

KENANGA GROWTH OPPORTUNITIES FUND

ANNUAL REPORT

For the Financial Year Ended 31 August 2025

kenanga

Kenanga Investors Berhad
Company No. 199501024358 (353563-P)

KENANGA GROWTH OPPORTUNITIES FUND

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CORPORATE DIRECTORY

Manager: Kenanga Investors Berhad Company No. 199501024358 (353563-P)

Registered Office

Level 17, Kenanga Tower
237, Jalan Tun Razak
50400 Kuala Lumpur, Malaysia.
Tel: 03-2172 2888
Fax: 03-2172 2999

Business Office

Level 14, Kenanga Tower
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50400 Kuala Lumpur, Malaysia.
Tel: 03-2172 3000
Fax: 03-2172 3080
Email: investorservices@kenanga.com.my
Website: www.kenangainvestors.com.my

Board of Directors

Choy Khai Choon, Steven (**Chairman, Non-Independent Non-Executive Director**)
Norazian Binti Ahmad Tajuddin
(**Independent Non-Executive Director**)
Luk Wai Hong, William (**Non-Independent Non-Executive Director**)
Norazilla Binti Md Tahir (**Independent Non-Executive Director**)
Datuk Wira Ismitz Matthew De Alwis
(**Chief Executive Officer, Executive Director**)

Investment Committee

Luk Wai Hong, William (**Chairman**)
Norazian Binti Ahmad Tajuddin
(**Independent Member**)
Norazilla Binti Md Tahir (**Independent Member**)
Datuk Wira Ismitz Matthew De Alwis
(**Non-Independent Member**)

Company Secretary: Norliza Abd Samad (MAICSA 7011089)

Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia.

Trustee: CIMB Commerce Trustee Berhad Company No. 199401027349 (313031-A)

Registered Office

Level 13, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur.
Tel: 03-2261 8888
Fax: 03-2261 0099
Website: www.cimb.com

Business Office

Level 21, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur.
Tel: 03-2261 8888
Fax: 03-2261 9894

Auditor: Ernst & Young PLT Company No. 202006000003 (LLP0022760-LCA) & AF 0039

Level 23A, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur.
Tel: 03-7495 8000 Fax: 03-2095 5332

Tax Adviser: Ernst & Young Tax Consultants Sdn Bhd

Company No. 198901002487 (179793-K)

Level 23A, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur.
Tel: 03-7495 8000 Fax: 03-2095 5332

Membership: Federation of Investment Managers Malaysia (FIMM)

19-06-1, 6th Floor, Wisma Capital A, 19 Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur.
Tel: 03-7890 4242 Website: www.fimm.com.my

DIRECTORY OF MANAGER'S OFFICES

Regional Branch Offices:

Kuala Lumpur

Ground Floor, Kenanga Tower
237, Jalan Tun Razak
50400 Kuala Lumpur
Tel: 03-2172 3123
Fax: 03-2172 3133

Melaka

No. 43, Jalan KSB 11
Taman Kota Syahbandar
75200 Melaka
Tel: 06-240 2310
Fax: 06-240 2287

Klang

No. 12, Jalan Batai Laut 3
Taman Intan
41300 Klang, Selangor
Tel: 03-3341 8818 / 03-3348 7889
Fax: 03-3341 8816

Penang

5.04, 5th Floor
Menara Boustead Penang
39, Jalan Sultan Ahmad Shah
10050 Penang
Tel: 04-210 6628
Fax: 04-210 6644

Miri

Lot 507 & Lot 508, Ground Floor
Jalan Permaisuri
98000 Miri, Sarawak
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Jalan Tuanku Munawir
70000 Seremban
Negeri Sembilan
Tel: 06-761 5678
Fax: 06-761 2242

Johor Bahru

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Taman Molek
81100 Johor Bahru, Johor
Tel: 07-288 1683
Fax: 07-288 1693

Kuching

Suite 9 & 10, 3rd Floor, Yung Kong Abell
Lot 365 Abell Road
93100 Kuching, Sarawak
Tel: 082-572 228
Fax: 082-572 229

Kuantan

Ground Floor Shop
No. B8, Jalan Tun Ismail 1
25000 Kuantan, Pahang
Tel: 09-514 3688
Fax: 09-514 3838

Ipoh

No. 1, Jalan Leong Sin Nam
30300 Ipoh, Perak
Tel: 05-254 7573 / 05-254 7570
Fax: 05-254 7606

Kota Kinabalu

Level 8, Wisma Great Eastern
No. 68, Jalan Gaya
88000 Kota Kinabalu, Sabah
Tel: 088-203 063
Fax: 088-203 062

Damansara Uptown

44B, Jalan SS21/35
Damansara Utama
47400 Petaling Jaya, Selangor
Tel: 03-7710 8828
Fax: 03-7710 8830

Kota Damansara

C26-1, Dataran Sunway
Jalan PJU 5/17, Kota Damansara
47810 Petaling Jaya, Selangor
Tel: 03-6150 3612
Fax: 03-6150 3906

Kluang

No. 1, Aras 1, Jalan Haji Manan
Pusat Perniagaan Komersial Haji Manan
86000 Kluang, Johor
Tel: 07-710 2700
Fax: 07-710 2150

1. FUND INFORMATION

1.1 Fund Name

Kenanga Growth Opportunities Fund (**KGOF** or **the Fund**)

1.2 Fund Category / Type

Equity / Growth

1.3 Investment Objective

The Fund aims to achieve consistent capital appreciation over the long-term by primarily investing in relatively smaller capitalized companies* with good growth prospects**.

**Relatively smaller capitalized companies refers to companies with market capitalization of less than RM4 billion at the point of purchase.*

***Good growth prospects refers to companies with higher earnings growth than the market average.*

1.4 Investment Strategy

The Fund is an equity growth fund that is actively managed based on both quantitative and qualitative disciplines. Its strategy is to invest in companies that are likely to yield higher earnings growth than the market average.

1.5 Duration

The Fund was launched on 23 April 2004 and it shall exist as long as it appears to the Manager and the Trustee that it is in the interests of the unit holders for it to continue.

1.6 Performance Benchmark

FTSE Bursa Malaysia EMAS Index (FBMEMAS)

1.7 Distribution Policy

Income (if any) as secondary objective, is paid annually.

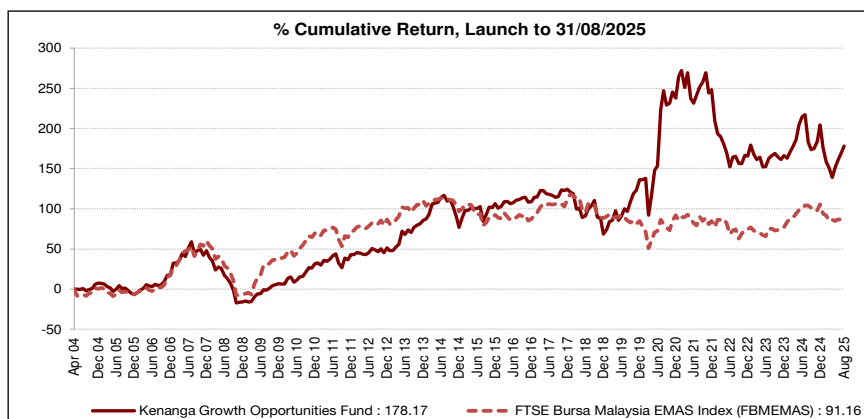
2. MANAGER'S REPORT

2.1 Explanation on whether the Fund has achieved its investment objective

The Fund has achieved its objective by maximizing capital returns over a medium to long term period by investing in companies with market capitalization of less than RM4 billion with good growth prospects.

2.2 Comparison between the Fund's performance and performance of the benchmark

Performance Chart Since Launch (23/04/2004 – 31/08/2025)
Kenanga Growth Opportunities Fund vs Benchmark*



Source: Novagni Analytics and Advisory

*Benchmark: FTSE Bursa Malaysia EMAS Index (FBMEMAS)

2.3 Investment strategies and policies employed during the financial year under review

The Fund's investment strategy and policy are to invest in companies in the small to medium capitalization category, typically, companies below RM4 billion market capitalization. The strategy employed was in line with that disclosed in the master prospectus.

2.4 The Fund's asset allocation as at 31 August 2025 and comparison with the previous financial year

Asset	31 Aug 2025	31 Aug 2024
Listed equity securities	94.6%	95.9%
Unlisted options	0.9%	1.2%
Short term deposits and cash equivalents	4.5%	2.9%

Note: The above mentioned percentages are based on total net asset value (NAV)

Reason for the differences in asset allocation

As of 31 August 2025, the Fund's invested level slightly reduced from 95.9% to 94.6%. The decrease in equity exposure during the financial year under review was due to the Fund Manager raising cash amid the increasing uncertainties in the global markets.

2.5 Fund performance analysis based on NAV per unit (adjusted for income distribution; if any) since last review year

	Year under review
KGOF	-1.68%
FTSE Bursa Malaysia EMAS Index (FBMEMAS)	-6.26%

Source: Lipper

During the financial year under review, the Fund recorded a negative return of 1.68%, outperforming the benchmark negative return of 6.26%.

2.6 Review of the market

Market review

Equities in September 2024 experienced moderate easing from the previous month's volatility, with most markets showing an upward bias. The key headline was rate cuts, as the US Federal Reserve (Fed) delivered its first cut of the cycle—a 50 basis points (bps) reduction—while the European Central Bank (ECB) executed its second 25bps cut of the year. Concerns that the Fed's larger-than-expected move was driven by weakening growth were largely dismissed, following two consecutive better-than-expected jobless claims reports. As a result, all three major US indices posted monthly gains of 2.0%–3.0%, with the Dow Jones and S&P 500 reaching new record highs. While the Fed's dot plot indicates another 50bps reduction before year-end and a further 100bps in 2025, markets are slightly ahead, having already priced in an additional 50bps cut for that period. On the local front, the FBM KLCI, FBM 100, and FBM Shariah declined by 1.8%, 1.4%, and 0.3% month-on-month (MoM) respectively, while the FBM Small Cap eased by 0.6%. Bank Negara Malaysia (BNM) maintained the Overnight Policy Rate (OPR) at 3.00%, and local inflation remained stable, with the August Consumer Price Index (CPI) coming in at 1.9%, below the expected 2.0%. Profit-taking activity was notable in both August and September, though foreign flows remained net positive at RM0.5 billion, bringing the year-to-date (YTD) net buying to RM3.6 billion.

Equities declined in October as the US presidential election approached. US equities traded higher for most of the month but fell in the final days, with the Dow Jones and S&P 500 down 1.3% and 1.0%, respectively. Market sentiment was influenced by shifting poll results suggesting a potential Trump presidency, with investors pricing in risks such as universal tariffs and higher tariffs on China. The strong rally in Chinese equities seen in September lost momentum in October, with the Hang Seng Index (HSI) and Hang Seng China Enterprises Index (HSCEI) falling 3.9% and 3.3%, respectively. In Malaysia, the FBM KLCI, FBM 100, FBM Shariah, and FBM Small Cap indices declined by 2.9%, 1.7%, 1.5%, and 2.3% respectively, largely due to profit-taking by foreign investors. Foreign investors sold a net RM1.77 billion worth of equities in October, reversing three consecutive months of net buying and reducing the YTD net inflows to RM1.8 billion. On 18 October, the Malaysian Prime Minister unveiled the 2025 National Budget, totalling RM421 billion—equivalent to 20.2% of Gross Domestic Product (GDP). The proposed budget aims to reduce subsidies, cut the fiscal deficit, and address demands for higher wages and improved social welfare. Among the key measures, Malaysia is considering a tiered pricing mechanism for RON95 petrol subsidies and proposing a 2% dividend income tax for both publicly listed and privately held companies.

2.6 Review of the market (contd.)

Market review (contd.)

November began with the US presidential election, where Donald Trump secured a sweeping victory over his rival, Kamala Harris. His re-election as the 47th President, coupled with a widely anticipated 25bps cut in the Fed Funds Rate (FFR), fuelled optimism in US equities. The three major US indices posted strong gains of 5.0%–7.0%, with the Dow Jones and S&P 500 ending the month at record highs. Headline CPI for October rose to 2.6%, marking the first annual increase since March 2024, while core CPI climbed to 3.3%. In Malaysia, the FBM Shariah (-0.2% MoM) and FBM KLCI (-0.4% MoM) underperformed relative to the FBM 100 (+0.1% MoM) and FBM Small Cap (+2.0% MoM). BNM maintained the OPR at 3.00% for the ninth consecutive meeting, supported by stable inflation and steady economic growth. YTD, headline and core CPI averaged 1.8% year-on-year (YoY), below BNM's initial forecast range of 2.0%–3.5%. Foreign flows turned negative, particularly in the final week following the US presidential election, resulting in a net outflow of RM3.1 billion for the month—the largest since March 2020 during the onset of COVID-19 lockdowns.

Equities posted mixed results in December to close out 2024. The Dow Jones and S&P 500 fell by 5.1% and 2.5% MoM respectively, while the Nasdaq rose 0.5% MoM. The Fed reduced interest rates by 25bps, bringing the target range down to 4.25%–4.50%, in line with market expectations. Core inflation remained steady between 3.31%–3.33% across all three prints from September to November. The prospect of fewer rate cuts in 2025, combined with expectations of higher inflation, became a key concern for investors. The 2025 Personal Consumption Expenditures (PCE) forecast rose from 2.1% to 2.5%, while the core PCE inflation forecast increased from 2.2% to 2.5%. With December being a relatively quiet month for most markets, the FBM KLCI's gain of 3.0% MoM, made it the best-performing index among ASEAN markets. Broader indices performed even better, with the FBM 100, FBM Small Cap, and FBM Shariah rising by 3.7%, 3.9%, and 4.6% MoM, respectively. Foreign investors remained net sellers of Malaysian equities for the third consecutive month, with net outflows totalling RM2.9 billion in December. This brought the cumulative net foreign outflow for 2024 to RM4.2 billion—the highest annual net outflow since 2020.

January 2025 kicked off with cautious optimism in global equity markets, with the Dow Jones, S&P 500 and Nasdaq rising 4.7%, 2.7%, and 1.6% MoM, respectively. However, technology and related stocks came under pressure due to a knee-jerk reaction following the Biden administration's release of the Interim Final Rule (IFR) on Artificial Intelligence (AI) Diffusion. Global stocks rose as investors reacted positively to President Trump's inauguration on 20 January, who hinted at a potentially softer approach toward tariffs on China. Meanwhile, locally, the FBM Small Cap, FBM KLCI, FBM 100, and FBM Shariah declined 5.1%, 5.2%, 5.6%, and 6.8% MoM respectively, making Malaysia one of the worst performing markets in ASEAN. Rising external risks triggered a sharp selloff in Malaysia's data centre-related stocks and AI-linked proxies. Among commodities, Brent crude prices rose 2.8% MoM to USD 76.8 per barrel, driven by heightened expectations of oil supply disruptions following the latest US sanctions on Russian energy trade. Meanwhile, crude palm oil (CPO) declined 3.6% MoM as sluggish demand from top buyer India, along with the premium pricing of palm oil over soy oil led many buyers to opt for the latter.

2.6 Review of the market (contd.)

Market review (contd.)

February saw a shift in global equity markets, with mixed performances across regions. The Dow Jones, S&P 500, and Nasdaq posted declines of 1.6%, 1.4%, and 4.0% MoM respectively, as investor sentiment turned cautious amid a lacklustre earnings season and stretched valuations in mega-cap technology stocks. President Trump's recent tariff measures began in early February, with a 10% tariff on Chinese imports taking effect on 4 February. The FBM 100, FBM Shariah, and FBM Small Cap declined 0.7%, 2.8%, and 6.6% MoM respectively, but the FBM KLCI increased by 1.1% MoM. The announcement of new US tariffs on Chinese imports further dampened sentiment, leading to a selloff in export-oriented and technology-linked stocks. Malaysia recorded foreign outflow of RM2.2 billion worth of equities in February 2025, slightly lower than RM3.1 billion outflow in January 2025. Among commodities, Brent crude prices declined by 4.7% MoM to USD 73.2 per barrel, reflecting concerns over weaker global demand and the impact of new US tariffs on Chinese exports. Meanwhile, CPO increased by 6.2% MoM mainly due to wet weather affecting production.

March was an exceptionally turbulent month, with the Dow Jones, S&P 500, and Nasdaq plunging 4.2%, 5.8%, and 8.2% MoM, respectively. Anticipation of President Trump's aggressive tariff strategy, coupled with mixed economic signals, rattled investor confidence. Market participants grew increasingly cautious as consumer sentiment fell to a near 2½-year low. The Fed kept interest rates steady at 4.25%–4.50% for a second consecutive month and released economic projections forecasting slower growth and higher inflation by year-end. Fed Chair Jerome Powell noted that the economy is progressing at a steady pace with solid labour market conditions, and acknowledged that although inflation remains elevated, it has moderated over the past year. Locally, Malaysian equity markets remained under pressure, with the FBM KLCI (-3.9% MoM), FBM 100 (-3.4% MoM), FBM Shariah (-2.5% MoM), and FBM Small Cap (-2.1% MoM) continuing their downtrend. March also saw foreign outflows on every single trading day, totalling RM4.6 billion—the largest since February 2020, when RM5.6 billion was recorded during the onset of COVID-19 lockdowns.

In April, global markets faced heightened volatility following President Trump's Liberation Day announcement of a minimum 10% tariff on imports from 60 countries, targeting nations with existing tariffs, value-added taxes (VATs), or subsidies. This triggered global trade uncertainty. Equities initially declined but rebounded after the 9 April reciprocal tariffs were delayed by 90 days—excluding China, which was hit with a 145% tariff. Market sentiment fluctuated amid speculation and commentary. Mid-month optimism from strong tech earnings was tempered by a -0.3% YoY contraction in the US 1Q2025 GDP, the first decline since 2022, driven by a surge in pre-tariff imports. For the month, the S&P 500 and Dow Jones slipped 0.8% and 3.2% respectively, while the Nasdaq rose 0.9%. Domestically, the FBM KLCI climbed 1.8% to 1,540 points—its highest since the tariff announcement—after plunging 7.5% to 1,400 points on 9 April, then rebounded following President Trump's 90-day tariff suspension and openness to negotiations. Foreign net selling in April dropped 59.0% MoM to RM1.89 billion from RM4.6 billion in March, bringing the YTD outflow to RM11.8 billion—2.8 times the RM4.2 billion recorded in all of 2024. Sector-wise, telecommunications, consumer, and healthcare outperformed, while energy, transport, and technology lagged.

2.6 Review of the market (contd.)

Market review (contd.)

US equity markets rebounded in May, with the Nasdaq, S&P 500, and Dow Jones climbing 9.6%, 6.2%, and 3.9% respectively, driven by reduced tariff concerns following a 90-day pause in reciprocal tariffs between the US and China. Effective 14 May, the US lowered tariffs from 145% to 30%, while China reduced its rates from 125% to 10%, aiming to ease trade tensions and facilitate broader negotiations. Market sentiment was further supported by diminished recession fears and strong 1Q earnings, particularly in the technology and communication services sectors. On 28 May, the US Court of International Trade blocked most of the 10% tariffs imposed on Liberation Day, citing presidential overreach, and halted separate tariffs on China, Mexico, and Canada. The next day, the US Court of Appeals temporarily lifted the block, allowing some duties to proceed pending legal review. Despite legal challenges, President Trump remained committed to pursuing tariffs through alternative legal channels. The Fed kept its benchmark interest rates steady at 4.25%–4.50% during the May Federal Open Market Committee (FOMC) meeting. In Malaysia, 1Q2025 GDP grew 4.4%, marking a third straight quarter of moderation due to weaker exports and a mining sector contraction. The government highlighted downside risks to its 2025 GDP forecast of 4.5%–5.5%, citing global demand softening, geopolitical tensions, and rising protectionism. A revised forecast will be issued once external conditions stabilize. BNM maintained the OPR at 3.00% for the twelfth consecutive meeting and reduced the Statutory Reserve Requirement (SRR) from 2.00% to 1.00% effective 16 May, releasing RM19 billion in liquidity—the first SRR cut since March 2020. Malaysia initiated trade talks with the US on 6 May, focusing on reducing the US trade deficit, addressing non-tariff barriers, enhancing technological safeguards, and exploring bilateral agreements. Politically, Cabinet members Datuk Seri Rafizi Ramli and Nik Nazmi Nik Ahmad resigned after losing key party leadership positions.

In June, the Dow Jones, S&P 500 and Nasdaq gained 4.3%, 5.0% and 6.6% MoM respectively, brushing off fears of an Iran-Israel war that broke out in June, which was quickly resolved with a ceasefire announced by President Trump on 24 June 2025. Market expectations for reciprocal tariffs to be reduced as President Trump's 90-day pause approaches the July deadline, also fuelled equity markets. Over in Asia, the MSCI Asia ex-Japan Index rose 5.7% MoM, while the MSCI ASEAN was flat MoM. In local currency, the main outperformer was Korea, with the KOSPI Index up 13.9% MoM. Chinese equities were up around 3.0% MoM, trailing benchmark returns as the country continues to grapple with sluggish domestic demand and a real estate slump. Domestically, the FBM KLCI, FBM 100, and FBM Shariah gained 1.5%–1.6% MoM in June, while the FBM Small Cap fell 0.9% MoM. Notable developments in June include the announcement of expanded Sales and Service Tax (SST), deferment of e-invoicing implementation for businesses with revenue below certain thresholds, and a gazetted revised port tariff structure. On the political front, Finance Minister II Datuk Seri Amir Hamzah was appointed to carry out duties and functions of the Economy Minister. The USDMYR closed the month 1.1% lower MoM at 4.21. On commodities, Brent crude oil gained 5.8% in June to USD 67.6 per barrel, while CPO rose 2.8% MoM to RM3,986 per tonne.

2.6 Review of the market (contd.)

Market review (contd.)

US equity markets posted further gains in July, though momentum slowed. The Nasdaq and S&P 500 rose 3.7% and 2.2% MoM respectively, while the Dow Jones edged up by 0.1% MoM. Early in the month, concerns over a looming tariff shock intensified as the 9 July deadline for the 90-day pause approached, with only few countries finalising deals. President Trump later extended the deadline to 1 August and reached preliminary trade agreements, shifting investor focus to strong corporate earnings, with 83% of the S&P 500 firms that had reported beat their earnings per share (EPS) forecasts, though growth was modest. The Fed kept interest rates unchanged for the fifth consecutive meeting, noting inflation remained 'somewhat elevated,' with headline and core inflation at 2.7% and 2.9% YoY respectively, both above the 2.0% target as import prices began to rise. In Malaysia, the FBM KLCI and FBM 100 declined 1.3% and 0.7% MoM respectively, while the FBM Shariah and FBM Small Cap rose 0.2% and 2.8%, respectively. Sectors such as construction, real estate investment trusts (REITs), and industrial production led the gains, while healthcare, financials, and transport lagged. The Malaysian Prime Minister also announced a tribute to citizens, including an RM100 cash assistance, a toll hike freeze, and a surprise public holiday. Malaysia's 2Q GDP grew 4.5% YoY, beating expectations though BNM cut the OPR to 2.75% and revised its 2025 GDP forecast downward from 4.5%–5.5%, to 4.0%–4.8%. Trade dynamics shifted as Malaysia introduced permit rules for US-origin AI chips amid anticipated US export restrictions, while the US imposed a 25% tariff on Malaysian goods, which was later reduced to 19%. The government also unveiled the RM611 billion 13th Malaysia Plan, emphasising on semiconductors, AI, clean energy, and infrastructure.

Global equities generally continued to march higher in August, led by the US as the Dow Jones, S&P 500 and Nasdaq indices rose 3.2%, 1.9% and 1.6% MoM respectively, with all three notching record high closing days within the month. A key tailwind for stocks came from the Fed's annual Jackson Hole symposium held in late August, where Fed Chair Jerome Powell's speech—alluding to a 'shifting balance of risks'—indicated that rate cuts are indeed forthcoming from impending policy meetings. While most of Asia cheered on dovish Fed signalling, China markets were additionally lifted by constructive trade talks with the US including a 90-day extension of tariff truce, plus domestic drivers such as the government's 'anti-involution' campaign (aimed at halting destructive price competition), plus bumper liquidity injections by the People's Bank of China (PBOC). In Malaysia, equities tracked global peers higher with bias towards larger caps, with the FBM KLCI, FBM 100, FBM Shariah and FBM Small Cap rising 4.1%, 2.9%, 1.6% and 0.1% MoM, respectively. By sectors, leaders were construction, technology and financials, while notable laggards were healthcare and REITs. Economic data provided some positivity, with the final read of 2Q2025 GDP growth at 4.4% being reasonably robust, while July's export growth of 6.8% YoY beat expectations of a mild decline. While investors were chiefly preoccupied with the 2Q2025 reporting season, sentiment was uplifted by a slew of sizeable job wins (including for datacentres) by large contractors like Gamuda and IJM, while laggard-chasing behaviour drove buying into sectors like banks, which still show negative YTD price performance.

2.6 Review of the market (contd.)

Market outlook

Market focus has moved on from tariff rate uncertainty towards assessing the eventual impact of the new tariff regime on consumer prices and inflation, as well as corporate margins. A growing consensus view is that higher-tariffs will create winners and losers, but would not be crippling to broader growth, especially for the US, which also sees tailwinds from the tax cuts and deregulation drive under the Trump administration. All eyes are now on the Fed and whether its assessment of risks to the labour market allows for the resumption of a new rate-cutting cycle—and, if so, the duration and terminal rate of such a cycle. Lower US rates could benefit the region through improved liquidity flows into emerging markets and potential support for emerging market currencies. Beyond macroeconomics, the strength and sustainability of the AI and datacentre build-out theme remains a principal driver of global equities.

In Malaysia, growth is expected to remain resilient despite external uncertainties posing risks to near-term exports and GDP growth. Infrastructure projects, foreign direct investments (FDIs), and domestic private investment offset weakness in exports. Meanwhile, domestic consumption is expected to be supported by accommodative fiscal and monetary policies.

Fund strategy

A resilient domestic outlook contrasts a mixed external environment, given lingering tariff-related uncertainties though there is potential improvement in liquidity and capital flows from the US rate cuts. Against this backdrop, we continue to favour sectors benefitting from strong thematic drivers such as AI and datacentre build-outs, infrastructure project roll-outs, new energy, and a nascent technology upcycle. Key sectors in focus include utilities and renewable energy, infrastructure (including construction and property), technology, telecommunications, and REITs. A bottom-up stock picking approach continues to be favoured to navigate specific opportunities.

2.7 Distributions

The Fund did not declare any income distributions during the financial year under review.

2.8 Details of any unit split exercise

The Fund did not carry out any unit split exercise during the financial year under review.

2.9 Significant changes in the state of affairs of the Fund during the financial year

There were no significant changes in the state of affairs of the Fund during the financial year under review and up until the date of the Manager's report, not otherwise disclosed in the financial statements.

2.10 Circumstances that materially affect any interests of the unit holders

There were no circumstances that materially affected any interests of the unit holders during the financial year under review.

2.11 Rebates and soft commissions

It is the policy of the Manager to credit any rebates received into the account of the Fund. Any soft commissions received by the investment manager on behalf of the Fund are in the form of research and advisory services that assist in the decision making process relating to the investment of the Fund which are of demonstrable benefit to unit holders of the Fund. Any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund.

During the financial year under review, the Manager received soft commissions from its stockbrokers who have also executed trades for other funds or investments managed by the Manager. The soft commissions were utilised for research and advisory services that assist in the investment decision making process. The soft commissions received were for the benefit of the Fund and there was no churning of trades.

2.12 Cross-trade

During the financial year under review, no cross-trade transactions were undertaken by the Manager for the Fund.

2.13 Securities financing transactions

Securities financing transactions are transactions consisting of securities lending or repurchase. During the financial year under review, the Fund had not undertaken any securities financing transactions.

3. FUND PERFORMANCE

3.1 Details of portfolio composition of the Fund for the last three financial years as at 31 August are as follows:

a. Distribution among industry sectors and category of investments:

	FY 2025 %	FY 2024 %	FY 2023 %
Industrial Products and Services	34.4	41.6	32.0
Technology	34.4	33.2	29.1
Construction	7.2	4.3	2.4
Property	5.0	5.8	2.5
Energy	4.8	4.8	5.7
Consumer Products and Services	4.4	2.7	9.4
Telecommunications and Media	1.9	1.9	-
Health Care	1.8	1.1	0.7
Basic Materials	0.7	-	-
Financial Services	-	0.5	-
Plantation	-	-	1.7
Unlisted options	0.9	1.2	1.0
Short term deposits and cash equivalents	4.5	2.9	15.5
	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

Note: The above mentioned percentages are based on total net asset value (NAV)

b. Distribution among markets

The Fund invests in local listed equity securities and unlisted options, with the remainder placed in short term deposits and cash equivalents.

3.2 Performance details of the Fund for the last three financial years ended 31 August are as follows:

	FY 2025	FY 2024	FY 2023
Net asset value ("NAV") (RM Million)	196.43	249.96	310.47
Units in circulation (Million)	150.41	188.17	248.40
NAV per unit (RM)	1.3060	1.3283	1.2499
Highest NAV per unit (RM)	1.4506	1.5708	1.3351
Lowest NAV per unit (RM)	0.9660	1.2142	1.1523
Total return (%)	-1.68	6.27	0.40
- Capital growth (%)	-1.68	6.27	0.40
- Income growth (%)	-	-	-
Gross distribution per unit (sen)	-	-	-
Net distribution per unit (sen)	-	-	-
Total expense ratio ("TER") (%) ¹	1.68	1.67	1.64
Portfolio turnover ratio ("PTR") (times) ²	0.30	0.32	0.18

Note: Total return is the actual return of the Fund for the respective financial years, computed based on NAV per unit and net of all fees.

TER is computed based on the total fees and expenses incurred by the Fund divided by the average fund size calculated on a daily basis. PTR is computed based on the average of the total acquisitions and total disposals of investment securities of the Fund divided by the average fund size calculated on a daily basis.

Above NAV and NAV per unit are not shown as ex-distribution as there were no distributions declared by the Fund during the financial year under review.

^{1.} *TER is slightly higher against the previous financial year mainly due to a decrease in average fund size during the financial year under review.*

^{2.} *PTR is lower due to reduced trading activities during the financial year under review.*

3.3 Average total return of the Fund

	1 Year 31 Aug 24 - 31 Aug 25	3 Years 31 Aug 22 - 31 Aug 25	5 Years 31 Aug 20 - 31 Aug 25
KGOF	-1.68%	2.64%	-3.22%
FTSE Bursa Malaysia EMAS Index (FBMEMAS)	-6.26%	3.37%	1.60%

Source: Lipper

3.4 Annual total return of the Fund

	Year under review 31 Aug 24 - 31 Aug 25	1 Year			
		31 Aug 23 - 31 Aug 24	31 Aug 22 - 31 Aug 23	31 Aug 21 - 31 Aug 22	31 Aug 20 - 31 Aug 21
KGOF	-1.68%	6.27%	0.40%	-24.65%	1.32%
FTSE Bursa Malaysia EMAS Index (FBMEMAS)	-6.26%	16.23%	0.40%	-8.00%	4.89%

Source: Lipper

Investors are reminded that past performance is not necessarily indicative of future performance. Unit prices and investment returns may fluctuate.

KENANGA GROWTH OPPORTUNITIES FUND

**Audited Financial Statements Together with
Trustee's Report, Independent Auditors' Report
and Statement by the Manager**

31 August 2025

KENANGA GROWTH OPPORTUNITIES FUND

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**TRUSTEE'S REPORT
TO THE UNIT HOLDERS OF KENANGA GROWTH OPPORTUNITIES FUND ("Fund")**

We have acted as Trustee of the Fund for the financial year ended 31 August 2025 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, **Kenanga Investors Berhad** has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on 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 and on behalf of
CIMB Commerce Trustee Berhad

Tok Puan Datin Ezreen Eliza Binti Zulkiplee
Chief Executive Officer

Kuala Lumpur, Malaysia

28 October 2025

Independent auditors' report to the unit holders of Kenanga Growth Opportunities Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Kenanga Growth Opportunities Fund (the "Fund"), which comprise the statement of financial position as at 31 August 2025, and the statement of comprehensive income, statement of changes in net asset value and statement of cash flows of the Fund for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 7 to 41.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 August 2025, and of its financial performance and cash flows for the year then ended in accordance with MFRS Accounting Standards and IFRS Accounting Standards.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information other than the financial statements and auditors' report thereon

The Manager of the Fund (the "Manager") is responsible for the other information. The other information comprises the information included in the annual report of the Fund, but does not include the financial statements of the Fund and our auditors' report thereon.

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

Independent auditors' report to the unit holders of Kenanga Growth Opportunities Fund (contd.)

Information other than the financial statements and auditors' report thereon (contd.)

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

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

Responsibilities of the Manager and the Trustee for the financial statements

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

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 cease operations, or has no realistic alternative but to do so.

The Trustee is responsible for overseeing the Fund's financial reporting process. The Trustee is also responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

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.

Independent auditors' report to the unit holders of Kenanga Growth Opportunities Fund (contd.)

Auditors' responsibilities for the audit of the financial statements (contd.)

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

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

**Independent auditors' report to the unit holders of
Kenanga Growth Opportunities Fund (contd.)**

Other matters

This report is made solely to the unit holders of the Fund, as a body, in accordance with the Guidelines on Unit Trust Funds issued by the Securities Commission Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Ahmad Siddiq Bin Ahmad Hasbullah
No. 03675/07/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
28 October 2025

STATEMENT BY THE MANAGER

I, **Datuk Wira Ismitz Matthew De Alwis**, being a director of **Kenanga Investors Berhad**, do hereby state that, in the opinion of the Manager, the accompanying statement of financial position as at 31 August 2025 and the related statement of comprehensive income, statement of changes in net asset value and statement of cash flows for the financial year then ended together with notes thereto, are drawn up in accordance with MFRS Accounting Standards and IFRS Accounting Standards so as to give a true and fair view of the financial position of **Kenanga Growth Opportunities Fund** as at 31 August 2025 and of its financial performance and cash flows for the financial year then ended and comply with the requirements of the Deed.

For and on behalf of the Manager
KENANGA INVESTORS BERHAD

DATUK WIRA ISMITZ MATTHEW DE ALWIS
Executive Director/Chief Executive Officer

Kuala Lumpur, Malaysia

28 October 2025

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2025**

	Note	2025 RM	2024 RM
INVESTMENT INCOME			
Dividend income		3,108,029	4,051,323
Interest income		306,660	735,611
Net (loss)/gain from investments:			
- Financial assets at fair value through profit or loss ("FVTPL")	4	(4,560,552)	22,333,642
		<u>(1,145,863)</u>	<u>27,120,576</u>
EXPENSES			
Manager's fee	5	3,278,190	4,619,337
Trustee's fee	6	148,047	208,615
Auditors' remuneration		17,500	31,000
Tax agent's fee		3,500	7,443
Administration expenses		109,961	111,391
Brokerage and other transaction costs		438,946	1,400,672
		<u>3,996,144</u>	<u>6,378,458</u>
NET (LOSS)/INCOME BEFORE TAX		(5,142,007)	20,742,118
Income tax	7	-	-
NET (LOSS)/INCOME AFTER TAX, REPRESENTING TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL YEAR		<u>(5,142,007)</u>	<u>20,742,118</u>
Net (loss)/income after tax is made up as follows:			
Realised gain/(loss)		784,750	(6,377,088)
Unrealised (loss)/gain	4	(5,926,757)	27,119,206
		<u>(5,142,007)</u>	<u>20,742,118</u>

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

**STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2025**

	Note	2025 RM	2024 RM
ASSETS			
INVESTMENTS			
Financial assets at FVTPL	4	187,679,254	242,672,813
Short term deposit	8	7,093,000	6,713,000
		<u>194,772,254</u>	<u>249,385,813</u>
OTHER ASSETS			
Amount due from licensed financial institutions	9	549,926	805,296
Amount due from Manager		1,181,775	-
Other receivables	10	56,228	306,416
Cash at bank		11,167	10,850
		<u>1,799,096</u>	<u>1,122,562</u>
TOTAL ASSETS		<u>196,571,350</u>	<u>250,508,375</u>
LIABILITIES			
Amount due to licensed financial institutions	9	-	124,058
Amount due to Manager		-	340,137
Amount due to Trustee		23,149	15,805
Other payables	11	117,729	72,476
TOTAL LIABILITIES		<u>140,878</u>	<u>552,476</u>
EQUITY			
Unit holders' contribution		180,287,569	228,670,989
Retained earnings		16,142,903	21,284,910
NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNIT HOLDERS	12	<u>196,430,472</u>	<u>249,955,899</u>
TOTAL LIABILITIES AND EQUITY		<u>196,571,350</u>	<u>250,508,375</u>
NUMBER OF UNITS IN CIRCULATION	12(a)	<u>150,405,270</u>	<u>188,170,656</u>
NAV PER UNIT (RM)		<u>1.3060</u>	<u>1.3283</u>

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

**STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2025**

	Note	Unit holders' contribution RM	Retained earnings RM	Total NAV RM
2025				
At beginning of the financial year		228,670,989	21,284,910	249,955,899
Total comprehensive loss		-	(5,142,007)	(5,142,007)
Creation of units	12(a)	21,720,824	-	21,720,824
Cancellation of units	12(a)	(70,104,244)	-	(70,104,244)
At end of the financial year		<u>180,287,569</u>	<u>16,142,903</u>	<u>196,430,472</u>
2024				
At beginning of the financial year		309,929,682	542,792	310,472,474
Total comprehensive income		-	20,742,118	20,742,118
Creation of units	12(a)	22,146,360	-	22,146,360
Cancellation of units	12(a)	(103,405,053)	-	(103,405,053)
At end of the financial year		<u>228,670,989</u>	<u>21,284,910</u>	<u>249,955,899</u>

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

**STATEMENT OF CASH FLOW
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2025**

	2025 RM	2024 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of financial assets at FVTPL	87,685,391	115,113,240
Dividends received	3,359,250	4,088,800
Interest from deposits received	305,627	775,922
Tax agent's fee paid	(7,000)	-
Auditors' remuneration paid	(22,000)	(16,000)
Payment for other fees and expenses	(56,708)	(76,989)
Trustee's fee paid	(140,703)	(210,488)
Manager's fee paid	(3,371,696)	(4,660,794)
Purchase of financial assets at FVTPL	(37,560,018)	(79,934,368)
Net cash generated from operating and investing activities	<u>50,192,143</u>	<u>35,079,323</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from units created	20,037,950	21,963,583
Cash paid on units cancelled	(69,849,776)	(103,464,268)
Net cash used in financing activities	<u>(49,811,826)</u>	<u>(81,500,685)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	380,317	(46,421,362)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	<u>6,723,850</u>	<u>53,145,212</u>
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	<u>7,104,167</u>	<u>6,723,850</u>
Cash and cash equivalents comprise:		
Cash at bank	11,167	10,850
Short term deposit	7,093,000	6,713,000
	<u>7,104,167</u>	<u>6,723,850</u>

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2025

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Kenanga Growth Opportunities Fund (the "Fund") was constituted pursuant to the executed Deed dated 16 April 2004 (collectively, together with deeds supplemental thereto, referred to as the "Deed") between the Manager, Kenanga Funds Berhad, and CIMB Commerce Trustee Berhad (the "Trustee"). The Fund commenced operations on 23 April 2004 and will continue to be in operation until terminated by the Trustee as provided under Clause 38 of the Deed.

Pursuant to the executed Seventh Supplemental Deed dated 15 May 2013 between Kenanga Investors Berhad and CIMB Commerce Trustee Berhad, Kenanga Investors Berhad was appointed as the Manager of the Fund with effect from 8 June 2013.

Kenanga Investors Berhad is a wholly-owned subsidiary of Kenanga Investment Bank Berhad that is listed on the Main Market of Bursa Malaysia Securities Berhad. All of these companies are incorporated in Malaysia.

The principal place of business of the Manager is Level 14, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur.

The objective of the Fund is to achieve consistent capital appreciation over the long-term by primarily investing in relatively smaller capitalized companies with good growth prospects based on equity securities.

The financial statements were authorised for issue by the Chief Executive Officer of the Manager on 28 October 2025.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

The Fund has an approved set of investment guidelines and policies as well as internal controls which sets out its overall business strategies to manage these risks to optimise returns and preserve capital for the unit holders, consistent with the long term objectives of the Fund.

a. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk and price risk.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

Market risk arises when the value of the investments fluctuates in response to the activities of individual companies, general market or economic conditions. It stems from the fact that there are economy-wide perils, which threaten all businesses. Hence, investors are exposed to market uncertainties. Fluctuation in the investments' prices caused by uncertainties in the economic, political and social environment will affect the NAV of the Fund.

The Manager manages the risk of unfavourable changes in prices by cautious review of the investments and continuous monitoring of their performance and risk profiles.

i. Interest rate risk

Interest rate risk refers to how the changes in the interest rate environment would affect the performance of the Fund's investments. Rate offered by the financial institutions will fluctuate according to the Overnight Policy Rate determined by Bank Negara Malaysia and this has direct correlation with the Fund's investments in short term deposits.

The Fund is not exposed to significant interest rate risk as its deposits are short term in nature and have fixed interest rates.

Interest rate risk exposure

The following table analyses the Fund's interest rate risk exposure. The Fund's financial assets and financial liabilities are disclosed at fair value and categorised by the earlier of contractual re-pricing or maturity dates.

	Up to 1 year RM	Non- exposure to interest rate movement RM	Total RM	Weighted average effective interest rate* %
2025				
Assets				
Financial assets at				
FVTPL	-	187,679,254	187,679,254	
Short term deposit	7,093,000	-	7,093,000	2.8
Other financial				
assets	-	1,799,096	1,799,096	
	<u>7,093,000</u>	<u>189,478,350</u>	<u>196,571,350</u>	

* Calculated based on assets with exposure to interest rate movement only.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

i. Interest rate risk (contd.)

Interest rate risk exposure (contd.)

	Up to 1 year RM	Non- exposure to interest rate movement RM	Total RM	Weighted average effective interest rate* %
2025 (contd.)				
Liabilities				
Other financial liabilities	-	23,149	23,149	
Total interest rate sensitivity gap	<u>7,093,000</u>	<u>189,455,201</u>	<u>189,455,201</u>	
2024				
Assets				
Financial assets at FVTPL	-	242,672,813	242,672,813	
Short term deposit	6,713,000	-	6,713,000	3.0
Other financial assets	-	1,122,562	1,122,562	
	<u>6,713,000</u>	<u>243,795,375</u>	<u>250,508,375</u>	
Liabilities				
Other financial liabilities	-	480,000	480,000	
Total interest rate sensitivity gap	<u>6,713,000</u>	<u>243,315,375</u>	<u>250,028,375</u>	

* Calculated based on assets with exposure to interest rate movement only.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

ii. Price risk

Price risk is the risk of unfavourable changes in the fair values of listed equity securities. The Fund invests in listed equity securities which are exposed to price fluctuations. This may then affect the NAV of the Fund.

The Manager's best estimate of the effect on the (loss)/income for the financial year due to a reasonably possible change in investments in listed equity securities with all other variables held constant is indicated in the table below:

	Changes in rate Increase/(Decrease) Basis points	Effects on (loss)/income for the financial year Gain/(Loss) RM
2025		
Financial assets at FVTPL	5/(5)	92,955/(92,955)
2024		
Financial assets at FVTPL	5/(5)	119,792/(119,792)

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

Price risk concentration

The following table sets out the Fund's exposure and concentration to price risk based on its portfolio of financial instruments as at the reporting date.

	Fair value		Percentage of NAV	
	2025 RM	2024 RM	2025 %	2024 %
Financial assets at FVTPL	185,909,889	239,583,128	94.6	95.9

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

ii. Price risk (contd.)

Price risk concentration (contd.)

The Fund's concentration of investment security price risk from the Fund's listed equity securities analysed by sector is as follows:

	Fair value		Percentage of NAV	
	2025	2024	2025	2024
	RM	RM	%	%
Industrial Products and Services	67,681,453	103,830,896	34.4	41.6
Technology	67,559,697	82,897,778	34.4	33.2
Construction	14,194,292	10,775,992	7.2	4.3
Property	9,801,901	14,597,120	5.0	5.8
Energy	9,532,151	11,986,693	4.8	4.8
Consumer Products and Services	8,616,549	6,776,952	4.4	2.7
Telecommunications and Media	3,695,043	4,821,581	1.9	1.9
Health Care	3,492,356	2,602,978	1.8	1.1
Basic Materials	1,336,447	-	0.7	-
Financial Services	-	1,293,138	-	0.5
	<u>185,909,889</u>	<u>239,583,128</u>	<u>94.6</u>	<u>95.9</u>

b. Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge an obligation. The Manager manages the credit risk by undertaking credit evaluation to minimise such risk.

i. Credit risk exposure

As at the reporting date, the Fund's maximum exposure to credit risk is represented by the carrying amount of each class of financial asset recognised in the statement of financial position.

ii. Financial assets that are either past due or impaired

As at the reporting date, there are no financial assets that are either past due or impaired.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

b. Credit risk (contd.)

iii. Credit quality of financial assets

The Fund invests only in unlisted options with at least investment grade credit rating by a credit rating agency. The following table analyses the Fund's portfolio of unlisted options by rating category:

Unlisted options

	Percentage of total unlisted options		Percentage of NAV	
	2025 %	2024 %	2025 %	2024 %
Rating				
Not rated	100.0	100.0	0.9	1.2

The Fund invests in deposits with financial institutions licensed under the Financial Services Act 2013 and Islamic Financial Services Act 2013. The following table analyses the licensed financial institutions by rating category:

Short term deposit

	Percentage of total short term deposit		Percentage of NAV	
	2025 %	2024 %	2025 %	2024 %
Rating				
P1/MARC-1	100.0	100.0	3.6	2.7

iv. Credit risk concentration

Concentration risk is monitored and managed based on sectoral distribution. The table below analyses the Fund's portfolio of unlisted options by sectoral distribution:

	Percentage of total unlisted options		Percentage of NAV	
	2025 %	2024 %	2025 %	2024 %
Property	100.0	100.0	0.9	1.2

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

c. Liquidity risk

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

The liquid assets comprise cash at bank, short term deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 days.

The following table analyses the maturity profile of the Fund's financial assets and financial liabilities in order to provide a complete view of the Fund's contractual commitments and liquidity.

	Note	No maturity RM	Up to 1 year RM	Total RM
2025				
Assets				
Financial assets at FVTPL		-	187,679,254	187,679,254
Short term deposit		-	7,093,000	7,093,000
Cash at bank		11,167	-	11,167
Other financial assets		-	1,787,929	1,787,929
	i.	<u>11,167</u>	<u>196,560,183</u>	<u>196,571,350</u>
Liabilities				
Other financial liabilities	ii.	<u>-</u>	<u>23,149</u>	<u>23,149</u>
Equity	iii.	<u>-</u>	<u>196,430,472</u>	<u>196,430,472</u>
Liquidity gap		<u>11,167</u>	<u>106,562</u>	<u>117,729</u>
2024				
Assets				
Financial assets at FVTPL		-	242,672,813	242,672,813
Short term deposit		-	6,713,000	61,479,000
Cash at bank		10,850	-	10,850
Other financial assets		-	1,111,712	1,111,712
	i.	<u>10,850</u>	<u>250,497,525</u>	<u>250,508,375</u>

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

c. Liquidity risk (contd.)

	Note	No maturity RM	Up to 1 year RM	Total RM
2024 (contd.)				
Liabilities				
Other financial liabilities	ii.	-	480,000	480,000
Equity	iii.	-	249,955,899	249,955,899
Liquidity gap		10,850	61,626	72,476

i. Financial assets

Analysis of financial assets at FVTPL into maturity groupings is based on the expected date on which these assets will be realised. The Fund's investments in listed equity securities have been included in the "up to 1 year" category on the assumption that these are highly liquid investments which can be realised should all of the Fund's unit holders' equity be required to be redeemed. The unlisted options is also expected to be realised within a year. For other financial assets, the analysis into maturity groupings is based on the remaining period from the end of the reporting period to the contractual maturity date or if earlier, the expected date on which the assets will be realised.

ii. Financial liabilities

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

iii. Equity

As the unit holders can request for redemption of their units, they have been categorised as having a maturity of "up to 1 year".

d. Regulatory reportings

It is the Manager's responsibility to ensure full compliance of all requirements under the Guidelines on Unit Trust Funds issued by the Securities Commission Malaysia. Any breach of any such requirement has been reported in the mandatory reporting to the Securities Commission Malaysia on a monthly basis.

3. MATERIAL ACCOUNTING POLICY INFORMATION

a. Basis of accounting

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

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the amended MFRS, which became effective for the Fund on 1 September 2024.

Description	Effective for financial periods beginning on or after
Amendments to MFRS 16: <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101: <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7: <i>Supplier Finance Arrangements</i>	1 January 2024

The adoption of the amended MFRS did not have any material impact on the financial position or performance of the Fund.

b. Standards and amendments to standards issued but not yet effective

As at the reporting date, the following standards and amendments to standards that have been issued by MASB will be effective for the Fund in future financial periods. The Fund intends to adopt the relevant standards and amendments to standards when they become effective.

Description	Effective for financial periods beginning on or after
Amendments to MFRS 121: <i>Lack of Exchangeability</i>	1 January 2025
Amendments that are part of Annual Improvements—Volume 11: <i>Amendments to MFRS 1, 7, 9, 10 and 107</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7: <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

b. Standards and amendments to standards issued but not yet effective (contd.)

Description	Effective for financial periods beginning on or after
Amendments to MFRS 9 and MFRS 7: <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
MFRS 18: <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: <i>Disclosures</i>	1 January 2027
Withdrawal of MFRS 101: <i>Presentation of Financial Statements</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be announced by MASB

These pronouncements are not expected to have any material impact to the financial statements of the Fund upon their initial application, except for MFRS 18. The Fund is still assessing the impact of the adoption of the standard.

c. Financial instruments

Financial assets and liabilities are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instruments.

i. Initial recognition

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as described in Notes 3(c)(ii) and (iii).

ii. Measurement categories of financial assets and liabilities

The Fund classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost;
- Fair value through other comprehensive income; and
- Fair value through profit or loss.

The Fund may designate financial instruments at FVTPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies.

Financial assets are initially measured at their fair values plus, except in the case of financial assets recorded at FVTPL, transaction costs.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

c. Financial instruments (contd.)

ii. Measurement categories of financial assets and liabilities (contd.)

The Fund's other financial assets include cash at banks, short term deposits, trade receivables and other receivables.

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

The Fund's other financial liabilities include trade payables and other payables.

Other financial liabilities are recognised and initially measured at fair values, net of directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate ("EIR"). Gains or losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

iii. Due from banks, short term deposits, trade receivables and other receivables at amortised cost

The Fund only measures the cash at banks, short term deposits, trade receivables and other receivables at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

The details of these conditions are outlined below.

Business model assessment

The Fund determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Fund's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

c. Financial instruments (contd.)

iii. Due from banks, short term deposits, trade receivables and other receivables at amortised cost (contd.)

Business model assessment (contd.)

- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- How the managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected); and
- The expected frequency, value and timing of sales are also important aspects of the Fund's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Fund's original expectations, the Fund does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward, unless it has been determined that there has been a change in the original business model.

The SPPI test

As a second step of its classification process, the Fund assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation/accretion of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

c. Financial instruments (contd.)

iv. Financial investments

Financial assets in this category are those that are managed in a fair value business model, or that have been designated by management upon initial recognition, or are mandatorily required to be measured at fair value under MFRS 9. This category includes debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell.

d. Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Fund also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Fund has transferred the financial asset if, and only if, either:

- The Fund has transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Fund retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Fund has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates;
- The Fund cannot sell or pledge the original asset other than as security to the eventual recipients; and
- The Fund has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Fund is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

d. Derecognition of financial assets (contd.)

A transfer only qualifies for derecognition if either:

- The Fund has transferred substantially all the risks and rewards of the asset; or
- The Fund has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Fund considers control to be transferred if, and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Fund has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Fund's continuing involvement, in which case, the Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Fund has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Fund could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Fund would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

e. Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis and to realise the assets and settle the liabilities simultaneously.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

f. Impairment of financial assets

i. Overview of the expected credit loss ("ECL") principles

The Fund measures its receivables impairment using the forward-looking ECL approach in accordance with the requirements of MFRS 9.

ii. Write-offs

Financial assets are written off either partially or in their entirety only when the Fund has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

g. Income

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

Interest income is recognised using the effective interest method.

Dividend income is recognised on declared basis, when the right to receive the dividend is established.

The realised gain or loss on sale of investments is measured as the difference between the net disposal proceeds and the carrying amount of the investments.

h. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include cash at banks and short term deposits with licensed financial institutions with maturities of three months or less, which have an insignificant risk of changes in value.

i. Income tax

Income tax on the profit or loss for the financial year comprises current tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial year.

As no temporary differences have been identified, no deferred tax has been recognised.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

j. Unrealised reserves

Unrealised reserves represent the net gain or loss arising from carrying investments at their fair values at reporting date. This reserve is not distributable.

k. Unit holders' contribution – NAV attributable to unit holders

The unit holders' contribution to the Fund is classified as equity instruments.

l. Functional and presentation currency

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 also the Fund's functional currency.

m. Distributions

Distributions are at the discretion of the Manager. A distribution to the Fund's unit holders is accounted for as a deduction from retained earnings.

n. Significant accounting judgements and estimates

In the process of applying the Fund's accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to circumstances beyond the Fund's control and are reflected in the assumptions if and when they occur. Items with the most significant effect on the amounts recognised in the financial statements with substantial management judgements and/or estimates are collated below with respect to judgements/estimates involved.

Where the financial instruments are not traded in an active market, fair value may be established by using a valuation technique which includes but is not limited to using option prices, benchmarking to recent arm's length transactions between knowledgeable willing parties, and reference to the current fair value of another instrument that is substantially the same. The Fund uses valuation techniques which involves making assumptions based on market conditions and other factors as of reporting date.

4. FINANCIAL ASSETS AT FVTPL

	2025 RM	2024 RM
Financial assets held for trading, at FVTPL:		
Listed equity securities	185,909,889	239,583,128
Unlisted options	1,769,365	3,089,685
	<u>187,679,254</u>	<u>242,672,813</u>
Net (loss)/gain on financial assets at FVTPL comprised:		
Realised gain/(loss) on disposals	1,366,205	(4,785,564)
Unrealised changes in fair values	(5,926,757)	27,119,206
	<u>(4,560,552)</u>	<u>22,333,642</u>

Details of financial assets at FVTPL as at 31 August 2025:

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed equity securities				
Industrial Products and Services				
Aurelius Technologies Berhad	4,532,100	4,004,145	4,622,742	2.4
CBH Engineering Holding Berhad	3,667,000	1,100,016	1,228,445	0.6
Coraza Integrated Technology Berhad	690,500	402,607	390,132	0.2
CPE Technology Berhad	3,687,100	4,010,996	2,507,228	1.3
Critical Holdings Berhad	5,119,200	3,289,872	4,991,220	2.6
Dufu Technology Corp. Berhad	3,606,060	7,414,361	4,002,727	2.0
EG Industries Berhad	5,124,700	2,800,924	6,303,381	3.2
Feytech Holdings Berhad	1,766,700	1,554,214	618,345	0.3
iCents Group Holdings Berhad	3,194,800	913,074	1,421,686	0.7
Kelington Group Berhad	1,964,200	1,435,237	10,135,272	5.2
Oxford Innotech Berhad	2,463,500	935,145	1,010,034	0.5
Pantech Group Holdings Berhad	1,488,300	1,252,374	1,049,252	0.5
Pecca Group Berhad	1,818,800	2,428,052	2,582,696	1.3
P.I.E Industrial Berhad	372,600	1,229,539	1,162,512	0.6
Sam Engineering & Equipment (M) Berhad	1,411,400	5,647,739	5,320,978	2.7

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 August 2025 (contd.):

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed equity securities (contd.)				
Industrial Products and Services (contd.)				
Samaiden Group Berhad	3,707,366	3,939,701	4,300,545	2.2
SKP Resources Berhad	2,264,000	2,923,723	2,037,600	1.0
Solarvest Holdings Berhad	3,516,900	2,504,034	8,229,546	4.2
Southern Cable Group Berhad	1,291,300	1,443,131	2,634,252	1.3
V.S. Industry Berhad	3,520,248	1,975,565	2,340,965	1.2
Wentel Engineering Holdings Berhad	2,554,500	683,371	791,895	0.4
		<u>51,887,820</u>	<u>67,681,453</u>	<u>34.4</u>
Technology				
Aemulus Holdings Berhad	12,722,000	9,976,905	3,053,280	1.6
Frontken Corporation Berhad	4,327,800	6,391,584	18,522,984	9.4
Go Hub Capital Berhad	3,525,600	1,659,833	3,278,808	1.7
Greatech Technology Berhad	7,415,300	4,576,111	15,497,977	7.9
ITMAX System Berhad	2,951,200	3,786,867	12,660,648	6.4
Notion VTec Berhad	1,128,800	1,956,100	558,756	0.3
Pentamaster Corporation Berhad	1,227,125	3,728,068	4,417,650	2.2
UWC Berhad	2,998,800	8,036,455	8,486,604	4.3
VSTECS Berhad	292,700	952,577	1,082,990	0.6
		<u>41,064,500</u>	<u>67,559,697</u>	<u>34.4</u>
Construction				
Eversendai Corporation Berhad	445,000	257,930	198,025	0.1
Kerjaya Prospek Group Berhad	2,794,500	3,581,172	6,119,955	3.1
Kimlun Corporation Berhad	802,400	950,748	1,035,096	0.5
MN Holdings Berhad	556,300	632,247	873,391	0.4

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 August 2025 (contd.):

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed equity securities (contd.)				
Construction (contd.)				
Tuju Setia Berhad	218,400	52,042	44,772	-^
UUE Holdings Berhad	5,783,500	4,405,896	5,002,728	2.6
WCT Holdings Berhad	1,051,800	785,666	920,325	0.5
		<u>10,665,701</u>	<u>14,194,292</u>	<u>7.2</u>
Property				
Eastern & Oriental Berhad	2,136,200	2,251,921	1,794,408	0.9
Eco World Development Group Berhad	1,352,600	1,369,205	2,840,460	1.5
Lagenda Properties Berhad	1,547,400	2,035,955	1,841,406	0.9
Mah Sing Group Berhad	553,900	737,459	636,985	0.3
UEM Sunrise Berhad	3,633,300	2,545,882	2,688,642	1.4
		<u>8,940,422</u>	<u>9,801,901</u>	<u>5.0</u>
Energy				
Dayang Enterprise Holdings Berhad	391,600	722,563	673,552	0.3
Keyfield International Berhad	948,200	1,830,040	1,299,034	0.7
Northern Solar Holdings Berhad	3,396,400	2,488,998	2,445,408	1.2
Pekmat Group Berhad	2,789,600	1,562,229	4,602,840	2.3
Perdana Petroleum Berhad	2,466,900	670,274	419,373	0.2
T7 Global Berhad	383,100	147,493	91,944	0.1
		<u>7,421,597</u>	<u>9,532,151</u>	<u>4.8</u>
Consumer Products and Services				
CCK Consolidated Holdings Berhad	3,456,300	2,260,221	4,112,997	2.1
Colform Group Berhad	2,356,800	910,993	801,312	0.4

^ Denotes more than 0.01% but less than 0.1%.

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 August 2025 (contd.):

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed equity securities (contd.)				
Consumer Products and Services (contd.)				
Oriental Kopi Holdings Berhad	3,428,000	2,511,988	3,702,240	1.9
		<u>5,683,202</u>	<u>8,616,549</u>	<u>4.4</u>
Telecommunications and Media				
OCK Group Berhad	9,012,300	4,910,198	3,695,043	1.9
Health Care				
Duopharma Biotech Berhad	1,250,100	1,636,978	1,712,637	0.9
Kossan Rubber Industries Berhad	619,700	908,581	749,837	0.4
Optimax Holdings Berhad	1,822,800	1,195,205	1,029,882	0.5
		<u>3,740,764</u>	<u>3,492,356</u>	<u>1.8</u>
Basic Materials				
Pantech Global Berhad	2,498,032	1,698,662	1,336,447	0.7
Total listed equity securities		<u>136,012,866</u>	<u>185,909,889</u>	<u>94.6</u>

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 August 2025 (contd.):

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Unlisted options				
Call/Put – NCT Alliance Berhad maturing on 2/12/2025	4,012,615	1,625,109	1,769,365	0.9
Total unlisted options		1,625,109	1,769,365	0.9
Total financial assets at FVTPL		137,637,975	187,679,254	95.5
Unrealised gain on financial assets at FVTPL			50,041,279	

5. MANAGER'S FEE

The Manager's fee is calculated on a daily basis at a rate of not less than 1.2% and not exceeding 3.0% per annum of the NAV of the Fund as provided under Clause 13.2 of the Deed.

The Manager is currently charging Manager's fee of 1.55% per annum of the NAV of the Fund (2024: 1.55% per annum).

6. TRUSTEE'S FEE

Pursuant to the Eighth Supplemental Deed dated 25 July 2014, the Trustee's fee is calculated on a daily basis at a rate of not exceeding 0.07% per annum of the NAV of the Fund and subject to a minimum fee of RM9,000 per annum.

The Trustee's fee is currently calculated at 0.07% per annum of the NAV of the Fund (2024: 0.07% per annum).

7. INCOME TAX

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable income for the current and previous financial years.

Income tax is calculated on investment income less partial deduction for permitted expenses as provided for under Section 63B of the Income Tax Act, 1967.

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

	2025 RM	2024 RM
Net (loss)/income before tax	(5,142,007)	20,742,118
Tax at Malaysian statutory tax rate of 24% (2024: 24%)	(1,234,082)	4,978,108
Tax effect of:		
Income not subject to tax	(1,147,414)	(7,657,473)
Losses not deductible for tax purposes	1,422,422	1,148,535
Expenses not deductible for tax purposes	144,898	526,357
Restriction on tax deductible expenses for unit trust fund	814,176	1,004,473
Income tax for the financial year	-	-

8. SHORT TERM DEPOSIT

Short term deposit is held with licensed financial institution in Malaysia at the prevailing interest rate.

9. AMOUNT DUE FROM/TO LICENSED FINANCIAL INSTITUTIONS

Amount due from/to licensed financial institutions relates to the amounts to be received from or paid to licensed financial institutions arising from the sales and purchases of investments.

10. OTHER RECEIVABLES

	2025 RM	2024 RM
Dividend receivable	54,091	305,312
Interest receivable from short term deposit	2,137	1,104
	56,228	306,416

11. OTHER PAYABLES

	2025 RM	2024 RM
Accrual for auditors' remuneration	17,500	22,000
Accrual for tax agent's fees	6,500	10,000
Provision for printing and other expenses	93,729	40,476
	<u>117,729</u>	<u>72,476</u>

12. NET ASSET VALUE ATTRIBUTABLE TO UNIT HOLDERS

NAV attributable to unit holders is represented by:

	Note	2025 RM	2024 RM
Unit holders' contribution	(a)	<u>180,287,569</u>	<u>228,670,989</u>
<u>Retained earnings:</u>			
Realised deficits		(33,898,376)	(34,683,126)
Unrealised reserves		<u>50,041,279</u>	<u>55,968,036</u>
		<u>16,142,903</u>	<u>21,284,910</u>
		<u>196,430,472</u>	<u>249,955,899</u>

(a) Unit holders' contribution

	2025		2024	
	No. of units	RM	No. of units	RM
At beginning of the financial year	188,170,656	228,670,989	248,403,183	309,929,682
Add: Creation of units	17,276,218	21,720,824	16,925,338	22,146,360
Less: Cancellation of units	<u>(55,041,604)</u>	<u>(70,104,244)</u>	<u>(77,157,865)</u>	<u>(103,405,053)</u>
At end of the financial year	<u>150,405,270</u>	<u>180,287,569</u>	<u>188,170,656</u>	<u>228,670,989</u>

The Manager, Kenanga Investors Berhad, did not hold any units in the Fund, either legally or beneficially, as at 31 August 2025 (2024: nil). The number of units legally or beneficially held by the other parties related to the Manager were nil as at 31 August 2025 (2024: 15,549 units valued at RM20,655).

13. PORTFOLIO TURNOVER RATIO ("PTR")

PTR for the financial year is 0.30 times (2024: 0.32 times).

PTR is the ratio of average sum of acquisitions and disposals of investments of the Fund for the financial year to the average NAV of the Fund, calculated on a daily basis.

14. TOTAL EXPENSE RATIO ("TER")

TER for the financial year is 1.68% per annum (2024: 1.67% per annum).

TER is the ratio of total fees and recovered expenses of the Fund expressed as a percentage of the Fund's average NAV, calculated on a daily basis.

15. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTIONS

	Transaction value RM	Percentage of total %	Brokerage, stamp duty and clearing fee RM	Percentage of total %
Kenanga Investment Bank Berhad*	26,328,401	21.1	77,215	17.6
RHB Investment Bank Berhad	18,307,042	14.6	65,687	15.0
UOB Kay Hian Securities (M) Sdn Bhd	12,224,733	9.8	39,744	9.0
Affin Hwang Investment Bank Berhad	9,666,791	7.7	33,700	7.7
CLSA Securities Malaysia Sdn Bhd	7,947,411	6.4	26,298	6.0
CGS International Securities Malaysia Sdn Bhd	7,539,867	6.0	24,099	5.5
CIMB Securities Sdn Bhd	7,483,155	6.0	21,712	4.9
Maybank Investment Bank Berhad	6,451,206	5.2	19,666	4.5
Public Investment Bank Berhad	5,694,591	4.6	18,828	4.3
Macquarie Capital Securities (Malaysia) Sdn Bhd	5,566,169	4.4	18,383	4.2
Others	17,762,340	14.2	93,614	21.3
	<u>124,971,706</u>	<u>100.0</u>	<u>438,946</u>	<u>100.0</u>

* Kenanga Investment Bank Berhad is a related party of Kenanga Investors Berhad.

15. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTIONS (CONTD.)

The above transaction values are in respect of listed equity securities and unlisted options.

The directors of the Manager are of the opinion that the transactions with the related party have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. The Manager is of the opinion that the above dealings have been transacted on an arm's length basis.

16. SEGMENTAL REPORTING

a. Business segments

In accordance with the objective of the Fund, the Fund can invest between 70% to 98% of its NAV in listed equity securities and between 2% to 30% of its NAV in fixed income securities or liquid assets. The following table provides an analysis of the Fund's revenue, results, assets and liabilities by business segments:

	Listed investment securities RM	Unlisted investment securities RM	Other investments RM	Total RM
2025				
Revenue				
Segment				
(loss)/income	(1,682,294)	229,771	306,660	
Segment expense	<u>(382,067)</u>	<u>(56,879)</u>	<u>-</u>	
Net segment				
(loss)/income				
representing				
segment results	<u>(2,064,361)</u>	<u>172,892</u>	<u>306,660</u>	(1,584,809)
Unallocated				
expenditure				<u>(3,557,198)</u>
Loss before tax				(5,142,007)
Income tax				-
Net loss after tax				<u>(5,142,007)</u>

16. SEGMENTAL REPORTING (CONTD.)

a. Business segments (contd.)

	Listed investment securities RM	Unlisted investment securities RM	Other investments RM	Total RM
2025 (contd.)				
Assets				
Financial assets at				
FVTPL	185,909,889	-	1,769,365	
Short term deposit	-	-	7,093,000	
Other segment assets	604,017	-	2,137	
Total segment assets	<u>186,513,906</u>	<u>-</u>	<u>8,864,502</u>	195,378,408
Unallocated assets				<u>1,192,942</u>
				<u>196,571,350</u>
Liabilities				
Unallocated liabilities				<u>140,878</u>
2024				
Revenue				
Segment income	26,162,480	222,485	735,611	
Segment expenses	(1,185,247)	(215,425)	-	
Net segment income				
representing				
segment results	<u>24,977,233</u>	<u>7,060</u>	<u>735,611</u>	25,719,904
Unallocated				
expenditure				<u>(4,977,786)</u>
Income before tax				<u>20,742,118</u>
Income tax				-
Net income after tax				<u>20,742,118</u>
Assets				
Financial assets at				
FVTPL	239,583,128	3,089,685	-	
Short term deposit	-	-	6,713,000	
Other segment assets	1,110,608	-	1,104	
Total segment assets	<u>240,693,736</u>	<u>3,089,685</u>	<u>6,714,104</u>	250,497,525
Unallocated assets				<u>10,850</u>
				<u>250,508,375</u>
Liabilities				
Segment liabilities	<u>124,058</u>	<u>-</u>	<u>-</u>	124,058
Unallocated liabilities				<u>428,418</u>
				<u>552,476</u>

16. SEGMENTAL REPORTING (CONTD.)

b. Geographical segments

As all of the Fund's investments are located in Malaysia, disclosure by geographical segments is not relevant.

17. FINANCIAL INSTRUMENTS

a. Classification of financial instruments

The Fund's financial assets and financial liabilities are measured on an ongoing basis at either fair value or at amortised cost based on their respective classification. The material accounting policy information in Note 3 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised.

The following table analyses the financial assets and financial liabilities of the Fund in the statement of financial position by the class of financial instruments to which they are assigned and therefore by the measurement basis.

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Other financial liabilities RM	Total RM
2025				
Assets				
Listed equity securities	185,909,889	-	-	185,909,889
Unlisted options	1,769,365	-	-	1,769,365
Short term deposit	-	7,093,000	-	7,093,000
Amount due from licensed financial institutions	-	549,926	-	549,926
Amount due from Manager	-	1,181,775	-	1,181,775
Other receivables	-	56,228	-	56,228
Cash at bank	-	11,167	-	11,167
	<u>187,679,254</u>	<u>8,892,096</u>	<u>-</u>	<u>196,571,350</u>

17. FINANCIAL INSTRUMENTS (CONTD.)

a. Classification of financial instruments (contd.)

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Other financial liabilities RM	Total RM
2025 (contd.)				
Liabilities				
Amount due to Trustee	-	-	23,149	23,149
2024				
Assets				
Listed equity securities	239,583,128	-	-	239,583,128
Unlisted options	3,089,685	-	-	3,089,685
Short term deposit	-	6,713,000	-	6,713,000
Amount due from licensed financial institutions	805,296	-	-	805,296
Other receivables	-	306,416	-	306,416
Cash at bank	-	10,850	-	10,850
	<u>243,478,109</u>	<u>7,030,266</u>	<u>-</u>	<u>250,508,375</u>
Liabilities				
Amount due to licensed financial institutions	-	-	124,058	124,058
Amount due to Manager	-	-	340,137	340,137
Amount due to Trustee	-	-	15,805	15,805
	<u>-</u>	<u>-</u>	<u>480,000</u>	<u>480,000</u>

17. FINANCIAL INSTRUMENTS (CONTD.)

b. Financial instruments that are carried at fair value

The Fund's financial assets at FVTPL are carried at fair value.

The following table shows the fair value measurements by level of the fair value measurement hierarchy:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Investments:				
2025				
Listed equity securities	185,909,889	-	-	185,909,889
Unlisted options	-	-	1,769,365	1,769,365
	<u>185,909,889</u>	<u>-</u>	<u>1,769,365</u>	<u>187,679,254</u>
2024				
Listed equity securities	239,583,128	-	-	239,583,128
Unlisted options	-	-	3,089,685	3,089,685
	<u>239,583,128</u>	<u>-</u>	<u>3,089,685</u>	<u>242,672,813</u>

Level 1: Listed prices in active market

Level 2: Model with all significant inputs which are observable market data

Level 3: Model with inputs not based on observable market data

The fair values of listed equity securities are determined by reference to Bursa Malaysia Securities Berhad's last traded prices as at reporting date.

Reconciliation of fair value measurements of Level 3 financial instruments

The Fund carries unlisted options as financial assets at FVTPL classified as Level 3 within the fair value hierarchy.

17. FINANCIAL INSTRUMENTS (CONTD.)

b. Financial instruments that are carried at fair value (contd.)

Reconciliation of fair value measurements of Level 3 financial instruments (contd.)

The following table shows a reconciliation of all movements in the fair value of the unlisted options categorised within Level 3 between the beginning and the end of the financial year.

	2025 RM	2024 RM
At the beginning of the financial year	3,089,685	3,094,000
Purchase cost	1,625,109	2,835,000
Proceeds from maturity	(3,175,200)	(3,061,800)
Realised gain	340,200	226,800
Unrealised change in fair value	(110,429)	(4,315)
At the end of the financial year	<u>1,769,365</u>	<u>3,089,685</u>

The following table presents additional information about the valuation methodology and input used for investment that are measured at fair value and categorised within Level 3:

	Fair value	Valuation methodology	Unobservable input
2025			
Call/Put – NCT Alliance Berhad maturing on 2/12/2025	<u>1,769,365</u>	Discounted cash flow	Option price
2024			
Call/Put – NCT Alliance Berhad maturing on 29/11/2024	<u>3,089,685</u>	Discounted cash flow	Option price

In the current and previous financial year, significant increases/(decreases) in the option prices would be result in a significantly higher/lower fair value measurement.

c. Financial instruments not carried at fair value and for which their carrying amounts are reasonable approximations of fair value

The carrying amounts of the Fund's other financial assets and financial liabilities are not carried at fair value but approximate fair values due to the relatively short term maturity of these financial instruments.

18. CAPITAL MANAGEMENT

The capital of the Fund can vary depending on the demand for creation and cancellation of units to the Fund.

The Fund's objectives for managing capital are:

- a. To invest in investments meeting the description, risk exposure and expected return indicated in its prospectus;
- b. To maintain sufficient liquidity to meet the expenses of the Fund, and to meet cancellation requests as they arise; and
- c. To maintain sufficient fund size to make the operations of the Fund cost-efficient.

No changes were made to the capital management objectives, policies or processes during the current and previous financial years.

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