

RHB SMART TREASURE FUND

ANNUAL REPORT 2025

For the financial year ended 31 March 2025

GENERAL INFORMATION ABOUT THE FUND

Name, Category and Type

Fund Name - RHB Smart Treasure Fund

Fund Category - Equity Fund

Fund Type - Growth

Investment Objective, Policy and Strategy

Objective of the Fund

The Fund aims to achieve long term* capital appreciation through investments in companies with high growth potential.

Note: * “long term” in this context refers to a period of between 5-7 years.

Strategy

The Fund seeks to achieve its investment objective by investing:

- 70% - 95% of its Net Asset Value (“NAV”) in securities of companies with high growth potential. The Fund may also invest up to 20% of its NAV in Asia ex-Japan markets.
- the balance of the NAV shall be invested in liquid assets including money market instruments, deposits and collective investment schemes investing in money market instruments and deposits.

The risk management strategies and techniques employed by the Manager include diversification of the Fund’s investments in terms of its exposure to various industries, sectors and asset classes/type of investments (i.e. equity and money market instruments). Financial derivatives may also be used for hedging purposes where appropriate. Generally, the assets of the Fund will be invested over a medium to long term period with disposal of the investments when necessary to control risk as well as to optimise capital gains. This is especially so when the full growth potential of the investment is deemed to have been reduced over a prolonged rise in equity values and the other available equity investments may present cheaper valuations and higher potential returns. The Fund also complies with the permitted investments and restrictions imposed by the Securities Commission Malaysia. Adherence to these permitted investments and restrictions also helps the Manager to risk-manage the Fund’s portfolio in terms of diversification. Moreover, the Manager in making its investment decisions shall at all times comply with the investment restrictions of the Fund and requirements as set out in the Deed.

The Manager may take temporary defensive positions that may be inconsistent with the Fund's principal strategy in attempting to respond to adverse economic, political or any other market conditions. In such circumstances, the Manager may reallocate the Fund's equity investments into other asset classes such as collective investment schemes, money market instruments and deposits with financial institutions, which are defensive in nature. In its reallocation, the level of equity investments would normally not be below 20% of its NAV.

Performance Benchmark

The performance of the Fund is benchmarked against the FTSE Bursa Malaysia Emas Index ("FBM Emas Index").

Permitted Investments

This Fund may invest in securities traded on Bursa Malaysia or any other market considered as an Eligible Market, unlisted securities, collective investment schemes, financial derivatives, structured products, money market instruments and deposits with any financial institutions and any other investments permitted by the Securities Commission Malaysia from time to time.

Distribution Policy

Consistent with the Fund's objective to achieve capital growth, distributions will therefore be of secondary importance. Distributions, if any, after deduction of taxation and expenses, are generally declared annually.

MANAGER'S REPORT

EQUITY MARKET REVIEW

Kuala Lumpur Composite Index (“KLCI”) regained its performance in April 2024, outperforming both Emerging Market (“EM”) and Asia ex-Japan amidst Middle East turbulence and renewed higher rates for longer rhetoric. Key highlights for Malaysia in April 2024 included the announcement of the Large Scale Solar 5 (“LSS5”) programme, Malaysia’s energy exchange for renewable energy exports, and the restructuring plans of Capital A and AAX. The month also saw Malaysia’s continued power reforms, including the LSS5 and Energy Exchange Malaysia (“ENEGEM”), which facilitate cross border sales of green electricity to Singapore and Thailand.

Malaysia continues to outperform Asia ex-Japan and EM markets for the month of May 2024 despite a drop in global yields. Earnings in Malaysia were decent, with most reporting a decent start to first quarter of year 2024 (“1Q24”). Crude oil’s slide contrasted with metals hitting multi year highs (aluminium) and all time highs (copper). Companies were announcing their forays into the booming datacentre sector, while Malaysia’s technology space has seen its own semiconductor fund. Key highlights in May 2024 included a salary hike for civil servants, investments from Microsoft and Google, and the announcement of a RM25 billion (“bil”) National Semiconductor Strategy. Merger and acquisition deals were announced for Malaysia Airports, XL Axiata-PT Smartfren, YTL-Ranhill, GHL Systems, and MPHB Capital.

The KLCI fell 0.40% in June 2024, ending at 1,591 points (“pts”), but it may have seen profit taking after a strong first half of year 2024 (“1H24”) performance of 9.30%. The KLCI underperformed Indonesia’s Jakarta Stock Exchange Composite Index.2 (“JCI”) and Singapore’s Straits Times Index (“STI”), while Thailand’s SET saw its third consecutive month of decline. Foreign investors turned net sellers, with net sell flows at RM61 million (“mil”), resulting in a slight expansion in the cumulative net foreign outflow to RM0.80bil in 1H24. Local institutional investors turned net buyers, with net buy flows of RM0.20bil, compared to RM0.90bil in May 2024. Local retail investors remained net sellers for the twelfth month in a row, with net sell flows falling to RM248.30mil. All other key indices, apart from the KLCI, recorded gains for the third consecutive month. The three best performing sectorial indices were Construction (8.40%), Technology (5.10%), and Healthcare (2.30%). The three worst performing sectors were Consumer (-2.30%), Plantation (-1.30%), and Real Estate Investment Trust (-1.20%).

The KLCI rose 2.20% in July 2024, outperforming the Morgan Stanley Capital International (“MSCI”) EM Index and the MSCI All Country Asia ex-Japan Index. Other Association of Southeast Asian Nations (“ASEAN”) markets, such as Singapore’s STI, the Philippines’ Philippine Stock Exchange, Inc. (“PSEi”), and Indonesia’s JCI, also performed well. However, the KLCI outperformed Stock Exchange of Thailand (“SET”), which rebounded after three months of declines. Foreign investors net bought in July 2024, bringing year-to-date (“YTD”) net inflow

to RM1.30bil, resulting in positive inflows of RM0.50bil in July 2024. Local institutional investors turned net sellers in July 2024, with net sell flows of RM0.70bil, compared to RM0.20bil in June 2024. Local retail investors remained net sellers for the thirteenth month in a row, with net sell flows more than doubling to RM574.00mil. The construction sector recorded gains for the third consecutive month, with the three best performing sectors being Construction, Property, and Finance. The three worst performing sectors were Healthcare, Technology, and Industrial Production.

The KLCI experienced a volatile month in August 2024, dropping 4.60% to 1,536 pts on 5 August 2024 due to the unwinding of the Japanese Yen carry trade and United States (“US”) economy concerns. However, it quickly recovered and closed at 1,678pts, at nearly 4 years high. The KLCI rose 3.30%, driven by strong buying interest from foreign investors, particularly in banks. This brought the KLCI’s gain YTD to 15.40%, primarily driven by net buying from both foreign and local institutional investors. Foreign investors emerged as the largest and only net buyers for the second straight month, with a net buy of RM2.55bil, raising their August 2024 net buy to RM3.10bil. Local institutional investors were the largest net sellers, followed by retail, local nominees, and proprietary investors. In August 2024, the finance sector was the best performing sector, while the technology sector was the worst performing. Historical trends show an average loss of 2.10% or 0.90% in September 2024 over the past 10 years and 44 years.

For the month of September 2024, the KLCI declined by -1.78% closing at 1,649, underperforming global markets which benefitted from the announced stimulus in China. Top performers included IHH, QLG, SDG, SIME, and MAXIS, while the biggest laggards were PETD, YTL, MISC, YTLP, and KLK. Foreigners net bought RM509mil worth of Malaysian equities in September 2024, while local institutions and retailers net sold RM460mil and RM779mil respectively. Consumer Price Index (“CPI”) and core CPI were stable at 1.90%, with exports remaining strong at 12.14% Year-Over-Year (“YOY”) and imports slightly increasing to 26.20% YOY. Malaysian Government Securities (“MGS”) 10-year yield declined slightly to 3.707%, while the Malaysian Ringgit continued to strengthen, gaining another 4.60% last month. Key drivers for the Malaysia market are China stimulus and US elections, with populist measures and fiscal consolidation expected in the Budget year 2025. Banks and consumer sectors are expected to be key winners, while fuel subsidy rationalisation would be negative for Petronas Dagangan Berhad (“PETD”).

The KLCI index fell by 2.90% in October 2024 due to foreign investors profiting from Middle Eastern tensions, potential costs from mandatory Employees Provident Fund contributions, and US presidential election uncertainties. Despite this, the KLCI maintained a 10.10% YTD gain for the first 10 months of year 2024. Construction, Real Estate Investment Trusts (“REITs”), and healthcare sectors outperformed, while utilities, telecom, and consumer sectors lagged. Significant events in October 2024 included Prime Minister Anwar's Goods and Services Tax (“GST”) implementation

announcements, the year 2025 national budget, currency pegging mechanism, and a 2.00% dividend income tax proposal.

In November 2024, the KLCI fell by 0.50% to 1,594 pts due to foreign investors profit-taking amid trade concerns and regional tensions. The YTD gain was reduced to 9.60%. Healthcare, plantation, and utilities sectors performed well, while telecom, energy, and industrial sectors lagged. Major gainers included Sunway, YTL Power, and Petronas Dagangan. Foreign investors sold RM3.11bil, with utilities, financial services, and consumer products as top sellers. Local institutional investors were the largest net buyers.

In December 2024, the KLCI index rose by 3%, closing at 1,642 pts and achieving a 12.9% gain for the year. Local institutional investors and proprietary traders were net buyers, while foreign and retail investors were net sellers. Technology, healthcare, and utilities sectors performed well, while finance and consumer sectors lagged. YTL Power and Petronas Chemicals were top gainers in December, whereas PPB Group and KLK Resources were the biggest losers. Key events included announcements on proposed targeted RON95 subsidies and significant investments in Malaysia.

The KLCI fell 5.00% in January 2025 due to sell-offs in artificial intelligence (“AI”) and data centre-related proxies, following tighter US restrictions on AI chips and the launch of Chinese AI chatbot DeepSeek. This marks the KLCI's steepest January decline since year 1995. Foreign investors persistently net-sold RM3.1bil worth of equities in January 2025, with utilities and property sectors accounting for 35.00% of total net outflows. The REIT sector was the best performer, while the construction sector was the worst. The KLCI has averaged a return of 0.80% in February 2025 over the past 10 years and 2.20% over the past 47 years.

The KLCI rose 1.14% in February 2025, closing at 1,574 pts, despite a disappointing four quarter earnings season. Banks performed better, and foreign investors offloaded RM2.2bil worth of equities in February, primarily in utilities, healthcare, and financial services sectors. The plantation sector was the best performer, while the technology sector was the worst. The KLCI has averaged a return of -1.0% in March over the past 10 years and -0.5% over the past 47 years. Key events to watch in March 2025 include the Bank Negara Malaysia (“BNM”) Monetary Policy Committee Meeting, Federal Open Market Committee (“FOMC”) Meeting, potential tariff relief for Mexico and Canada, US trade policy updates, and China's Two Session meetings.

In March 2025, the KLCI sharply declined by 3.90%, closing at 1,513, driven by foreign selling due to US tariff concerns. The KLCI underperformed the MSCI Asia ex-Japan index, which saw a smaller decline of approximately 0.71% in the same period. Foreign selling is estimated to have grown to a record RM4.6bil in March 2025, up sharply from RM2.2bil in February 2025, bringing first quarter of year 2025 (“1Q25”) cumulative foreign outflows to RM9.96bil. For perspective, the 1Q25 net outflow is 74.00% higher than the RM5.7bil recorded for the whole of year 2024.

Foreign investors net sold across most sectors, with top net sell stocks including CIMB, Maybank, and Public Bank. Conversely, local institutions were net buyers in most sectors, with CIMB, Public Bank, and Maybank being their top net buy stocks. Top KLCI gainers were PPB Group, YTL Corp, and YTL Power, while Axiata, Nestlé, and CIMB saw the steepest declines.

EQUITY MARKET OUTLOOK & STRATEGY

Malaysia's economy faces potential headwinds due to global tariff adjustments, particularly the US's reduction of 90-day tariffs to 10.00% on all countries except China which faces 125.00%. This could negatively impact Malaysia's export sector and overall Gross Domestic Product (“GDP”) growth, potentially leading Malaysian businesses to prioritize domestic-oriented strategies. However, Malaysia might also benefit from trade diversion as manufacturers seek alternatives and foreign companies consider establishing operations there, boosting sectors like industrial properties and construction. Specific sectors like glove and semiconductor industries, previously affected by reciprocal tariffs, might see some relief, potentially leading to stock price recovery for Malaysian glove companies with US exposure. Conversely, Chinese glove makers might flood non-US markets with excess inventory, causing price pressure. Overall corporate earnings growth in Malaysia is projected to slow down in year 2025, although a 5.00% to 6.00% growth is still anticipated. Despite these challenges, the government's supportive policies, coupled with attractive market valuation and earnings yield, suggest a positive medium-term outlook. While short-term market volatility is expected due to tariff uncertainties and US federal reserve rate decisions, the index is seen as fundamentally strong and liquid. The government's key investment themes for year 2025, including large-scale infrastructure projects, leveraging global trade shifts, promoting stable domestic consumption, strengthening supply chain resilience, and favoring high-dividend-yielding stocks, aim to enhance portfolio resilience amidst ongoing uncertainties.

REVIEW OF FUND PERFORMANCE DURING THE FINANCIAL YEAR

For the financial year under review, the Fund registered a return of 1.26%* against its benchmark negative return of 1.93%*. The Fund thus outperformed its benchmark by 3.19% during the financial year under review. The Net Asset Value per unit of the Fund was RM0.4672 (2024: RM0.4614) as at 31 March 2025.

The investment strategy and policy employed during the year under review were in line with the investment strategy and policy as stated in the prospectus. The fund has achieved its objective of providing long term wealth accumulation through capital appreciation.

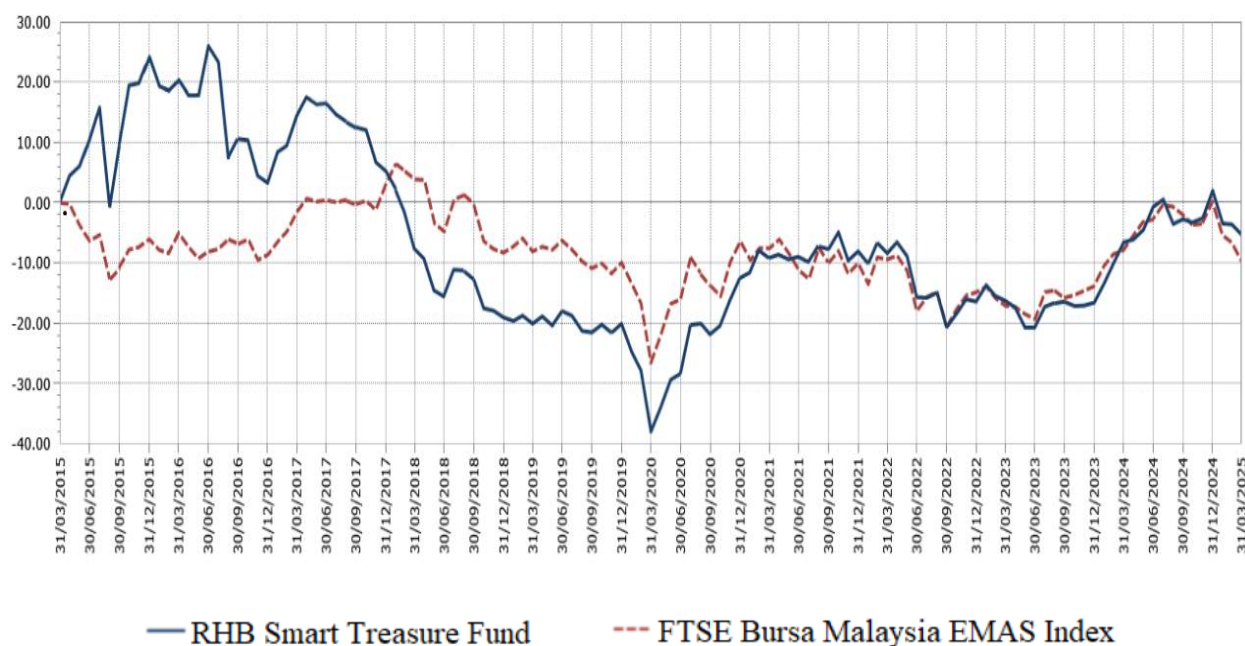
** Source: Lipper Investment Management (“IM”), 14 April 2025*

PERFORMANCE DATA

| | Annual Total Returns Financial Year Ended 31 March | | | | |
|--------------------------------|---|-----------|-----------|-----------|-----------|
| | 2025 % | 2024 % | 2023 % | 2022 % | 2021 % |
| RHB Smart Treasure Fund | | | | | |
| - Capital Return | 1.26 | 11.77 | (8.79) | 1.05 | 46.07 |
| - Income Return | - | - | - | - | - |
| - Total Return | 1.26 | 11.77 | (8.79) | 1.05 | 46.07 |
| FTSE Bursa Malaysia EMAS Index | (1.93) | 11.06 | (8.50) | (1.96) | 25.70 |

| | Average Annual Returns | | | |
|--------------------------------|---|--|--|---|
| | 1 Year 31.03.2024 – 31.03.2025 % | 3 Years 31.03.2022 – 31.03.2025 % | 5 Years 31.03.2020 – 31.03.2025 % | 10 Years 31.03.2015 – 31.03.2025 % |
| RHB Smart Treasure Fund | 1.26 | 1.06 | 8.78 | (0.55) |
| FTSE Bursa Malaysia EMAS Index | (1.93) | (0.12) | 4.19 | (1.01) |

**Performance of RHB Smart Treasure Fund
for the period from 31 March 2015 to 31 March 2025
Cumulative Return Over The Period (%)**



Source: Lipper IM, 11 April 2025

The above mentioned performance figures are indicative returns based on daily Net Asset Value of a unit (as per Lipper Database) since 31 March 2015.

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

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

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

| Fund Size | As at 31 March | | |
|--------------------------------|-----------------------|-------------|-------------|
| | 2025 | 2024 | 2023 |
| Net Asset Value (RM million) | 16.11 | 21.31 | 22.89 |
| Units In Circulation (million) | 34.48 | 46.19 | 55.43 |
| Net Asset Value Per Unit (RM) | 0.4672 | 0.4614 | 0.4129 |

| Historical Data | Financial Year Ended 31 March | | |
|--|--------------------------------------|-------------|-------------|
| | 2025 | 2024 | 2023 |
| Unit Prices | | | |
| NAV - Highest (RM) | 0.5119 | 0.4615 | 0.4618 |
| - Lowest (RM) | 0.4472 | 0.3894 | 0.3861 |
| Distribution and Unit Split | - | - | - |
| Others | | | |
| Total Expense Ratio (TER) (%) # | 1.86 | 1.69 | 1.76 |
| Portfolio Turnover Ratio (PTR) (times) ## | 1.40 | 1.39 | 1.58 |

The TER for the financial year was higher compared with the previous financial year due to lower average net asset for the financial year under review.

The PTR for the financial year was higher compared with the previous financial year due to lower average net asset for the financial year under review.

DISTRIBUTION

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

PORTFOLIO STRUCTURE

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

| | As at 31 March | | |
|---|----------------|---------------|---------------|
| Sectors | 2025 | 2024 | 2023 |
| | % | % | % |
| Equities | | | |
| Construction | 11.17 | 8.74 | 2.96 |
| Consumer Products & Services | 5.73 | 9.29 | 17.46 |
| Energy | 1.74 | 12.76 | 5.79 |
| Financial Services | 20.82 | 19.07 | 24.65 |
| Health Care | 5.64 | 5.01 | 2.57 |
| Industrial Products & Services | 7.37 | 9.02 | 11.35 |
| Plantation | 3.21 | 1.46 | 3.57 |
| Property | 5.98 | 3.44 | - |
| Technology | 13.55 | 10.10 | 10.63 |
| Telecommunications & Media | 9.43 | 4.97 | 7.20 |
| Trading/Services | 0.62 | - | - |
| Transportation & Logistics | - | 4.83 | 2.86 |
| TSR & Warrants | 0.04 | 0.14 | 0.21 |
| Utilities | 5.81 | 5.44 | 2.56 |
| | <u>91.11</u> | <u>94.27</u> | <u>91.81</u> |
| Collective investment scheme | 0.26 | 0.36 | 0.29 |
| Liquid assets and other net current assets | 8.63 | 5.37 | 7.90 |
| | <u>100.00</u> | <u>100.00</u> | <u>100.00</u> |

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

SECURITIES FINANCING TRANSACTIONS

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

CROSS TRADE

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

SOFT COMMISSION

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

RHB SMART TREASURE FUND
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

| | <u>Note</u> | <u>2025</u> RM | <u>2024</u> RM |
|---|--------------------|---------------------------------|---------------------------------|
| ASSETS | | | |
| Bank balances | 5 | 205,833 | 249,058 |
| Deposits with licensed financial institutions | 5 | 1,616,119 | 849,026 |
| Investments | 6 | 14,720,336 | 20,169,455 |
| Dividend receivables | | 53,850 | 115,201 |
| Tax recoverable | | 8,137 | - |
| TOTAL ASSETS | | 16,604,275 | 21,382,740 |
| LIABILITIES | | | |
| Amount due to brokers | | 418,540 | - |
| Amount due to Manager | | 17,441 | 8,723 |
| Accrued management fee | | 20,589 | 26,572 |
| Amount due to Trustee | | 824 | 1,063 |
| Other payables and accruals | | 35,795 | 19,017 |
| Tax payable | | - | 12,973 |
| TOTAL LIABILITIES | | 493,189 | 68,348 |
| NET ASSET VALUE | | 16,111,086 | 21,314,392 |
| EQUITY | | | |
| Unit holders' capital | | 58,532,551 | 64,166,482 |
| Accumulated losses | | (42,421,465) | (42,852,090) |
| | | 16,111,086 | 21,314,392 |
| UNITS IN CIRCULATION (UNIT) | 7 | 34,484,000 | 46,191,000 |
| NET ASSET VALUE PER UNIT (RM) | | 0.4672 | 0.4614 |

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

RHB SMART TREASURE FUND
STATEMENT OF INCOME AND EXPENSES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

| | <u>Note</u> | <u>2025</u> RM | <u>2024</u> RM |
|---|-------------|-------------------|-------------------|
| INCOME | | | |
| Dividend income | | 560,473 | 600,413 |
| Interest income from deposits with licensed financial institutions | | 30,727 | 37,708 |
| Net realised gain /(loss) on disposal | | 2,740,117 | (448,576) |
| Net unrealised (loss)/gain on changes in fair value | | (2,292,486) | 2,727,465 |
| Net foreign currency exchange gain | | (30,114) | 14,949 |
| | | <u>1,008,717</u> | <u>2,931,959</u> |
| EXPENSES | | | |
| Management fee | 8 | (290,833) | (321,048) |
| Trustee's fee | 9 | (11,634) | (12,843) |
| Audit fee | | (15,600) | (7,800) |
| Tax agent's fee – current period | | (23,359) | (3,000) |
| Tax agent's fee – over provision of prior year | | - | 5,629 |
| Transaction costs | | (230,652) | (238,804) |
| Other expenses | | (24,703) | (40,702) |
| | | <u>(596,781)</u> | <u>(618,568)</u> |
| Net income before taxation | | 411,936 | 2,313,391 |
| Taxation | 10 | 18,689 | (9,521) |
| Net income after taxation | | <u>430,625</u> | <u>2,303,870</u> |
| Net income after taxation is made up as follow: | | | |
| Realised amount | | 2,753,394 | (437,125) |
| Unrealised amount | | (2,322,769) | 2,740,995 |
| | | <u>430,625</u> | <u>2,303,870</u> |

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

RHB SMART TREASURE FUND
STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

| | Unit holders' capital RM | Accumulated losses RM | Total net asset value RM |
|---|---|--------------------------------------|---|
| Balance as at 1 April 2023 | 68,046,097 | (45,155,960) | 22,890,137 |
| Movement in net asset value: | | | |
| Net income after taxation | - | 2,303,870 | 2,303,870 |
| Creation of units arising from applications | 24,207 | - | 24,207 |
| Cancellation of units | (3,903,822) | - | (3,903,822) |
| Balance as at 31 March 2024 | <u>64,166,482</u> | <u>(42,852,090)</u> | <u>21,314,392</u> |
| Balance as at 1 April 2024 | 64,166,482 | (42,852,090) | 21,314,392 |
| Movement in net asset value: | | | |
| Net income after taxation | - | 430,625 | 430,625 |
| Creation of units arising from applications | 125,931 | - | 125,931 |
| Cancellation of units | (5,759,862) | - | (5,759,862) |
| Balance as at 31 March 2025 | <u>58,532,551</u> | <u>(42,421,465)</u> | <u>16,111,086</u> |

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

RHB SMART TREASURE FUND
STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

| | <u>Note</u> | <u>2025</u> RM | <u>2024</u> RM |
|---|-------------|--------------------|--------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Proceeds from sale of investments | | 31,416,493 | 30,959,173 |
| Purchase of investments | | (25,313,912) | (28,645,588) |
| Dividends received | | 598,572 | 526,194 |
| Interest received from deposits with licensed financial institutions | | 30,727 | 37,708 |
| Management fee paid | | (296,816) | (323,798) |
| Trustee's fees paid | | (11,873) | (12,953) |
| Payment for other fees and expenses | | (40,921) | (40,738) |
| Tax (paid)/received | | (2,421) | 3,132 |
| Net cash generated from operating activities | | <u>6,379,849</u> | <u>2,503,130</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Cash proceeds from units created | | 125,931 | 24,207 |
| Cash paid for units cancelled | | (5,751,144) | (3,895,512) |
| Net cash used in financing activities | | <u>(5,625,213)</u> | <u>(3,871,305)</u> |
| Net increase/(decrease) in cash and cash equivalents | | 754,636 | (1,368,175) |
| Foreign currency translation difference | | (30,768) | 13,487 |
| Cash and cash equivalents at the beginning of the financial year | | <u>1,098,084</u> | <u>2,452,772</u> |
| Cash and cash equivalents at the end of the financial year | 5 | <u>1,821,952</u> | <u>1,098,084</u> |

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

RHB SMART TREASURE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

The RHB Smart Treasure Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of a Master Deed dated 27 April 2004 as modified by the First Supplemental Master Deed dated 8 June 2004, Second Supplemental Master Deed 19 October 2005, Third Supplemental Master Deed dated 8 December 2005, Fourth Supplemental Master Deed dated 28 February 2006, Fifth Supplemental Master Deed dated 9 March 2006, Sixth Supplemental Master Deed dated 22 September 2006, Seventh Supplemental Master Deed dated 15 December 2006, Eighth Supplemental Master Deed dated 30 January 2007, Ninth Supplemental Master Deed dated 9 April 2007, Tenth Supplemental Master Deed dated 14 May 2007, Eleventh Supplemental Master Deed dated 15 May 2007, Twelfth Supplemental Master Deed dated 27 June 2007, Thirteenth Supplemental Master Deed dated 24 December 2007, Fourteenth Supplemental Master Deed dated 28 February 2013, Fifteenth Supplemental Master Deed dated 4 September 2013, Sixteenth Supplemental Master Deed dated 2 March 2015, Seventeenth Supplemental Master Deed dated 8 May 2015, Eighteenth Supplemental Master Deed dated 25 May 2015, Nineteenth Supplemental Master Deed dated 3 June 2015, Twentieth Supplemental Master Deed dated 11 December 2018 and Twenty-First Supplemental Master Deed dated 7 February 2023 (collectively referred to as “the Deeds”) between RHB Asset Management Sdn Bhd (“the Manager”) and HSBC (Malaysia) Trustee Berhad (“the Trustee”).

The Fund was launched on 7 September 2004 and will continue its operations until terminated according to the conditions provided in the Deeds. The principal activity of the Fund is to invest in Permitted Investments as set out in the Deeds.

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

The main objective of the Fund is to achieve long term capital appreciation through investments in companies with high growth potential. Effective from 12 April 2019 with unit holders’ approval on the change of the Fund’s investment objective, the Fund aims to achieve long term capital appreciation through investments in companies with high growth potential.

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES (CONTINUED)

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

These financial statements were authorised for issue by the Manager on 21 May 2025.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation of the financial statements

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

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

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

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

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

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.1 Basis of preparation of the financial statements (continued)

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.1 Basis of preparation of the financial statements (continued)

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

- MFRS 18 ‘Presentation and Disclosure in Financial Statements’ (effective 1 January 2027) replaces MFRS 101 ‘Presentation of Financial Statements’.

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

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Financial assets

Classification

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

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

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

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

Recognition and measurement

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

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Financial assets (continued)

Recognition and measurement (continued)

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

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

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

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

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

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Financial assets (continued)

Impairment of financial assets

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

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Write-off

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Financial liabilities

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

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

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

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

2.4 Unit holders' capital

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

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

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

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.5 Income recognition

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

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

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

Realised gains or losses on disposal of quoted investments and collective investment scheme are arrived at after accounting for cost of investments, determined on the weighted average cost method.

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

2.6 Taxation

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

2.7 Cash and cash equivalents

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

2.8 Amount due from/to brokers

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.8 Amount due from/to brokers (continued)

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

2.9 Presentation and functional currency

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

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in RM primarily due to the following factors:

- Part of the Fund’s cash is denominated in RM for the purpose of making settlement of the creation and cancellation.
- The Fund’s units are denominated in RM.
- The Fund’s significant expenses are denominated in RM.
- The Fund’s investments are significantly denominated in RM.

2.10 Foreign currency translation

Foreign currency transactions in the Fund are accounted for at exchange rates prevailing at the transaction dates. Foreign currency monetary assets and liabilities are translated at exchange rates prevailing at the reporting date. Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are recognised in statement of income and expenses.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

Market risk

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

Price risk

Price risk is the risk that the fair value of the investments of the Fund will fluctuate because of changes in market prices.

The Fund is exposed to equity securities and collective investment scheme (other than those arising from interest rate risk) price risk for its investments of RM14,720,336 (2024: RM20,169,455) in equity securities and collective investment scheme.

The sensitivity analysis is based on the assumption that the price of the quoted securities and collective investment scheme fluctuate by +/- 5% with all other variables held constant, the impact on the statement of income and expenses and net asset value is +/- RM736,017 (2024: RM1,008,473).

Interest rate risk

Interest rate risk is the risk that the cost or the value of the financial instruments will fluctuate due to changes in market interest rates. The Fund's exposure to the interest rate risk is mainly from short term placements with financial institutions. The Manager overcomes the exposure by way of maintaining deposits on short term basis. Therefore, exposure to interest rate fluctuation is minimal.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Currency risk

Currency risk is associated with financial instruments that are quoted and/or priced in foreign currency denomination. Malaysian based investor should be aware that if the Ringgit Malaysia appreciates against the currencies in which the portfolio of the investment is denominated, this will have an adverse effect on the net asset value of the Fund and vice versa. The Fund did not have any significant financial liabilities denominated in foreign currencies as at the financial year end date.

The Manager or its fund management delegate could utilise two pronged approaches in order to mitigate the currency risk; firstly by spreading the investments across different currencies (i.e. diversification) and secondly, by hedging the currencies when it deemed necessary.

The analysis is based on the assumption that the foreign exchange rate fluctuates by +/- 5%, with all other variables remain constants, the impact on statement of income and expenses and net asset value is +/- RM165,223 (2024: RM209,803).

The following table sets out the currency risk concentration of the Fund:

| | <u>Investments</u> RM | <u>Cash and cash equivalents</u> RM | <u>Other financial assets/ (liabilities)*</u> RM | <u>Total</u> RM |
|----------------------|--------------------------|--|---|--------------------|
| <u>2025</u> | | | | |
| Hong Kong Dollar | 1,269,576 | - | - | 1,269,576 |
| Indonesian Rupiah | 314,364 | - | 9,246 | 323,610 |
| Korean Won | 827,017 | - | 3,972 | 830,989 |
| Taiwan Dollar | 736,718 | - | 2,143 | 738,861 |
| United States Dollar | - | 155,611 | (14,195) | 141,416 |
| | <u>3,147,675</u> | <u>155,611</u> | <u>1,166</u> | <u>3,304,452</u> |
| <u>2024</u> | | | | |
| Hong Kong Dollar | 709,338 | - | - | 709,338 |
| Indonesian Rupiah | 1,230,328 | - | 15,007 | 1,245,335 |
| Korean Won | 1,143,390 | - | 9,186 | 1,152,576 |
| Taiwan Dollar | 584,254 | - | 817 | 585,071 |
| Thailand Baht | 310,480 | 652 | - | 311,132 |
| United States Dollar | - | 197,830 | (5,217) | 192,613 |
| | <u>3,977,790</u> | <u>198,482</u> | <u>19,793</u> | <u>4,196,065</u> |

* Comprise dividend receivables, and other payables and accruals.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk

Credit risk refers to the possibility that the issuer of a particular investment will not be able to make timely or full payments of principal or income due on that investment. The credit risk arising from cash and cash equivalents is managed by ensuring that the Fund will only maintain cash balances and place deposits with reputable licensed financial institutions. For amount due from brokers, the settlement terms are governed by the relevant rules and regulations as prescribed by the Bursa Malaysia Securities Berhad (“Bursa Malaysia”). The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC’s Guidelines on Unit Trust Funds.

The following table sets out the credit risk concentrations of the Fund:

| | Cash and cash <u>equivalents</u> RM | Other financial <u>assets*</u> RM | <u>Total</u> RM |
|--------------------|--|--|----------------------------|
| <u>2025</u> | | | |
| AAA | 1,666,341 | - | 1,666,341 |
| AA3 | 155,611 | - | 155,611 |
| Others | - | 53,850 | 53,850 |
| | <u>1,821,952</u> | <u>53,850</u> | <u>1,875,802</u> |
| <u>2024</u> | | | |
| AAA | 899,602 | - | 899,602 |
| AA3 | 198,482 | - | 198,482 |
| Others | - | 115,201 | 115,201 |
| | <u>1,098,084</u> | <u>115,201</u> | <u>1,213,285</u> |

* Comprise dividend receivables.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk

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

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

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

| | Less than <u>1 month</u> RM | Between <u>1 month</u> to 1 year RM |
|-----------------------------|--|--|
| <u>2025</u> | | |
| Amount due to brokers | 418,540 | - |
| Amount due to Manager | 17,441 | - |
| Accrued management fee | 20,589 | - |
| Amount due to Trustee | 824 | - |
| Other payables and accruals | - | 35,795 |
| | <u>457,394</u> | <u>35,795</u> |
| <u>2024</u> | | |
| Amount due to Manager | 8,723 | - |
| Accrued management fee | 26,572 | - |
| Amount due to Trustee | 1,063 | - |
| Other payables and accruals | - | 19,017 |
| | <u>36,358</u> | <u>19,017</u> |

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Capital risk

The capital of the Fund is represented by equity consisting of unit holders' capital of RM58,532,551 (2024: RM64,166,482) and accumulated losses of RM42,421,465 (2024: RM42,852,090). The amount of equity can change significantly on a daily basis as the Fund is subject to daily redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

4. FAIR VALUE ESTIMATION

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

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

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

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

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

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

4. FAIR VALUE ESTIMATION (CONTINUED)

Fair value hierarchy

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

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

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

| | <u>Level 1</u> RM | <u>Level 2</u> RM | <u>Level 3</u> RM | <u>Total</u> RM |
|-----------------------------------|----------------------|----------------------|----------------------|--------------------|
| <u>2025</u> | | | | |
| Financial assets at FVPTL: | | | | |
| - Quoted investments | 14,678,736 | - | - | 14,678,736 |
| - Collective investment scheme | 41,600 | - | - | 41,600 |
| | <u>14,720,336</u> | <u>-</u> | <u>-</u> | <u>14,720,336</u> |
| <u>2024</u> | | | | |
| Financial assets at FVPTL: | | | | |
| - Quoted investments | 20,093,295 | - | - | 20,093,295 |
| - Collective investment scheme | 76,160 | - | - | 76,160 |
| | <u>20,169,455</u> | <u>-</u> | <u>-</u> | <u>20,169,455</u> |

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

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise:

| | <u>2025</u> RM | <u>2024</u> RM |
|---|-------------------|-------------------|
| Bank balances | 205,833 | 249,058 |
| Deposits with licensed financial institutions | 1,616,119 | 849,026 |
| | <u>1,821,952</u> | <u>1,098,084</u> |

6. INVESTMENTS

| | <u>2025</u> RM | <u>2024</u> RM |
|--------------------------------|-------------------|-------------------|
| Investments: | | |
| - Quoted investments - local | 11,531,061 | 16,115,505 |
| - Quoted investments - foreign | 3,147,675 | 3,977,790 |
| - Collective investment scheme | 41,600 | 76,160 |
| | <u>14,720,336</u> | <u>20,169,455</u> |

Investments as at 31 March 2025 are as follows:

| <u>Name of Counter</u> | <u>Quantity</u> | <u>Cost</u> RM | <u>Fair Value</u> RM | % of Net Asset Value % |
|---|-----------------|-------------------|-------------------------|---------------------------------|
| QUOTED INVESTMENTS – LOCAL | | | | |
| <u>MALAYSIA</u> | | | | |
| Construction | | | | |
| Ame Elite Consortium Berhad | 283,600 | 491,755 | 479,284 | 2.97 |
| Gamuda Berhad | 142,656 | 351,635 | 599,155 | 3.72 |
| IJM Corporation Berhad | 239,300 | 595,183 | 502,530 | 3.12 |
| Kerjaya Prospek Group Berhad | 105,400 | 205,888 | 218,178 | 1.36 |
| | | <u>1,644,461</u> | <u>1,799,147</u> | <u>11.17</u> |
| Consumer Products & Services | | | | |
| Guan Chong Berhad | 44,700 | 158,974 | 165,390 | 1.03 |
| Energy | | | | |
| Wah Seong Corporation Berhad | 277,500 | 298,397 | 280,275 | 1.74 |

6. INVESTMENTS (CONTINUED)

Investments as at 31 March 2025 are as follows: (continued)

| <u>Name of Counter</u> | <u>Quantity</u> | <u>Cost</u> RM | <u>Fair Value</u> RM | % of Net Asset Value % |
|---|-----------------|-------------------|-------------------------|---------------------------------|
| QUOTED INVESTMENTS – LOCAL | | | | |
| (CONTINUED) | | | | |
| <u>MALAYSIA (CONTINUED)</u> | | | | |
| Financial Services | | | | |
| CIMB Group Holdings Berhad | 138,005 | 764,160 | 966,035 | 6.00 |
| Malayan Banking Berhad | 97,656 | 854,736 | 988,279 | 6.13 |
| Public Bank Berhad | 245,800 | 1,033,060 | 1,086,436 | 6.74 |
| | | <u>2,651,956</u> | <u>3,040,750</u> | <u>18.87</u> |
| Health Care | | | | |
| IHH Healthcare Berhad | 64,500 | 418,193 | 446,340 | 2.77 |
| KPJ Healthcare Berhad | 123,000 | 322,764 | 327,180 | 2.03 |
| Supercomnet Technologies Berhad | 125,000 | 187,710 | 135,000 | 0.84 |
| | | <u>928,667</u> | <u>908,520</u> | <u>5.64</u> |
| Industrial Products & Services | | | | |
| Aurelius Technologies Berhad | 104,500 | 325,417 | 331,265 | 2.06 |
| Kelington Group Berhad | 48,700 | 153,112 | 168,502 | 1.05 |
| Malayan Cement Berhad | 51,100 | 253,367 | 247,835 | 1.54 |
| Press Metal Aluminium Holdings Berhad | 39,400 | 190,396 | 198,576 | 1.22 |
| Southern Cable Group Berhad | 225,700 | 130,406 | 241,499 | 1.50 |
| | | <u>1,052,698</u> | <u>1,187,677</u> | <u>7.37</u> |
| Plantation | | | | |
| SD Guthrie Berhad | 105,400 | 485,970 | 517,514 | 3.21 |
| Property | | | | |
| IOI Properties Group Berhad | 109,500 | 234,586 | 216,810 | 1.35 |
| LBS Bina Group Berhad | 631,100 | 404,780 | 293,462 | 1.82 |
| Sime Darby Property Berhad | 120,400 | 156,989 | 161,336 | 1.00 |
| SP Setia Berhad Group | 130,300 | 170,953 | 153,754 | 0.95 |
| | | <u>967,308</u> | <u>825,362</u> | <u>5.12</u> |

6. INVESTMENTS (CONTINUED)

Investments as at 31 March 2025 are as follows: (continued)

| <u>Name of Counter</u> | <u>Quantity</u> | <u>Cost</u> RM | <u>Fair Value</u> RM | <u>% of Net Asset Value</u> % |
|---|-----------------|-------------------|-------------------------|----------------------------------|
| QUOTED INVESTMENTS – LOCAL | | | | |
| (CONTINUED) | | | | |
| <u>MALAYSIA (CONTINUED)</u> | | | | |
| Technology | | | | |
| CTOS Digital Berhad | 295,700 | 388,315 | 340,055 | 2.11 |
| Frontken Corporate Berhad | 22,100 | 92,191 | 82,433 | 0.51 |
| Inari Amertron Berhad | 82,800 | 239,579 | 168,084 | 1.04 |
| Mi Technovation Berhad | 89,000 | 200,097 | 161,980 | 1.01 |
| | | 920,182 | 752,552 | 4.67 |
| Telecommunications & Media | | | | |
| Axiata Group Berhad | 142,900 | 331,427 | 255,791 | 1.59 |
| Maxis Berhad | 97,100 | 330,567 | 329,169 | 2.04 |
| Telekom Malaysia Berhad | 80,400 | 461,450 | 526,620 | 3.27 |
| | | 1,123,444 | 1,111,580 | 6.90 |
| TSR & Warrants | | | | |
| Yinson Holdings Berhad Warrant | 77,965 | - | 5,847 | 0.04 |
| Utilities | | | | |
| Tenaga Nasional Berhad | 61,900 | 689,044 | 828,222 | 5.14 |
| YTL Power International Berhad | 32,500 | 111,872 | 108,225 | 0.67 |
| | | 800,916 | 936,447 | 5.81 |
| TOTAL QUOTED INVESTMENTS - LOCAL | | 11,032,973 | 11,531,061 | 71.57 |

6. INVESTMENTS (CONTINUED)

Investments as at 31 March 2025 are as follows: (continued)

| <u>Name of Counter</u> | <u>Quantity</u> | <u>Cost</u> RM | <u>Fair Value</u> RM | <u>% of Net Asset Value</u> % |
|---|-----------------|-------------------------|-------------------------|----------------------------------|
| QUOTED INVESTMENTS – FOREIGN | | | | |
| <u>HONG KONG</u> | | | | |
| Consumer Products & Services | | | | |
| Alibaba Group Holding Ltd | 2,100 | 100,699 | 156,917 | 0.97 |
| China Feihe Ltd | 44,000 | 130,109 | 165,393 | 1.03 |
| Jd.Com Inc | 1,850 | 120,105 | 173,481 | 1.08 |
| Meituan | 1,400 | 122,835 | 127,850 | 0.79 |
| | | <u>473,748</u> | <u>623,641</u> | <u>3.87</u> |
| Property | | | | |
| China Resources Land Ltd | 9,500 | <u>143,934</u> | <u>138,450</u> | <u>0.86</u> |
| Telecommunications & Media | | | | |
| Tencent Holdings Ltd | 1,400 | <u>297,658</u> | <u>406,866</u> | <u>2.53</u> |
| Trading / Services | | | | |
| Cowell E Holdings Inc | 6,000 | <u>110,042</u> | <u>100,619</u> | <u>0.62</u> |
| TOTAL HONG KONG | | <u>1,025,382</u> | <u>1,269,576</u> | <u>7.88</u> |
| <u>INDONESIA</u> | | | | |
| Financial Services | | | | |
| PT Bank Central Asia Tbk | 138,000 | <u>380,630</u> | <u>314,364</u> | <u>1.95</u> |
| TOTAL INDONESIA | | <u>380,630</u> | <u>314,364</u> | <u>1.95</u> |
| <u>KOREA</u> | | | | |
| Consumer Products & Services | | | | |
| Cosmax Inc | 258 | <u>131,210</u> | <u>134,049</u> | <u>0.83</u> |

6. INVESTMENTS (CONTINUED)

Investments as at 31 March 2025 are as follows: (continued)

| <u>Name of Counter</u> | <u>Quantity</u> | <u>Cost</u> RM | <u>Fair Value</u> RM | <u>% of Net Asset Value</u> % |
|---|-----------------|-------------------|-------------------------|----------------------------------|
| QUOTED INVESTMENTS – FOREIGN (CONTINUED) | | | | |
| <u>KOREA</u> (continued) | | | | |
| Technology | | | | |
| Samsung Electronics Co Ltd | 2,386 | 532,950 | 433,641 | 2.69 |
| Sk Hynix Inc | 431 | 289,792 | 259,327 | 1.61 |
| | | 822,742 | 692,968 | 4.30 |
| TOTAL KOREA | | 953,952 | 827,017 | 5.13 |
| <u>TAIWAN</u> | | | | |
| Technology | | | | |
| Hon Hai Precision Industry Co Ltd | 11,000 | 283,081 | 226,827 | 1.41 |
| Taiwan Semiconductor Manufacturing Co Ltd | 4,000 | 473,296 | 509,891 | 3.17 |
| | | 756,377 | 736,718 | 4.58 |
| TOTAL TAIWAN | | 756,377 | 736,718 | 4.58 |
| TOTAL QUOTED INVESTMENTS - FOREIGN | | 3,116,341 | 3,147,675 | 19.54 |
| COLLECTIVE INVESTMENT SCHEME | | | | |
| <u>MALAYSIA</u> | | | | |
| AME Real Estate Investment Trust | 26,000 | 29,380 | 41,600 | 0.26 |
| TOTAL COLLECTIVE INVESTMENT SCHEME | | 29,380 | 41,600 | 0.26 |
| TOTAL INVESTMENTS | | 14,178,694 | 14,720,336 | 91.37 |

6. INVESTMENTS (CONTINUED)

Investments as at 31 March 2024 are as follows:

| <u>Name of Counter</u> | <u>Quantity</u> | <u>Cost</u> RM | <u>Fair Value</u> RM | <u>% of Net Asset Value</u> % |
|--|-----------------|-------------------|-------------------------|----------------------------------|
| QUOTED INVESTMENTS – LOCAL | | | | |
| <u>MALAYSIA</u> | | | | |
| Construction | | | | |
| Gamuda Berhad | 159,809 | 654,364 | 842,193 | 3.95 |
| IJM Corporation Berhad | 238,200 | 515,142 | 578,826 | 2.72 |
| Sunway Construction Group Berhad | 151,500 | 253,968 | 442,380 | 2.07 |
| | | <u>1,423,474</u> | <u>1,863,399</u> | <u>8.74</u> |
| Consumer Products & Services | | | | |
| DRB-Hicom Berhad | 356,800 | 526,209 | 528,064 | 2.48 |
| QL Resources Berhad | 58,300 | 332,160 | 343,970 | 1.61 |
| | | <u>858,369</u> | <u>872,034</u> | <u>4.09</u> |
| Energy | | | | |
| Bumi Armada Berhad | 558,400 | 306,043 | 323,872 | 1.52 |
| Dayang Enterprise Holdings Berhad | 376,700 | 554,570 | 907,847 | 4.26 |
| Dialog Group Berhad | 122,400 | 270,243 | 280,296 | 1.32 |
| Velesto Energy Berhad | 1,772,300 | 448,215 | 522,829 | 2.45 |
| WASCO Berhad (<i>formerly known as Wah Seong Corporation Berhad</i>) | 359,100 | 338,427 | 459,648 | 2.16 |
| Yinson Holdings Berhad | 94,620 | 236,318 | 223,303 | 1.05 |
| | | <u>2,153,816</u> | <u>2,717,795</u> | <u>12.76</u> |
| Financial Services | | | | |
| CIMB Group Holdings Berhad | 161,705 | 826,624 | 1,073,721 | 5.04 |
| Malayan Banking Berhad | 97,656 | 854,735 | 946,287 | 4.44 |
| Public Bank Berhad | 287,300 | 1,170,185 | 1,212,406 | 5.69 |
| | | <u>2,851,544</u> | <u>3,232,414</u> | <u>15.17</u> |
| Health Care | | | | |
| KPJ Healthcare Berhad | 556,300 | 876,379 | 1,068,096 | 5.01 |

6. INVESTMENTS (CONTINUED)

Investments as at 31 March 2024 are as follows: (continued)

| <u>Name of Counter</u> | <u>Quantity</u> | <u>Cost</u> RM | <u>Fair Value</u> RM | <u>% of Net Asset Value</u> % |
|---|-----------------|-------------------|-------------------------|----------------------------------|
| QUOTED INVESTMENTS – LOCAL (CONTINUED) | | | | |
| <u>MALAYSIA (CONTINUED)</u> | | | | |
| Industrial Products & Services | | | | |
| Ann Joo Resources Berhad | 274,200 | 304,856 | 307,104 | 1.44 |
| Kelington Group Berhad | 255,400 | 425,267 | 679,364 | 3.19 |
| PETRONAS Chemicals Group Berhad | 30,200 | 221,022 | 202,642 | 0.95 |
| Press Metal Aluminium Holdings Bhd | 90,900 | 440,135 | 422,685 | 1.98 |
| | | 1,391,280 | 1,611,795 | 7.56 |
| Plantation | | | | |
| SD Guthrie Berhad | 72,300 | 315,820 | 311,613 | 1.46 |
| Property | | | | |
| LBS Bina Group Berhad | 1,018,900 | 563,581 | 733,608 | 3.44 |
| Technology | | | | |
| CTOS Digital Berhad | 163,700 | 235,166 | 216,084 | 1.01 |
| Frontken Corporate Berhad | 85,200 | 319,839 | 330,576 | 1.55 |
| Mi Technovation Berhad | 105,300 | 181,635 | 193,752 | 0.91 |
| | | 736,640 | 740,412 | 3.47 |
| Telecommunications & Media | | | | |
| Axiata Group Berhad | 98,500 | 281,071 | 264,965 | 1.24 |
| Telekom Malaysia Berhad | 79,400 | 408,788 | 479,576 | 2.25 |
| | | 689,859 | 744,541 | 3.49 |
| Transportation & Logistics | | | | |
| Malaysia Airports Holdings Berhad | 103,400 | 757,356 | 1,029,864 | 4.83 |
| TSR & Warrants | | | | |
| Yinson Holdings Berhad Warrant | 77,965 | - | 30,406 | 0.14 |

6. INVESTMENTS (CONTINUED)

Investments as at 31 March 2024 are as follows: (continued)

| <u>Name of Counter</u> | <u>Quantity</u> | <u>Cost</u> RM | <u>Fair Value</u> RM | <u>% of Net Asset Value</u> % |
|---|-----------------|--------------------------|--------------------------|----------------------------------|
| QUOTED INVESTMENTS – LOCAL (CONTINUED) | | | | |
| <u>MALAYSIA (CONTINUED)</u> | | | | |
| Utilities | | | | |
| Tenaga Nasional Berhad | 58,300 | 524,622 | 663,454 | 3.11 |
| YTL Corporation Berhad | 76,200 | 211,127 | 200,406 | 0.94 |
| YTL Power International Berhad | 76,400 | 303,095 | 295,668 | 1.39 |
| | | <u>1,038,844</u> | <u>1,159,528</u> | <u>5.44</u> |
| TOTAL QUOTED INVESTMENTS - LOCAL | | <u>13,656,962</u> | <u>16,115,505</u> | <u>75.60</u> |
| QUOTED INVESTMENTS – FOREIGN | | | | |
| <u>HONG KONG</u> | | | | |
| Consumer Products & Services | | | | |
| Alibaba Group Holdings Ltd | 6,100 | 294,961 | 259,086 | 1.22 |
| Anta Sports Products Ltd | 4,200 | 216,830 | 211,272 | 0.99 |
| New Oriental Education & Technology Group Inc | 5,800 | 189,438 | 238,980 | 1.12 |
| | | <u>701,229</u> | <u>709,338</u> | <u>3.33</u> |
| TOTAL HONG KONG | | <u>701,229</u> | <u>709,338</u> | <u>3.33</u> |
| <u>INDONESIA</u> | | | | |
| Consumer Products & Services | | | | |
| PT Mayora Indah Tbk | 527,900 | 426,911 | 399,578 | 1.87 |
| Financial Services | | | | |
| PT Bank Central Asia Tbk | 276,700 | 761,443 | 830,750 | 3.90 |
| TOTAL INDONESIA | | <u>1,188,354</u> | <u>1,230,328</u> | <u>5.77</u> |

6. INVESTMENTS (CONTINUED)

Investments as at 31 March 2024 are as follows: (continued)

| <u>Name of Counter</u> | <u>Quantity</u> | <u>Cost</u> RM | <u>Fair Value</u> RM | <u>% of Net Asset Value</u> % |
|---|-----------------|-------------------|-------------------------|----------------------------------|
| QUOTED INVESTMENTS – FOREIGN (CONTINUED) | | | | |
| <u>KOREA</u> | | | | |
| Technology | | | | |
| Samsung Electronics Co Ltd | 2,862 | 689,566 | 828,938 | 3.89 |
| Telecommunications & Media | | | | |
| SK Telecom | 1,704 | 307,245 | 314,452 | 1.48 |
| TOTAL KOREA | | 996,811 | 1,143,390 | 5.37 |
| <u>TAIWAN</u> | | | | |
| Technology | | | | |
| Hon Hai Precision Industry Co Ltd | 8,000 | 121,514 | 177,360 | 0.83 |
| Mediatek Inc | 1,000 | 115,878 | 176,621 | 0.83 |
| Taiwan Semiconductor Manufacturing Co Ltd | 2,000 | 188,285 | 230,273 | 1.08 |
| | | 425,677 | 584,254 | 2.74 |
| TOTAL TAIWAN | | 425,677 | 584,254 | 2.74 |
| <u>THAILAND</u> | | | | |
| Industrial Products & Services | | | | |
| Airports of Thailand PCL | 36,500 | 303,014 | 310,480 | 1.46 |
| TOTAL THAILAND | | 303,014 | 310,480 | 1.46 |
| TOTAL QUOTED INVESTMENTS - FOREIGN | | 3,615,085 | 3,977,790 | 18.67 |

6. INVESTMENTS (CONTINUED)

Investments as at 31 March 2024 are as follows: (continued)

| <u>Name of Counter</u> | <u>Quantity</u> | <u>Cost</u> RM | <u>Fair Value</u> RM | <u>% of Net Asset Value</u> % |
|---|-----------------|-------------------|-------------------------|----------------------------------|
| COLLECTIVE INVESTMENT SCHEME | | | | |
| <u>MALAYSIA</u> | | | | |
| AME Real Estate Investment Trust | 56,000 | 63,280 | 76,160 | 0.36 |
| TOTAL COLLECTIVE INVESTMENT SCHEME | | 63,280 | 76,160 | 0.36 |
| TOTAL INVESTMENTS | | 17,335,327 | 20,169,455 | 94.63 |

7. UNITS IN CIRCULATION

| | <u>2025</u> Units | <u>2024</u> Units |
|---|----------------------|----------------------|
| At the beginning of the financial year | 46,191,000 | 55,434,000 |
| Creation of units arising from applications during the financial year | 255,000 | 58,000 |
| Cancellation of units during the financial year | (11,962,000) | (9,301,000) |
| At the end of the financial year | <u>34,484,000</u> | <u>46,191,000</u> |

8. MANAGEMENT FEE

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

9. TRUSTEE'S FEE

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

10. TAXATION

(a) Tax charge for the financial year

| | <u>2025</u> RM | <u>2024</u> RM |
|------------------------------------|-------------------|-------------------|
| Current taxation | - | 9,521 |
| Overprovision of tax in prior year | (18,689) | - |
| | <u>(18,689)</u> | <u>9,521</u> |

(b) Numerical reconciliation of income tax expense

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

| | <u>2025</u> RM | <u>2024</u> RM |
|--|-------------------|-------------------|
| Net income before taxation | <u>411,936</u> | <u>2,313,391</u> |
| Tax calculated at statutory income tax rate of 24% | 98,865 | 555,214 |
| Tax effects of: | | |
| - Investment income not subject to tax | (242,092) | (694,149) |
| - Expenses not deductible for tax purposes | 67,236 | 66,982 |
| - Restriction on tax deductible expenses | 75,991 | 81,474 |
| - Overprovision of tax in prior year | (18,689) | - |
| Tax expense | <u>(18,689)</u> | <u>9,521</u> |

11. TOTAL EXPENSE RATIO (“TER”)

| | <u>2025</u> % | <u>2024</u> % |
|-----|------------------|------------------|
| TER | <u>1.86</u> | <u>1.69</u> |

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

12. PORTFOLIO TURNOVER RATIO (“PTR”)

| | <u>2025</u> | <u>2024</u> |
|-------------|-------------|-------------|
| PTR (times) | <u>1.40</u> | <u>1.39</u> |

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

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

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

| | <u>2025</u> | | <u>2024</u> | |
|--|------------------|----------------|------------------|----------------|
| | <u>Units</u> | <u>RM</u> | <u>Units</u> | <u>RM</u> |
| The Manager | 5,914 | 2,763 | 5,156 | 2,379 |
| RHB Capital Nominees (Tempatan) Sdn Bhd | <u>1,197,755</u> | <u>559,591</u> | <u>1,543,582</u> | <u>712,209</u> |

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

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

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

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

14. TRANSACTIONS BY THE FUND

Details of transactions by the Fund for the financial year ended 31 March 2025 are as follows:

| Brokers/ <u>Financial institutions</u> | Value of <u>trades</u> RM | Percentage of total <u>trades</u> % | Brokerage <u>fees</u> RM | Percentage of total brokerage <u>fees</u> % |
|---|--|--|---|--|
| RHB Investment Bank Berhad* | 31,901,096 | 55.81 | 95,502 | 59.84 |
| Maybank Investment Bank Berhad | 5,715,317 | 10.00 | 14,667 | 9.19 |
| CGS-CIMB Securities Sdn Bhd | 4,627,573 | 8.10 | 12,185 | 7.64 |
| Affin Hwang Investment Bank Berhad | 2,916,068 | 5.10 | 8,748 | 5.48 |
| CIMB Securities Sdn Bhd (formerly known as KAF Equities Sdn Bhd | 2,915,714 | 5.10 | 8,747 | 5.48 |
| CGS-CIMB Securities Korea Branch | 2,021,907 | 3.54 | 4,044 | 2.53 |
| UOB Kay Hian Securities (M) Sdn Bhd | 1,541,127 | 2.70 | 3,082 | 1.93 |
| Masterlink Securities Corporation | 1,179,985 | 2.06 | 3,540 | 2.22 |
| Hong Leong Investment Bank Berhad | 1,009,012 | 1.76 | 2,018 | 1.27 |
| Haitong International Securities | 980,961 | 1.72 | 1,962 | 1.23 |
| Others | 2,348,874 | 4.11 | 5,092 | 3.19 |
| | <u>57,157,634</u> | <u>100.00</u> | <u>159,587</u> | <u>100.00</u> |

14. TRANSACTIONS BY THE FUND (CONTINUED)

Details of transactions by the Fund for the financial year ended 31 March 2024 are as follows:

| Brokers/ <u>Financial institutions</u> | <u>Value of trades</u> RM | <u>Percentage of total trades</u> % | <u>Brokerage fees</u> RM | <u>Percentage of total brokerage fees</u> % |
|--|--|--|---|--|
| RHB Investment Bank Berhad* | 15,547,414 | 26.37 | 47,574 | 30.09 |
| Maybank Investment Bank Berhad | 13,557,710 | 23.00 | 34,939 | 22.10 |
| CGS-CIMB Securities Sdn Bhd | 8,374,463 | 14.20 | 24,398 | 15.43 |
| CGS-CIMB Securities Korea Branch | 5,279,207 | 8.96 | 10,558 | 6.68 |
| Affin Hwang Investment Bank Berhad | 4,121,068 | 6.99 | 12,363 | 7.82 |
| MIDF Amanah Investment Bank Berhad | 2,852,529 | 4.84 | 8,558 | 5.41 |
| Nomura Securities (M) Sdn Bhd | 1,891,423 | 3.21 | 3,783 | 2.39 |
| UOB Kay Hian Securities (M) Sdn Bhd | 1,586,002 | 2.69 | 3,172 | 2.01 |
| Hong Leong Investment Bank Berhad | 1,146,412 | 1.95 | 2,293 | 1.45 |
| CIMB Securities Sdn Bhd (formerly known as KAF Equities Sdn Bhd) | 1,065,899 | 1.81 | 3,070 | 1.94 |
| Others | 3,531,035 | 5.98 | 7,418 | 4.68 |
| | <u>58,953,162</u> | <u>100.00</u> | <u>158,126</u> | <u>100.00</u> |

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

15. FINANCIAL INSTRUMENTS BY CATEGORIES

| | <u>2025</u> RM | <u>2024</u> RM |
|---|-------------------|-------------------|
| Financial assets | | |
| Financial assets at FVPTL | | |
| • Quoted investments - local | 11,531,061 | 16,115,505 |
| • Quoted investments - foreign | 3,147,675 | 3,977,790 |
| • Collective investment scheme | 41,600 | 76,160 |
| | <u>14,720,336</u> | <u>20,169,455</u> |
| Financial assets at amortised cost | | |
| • Bank balances | 205,833 | 249,058 |
| • Deposits with licensed financial institutions | 1,616,119 | 849,026 |
| • Dividend receivables | 53,850 | 115,201 |
| | <u>1,875,802</u> | <u>1,213,285</u> |
| Financial liabilities | | |
| Financial liabilities at amortised cost | | |
| • Amount due to brokers | 418,540 | - |
| • Amount due to Manager | 17,441 | 8,723 |
| • Accrued management fee | 20,589 | 26,572 |
| • Amount due to Trustee | 824 | 1,063 |
| • Other payables and accruals | 35,795 | 19,017 |
| | <u>493,189</u> | <u>55,375</u> |

**STATEMENT BY MANAGER
RHB SMART TREASURE FUND**

We, Chin Yoong Kheong and Ng Chze How, two of the Directors of RHB Asset Management Sdn Bhd, do hereby state that in the opinion of the Directors of the Manager, the accompanying statement of financial position, statement of income and expenses, statement of changes in net asset value, statement of cash flows and the accompanying notes, are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of the Fund as at 31 March 2025 and of its financial performance and cash flows for the financial year then ended and comply with the provisions of the Deeds.

On behalf of the Manager,

Chin Yoong Kheong
Director

Ng Chze How
Director

21 May 2025

TRUSTEE'S REPORT

To the unit holders of RHB Smart Treasure Fund (“Fund”)

We have acted as Trustee of the Fund for the financial year ended 31 March 2025 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, RHB Asset Management Sdn Bhd has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

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

For HSBC (Malaysia) Trustee Berhad

Lee Cincee
Senior Manager, Trustee and Fiduciary Services

Kuala Lumpur
21 May 2025

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF RHB SMART TREASURE FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of RHB Smart Treasure Fund (“the Fund”) give a true and fair view of the financial position of the Fund as at 31 March 2025 and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 March 2025, and the statement of income and expenses, statement of changes in net asset value and statement of cash flows for the financial year then ended, and notes to the financial statements, including a material accounting policy information, as set out on pages 12 to 46.

Basis for opinion

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

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

Independence and other ethical responsibilities

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

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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the Manager for the financial statements

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

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

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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

OTHER MATTERS

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

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
21 May 2025

CORPORATE INFORMATION

MANAGER

RHB Asset Management Sdn Bhd

REGISTERED OFFICE

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

PRINCIPAL AND BUSINESS OFFICE

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

Email address: rhbam@rhbgroup.com

Tel: 03-9205 8000

Fax: 03-9205 8100

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

BOARD OF DIRECTORS

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

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

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

Tuan Syed Ahmad Taufik Albar (*Non-Independent Non-Executive Director*)
(*Resigned with effect from 29 February 2024*)

Encik Mohd Farid Bin Kamarudin (*Chief Executive Officer / Managing Director*)
(*Resigned with effect from 14 June 2024*)

Mr Ng Chze How (*Chief Executive Officer / Managing Director*)
(*Appointed with effect from 11 September 2024*)

INVESTMENT COMMITTEE MEMBERS

YBhg Dato' Darawati Hussain (*Independent Chairperson*)

Mr Chin Yoong Kheong

Puan Sharizad Binti Juma'at

CHIEF EXECUTIVE OFFICER / MANAGING DIRECTOR

Encik Mohd Farid Bin Kamarudin (*Resigned with effect from 14 June 2024*)

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

SECRETARIES

Encik Azman Shah Md Yaman (LS No. 0006901)

Izafaniz Binti Abdullah Kamir (MACS01851)

Filza Zainal Abidin (LS No: 0008413)

BRANCH OFFICE

| | |
|---------------------|--|
| Shah Alam Office | B-3-1, 1st Floor Jalan Serai Wangi G16/G, Alam Avenue Persiaran Selangor, Section 16 40200 Shah Alam Tel: 03-5523 1909 Fax: 03-5524 3471 |
| Sri Petaling Office | Level 1 & 2, No 53 Jalan Radin Tengah Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel: 03-9054 2470 Fax: 03-9054 0934 |
| Ipoh Office | No.7A, Persiaran Greentown 9 Pusat Perdagangan Greentown 30450 Ipoh, Perak Tel: 05-242 4311 Fax: 05-242 4312 |
| Johor Bahru Office | No 34 Jalan Kebun Teh 1 Pusat Perdagangan Kebun Teh 80250 Johor Bahru, Johor Tel: 07-221 0129 Fax: 07-221 0291 2nd Floor, 21 & 23 Jalan Molek 1/30, Taman Molek 81100 Johor Bahru, Johor Tel: 07-358 3587 Fax: 07-3583581 |
| Kuantan Office | 1st Floor, Lot 10, Jalan Putra Square 1 Putra Square 25300 Kuantan, Pahang Tel: 09-517 3611 / 09-517 3615 Fax: 09-517 3612 |
| Kuching Office | Lot 133, Section 20, Sublot 2 & 3 1st Floor, Jalan Tun Ahmad Zaidi Adruce 93200 Kuching, Sarawak Tel: 082-550 838 Fax: 082-550 508 Yung Kong Abell, Units 1-10 2nd Floor Lot 365 Section 50 Jalan Abell 93100 Kuching, Sarawak Tel: 082-245 611 Fax: 082-230 326 |

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

| | |
|---------------------|--|
| TRUSTEE | HSBC (Malaysia) Trustee Berhad |
| BANKER | RHB Bank Berhad |
| AUDITORS | PricewaterhouseCoopers PLT |
| TAX ADVISER | PricewaterhouseCoopers Taxation Services Sdn Bhd |
| DISTRIBUTORS | RHB Asset Management Sdn Bhd RHB Bank Berhad RHB Investment Bank Berhad Affin Bank Berhad AmBank Berhad AmInvestment Bank Berhad Astute Fund Management Berhad (APEX) Areca Capital Sdn Bhd CIMB Private Banking Citibank Berhad Genexus Advisory Sdn Bhd Hong Leong Bank Berhad HSBC Bank (M) Berhad iFAST Capital Sdn Bhd Kenanga Investors Berhad Manulife Asset Management Service Berhad Maybank Berhad OCBC Bank (M) Berhad Phillip Mutual Berhad Principle Asset Management Berhad Standard Chartered Bank (M) Berhad Standard Financial Adviser Sdn Bhd United Overseas Bank (M) Berhad UOB Kay Hian Securities (M) Sdn Bhd |

RHB ♦ Asset Management

RHB Asset Management Sdn Bhd 198801007231 (174588-X)

Head Office

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