distribution (cum)	-	1.0968	-
NAV after distribution (ex)	-	1.0762	-
Unit Split	-	-	-
Others			
Total Expense Ratio (TER) (%) #	1.61	1.63	1.60
Portfolio Turnover Ratio (PTR) (times) ##	1.43	1.08	0.79

* *The figure quoted are ex-distribution*

The TER for the financial year was lower compared with the previous financial year due to lower expenses incurred for the financial year under review.

The PTR for the financial year was higher compared with the previous financial year due to more investment activities for the financial year under review.

DISTRIBUTION

For the financial year under review, no distribution has been proposed by the Fund.

PORTFOLIO STRUCTURE

The asset allocations of the Fund as at reporting date were as follows:

Sectors	As at 30 April		
	2025	2024	2023
	%	%	%
Equities			
Construction	6.11	7.67	1.68
Consumer Products & Services	11.36	-	2.74
Energy	-	14.40	32.38
Financial Services	17.33	3.18	6.79
Health Care	15.83	15.75	6.18
Industrial Products & Services	5.45	8.00	8.92
Plantations	5.55	-	-
Property	2.19	7.69	2.86
Technology	10.75	33.54	6.15
Telecommunications & Media	2.22	-	0.59
Transportation & Logistics	4.96	-	11.79
TSR/Warrants/Call Warrants	-	-	0.20
Utilities	5.18	-	-
	86.93	90.23	80.28
Liquid assets and other net current assets	13.07	9.77	19.72
	100.00	100.00	100.00

The asset allocation was reflective of the Manager's stance to risk manage its portfolio in an environment of volatile markets.

SECURITIES FINANCING TRANSACTIONS

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

CROSS TRADE

The Fund has not carried out any cross trade transactions for the financial year under review.

SOFT COMMISSION

Soft commissions were received by the management company for the financial year under review from brokers/dealers who have also executed trades for other funds or investment managed by the management company or Fund Manager. The soft commissions were utilised for research data and materials that assist in the decision making process relating to the Fund's investment. The soft commissions received were for the benefit of the funds and there were no churning of trades.

RHB CAPITAL FUND
STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2025

	<u>Note</u>	<u>2025</u> RM	<u>2024</u> RM
ASSETS			
Bank balances	5	50,711	51,715
Deposits with licensed financial institutions	5	3,237,791	6,354,567
Investments	6	18,604,273	51,634,023
Amount due from Manager		826	1,075
Dividend receivables		-	102,557
TOTAL ASSETS		<u>21,893,601</u>	<u>58,143,937</u>
LIABILITIES			
Amount due to brokers		445,291	151,017
Amount due to Manager		-	2,193
Accrued management fee		25,802	69,309
Amount due to Trustee		1,032	2,773
Distribution payable		-	678,616
Other payables and accruals		19,844	16,475
TOTAL LIABILITIES		<u>491,969</u>	<u>920,383</u>
NET ASSET VALUE		<u>21,401,632</u>	<u>57,223,554</u>
EQUITY			
Unit holders' capital		7,923,916	20,339,728
Retained earnings		13,477,716	36,883,826
		<u>21,401,632</u>	<u>57,223,554</u>
UNITS IN CIRCULATION (UNITS)	7	<u>25,778,170</u>	<u>52,193,225</u>
NET ASSET VALUE PER UNIT (EX-DISTRIBUTION*) (RM)		<u>0.8302</u>	<u>1.0964*</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of the financial statements.

RHB CAPITAL FUND
STATEMENT OF INCOME AND EXPENSES
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

	<u>Note</u>	<u>2025</u> <u>RM</u>	<u>2024</u> <u>RM</u>
(LOSS)/INCOME			
Dividend income		909,272	812,205
Interest income from deposits with licensed financial institutions		136,827	220,116
Net realised gain on disposal		1,433,218	1,012,519
Net unrealised (loss)/gain on changes in fair value		(9,013,969)	8,132,266
		<u>(6,534,652)</u>	<u>10,177,106</u>
EXPENSES			
Management fee	8	(677,117)	(778,964)
Trustee's fee	9	(27,085)	(31,158)
Audit fee		(9,275)	(9,275)
Tax agent's fee		(3,369)	(3,600)
Transaction cost		(519,049)	(461,335)
Other expenses		(7,764)	(22,616)
		<u>(1,243,659)</u>	<u>(1,306,948)</u>
Net (loss)/income before taxation		(7,778,311)	8,870,158
Taxation	10	-	-
Net (loss)/income after taxation		<u>(7,778,311)</u>	<u>8,870,158</u>
Net (loss)/income after taxation is made up as follow:			
Realised amount		1,235,658	737,892
Unrealised amount		(9,013,969)	8,132,266
		<u>(7,778,311)</u>	<u>8,870,158</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of the financial statements.

RHB CAPITAL FUND
STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

	Unit holders' <u>capital</u> RM	Retained <u>earnings</u> RM	Total net <u>asset value</u> RM
Balance as at 1 May 2023	22,516,856	28,692,284	51,209,140
Movement in net asset value:			
Net income after taxation	-	8,870,158	8,870,158
Creation of units arising from applications	186,688	-	186,688
Cancellation of units	(2,363,816)	-	(2,363,816)
Distribution (Note 11)	-	(678,616)	(678,616)
Balance as at 30 April 2024	<u>20,339,728</u>	<u>36,883,826</u>	<u>57,223,554</u>
Balance as at 1 May 2024	20,339,728	36,883,826	57,223,554
Movement in net asset value:			
Net loss after taxation	-	(7,778,311)	(7,778,311)
Creation of units arising from distribution	674,588	-	674,588
Creation of units arising from applications	676,480	-	676,480
Cancellation of units	(29,394,679)	-	(29,394,679)
Equalisation adjustment*	15,627,799	(15,627,799)	-
Balance as at 30 April 2025	<u>7,923,916</u>	<u>13,477,716</u>	<u>21,401,632</u>

* Equalisation is to ensure the existing unit holders are equally compensated for the dilution of their interests arising from new unit holders in the Fund.

The accompanying material accounting policy information and notes to the financial statements form an integral part of the financial statements.

RHB CAPITAL FUND
STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

	<u>Note</u>	<u>2025</u> RM	<u>2024</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		77,261,980	55,755,508
Purchase of investments		(52,012,758)	(57,610,748)
Dividends received		986,831	695,844
Interest received from deposits with licensed financial institutions		136,827	220,116
Management fee paid		(720,624)	(773,194)
Trustee's fee paid		(28,826)	(30,927)
Payment for other fees and expenses		(17,039)	(35,491)
Net cash generated from/(used in) operating activities		<u>25,606,391</u>	<u>(1,778,892)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		676,729	196,879
Cash paid for units cancelled		(29,396,872)	(2,365,387)
Cash paid for income distributions		(4,028)	-
Net cash used in financing activities		<u>(28,724,171)</u>	<u>(2,168,508)</u>
Net decrease in cash and cash equivalents		(3,117,780)	(3,947,400)
Cash and cash equivalents at the beginning of the financial year		<u>6,406,282</u>	<u>10,353,682</u>
Cash and cash equivalents at the end of the financial year	5	<u>3,288,502</u>	<u>6,406,282</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of the financial statements.

RHB CAPITAL FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

The RHB Capital Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of a Master deed (conventional funds) dated 12 June 2008 as amended via its supplemental master deed (conventional funds) dated 25 August 2008, second supplemental master deed (conventional funds) dated 12 December 2008, third supplemental master deed (conventional funds) dated 19 June 2009, fifth supplemental master deed (conventional funds) dated 26 April 2010, sixth supplemental master deed (conventional funds) dated 28 June 2010, ninth supplemental master deed (conventional funds) dated 7 March 2012, tenth supplemental master deed (conventional funds) dated 13 April 2012, fifteenth supplemental master deed (conventional funds) dated 30 April 2013, sixteenth supplemental master deed (conventional funds) dated 24 September 2013, seventeenth supplemental master deed (conventional funds) dated 2 March 2015, eighteenth supplemental master deed (conventional funds) dated 20 May 2015, nineteenth supplemental master deed (conventional funds) dated 3 August 2015 and twentieth supplemental master deed (conventional funds) dated 14 July 2022 (collectively referred to as “the Deeds”) between RHB Asset Management Sdn Bhd (“the Manager”) and Maybank Trustees Berhad (“the Trustee”).

The Fund was launched on 12 April 1995 and will continue its operations until terminated according to the conditions provided in the Deeds.

The principal activity of the Fund is to invest in Permitted Investments as set out in the Deeds which includes securities of companies quoted on Bursa Malaysia, foreign securities, unlisted securities, units or shares in other collective investment schemes, futures contracts, liquid assets and any other form of investments which the relevant authorities may approve from time to time.

All investments will be subject to the Securities Commission Malaysia (“SC”)’s Guidelines on Unit Trust Funds, SC’s requirements, the Deeds, except where exemptions or variations have been approved by the SC’s, internal policies and procedures and objective of the Fund.

The main objective of the Fund is to achieve long term growth through capital appreciation with all income including profits on realisation of investments being automatically reinvested for its compounding effect.

The Manager, a company incorporated in Malaysia, is a wholly-owned subsidiary of RHB Investment Bank Berhad, effective 6 January 2003. Its principal activities include rendering of investment management services, management of unit trust funds and private retirement schemes and provision of investment advisory services.

These financial statements were authorised for issue by the Manager on 23 June 2025.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation of the financial statements

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss, except those as disclosed in the material accounting policy information, and in accordance with Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the financial year. It also requires the Manager to exercise their judgement in the process of applying the Fund’s accounting policies. Although these estimates and judgement are based on the Manager’s best knowledge of current events and actions, actual results may differ. There were no areas involving higher degree of judgement or complexity, or areas where assumptions and estimates are material to the financial statements.

(a) Standards and amendments to existing standards effective 1 May 2024

The Fund has applied the following standards and amendments for the first time for the financial period beginning 1 May 2024:

- Amendments to MFRS 101 ‘Classification of liabilities as current or non-current’ clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity’s expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

The adoption of the above accounting standard, annual improvement and improvement does not give rise to any material financial impact to the Fund.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.1 Basis of preparation of the financial statements (continued)

- (b) New standards, amendments and interpretations effective after 1 May 2024 and have not been early adopted
- Amendments to MFRS 9 and MFRS 7 ‘Amendments to the Classification and Measurement of Financial Instruments’ (effective 1 January 2026)
 - The new MFRS introduces a new structure of profit or loss statement. The amendments clarify that financial assets are derecognised when the rights to the cash flows expire or when the asset is transferred, and financial liabilities are derecognised at the settlement date (i.e. when the liability is extinguished or qualifies for derecognition.).
 - There is an optional exception to derecognise a financial liability at a date earlier than the settlement date if the cash transfer takes place through an electronic payment system, provided that all the specified criteria are met;
 - The amendments also clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (“SPPI”) criterion;
 - There are additional new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
 - The amendments update the disclosures for equity instruments designated at fair value through other comprehensive income (“FVOCI”).

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.1 Basis of preparation of the financial statements (continued)

(b) New standards, amendments and interpretations effective after 1 May 2024 and have not been early adopted (continued)

- MFRS 18 ‘Presentation and Disclosure in Financial Statements’ (effective 1 January 2027) replaces MFRS 101 ‘Presentation of Financial Statements’.
 - The new MFRS introduces a new structure of profit or loss statement.
 - a) Income and expenses are classified into three new main categories:
 - Operating category which typically includes results from the main business activities;
 - Investing category that presents the results of investment in associates and joint venture and other assets that generate a return largely independently of other resources; and
 - Financing category that presents income and expenses from financing liabilities.
 - b) Entities are required to present two new specified subtotals: ‘Operating profit or loss’ and ‘Profit or loss before financing and income taxes’.
 - Management-defined performance measures are disclosed in a single note and reconciled to the most similar specified subtotal in MFRS Accounting Standards.
 - Changes to the guidance on aggregation and disaggregation which focus on grouping items based on their shared characteristics.

The Fund is currently still assessing the effect of the above standards and amendments. No other new standards or amendments to standards are expected to have a material effect on the financial statements of the Fund.

2.2 Financial assets

Classification

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

- those to be measured subsequently at fair value through profit or loss (“FVTPL”), and
- those to be measured at amortised cost.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Financial assets (continued)

Classification (continued)

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as financial assets measured at fair value through other comprehensive income. The contractual cash flows of the Fund's debt securities are solely payment of principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from Manager and dividend receivables as financial assets measured at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset. Financial assets at fair value through profit or loss are initially recognised at fair value. Transaction cost are expensed as incurred in the statement of income and expenses.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in statement of income and expenses within net unrealised gains or losses on changes in fair value in the financial year in which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of income and expenses within dividend income when the Fund's right to receive payments is established.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Financial assets (continued)

Recognition and measurement (continued)

Quoted investments is initially recognised at fair value and subsequently re-measured at fair value based on the market price quoted on the relevant stock exchanges at the close of the business on the valuation day, where the close price falls within the bid-ask spread. In circumstances where the close price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

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

Deposits with licensed financial institutions are stated at cost plus accrued interest calculated on the effective interest method over the year from the date of placement to the date of the statement of financial position, which is a reasonable estimate of fair value due to the short-term nature of the deposits.

Financial assets at amortised cost are subsequently carried at amortised cost using the effective interest method.

Impairment of financial assets

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Financial assets (continued)

Significant increase in credit risk

A significant increase in credit risk is defined by management as any contractual payment which is more than 30-days past due or a counterparty credit rating which has fallen below BBB/Baa.

Definition of default and credit-impaired financial assets

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

Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on the unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Fund may write off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial year.

2.3 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

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

The Fund's financial liabilities which include amount due to brokers, amount due to Manager, accrued management fee, amount due to Trustee, distribution payable, and other payables and accruals are recognised initially at fair value plus directly attributable transaction cost and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in statement of income and expenses when the liabilities are derecognised, and through the amortisation process.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.4 Unit holders' capital

The unit holders' contributions to the Fund meet the criteria of the definition of puttable instruments to be classified as equity instruments under MFRS 132 "Financial Instruments: Presentation". Those criteria include:

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

The outstanding units are carried at the redemption amount that is payable at each financial year if unit holders exercise the right to put the units back to the Fund.

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

2.5 Income recognition

Dividend income from quoted investments is recognised when the Fund's right to receive payment is established. Dividend income is received from financial assets measured at FVTPL.

Interest income from short-term deposits with licensed financial institutions is recognised on an accrual basis using the effective interest method.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

Realised gains or losses on disposal of quoted investments is arrived at after accounting for cost of investments, determined on the weighted average cost method.

Net income or loss is the total of income less expenses.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.6 Taxation

Current tax expense is determined according to Malaysian tax laws at the current rate and includes all taxes based upon the taxable income earned during the financial year.

2.7 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise bank balances and deposits with licensed financial institutions with original maturities of three months or less that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

2.8 Distribution

Distribution to the Fund's unit holders is accounted for as a deduction from realised reserves. A proposed distribution is recognised as a liability in the year in which it is approved by the Trustee.

2.9 Amount due from/to brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the date of the statement of financial position respectively. The amount due from brokers balance is held for collection.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amounts due from brokers at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

2.10 Presentation and functional currency

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

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks, which include market risk, price risk, interest rate risk, credit risk, liquidity risk and capital risk.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated in the SC's Guidelines on Unit Trust Funds.

Market risk

Securities may decline in value due to factors affecting securities markets generally or particular industries represented in the securities markets. The value of a security may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investors' sentiment generally. They may also decline due to factors that affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry. Equity securities generally have greater price volatility than fixed income securities. The market price of securities owned by a unit trust fund might go down or up, sometimes rapidly or unpredictable.

Price risk

Price risk is the risk that the fair value of the investments of the Fund will fluctuate because of changes in market prices (other than those arising from interest rate risk).

The Fund is exposed to equity securities (other than those arising from interest rate risk) price risk for its investments of RM18,604,273 (2024: RM51,634,023) in equity securities.

The sensitivity analysis is based on the assumption that the price of the quoted securities investments fluctuate by +/- 5% with all other variables held constant, the impact on the statement of income and expenses and net asset value is +/- RM930,214 (2024: RM2,581,701).

Interest rate risk

Interest rate risk is the risk that the value of the fund's investments and its return will fluctuate because of changes in market interest rate. The fund's exposure to the interest rate risk is mainly confined to short term placements with financial institutions. The Manager overcomes the exposure by way of maintaining deposits on short term basis. Therefore, exposure to interest rate risk fluctuation is minimal.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk

Credit risk refers to the possibility that the issuer of a particular investment will not be able to make timely or full payments of principal or income due on that investment. The credit risk arising from cash and cash equivalents is managed by ensuring that the Fund will only maintain cash balances and place deposits with reputable licensed financial institutions. The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC's Guidelines on Unit Trust Funds.

The following table sets out the credit risk concentration and counterparties of the Fund.

	Cash and cash equivalents	Other financial assets*	Total
	RM	RM	RM
<u>2025</u>			
AAA	3,288,502	-	3,288,502
Others	-	826	826
	<u>3,288,502</u>	<u>826</u>	<u>3,289,328</u>
<u>2024</u>			
AAA	6,406,282	-	6,406,282
Others	-	103,632	103,632
	<u>6,406,282</u>	<u>103,632</u>	<u>6,509,914</u>

* Comprise of amount due from Manager and dividend receivables.

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations.

Liquidity risk exists when particular investments are difficult to sell. As such, the Fund may not be able to sell such illiquid investments at an advantageous time or price to meet its liquidity requirements. Unit trust funds with principal investment strategies that involve securities or securities with substantial market and/or credit risk tend to have the greater exposure to liquidity risk. As part of its risk management, the Manager will attempt to manage the liquidity of the Fund through asset allocation and diversification strategies within the portfolio. The Manager will also conduct constant fundamental research and analysis to forecast future liquidity of its investments.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk (continued)

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period from the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Less than 1 month RM	Between 1 Month to 1 year RM
<u>2025</u>		
Amount due to brokers	445,291	-
Accrued management fee	25,802	-
Amount due to Trustee	1,032	-
Other payables and accruals	-	19,844
	<u>472,125</u>	<u>19,844</u>
<u>2024</u>		
Amount due to brokers	151,017	-
Amount due to Manager	2,193	-
Accrued management fee	69,309	-
Amount due to Trustee	2,773	-
Distribution payable	678,616	-
Other payables and accruals	-	16,475
	<u>903,908</u>	<u>16,475</u>

Capital risk

The capital of the Fund is represented by equity consisting of unit holders' capital of RM7,923,916 (2024: RM20,339,728) and retained earnings of RM13,477,716 (2024: RM36,883,826). The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

4. FAIR VALUE ESTIMATION

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

The fair value of financial assets and financial liabilities traded in an active market (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the financial year end date.

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

The fair value of financial assets and financial liabilities that are not traded in an active market is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each financial year end date. Valuation techniques used for non-standardised financial instruments such as options, currency swaps and other over-the-counter derivatives, include the use of comparable recent transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

The fair values are based on the following methodologies and assumptions:

- (i) For bank balances and deposits with licensed financial institutions with maturities less than 1 year, the carrying value is a reasonable estimate of fair value.
- (ii) The carrying value of receivables and payables are assumed to approximate their fair values due to their short term nature.

Fair value hierarchy

The Fund adopted MFRS 13 “Fair Value Measurement” in respect of disclosures about the degree of reliability of fair value measurement. This requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 3: Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs)

4. FAIR VALUE ESTIMATION (CONTINUED)

Fair value hierarchy (continued)

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

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2025</u>				
Financial assets at FVTPL:				
- Quoted investments	18,604,273	-	-	18,604,273
<u>2024</u>				
Financial assets at FVTPL:				
- Quoted investments	51,634,023	-	-	51,634,023

Investments in active listed equities, i.e. quoted investments whose values are based on published market prices in active markets are classified within Level 1. The Fund does not adjust the published prices for these instruments. The Fund's policies on valuation of these financial assets are stated in Note 2.2.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise:

	<u>2025</u> RM	<u>2024</u> RM
Bank balances	50,711	51,715
Deposits with licensed financial institutions	3,237,791	6,354,567
	<u>3,288,502</u>	<u>6,406,282</u>

6. INVESTMENTS

	<u>2025</u> RM	<u>2024</u> RM
Investments:		
- Quoted investments	<u>18,604,273</u>	<u>51,634,023</u>

6. INVESTMENTS (CONTINUED)

Investments as at 30 April 2025 are as follows:

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> <u>RM</u>	<u>Fair Value</u> <u>RM</u>	<u>% of Net</u> <u>Asset</u> <u>Value</u> <u>%</u>
QUOTED INVESTMENTS				
Construction				
Gamuda Berhad	201,312	813,835	853,563	3.99
IJM Corporation Berhad	200,000	354,977	454,000	2.12
		1,168,812	1,307,563	6.11
Consumer Product & Services				
99 Speed Mart Retail Holdings Berhad	504,900	1,078,920	1,136,025	5.31
Guan Chong Berhad	210,000	831,928	709,800	3.32
Hi Mobility Berhad	450,000	571,650	585,000	2.73
		2,482,498	2,430,825	11.36
Financial Services				
CIMB Group Holdings Berhad	150,000	1,168,976	1,068,000	4.99
Malayan Banking Berhad	130,000	1,315,964	1,298,700	6.07
Public Bank Berhad	300,000	1,388,585	1,341,000	6.27
		3,873,525	3,707,700	17.33
Health Care				
Hartalega Holdings Berhad	300,000	687,799	669,000	3.12
Kossan Rubber Industries Berhad	520,000	1,041,867	951,600	4.45
Supercomnet Technologies Berhad	800,000	1,047,374	712,000	3.33
Top Glove Corporation Berhad	1,200,000	1,030,316	1,056,000	4.93
		3,807,356	3,388,600	15.83
Industrial Products & Services				
CPE Technology Berhad	886,700	895,241	487,685	2.28
Southern Cable Group Berhad	200,000	205,640	224,000	1.05
Sunway Berhad	100,000	461,170	455,000	2.12
		1,562,051	1,166,685	5.45

6. INVESTMENTS (CONTINUED)

Investments as at 30 April 2025 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u>	<u>Fair Value</u>	<u>% of Net Asset Value</u>
		<u>RM</u>	<u>RM</u>	<u>%</u>
QUOTED INVESTMENTS (CONTINUED)				
Plantation				
SD Guthrie Berhad	250,000	1,149,528	1,187,500	5.55
Property				
Mah Sing Group Berhad	400,000	667,123	468,000	2.19
Technology				
Frontken Corporation Berhad	100,000	335,115	350,000	1.64
Unisem (M) Berhad	400,000	1,354,232	792,000	3.70
ViTrox Corporation Berhad	370,000	1,435,701	1,158,100	5.41
		3,125,048	2,300,100	10.75
Telecommunications & Media				
Telekom Malaysia Berhad	70,000	466,264	476,000	2.22
Transportation & Logistics				
Westports Holdings Berhad	250,000	1,118,530	1,062,500	4.96
Utilities				
Tenaga Nasional Berhad	80,000	1,094,818	1,108,800	5.18
TOTAL QUOTED INVESTMENTS		20,515,553	18,604,273	86.93

6. INVESTMENTS (CONTINUED)

Investments as at 30 April 2024 are as follows:

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> <u>RM</u>	<u>Fair Value</u> <u>RM</u>	<u>% of Net</u> <u>Asset</u> <u>Value</u> <u>%</u>
QUOTED INVESTMENTS				
Construction				
IJM Corporation Berhad	1,150,000	2,041,120	2,783,000	4.86
Muhibbah Engineering (M) Berhad	1,700,000	1,321,360	1,606,500	2.81
		3,362,480	4,389,500	7.67
Energy				
Hibiscus Petroleum Berhad	1,440,000	3,831,417	3,916,800	6.85
Velesto Energy Berhad	11,000,000	1,656,110	2,970,000	5.19
Wasco Berhad	930,000	765,293	1,348,500	2.36
		6,252,820	8,235,300	14.40
Financial Services				
Malayan Banking Berhad	60,000	525,756	583,800	1.02
Public Bank Berhad	300,000	1,110,746	1,236,000	2.16
		1,636,502	1,819,800	3.18
Health Care				
Hartalega Holdings Berhad	760,000	1,574,288	2,128,000	3.72
Kossan Rubber Industries Berhad	500,000	876,560	1,100,000	1.92
Supercomnet Technologies Berhad	2,300,000	3,011,200	3,588,000	6.27
Top Glove Corporation Berhad	2,500,000	1,996,670	2,200,000	3.84
		7,458,718	9,016,000	15.75
Industrial Products & Services				
Cape EMS Berhad	2,000,000	1,799,950	1,900,000	3.32
CPE Technology Berhad	1,166,700	1,177,938	1,505,043	2.63
Southern Cable Group Berhad	500,000	284,050	275,000	0.48
Sunway Berhad	255,500	478,105	899,360	1.57
		3,740,043	4,579,403	8.00

6. INVESTMENTS (CONTINUED)

Investments as at 30 April 2024 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> <u>RM</u>	<u>Fair Value</u> <u>RM</u>	<u>% of Net</u> <u>Asset</u> <u>Value</u> <u>%</u>
QUOTED INVESTMENTS (CONTINUED)				
Property				
LBS Bina Group Berhad	2,900,000	1,617,940	1,986,500	3.47
Malaysian Resources Corporation Berhad	3,600,000	2,103,160	,412,000	4.22
		3,721,100	4,398,500	7.69
Technology				
Frontken Corporation Berhad	620,000	2,077,713	2,442,800	4.27
Genetec Technology Berhad	600,000	1,176,531	1,152,000	2.01
Greatch Technology Berhad	300,000	1,347,440	1,350,000	2.36
Inari Amertron Berhad	910,000	2,789,050	2,811,900	4.91
Malaysian Pacific Industries Berhad	99,400	2,990,736	3,011,820	5.26
Oppstar Berhad	2,000,000	2,530,855	2,900,000	5.07
Unisem (M) Berhad	480,000	1,593,166	1,752,000	3.06
UWC Berhad	500,000	1,645,870	1,540,000	2.69
ViTrox Corporation Berhad	300,000	2,208,310	2,235,000	3.91
		18,359,671	19,195,520	33.54
TOTAL QUOTED INVESTMENTS		44,531,334	51,634,023	90.23

7. UNITS IN CIRCULATION

	<u>2025</u> <u>Units</u>	<u>2024</u> <u>Units</u>
At the beginning of the financial year	52,193,225	54,417,225
Creation of units during the financial year:		
Arising from distribution	608,945	-
Arising from applications	644,000	187,000
Cancellation of units during the financial year	(27,668,000)	(2,411,000)
At the end of the financial year	<u>25,778,170</u>	<u>52,193,225</u>

8. MANAGEMENT FEE

In accordance with the Prospectus, the management fee provided in the financial statements is 1.50% (2024: 1.50%) per annum based on the net asset value of the Fund, calculated on a daily basis for the financial year.

9. TRUSTEE'S FEE

In accordance with the Prospectus, the Trustee's fee provided in the financial statements is 0.06% (2024: 0.06%) per annum based on the net asset value of the Fund, calculated on a daily basis for the financial year.

10. TAXATION

(a) Tax charge for the financial year

	<u>2025</u> <u>RM</u>	<u>2024</u> <u>RM</u>
Current taxation	<u>-</u>	<u>-</u>

(b) Numerical reconciliation of income tax expense

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

	<u>2025</u> <u>RM</u>	<u>2024</u> <u>RM</u>
Net (loss)/income before taxation	<u>(7,778,311)</u>	<u>8,870,158</u>
Tax calculated at statutory income tax rate of 24%	(1,866,795)	2,128,838
Tax effects of:		
- Investment loss not brought to tax/(Investment income not subject to tax)	1,568,316	(2,442,505)
- Expenses not deductible for tax purposes	132,965	123,531
- Restriction on tax deductible expenses	<u>165,514</u>	<u>190,136</u>
Tax expense	<u>-</u>	<u>-</u>

11. DISTRIBUTION

Distributions to unit holders are from the following sources:

	<u>2024</u> RM
Dividend income	739,683
Interest income from deposits with licensed financial institutions	216,733
Net realised gain on sale of investments	1,012,363
	<u>1,968,779</u>
Less: Expenses	(1,290,163)
Net distribution amount	<u>678,616</u>
<u>Distribution date</u>	<u>Gross/net sen per unit</u>
25 April 2024	<u>1.3000</u>

There was no distribution to unit holders for the financial year ended 30 April 2025.

12. TOTAL EXPENSE RATIO (“TER”)

	<u>2025</u> %	<u>2024</u> %
TER	<u>1.61</u>	<u>1.63</u>

The TER ratio is calculated based on total expenses excluding investment transaction related cost of the Fund to the average net asset value of the Fund calculated on a daily basis.

13. PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2025</u>	<u>2024</u>
PTR (times)	<u>1.43</u>	<u>1.08</u>

The PTR ratio is calculated based on average of acquisition and disposals of the Fund for the financial year to the average net asset value of the Fund calculated on a daily basis.

14. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

The number of units held by the Manager and related party are as follows:

	2025		2024	
	Units	RM	Units	RM
The Manager	5,707	4,738	5,199	5,701
RHB Capital Nominees (Tempatan) Sdn Bhd	2,315,090	1,921,988	2,428,994	2,663,149

The units are held beneficially by the Manager for booking purposes. The Manager is of the opinion that all transactions with the related parties have been entered into in the normal course of business at agreed terms between the related parties.

The units held by RHB Capital Nominees (Tempatan) Sdn Bhd, a wholly owned subsidiary of ultimate holding company of the Manager, are under nominees structure.

Other than the above, there were no units held by the Directors or parties related to the Manager.

The holding company and the ultimate holding company of the Manager is RHB Investment Bank Berhad and RHB Bank Berhad respectively. The Manager treats RHB Bank Berhad group of companies including RHB Investment Bank Berhad and its subsidiaries as related parties.

15. TRANSACTIONS BY THE FUND

Details of transactions by the Fund for the financial year ended 30 April 2025 are as follows:

Brokers/ <u>Financial institutions</u>	Value of <u>trades</u> RM	Percentage of total <u>trades</u> %	Brokerage <u>fees</u> RM	Percentage of total brokerage <u>fees</u> %
RHB Investment Bank Berhad*	57,238,200	44.14	172,190	47.58
Affin Hwang Investment Bank Berhad	12,049,071	9.29	36,147	9.99
Maybank Investment Bank Berhad	11,789,579	9.09	35,369	9.77
CGS International Securities Malaysia Sdn Bhd	10,373,581	8.00	31,121	8.60
UOB Kay Hian Securities (M) Sdn Bhd	9,674,074	7.46	19,348	5.35
CIMB Securities Sdn Bhd	9,308,054	7.18	24,360	6.73
CLSA Securities Malaysia Sdn Bhd	3,585,486	2.76	7,171	1.98
Nomura Securities Malaysia Sdn Bhd	3,276,300	2.53	6,553	1.81
MIDF Amanah Investment Bank Berhad	2,840,442	2.19	8,521	2.35
Hong Leong Investment Bank Berhad	2,451,870	1.89	4,904	1.35
Others	7,097,917	5.47	16,234	4.49
	129,684,574	100.00	361,918	100.00

15. TRANSACTIONS BY THE FUND (CONTINUED)

Details of transactions by the Fund for the financial year ended 30 April 2024 are as follows:

Brokers/ <u>Financial institutions</u>	Value of <u>trades</u> RM	Percentage of total <u>trades</u> %	Brokerage <u>fees</u> RM	Percentage of total brokerage <u>fees</u> %
RHB Investment Bank Berhad*	36,831,025	32.50	111,893	35.41
Maybank Investment Bank Berhad	14,168,674	12.50	42,506	13.45
CSG-CIMB Securities Sdn Bhd	12,776,851	11.28	38,330	12.13
Affin Hwang Investment Bank Berhad	11,580,800	10.22	34,742	10.99
UOB Kay Hian Securities (M) Sdn Bhd	7,724,318	6.82	15,485	4.90
CIMB Securities Sdn Bhd (Formerly known as KAF Equities Sdn Bhd)	7,158,187	6.32	21,186	6.70
MIDF Amanah Investment Bank Berhad	5,744,221	5.07	17,233	5.45
Hong Leong Investment Bank Berhad	5,014,706	4.43	10,029	3.17
CLSA Securities Malaysia Sdn Bhd	3,962,841	3.50	7,926	2.51
Nomura Securities Malaysia Sdn Bhd	3,820,549	3.37	7,641	2.42
Others	4,533,634	3.99	9,068	2.87
	113,315,806	100.00	316,039	100.00

* Included in transactions by the Fund are trades with RHB Investment Bank Berhad, the holding company of the Manager. The Manager is of the opinion that all transactions with the related company have been entered into in the normal course of business at agreed terms between the related parties.

16. FINANCIAL INSTRUMENTS BY CATEGORIES

	<u>2025</u> RM	<u>2024</u> RM
Financial assets		
Financial assets at FVTPL		
• Quoted investments	<u>18,604,273</u>	<u>51,634,023</u>
Financial assets at amortised cost		
• Bank balances	50,711	51,715
• Deposits with licensed financial institutions	3,237,791	6,354,567
• Amount due from Manager	826	1,075
• Dividend receivables	-	102,557
	<u>3,289,328</u>	<u>6,509,914</u>
Financial liabilities		
Financial liabilities at amortised cost		
• Amount due to brokers	445,291	151,017
• Amount due to Manager	-	2,193
• Accrued management fee	25,802	69,309
• Amount due to Trustee	1,032	2,773
• Distribution payable	-	678,616
• Other payables and accruals	19,844	16,475
	<u>491,969</u>	<u>920,383</u>

STATEMENT BY MANAGER RHB CAPITAL FUND

We, Chin Yoong Kheong and Ng Chze How, two of the Directors of RHB Asset Management Sdn Bhd, do hereby state that in the opinion of the Directors of the Manager, the accompanying statement of financial position, statement of income and expenses, statement of changes in net asset value, statement of cash flows and the accompanying notes, are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of the Fund as at 30 April 2025 and of its financial performance and cash flows for the financial year then ended and comply with the provisions of the Deeds.

On behalf of the Manager,

Chin Yoong Kheong
Director

Ng Chze How
Director

23 June 2025

TRUSTEE'S REPORT

To the unit holders of RHB Capital Fund (“Fund”),

We have acted as Trustee of the Fund for the financial year ended 30 April 2025 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, RHB Asset Management Sdn Bhd has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

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

For **Maybank Trustees Berhad**

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

NORHAZLIANA BINTI MOHAMMED HASHIM

Head, Unit Trust & Corporate Operations

Kuala Lumpur

23 June 2025

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF RHB CAPITAL FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of RHB Capital Fund (“the Fund”) give a true and fair view of the financial position of the Fund as at 30 April 2025 and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 April 2025, and the statement of income and expenses, statement of changes in net asset value and statement of cash flows for the financial year then ended, and notes to the financial statements, including a material accounting policy information, as set out on pages 10 to 37.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the “Auditors’ responsibilities for the audit of the financial statements” section of our report.

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

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (“By-Laws”) and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF RHB CAPITAL FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The Manager of the Fund is responsible for the other information. The other information comprises Manager's Report, but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager for the financial statements

The Manager of the Fund is responsible for the preparation of the financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to terminate the Fund, or has no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF RHB CAPITAL FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

- (a) Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF RHB CAPITAL FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

- (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 Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

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.

OTHER MATTERS

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

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
23 June 2025

CORPORATE INFORMATION

MANAGER

RHB Asset Management Sdn Bhd

REGISTERED OFFICE

Level 10, Tower One, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur

PRINCIPAL AND BUSINESS OFFICE

Level 8, Tower Two & Three, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur

Email address: rhbam@rhbgroup.com

Tel: 03-9205 8000

Fax: 03-9205 8100

Website: <https://rhbgroup.com/myinvest>

BOARD OF DIRECTORS

Mr Chin Yoong Kheong (*Independent Non-Executive Chairman*)

YBhg Dato' Darawati Hussain (*Senior Independent Non-Executive Director*)

Puan Sharizad Binti Juma'at (*Independent Non-Executive Director*)

Mr Ng Chze How (*Chief Executive Officer / Managing Director*)

(*Appointed with effect from 11 September 2024*)

INVESTMENT COMMITTEE MEMBERS

YBhg Dato' Darawati Hussain (*Independent Chairperson*)

Mr Chin Yoong Kheong

Puan Sharizad Binti Juma'at

CHIEF EXECUTIVE OFFICER / MANAGING DIRECTOR

Mr Ng Chze How (*Appointed with effect from 11 September 2024*)

SECRETARIES

Encik Azman Shah Md Yaman (LS No. 0006901)

Izafaniz Binti Abdullah Kamir (MACS01851)

Filza Zainal Abidin (LS No: 0008413)

BRANCH OFFICE

Shah Alam Office
B-3-1, 1st Floor
Jalan Serai Wangi G16/G, Alam Avenue
Persiaran Selangor, Section 16
40200 Shah Alam
Tel: 03-5523 1909 Fax: 03-5524 3471

Sri Petaling Office
Level 1 & 2, No 53 Jalan Radin Tengah
Bandar Baru Seri Petaling
57000 Kuala Lumpur
Tel: 03-9054 2470 Fax: 03-9054 0934

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No.7A, Persiaran Greentown 9
Pusat Perdagangan Greentown
30450 Ipoh, Perak
Tel: 05-242 4311 Fax: 05-242 4312

Johor Bahru Office
No 34 Jalan Kebun Teh 1
Pusat Perdagangan Kebun Teh
80250 Johor Bahru, Johor
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Jalan Molek 1/30, Taman Molek
81100 Johor Bahru, Johor
Tel: 07-358 3587 Fax: 07-358 3581

Kuantan Office
1st Floor, Lot 10, Jalan Putra Square 1
Putra Square
25300 Kuantan, Pahang
Tel: 09-517 3611 / 09-517 3615
Fax: 09-517 3612

Kuching Office
Lot 133, Section 20, Sublot 2 & 3
1st Floor, Jalan Tun Ahmad Zaidi Adruce
93200 Kuching, Sarawak
Tel: 082-550 838 Fax: 082-550 508

Yung Kong Abell, Units 1-10
2nd Floor Lot 365
Section 50 Jalan Abell
93100 Kuching, Sarawak
Tel: 082-245 611 Fax: 082-230 326

Kota Bharu Office	Ground Floor, No 3486-G Jalan Sultan Ibrahim 15050 Kota Bharu, Kelantan Tel: 09-740 6891 Fax: 09-740 6890
Melaka Office	581B, Taman Melaka Raya 75000 Melaka Fax: 06-292 2212
Penang Office	3rd Floor, 44 Lebuhr Pantai 10300 Georgetown, Penang Tel: 04-264 5639
Prai Office	No 38, First Floor Jalan Todak 2 Seberang Jaya 13700 Perai, Penang Tel: 04-386 6670 Fax: 04-386 6528

TRUSTEE	Maybank Trustees Berhad
PRINCIPAL BANKER	RHB Bank Berhad
AUDITORS	PricewaterhouseCoopers PLT
TAX ADVISER	PricewaterhouseCoopers Taxation Services Sdn Bhd
DISTRIBUTORS	RHB Asset Management Sdn Bhd RHB Bank Berhad RHB Investment Bank Berhad Areca Capital Sdn Bhd CIMB Bank Berhad CIMB Private Banking Genexus Advisory Sdn Bhd iFAST Capital Sdn Bhd Kenanga Investors Berhad OCBC Bank (M) Berhad Phillip Mutual Berhad Standard Chartered Bank (M) Berhad Standard Financial Adviser Sdn Bhd UOB Kay Hian Securities (M) Sdn Bhd



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