



MUAMALAT INVEST ISLAMIC EQUITY FUND
(The “Fund”)

ANNUAL REPORT 2025

**Incorporating the Audited
Financial Statements**

For the financial year ended 30 June 2025

CONTENTS

	Page
CORPORATE INFORMATION	3
FUND INFORMATION	4
INVESTMENT OBJECTIVE, STRATEGY AND POLICY	4
MANAGER'S OVERVIEW	4
MANAGER'S REPORT	5-10
<ul style="list-style-type: none">• Fund Performance Review• Asset Allocation• Strategies and Policies• Market Review• Market Outlook• Portfolio Structure• Performance of Fund and Benchmark	
AUDITED FINANCIAL STATEMENTS AND NOTES TO THE AUDITED FINANCIAL STATEMENTS	11-32
<ul style="list-style-type: none">• Audited Statement of Financial Position• Audited Statement of Comprehensive Income• Audited Statement of Changes in Equity• Audited Statement of Cash Flows• Notes to the Audited Financial Statements	
STATEMENT BY MANAGER	33
TRUSTEE REPORT	34
REPORT OF THE SHARIAH ADVISER	35
INDEPENDENT AUDITORS' REPORT	36-39

CORPORATE INFORMATION

MANAGER

Muamalat Invest Sdn Bhd

REGISTERED OFFICE

30th Floor, Menara Bumiputra, No.21, Jalan Melaka, 50100 Kuala Lumpur

BUSINESS OFFICE AND OFFICE OF THE REGISTRAR

4th Floor, Menara Bumiputra, No.21, Jalan Melaka, 50100 Kuala Lumpur

Tel: 03 – 2615 8175 Fax: 03 – 2070 0157

Email: misb@muamalat.com.my

BOARD OF DIRECTORS

Md. Khairuddin bin Hj. Arshad

Roshidah binti Abdullah

Khairul bin Kamarudin

Khadijah Sairah binti Ibrahim (Executive Director)

CHIEF EXECUTIVE OFFICER

Khadijah Sairah binti Ibrahim

SHARIAH ADVISER

Bank Muamalat Malaysia Berhad

COMPANY SECRETARY

Daisy anak Francis (LS0010019)

(SSM Practicing Certificate No. 202008002477)

JOINT COMPANY SECRETARY

Nur Syafiqah binti Mohamad Fuzi (MACS01923)

(SSM Practicing Certificate No. 202308000635)

TRUSTEE

Maybank Trustees Berhad [196301000109 (5004-P)]

8th Floor, Menara Maybank, 100 Jalan Tun Perak

50050 Kuala Lumpur

PRINCIPAL BANKER

Bank Muamalat Malaysia Berhad

AUDITOR

PricewaterhouseCoopers PLT

10th Floor, Menara TH 1 Sentral, Jalan Rakyat

KL Sentral, 50706 Kuala Lumpur

TAX ADVISER

PricewaterhouseCoopers Taxation Services Sdn Bhd

10th Floor, Menara TH 1 Sentral, Jalan Rakyat

KL Sentral, 50706 Kuala Lumpur

FUND INFORMATION

Name of Fund	: Muamalat Invest Islamic Equity Fund
Period of Trust	: Subject to provisions of the Deed
Fund Category	: Equity (Shariah Compliant)
Fund Type	: Equity (Shariah Compliant)
Relevant Benchmark	: FTSE Bursa Malaysia EMAS Shariah Index
Distribution Policy	: The Fund is not expected to make distribution. However, incidental distribution may be declared whenever is appropriate – subject to the availability of realised income.

INVESTMENT OBJECTIVE, STRATEGY AND POLICY**Investment Objective**

The Fund seeks to achieve capital appreciation over medium to long term period.

Investment Policy and Strategy

The Fund targets an allocation of up to 95% of the Fund's Net Asset Value (NAV) in Shariah-compliant equities and Shariah-compliant equity-related instruments, and a maximum of 30% of the Fund's NAV invested in Islamic money market instruments, Sukuk and/or Islamic liquid assets. The selection of Shariah-compliant equity investments of the Fund will be in line with those in the list of Shariah-compliant securities issued by Shariah Advisory Council of the Securities Commission Malaysia and/or Bank Negara Malaysia.

The portfolio construction process is research driven – combining bottom-up fundamental analysis with top down economic and sector analysis. In identifying investable listed companies, the Manager relies on fundamental research where track records, prospects, business operation and management of the companies are considered. In addition, prospects for the economies and sectors in which the companies operate are also assessed. Analysis is also made on revenue growth, profit margins, sustainability of earnings and/or dividend pay-out, balance sheet and cash flow. In view of its investment objective, the designated fund manager will trade the securities depending on the securities market conditions.

The selection of Sukuk and Islamic money market instruments will depend largely on its credit quality where the respective issuers of Sukuk and Islamic money market instruments are required to possess strong ability to meet their financial obligations and offer highest safety for timely payment of profit and principal.

MANAGER'S OVERVIEW

We are pleased to present to you the Annual Report of Muamalat Invest Islamic Equity Fund ("the Fund") incorporating the Audited Financial Statements for the financial year ended 30 June 2025.

During the financial year under review, the Fund generated a total return of -12.53%* compared to the benchmark return of -8.88%*. Hence, the Fund underperformed the benchmark by -3.65%. The underperformance was mainly attributed to the Fund's sector and stock selection.

There is no distribution made by the Fund during the financial year under review.

* Source: Novagni Analytics and Advisory Sdn Bhd

MANAGER'S REPORT

Fund Performance Review

During the financial year under review, the Fund generated a total return of -12.53%* compared to the benchmark return of -8.88%*. Hence, the Fund underperformed the benchmark by -3.65%. The underperformance was mainly attributed to the Fund's sector and stock selection.

During the financial year under review, the Fund's NAV has decreased by 12.26% from RM0.9043 to RM0.7935.

The Fund has achieved its investment objective for the financial year under review.

The total units in circulation as at 30 June 2025 are 5,182,916 and NAV attributable to unitholders is RM0.7935 per unit.

* Source: Novagni Analytics and Advisory Sdn Bhd

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

Asset Allocation

The Fund's holdings are shown below:-

Asset Class	30 June 2025	30 June 2024
Equities	91.16%	90.63%
Liquid assets and other net current assets	8.84%	9.37%
Total	100.00%	100.00%

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

Strategies and Policies

This Fund aims to achieve capital appreciation over medium to long term period.

During the financial year under review, the Fund generated a total return of -12.53%* compared to the benchmark return of -8.88%*. Hence, the Fund underperformed the benchmark by -3.65%. The underperformance was mainly attributed to the Fund's sector and stock selection.

The strategy adopted by the Fund for the financial year under review is in line with the investment strategy of the Fund.

Market Review

The first half of 2025 presented a volatile yet resilient global financial landscape, with equity markets navigating significant challenges from trade policy shifts while fixed income markets stabilized amid moderating inflation.

US equities experienced a turbulent start to 2025, driven by tariff-related uncertainties following the reintroduction of President Trump's "America First" trade policies. The S&P 500, after hitting a record high in February, plummeted 18% by April, narrowly avoiding bear market territory, before rebounding

to close at approximately 6,205 by June, posting a 6.2% gain for the half-year. The Nasdaq Composite, heavily weighted toward technology, saw a sharper correction, dropping 18% from its peak but recovering to a modest 0.9% gain, fueled by AI-driven stocks like Nvidia (+10.2% in Q2). The Dow Jones Industrial Average lagged, declining 2.5% in Q1 due to tariff-sensitive industrials, though it stabilized by June. Small-cap stocks (Russell 2000: -4.3% YTD) underperformed, reflecting caution toward domestic-focused firms. The recovery was supported by lower-than-expected tariff impacts and strong corporate earnings, with S&P 500 EPS growth projected at 7% for 2025.

Asian equity markets displayed varied performances amid global trade tensions. The MSCI Asia ex Japan Index fell 3.4% in Q1 but rebounded with a 6.0% gain in Q2, driven by a 11.76% rally in Chinese equities in April, spurred by policy support for private enterprises. Taiwan (+4.4%) and Korea (+17.6%) led regional gains, capitalizing on global tech demand, while Japan's Nikkei rose 5.6%. In ASEAN, Malaysia's FTSE Bursa Malaysia KLCI (FBMKLCI) posted a modest 0.8% gain, underperforming the MSCI Asia ex Japan (+1.4% Q2), as resource stocks (-6.2%) offset gains in financials (+1.2%) and technology (+3.8%). The FBM Emas Shariah Index outperformed with a 2.3% gain, reflecting investor preference for Shariah-compliant equities. Vietnam's market slowed to a 3.5% gain, impacted by weaker export demand. Malaysia's market resilience was supported by domestic policy reforms and attractive valuations.

Fixed income markets regained footing after Q1 volatility. The Bloomberg U.S. Aggregate Bond Index rose 1.6% in Q2, with US 10-year Treasury yields falling to 4.2% by June from a Q1 peak of 4.67%, reflecting expectations of two Federal Reserve rate cuts by year-end. Malaysia's 10-year government securities yield stabilized at 3.85%, as Bank Negara Malaysia maintained its 3.00% policy rate amid stable inflation below 2%. The Bloomberg Global Aggregate Bond Index gained 1.8%, with investors favoring short-duration bonds to navigate potential yield curve shifts.

Market Outlook

Global GDP growth slowed to 3.0% (IMF estimate), with the US economy contracting by 0.5% in Q1 due to import surges ahead of tariffs, though Q2 showed modest recovery. Malaysia's economy expanded by 4.4% in H1 2025, driven by robust private consumption (RM263.18 billion in Q2) and gross fixed capital formation (RM97.67 billion), supported by infrastructure investments and export recovery. US inflation eased to 2.2% (core PCE), while Malaysia's inflation remained at 1.5%, allowing Bank Negara to hold rates steady. Geopolitical risks and trade uncertainties, including US tariffs of 10–25%, posed challenges, though negotiations mitigated some impacts.

Equities face a cautiously optimistic outlook, with technology and consumer sectors offering growth potential, though tariff and geopolitical risks persist. Gold's safe-haven appeal is likely to endure, while fixed income markets may benefit from expected rate cuts. Malaysia's market should remain resilient, supported by domestic demand and policy reforms, but export-oriented sectors face headwinds. Investors should diversify across equities, gold, and high-quality bonds, closely monitoring trade negotiations and central bank policies.

(Source: MARC, Bank Negara Malaysia)

PORTFOLIO STRUCTURE

As at 30 June 2025, the Fund has invested circa 91.16% in equities and the balance in liquid assets and other net current assets.

The Fund's asset allocations are shown below:-

Sectors Equities	As at 30 June				
	2025	2024	2023	2022	2021
	%	%	%	%	%
Construction	4.62	-	-	5.25	3.87
Consumer Products & Services	21.92	15.23	3.54	7.17	3.79
Energy	-	8.51	8.50	-	14.73
Financial Services	5.88	13.11	8.37	7.76	3.48
Health Care	8.94	1.37	4.47	5.67	16.23
Industrial Products & Services	6.93	12.66	12.14	2.63	7.61
Plantations	12.09	12.63	13.50	12.58	-
Property	3.52	7.38	3.41	-	-
Real Estate Investment Trusts	-	-	3.92	4.98	5.44
Technology	8.77	7.32	15.04	10.93	13.11
Telecommunications & Media	5.42	-	6.74	3.85	-
Transportation & Logistics	6.46	6.46	5.03	9.36	-
Utilities	6.61	5.96	6.35	10.74	9.69
	91.16	90.63	91.01	80.92	77.95
Liquid assets and other net current assets	8.84	9.37	8.99	19.08	22.05
	100.00	100.00	100.00	100.00	100.00

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

PERFORMANCE OF FUND AND BENCHMARK

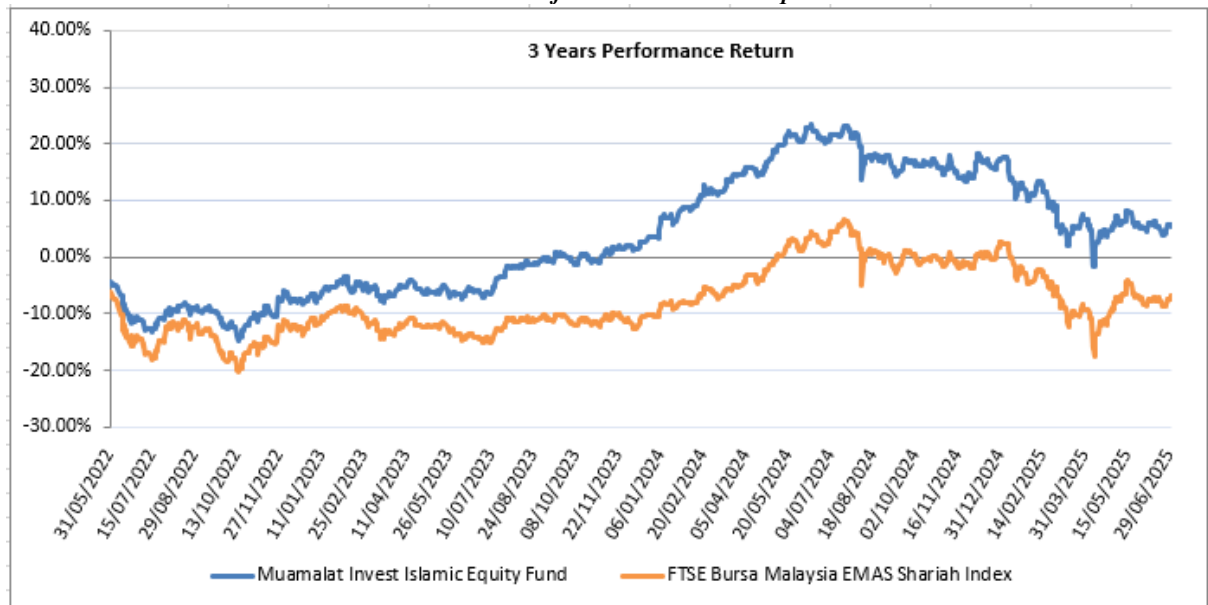
	Average Annual Return		
	Since Inception (03.09.2019^ - 30.06.2025)	3 Years (01.07.2022 - 30.06.2025)	1 Year (01.07.2024 - 30.06.2025)
Muamalat Invest Islamic Equity Fund			
- Capital Return	-4.00%	5.88%	-12.53%
- Income Return	-	-	-
Total Return	-4.00%	5.88%	-12.53%
FTSE Bursa Malaysia EMAS Shariah Index	-0.74%	2.88%	-8.88%

	Total Return					
	2020 (03.09.2019^ - 30.06.2020)	2021 (01.07.2020 - 30.06.2021)	2022 (01.07.2021 - 30.06.2022)	2023 (01.07.2022 - 30.06.2023)	2024 (01.07.2023 - 30.06.2024)	2025 (01.07.2024 - 30.06.2025)
Muamalat Invest Islamic Equity Fund	N/A*	-19.23%	-15.55%	4.44%	29.86%	-12.53%
FTSE Bursa Malaysia EMAS Shariah Index	N/A*	1.15%	-13.75%	-0.85%	20.47%	-8.88%

^ Date of inception

* The Fund had been dormant since inception until 7 December 2020.

Cumulative Performance Since Inception



* Source: Novagni Analytics and Advisory Sdn Bhd ("Novagni")

The abovementioned performance figures are indicative returns based on daily Net Asset Value of a unit (as per Novagni Database) since inception. The calculation of the above returns is based on computation methods of Novagni.

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.

	As At 30 June				
Fund Size	2025	2024	2023	2022	2021
Net Asset	4,112,450	4,614,808	3,562,281	3,410,788	4,039,169
Units In Circulation	5,182,916	5,103,041	5,103,041	5,103,041	5,103,041
Net Asset Value per unit (RM)	0.7935	0.9043	0.6981	0.6684	0.7915

	Financial Year/Period Ended 30 June				
Historical Data	2025	2024	2023	2022	2021
Unit Prices					
NAV Price - Highest (RM)	0.9275	0.9296	0.7259	0.8075	0.9802
- Lowest (RM)	0.7393	0.6980	0.6419	0.6642	0.7892
Distribution and Unit Split					
Gross Distribution Per Unit		-	-	-	-
Net Distribution Per Unit		-	-	-	-
Distribution Date		-	-	-	-
NAV before distribution		-	-	-	-
AV after distribution (ex)		-	-	-	-
Unit Split		-	-	-	-
Others					
Total Expense Ratio (TER) (%) #	2.25	2.27	2.40	2.18	2.76
Portfolio Turnover Ratio (PTR) (times) ##	0.77	0.54	0.53	0.77	0.78

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

The PTR for the financial year was higher compared with previous financial year due to higher equity trades transacted during the financial year under review.

FUND SIZE AND PROFILE OF UNIT HOLDINGS BY SIZE

As at 30 June 2025, the Fund's units in circulation stood at 5,182,916 units with a total of 8 accounts.

Size of Holdings	Account Holders		No. Of Units Held	
	No.	%	Units	%
5,000 and below	4	50.00	2,887	0.06
5,001 to 10,000	-	-	-	-
10,001 to 50,000	3	37.50	77,988	1.50
50,001 to 500,000	-	-	-	-
500,001 and above	1	12.50	5,102,041	98.44
Total	8	100.00	5,182,916	100.00

REBATES AND SOFT COMMISSION

Dealings on investments of the Fund through brokers or dealers will be on terms which are best available for the Fund. Any rebates from brokers or dealers will be directed to the account of the Fund.

The Fund Manager may only receive soft commission in the form of research and advisory services that assist in the decision-making process relating to the Fund's investments.

During the financial year under review, no soft commission was received from brokers.

SECURITIES LENDING OR REPURCHASE TRANSACTION

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

CROSS TRADE

During the financial year under review, no cross trade transaction has been carried out for the Fund.

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025**

	<u>Note</u>	<u>2025</u> RM	<u>2024</u> RM
ASSETS			
Financial assets at fair value through profit or loss	5	3,748,398	4,182,622
Cash and cash equivalents	6	401,050	471,851
Dividend receivables		7,140	6,598
TOTAL ASSETS		<u>4,156,588</u>	<u>4,661,071</u>
LIABILITIES			
Accrued management fee		5,058	11,608
Amount due to Trustee		14,774	15,329
Other payables and accruals	7	24,306	19,326
TOTAL LIABILITIES		<u>44,138</u>	<u>46,263</u>
NET ASSET VALUE		<u>4,112,450</u>	<u>4,614,808</u>
UNITHOLDERS' FUNDS			
Unitholders' capital		5,071,500	5,001,000
Accumulated losses		(959,050)	(386,192)
		<u>4,112,450</u>	<u>4,614,808</u>
NUMBER OF UNITS IN CIRCULATION	8	<u>5,182,916</u>	<u>5,103,041</u>
NET ASSET VALUE PER UNIT		<u>0.7935</u>	<u>0.9043</u>

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

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

	<u>Note</u>	<u>2025</u> RM	<u>2024</u> RM
INVESTMENT INCOME			
Dividend income		176,760	131,317
Profit income from Shariah-compliant deposits with licensed Islamic financial institutions		13,286	8,103
Net (loss)/gain on financial assets at fair value through profit or loss	5	(641,823)	1,023,562
		<u>(451,777)</u>	<u>1,162,982</u>
EXPENSES			
Management fee	9	(65,547)	(61,666)
Trustee's fee	10	(18,000)	(18,000)
Audit fee		(8,000)	(7,500)
Tax agent fee		(4,844)	(4,844)
Transaction costs		(22,745)	(17,237)
Other expenses		(1,945)	(1,208)
		<u>(121,081)</u>	<u>(110,455)</u>
(Loss)/Profit before taxation		(572,858)	1,052,527
Taxation	11	<u>-</u>	<u>-</u>
(Loss)/Profit after taxation and total comprehensive (loss)/income for the financial year		<u>(572,858)</u>	<u>1,052,527</u>
(Loss)/Profit after taxation is made up of the following:			
Realised amount		(53,239)	476,802
Unrealised amount		(519,619)	575,725
		<u>(572,858)</u>	<u>1,052,527</u>

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

	<u>Unitholders' capital</u> RM	<u>Accumulated losses</u> RM	<u>Total</u> RM
Balance as at 1 July 2024	5,001,000	(386,192)	4,614,808
Movement in net asset value:			
Total comprehensive loss for the financial year	-	(572,858)	(572,858)
Creation of units arising from applications	70,500	-	70,500
Balance as at 30 June 2025	<u>5,071,500</u>	<u>(959,050)</u>	<u>4,112,450</u>
Balance as at 1 July 2023	5,001,000	(1,438,719)	3,562,281
Movement in net asset value:			
Total comprehensive income for the financial year	-	1,052,527	1,052,527
Balance as at 30 June 2024	<u>5,001,000</u>	<u>(386,192)</u>	<u>4,614,808</u>

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

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

	<u>Note</u>	<u>2025</u> RM	<u>2024</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Purchase of investments		(3,406,379)	(2,427,045)
Proceeds from sale of investments		3,176,034	2,492,680
Dividends received		176,218	127,359
Profit income received from Shariah-compliant deposits with licensed Islamic financial institutions		13,286	8,103
Management fee paid		(72,096)	(59,092)
Trustee's fee paid		(18,555)	(18,080)
Payment for other fees and expenses		(9,809)	(13,205)
Net cash (used in)/generated from operating activities		(141,301)	110,720
CASH FLOWS FROM FINANCING ACTIVITY			
Cash proceeds from units created		70,500	-
Net cash generated from financing activity		70,500	-
Net (decrease)/increase in cash and cash equivalents		(70,801)	110,720
Cash and cash equivalents at the beginning of the financial year		471,851	361,131
Cash and cash equivalents at the end of the financial year	6	401,050	471,851
Cash and cash equivalents comprise:			
Shariah-compliant deposits with licensed Islamic financial institutions		374,174	431,051
Bank balance		26,876	40,800
	6	401,050	471,851

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

1 THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

The Muamalat Invest Islamic Equity Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of a Deed dated 18 June 2019 as amended via its First Supplemental Deed dated 29 March 2023 between Muamalat Invest Sdn Bhd (“the Manager”) and Maybank Trustees Berhad (“the Trustee”). The Fund is governed by the Deed dated 18 June 2019 as amended via its First Supplemental Deed dated 29 March 2023 (collectively referred to as “the Deed”).

The Fund was launched on 3 September 2019 and will continue its operations until terminated as provided under Clause 12 of the Deed.

The principal activity of the Fund is to invest in ‘Permitted Investments’ as defined under The Seventh Schedule of the Deed, which comprises Shariah-compliant equities and Shariah-compliant equities-related instruments, Islamic deposits and Islamic money market instruments, sukuk and/or Islamic liquid assets and any other form of investments as may be approved by the relevant authorities from time to time and acceptable under the Shariah principles.

The Fund’s activities shall be conducted strictly in accordance with the requirement of the Shariah principles and shall be monitored by the Shariah Adviser of the Fund.

All investments are subjected to the Securities Commission Malaysia’s (“SC”) Guidelines on Unit Trust Funds, SC requirements, the Deed and Prospectus, 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 seek to achieve capital appreciation over medium to long term period.

The Manager, a company incorporated in Malaysia, is a wholly-owned subsidiary of Bank Muamalat Malaysia Berhad. Its principal activity is the provision of Islamic fund management services.

These financial statements were authorised for issue by the Manager on 25 August 2025.

2 MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation of the financial statements

The financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

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.

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 revenues and expenses during the reported year.

It also requires the Manager to exercise its judgment in the process of applying the Fund’s accounting policies. Although these estimates and assumptions are based on the Manager’s best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.9.

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.1 Basis of preparation of the financial statements (continued)

(a) Standards and amendments to existing standards effective 1 January 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.

(b) New standards, amendments and interpretations effective after 1 January 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)
- MFRS 18 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027) replaces MFRS 101 'Presentation of Financial Statements'.

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

2.2 Financial assets

(i) Classification

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

- those to be measured at fair value through profit or loss, 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 fair value through other comprehensive income. The contractual cash flows of the Fund's debt securities are solely payment of principal and profit ("SPPP"). 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 at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

(ii) 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 are initially recognised at fair value. Transaction costs are expensed as incurred in profit or loss.

Financial assets are de-recognised 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)

(ii) 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 recognised in profit or loss in the period in which they arise.

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

Quoted investments 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.

Shariah-compliant deposits with licensed Islamic financial institutions are stated at cost plus accrued profit calculated on the effective profit method over the period from the date of placement to the date of maturity of the respective deposits, 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 profit method.

(iii) 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 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.

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 unavailability of debtor's sources of income or assets to generate sufficient future cash flows to pay the amount.

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Financial assets (continued)

(iii) Impairment of financial assets (continued)

Write-off (continued)

The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial year.

2.3 Financial liabilities

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

Financial liabilities, within the scope of MFRS 9 “Financial Instruments”, 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.

A financial liability is de-recognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

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

2.4 Unitholders’ capital

The unitholders’ contributions to the Fund meet the criteria of the definition of puttable instruments to be classified as equity instruments under MFRS 132 “Financial Instruments: Presentation”. Those criteria include:

- the units entitle the unitholder to a proportionate share of the Fund’s net assets value;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligations 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 profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial year if unitholder exercises the right to put the unit 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 unitholders with the total number of outstanding units.

2.5 Income recognition

Dividend income from quoted investments is recognised when the Fund’s right to receive payment is established.

Profit income from Shariah-compliant deposits with licensed Islamic financial institutions is recognised on an accrual basis using the effective profit method.

Profit income is calculated by applying the effective profit 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 profit rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.5 Income recognition (continued)

Realised gain or loss on sale of quoted investments is arrived at after accounting for cost of investments, determined on the weighted average cost method.

2.6 Taxation

Current tax expense is determined according to Malaysian tax laws and includes all taxes based upon the taxable profit 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 balance and Shariah-compliant deposits held in highly liquid investments with original maturities of three months or less are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.8 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.

2.9 Critical accounting estimates and judgments in applying accounting policies

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Funds’ results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgment are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In undertaking any of the Fund’s Shariah-compliant investment, the Manager will ensure that all assets of the Fund under Management will be valued appropriately, that is at fair value and in compliance with SC Guidelines on Unit Trust Funds.

However, the Manager is of the opinion that there are no accounting policies which require significant judgment to be exercised.

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated in the Prospectus and SC 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.

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

Equity securities generally, have greater price volatility than fixed income securities. The market price of securities owned by a unit trust fund might go down or up, sometimes rapidly or unpredictable.

(a) 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 quoted equity security price risk (other than those arising from interest rate risk) for its investments of RM3,748,398 (2024: RM4,182,622) in quoted securities investments.

The sensitivity analysis is based on the assumption that the price of the quoted equity security investments fluctuate by +/- 5% with all other variables held constant, the impact on profit after taxation and net asset value is +/- RM187,420 (2024: RM209,131).

(b) Profit rate risk

Profit rate risk is the risk that the value of the Fund's investments and its return will fluctuate because of changes in market profit rates.

Profit rate is a general economic indicator that will have an impact on the management of the Fund. The Fund's exposure to the fair value profit rate risk arises from Shariah-compliant deposits with licensed Islamic financial institutions. The profit rate risk is expected to be minimal as the Fund's investments comprise mainly short-term deposits with approved licensed Islamic financial institutions. The Manager overcomes the exposure by way of maintaining deposits with fixed profit rates and maturity on short term basis.

As at the end of each financial year, the Fund is not exposed to a material level of profit rate risk as the deposits are held on a short-term basis.

The Fund is not exposed to cash flow profit rate risk as the Fund does not hold any financial instruments at variable profit rate.

Credit risk

Credit risk refers to the possibility that the issuer of an instrument will not be able to make timely payments of profit or principal payment on the maturity date. This may lead to a default in the payment of principal and profit and ultimately a reduction in the value of the Fund.

In the case of the Fund, the Manager will endeavour to minimise this risk by selecting only licensed Islamic financial institutions having a minimum credit rating of A3 as rated by RAM or A- as rated by MARC.

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

	Cash and cash equivalents RM	Dividend receivables RM	Total RM
<u>2025</u>			
Financial institutions:			
- AAA	401,050	-	401,050
Others	-	7,140	7,140
	<u>401,050</u>	<u>7,140</u>	<u>408,190</u>

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)Credit risk (continued)

	Cash and cash equivalents	Dividend receivables	Total
	RM	RM	RM
2024			
Financial institutions:			
- AAA	471,851	-	471,851
Others	-	6,598	6,598
	<u>471,851</u>	<u>6,598</u>	<u>478,449</u>

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. The Manager manages this risk by maintaining sufficient level of Shariah-based liquid assets to meet anticipated payment and cancellations of unit by unitholders. Shariah-based liquid assets comprise cash, short term Shariah-compliant deposits with licensed Islamic financial institutions and other Shariah-compliant instruments, which are capable of being converted into cash within 7 days.

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

	Less than 1 month	Between 1 month to 1 year	Total
	RM	RM	RM
As at 30.06.2025			
Accrued management fee	5,058	-	5,058
Amount due to Trustee	14,774	-	14,774
Other payables and accruals	-	24,306	24,306
	<u>19,832</u>	<u>24,306</u>	<u>44,138</u>
As at 30.06.2024			
Accrued management fee	11,608	-	11,608
Amount due to Trustee	15,329	-	15,329
Other payables and accruals	-	19,326	19,326
	<u>26,937</u>	<u>19,326</u>	<u>46,263</u>

Capital risk

The capital of the Fund is represented by equity consisting of unitholders' capital of RM5,071,500 (2024: RM5,001,000) and accumulated losses of RM959,050 (2024: RM386,192). The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unitholders. 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 unitholders 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 traded in 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 asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets 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 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 arm's length 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.

For instruments for which there is no active market, the Fund may use internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. Valuation models are used primarily to value unlisted equity, debt securities and other debt instruments for which market were or have been inactive during the financial year. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risk, liquidity risk and counterparty risk.

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

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

Fair value hierarchy

The Fund adopts 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 level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

4 FAIR VALUE ESTIMATION (CONTINUED)Fair value hierarchy (continued)

The determination of what constitutes 'observable' requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Fund's financial assets (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
2025				
Financial assets at fair value through profit or loss				
- Quoted investments	3,748,398	-	-	3,748,398
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
2024				
Financial assets at fair value through profit or loss				
- Quoted investments	4,182,622	-	-	4,182,622
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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

5 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2025</u> RM	<u>2024</u> RM
Financial assets at fair value through profit or loss:		
- quoted investments	3,748,398	4,182,622
	<u> </u>	<u> </u>
	<u>2025</u> RM	<u>2024</u> RM
Net (loss)/gain on financial assets at fair value through profit or loss comprised:		
- realised (loss)/gain on sale of investments	(122,204)	447,837
- net unrealised (loss)/gain on changes in fair values	(519,619)	575,725
	<u> </u>	<u> </u>
	<u>(641,823)</u>	<u>1,023,562</u>

5 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Investments as at 30 June 2025 are as follows:

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> <u>RM</u>	<u>Fair value</u> <u>RM</u>	<u>Percentage</u> <u>of net</u> <u>asset value</u> <u>%</u>
QUOTED INVESTMENTS				
<u>ACE MARKET</u>				
INDUSTRIAL PRODUCTS & SERVICES				
KJTS Group Berhad	32,300	32,997	37,791	0.92
<u>MAIN MARKET</u>				
CONSTRUCTION				
Gamuda Berhad	15,000	71,610	71,850	1.75
IJM Corp Bhd	45,000	102,564	117,900	2.87
		174,174	189,750	4.62
CONSUMER PRODUCTS & SERVICES				
Hong Leong Industries Berhad	6,000	87,094	79,680	1.94
Karex Berhad	120,000	113,244	86,400	2.10
MBM Resources Bhd	25,000	134,000	116,250	2.83
MR D.I.Y Group (M) Bhd	100,000	150,070	164,000	3.99
Petronas Dagangan Bhd	15,000	297,944	322,800	7.85
Sime Darby Berhad	80,000	210,000	132,000	3.21
		992,352	901,130	21.92
FINANCIAL SERVICES				
Bank Islam Malaysia Berhad	30,000	62,622	68,400	1.66
Syarikat Takaful Malaysia Keluarga Berhad	50,919	172,408	173,634	4.22
		235,030	242,034	5.88
HEALTHCARE				
KPJ Healthcare Berhad	25,000	60,008	66,500	1.62
Kossan Rubber Industries Bhd	100,000	217,912	148,000	3.60
Supercomnet Technologies Bhd	150,000	150,015	153,000	3.72
		427,935	367,500	8.94

5 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

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

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> <u>RM</u>	<u>Fair value</u> <u>RM</u>	<u>Percentage</u> <u>of net</u> <u>asset value</u> <u>%</u>
QUOTED INVESTMENTS				
(CONTINUED)				
<u>MAIN MARKET (CONTINUED)</u>				
INDUSTRIAL PRODUCTS & SERVICES				
Nationgate Holding Berhad	100,000	158,610	164,000	3.99
VS Industry Berhad	100,800	98,440	83,160	2.02
		<u>257,050</u>	<u>247,160</u>	<u>6.01</u>
PLANTATION				
Kuala Lumpur Kepong Berhad	11,000	225,704	227,700	5.54
Sarawak Oil Palms Berhad	60,000	161,852	185,400	4.51
TA Ann Holdings Berhad	22,500	89,964	83,925	2.04
		<u>477,520</u>	<u>497,025</u>	<u>12.09</u>
PROPERTY				
Lagenda Properties Berhad	119,800	147,582	144,958	3.52
TECHNOLOGY				
CTOS Digital Berhad	100,000	139,261	94,500	2.30
MY E.G. Services Berhad	280,000	276,035	266,000	6.47
		<u>415,296</u>	<u>360,500</u>	<u>8.77</u>
TELECOMMUNICATIONS				
Telekom Malaysia Bhd	10,000	65,450	65,500	1.59
Time Dotcom Bhd	30,000	154,599	157,500	3.83
		<u>220,049</u>	<u>223,000</u>	<u>5.42</u>
TRANSPORTATION & LOGISTICS				
MISC Berhad	35,000	261,137	265,650	6.46
UTILITIES				
Gas Malaysia Bhd	30,000	111,016	128,100	3.11
Tenaga Nasional Berhad	10,000	97,116	143,800	3.50
		<u>208,132</u>	<u>271,900</u>	<u>6.61</u>

5 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

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

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair value</u> RM	<u>Percentage</u> <u>of net</u> <u>asset value</u> %
QUOTED INVESTMENTS (CONTINUED)				
TOTAL QUOTED INVESTMENTS		3,849,254	3,748,398	91.16
UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		(100,856)		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		3,748,398		

Investments as at 30 June 2024 are as follows:

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair value</u> RM	<u>Percentage</u> <u>of net</u> <u>asset value</u> %
QUOTED INVESTMENTS				
<u>ACE MARKET</u>				
TECHNOLOGY				
Agmo Holdings Berhad	380	-	254	0.01
<u>MAIN MARKET</u>				
CONSUMER PRODUCTS & SERVICES				
DXN Holdings Bhd	420,000	270,302	268,800	5.82
MR D.I.Y Group (M) Bhd	150,000	225,105	291,000	6.31
PPB Group Berhad	10,000	146,716	143,000	3.10
		642,123	702,800	15.23
ENERGY				
Dialog Group Berhad	60,000	142,194	143,400	3.11
T7 Global Berhad	250,000	105,400	123,750	2.68
Uzma Berhad	110,000	68,827	125,400	2.72
		316,421	392,550	8.51

5 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

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

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost RM</u>	<u>Fair value RM</u>	<u>Percentage of net asset value %</u>
QUOTED INVESTMENTS (CONTINUED)				
MAIN MARKET (CONTINUED)				
FINANCIAL SERVICES				
Bank Islam Malaysia Berhad	60,000	125,244	149,400	3.24
Bursa Malaysia Berhad	30,000	197,150	265,200	5.75
Syarikat Takaful Malaysia Keluarga Berhad	50,919	172,408	189,928	4.12
		<u>494,802</u>	<u>604,528</u>	<u>13.11</u>
HEALTHCARE				
Duopharma Biotech Berhad	50,000	64,800	63,000	1.37
INDUSTRIAL PRODUCTS & SERVICES				
Pantech Group Holdings Berhad	150,000	114,750	159,000	3.45
Petronas Chemicals Group Berhad	40,000	284,053	252,400	5.47
Press Metal Aluminium Holdings Berhad	30,000	157,959	172,800	3.74
		<u>556,762</u>	<u>584,200</u>	<u>12.66</u>
PLANTATION				
IOI Corporation Berhad	40,000	160,872	148,000	3.21
Kuala Lumpur Kepong Berhad	11,000	225,704	227,040	4.92
Sarawak Oil Palms Berhad	40,000	102,088	112,800	2.44
Ta Ann Holdings Berhad	25,000	94,328	95,250	2.06
		<u>582,992</u>	<u>583,090</u>	<u>12.63</u>
PROPERTY				
Lagenda Properties Berhad	120,000	147,828	145,200	3.15
Skyworld Development Berhad	300,000	170,490	195,000	4.23
		<u>318,318</u>	<u>340,200</u>	<u>7.38</u>
TECHNOLOGY				
CTOS Digital Berhad	70,000	99,910	103,600	2.24
MY E.G. Services Berhad	230,000	232,360	234,600	5.07
		<u>332,270</u>	<u>338,200</u>	<u>7.31</u>
TRANSPORTATION & LOGISTICS				
MISC Berhad	35,000	261,138	298,200	6.46

5 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

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

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost RM</u>	<u>Fair value RM</u>	<u>Percentage of net asset value %</u>
QUOTED INVESTMENTS (CONTINUED)				
<u>MAIN MARKET (CONTINUED)</u>				
UTILITIES				
Tenaga Nasional Berhad	20,000	194,233	275,600	5.96
TOTAL QUOTED INVESTMENTS		3,763,859	4,182,622	90.63
UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		418,763		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		4,182,622		

6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise:

	<u>2025 RM</u>	<u>2024 RM</u>
Shariah-based deposits with licensed Islamic financial institutions	374,174	431,051
Bank balance	26,876	40,800
	<u>401,050</u>	<u>471,851</u>

Weighted average rate of return per annum of Shariah-compliant deposits with licensed Islamic financial institutions is as follows:

	<u>2025</u>	<u>2024</u>
Weighted average rate of return	<u>2.95%</u>	<u>2.95%</u>
Average days to maturity	<u>1 day</u>	<u>2 days</u>

7 OTHER PAYABLES AND ACCRUALS

	<u>2025</u> <u>RM</u>	<u>2024</u> <u>RM</u>
Audit fee payable	8,000	7,500
Tax agent's fee payable	13,200	9,400
Sundry payables and accruals	3,106	2,426
	<u>24,306</u>	<u>19,326</u>

8 NUMBER OF UNITS IN CIRCULATION

	<u>2025</u> <u>Units</u>	<u>2024</u> <u>Units</u>
At the beginning of the financial year	5,103,041	5,103,041
Creation of units arising from applications during the financial year	79,875	-
At the end of the financial year	<u>5,182,916</u>	<u>5,103,041</u>

9 MANAGEMENT FEE

Clause 13.1 of the Deed provides that the Manager shall be entitled to a fee at a rate agreed between the Manager and the Trustee, and the rate shall not exceed 1.65% per annum of the net asset value of the Fund, calculated on a daily basis.

Effective 8 December 2020, 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.

There will be no further liability to the Manager in respect of management fee other than the amount recognised above.

10 TRUSTEE'S FEE

Clause 13.2 of the Deed provides that the Trustee shall be entitled to a fee at a rate agreed between the Manager and the Trustee, and the rate shall not exceed 0.08% per annum of the net asset value of the Fund subject to a minimum of RM18,000 per annum, calculated on a daily basis.

Effective 8 December 2020, the Trustee's fee provided in the financial statements is 0.08% (2024: 0.08%) per annum based on the net asset value of the Fund, calculated on a daily basis for the financial year.

For current financial year, the minimum trustee fee is RM18,000 (2024: RM18,000) per annum.

There will be no further liability to the Trustee in respect of Trustee's fee other than the amount recognised above.

11 TAXATION

(a) Tax charge for the financial year

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

(b) Numerical reconciliation of income tax expense

The numerical reconciliation between the (loss)/profit 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
(Loss)/Profit before taxation	(572,858)	1,052,527
Tax calculated at a tax rate of 24% (2024: 24%)	(137,486)	252,606
Tax effects of:		
- Investment loss not deductible/(investment income not subject to tax)	108,426	(279,116)
- Expenses not deductible for tax purposes	11,409	9,910
- Restriction on tax deductible expenses	17,651	16,600
Tax expense	-	-

12 TOTAL EXPENSE RATIO ("TER")

	<u>2025</u> %	<u>2024</u> %
TER	2.25	2.27

The TER is the ratio of total fee and recovered expenses of the Fund expressed as a percentage of the Fund's average net asset value.

13 PORTFOLIO TURNOVER RATIO ("PTR")

	<u>2025</u>	<u>2024</u>
The PTR for the financial year (times)	0.77	0.54

The PTR is the ratio of the average acquisitions and disposals of the Fund during the financial year to the average net asset value of the Fund.

14 UNITS HELD BY THE MANAGER AND RELATED PARTIES, SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES

The related parties and their relationship with the Fund are as follows:

<u>Related parties</u>	<u>Relationship</u>
Muamalat Invest Sdn Bhd	The Manager
Bank Muamalat Malaysia Berhad	Holding company of the Manager
Md Khairuddin Hj Arshad	Director of the Manager
Khadijah Sairah Ibrahim	Executive Director of the Manager
Roshidah Abdullah	Independent Non-Executive Director

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

	<u>2025</u>		<u>2024</u>	
	<u>Units</u>	<u>RM</u>	<u>Units</u>	<u>RM</u>
The Manager	1,000	794	1,000	904
Bank Muamalat Malaysia Berhad	5,102,041	4,048,470	5,102,041	4,613,776
Md Khairuddin Hj Arshad	33,359	26,471	-	-
Khadijah Sairah Ibrahim	10,849	8,608	-	-
Roshidah Abdullah	33,780	26,804	-	-
	<u>5,181,029</u>	<u>4,111,147</u>	<u>5,103,041</u>	<u>4,614,680</u>

The units are held beneficially by the Manager for booking purposes and were transacted at the prevailing market price.

There were no related party transactions and balances during the financial year.

15 TRANSACTIONS BY THE FUND

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

<u>Brokers/financial institutions</u>	<u>Value of trades</u> <u>RM</u>	<u>Percentage of total trades</u> <u>%</u>	<u>Brokerage fees</u> <u>RM</u>	<u>Percentage of total brokerage fees</u> <u>%</u>
TA Securities Holdings Berhad	1,854,584	28.21	4,119	29.11
Affin Hwang Investment Bank Berhad	1,820,576	27.69	4,123	29.13
Hong Leong Investment Bank Berhad	1,226,322	18.65	2,508	17.72
BIMB Securities Sdn Bhd	901,476	13.71	2,072	14.64
RHB Islamic Bank Berhad	565,093	8.60	948	6.70
Kenanga Investment Bank Berhad	195,974	2.98	343	2.42
Maybank Islamic Berhad	10,505	0.16	40	0.28
	<u>6,574,530</u>	<u>100.00</u>	<u>14,153</u>	<u>100.00</u>

15 TRANSACTIONS BY THE FUND (CONTINUED)

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

<u>Brokers/financial institutions</u>	<u>Value of trades RM</u>	<u>Percentage of total trades %</u>	<u>Brokerage fees RM</u>	<u>Percentage of total brokerage fees %</u>
TA Securities Holdings Berhad	1,625,720	33.09	3,655	33.79
Hong Leong Investment Bank Berhad	1,168,758	23.79	2,341	21.64
BIMB Securities Sdn Bhd	1,161,441	23.64	2,623	24.26
Affin Hwang Investment Bank Berhad	957,416	19.48	2,197	20.31
	<u>4,913,335</u>	<u>100.00</u>	<u>10,816</u>	<u>100.00</u>

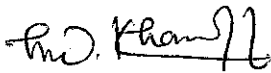
16 FINANCIAL INSTRUMENTS BY CATEGORIES

	<u>2025 RM</u>	<u>2024 RM</u>
<u>Financial assets</u>		
Financial assets at fair value through profit or loss ("FVTPL")		
- Quoted investments	<u>3,748,398</u>	<u>4,182,622</u>
Financial assets at amortised cost		
- Shariah-compliant deposits with licensed Islamic financial institutions	374,174	431,051
- Bank balance	26,876	40,800
- Dividend receivables	7,140	6,598
	<u>408,190</u>	<u>478,449</u>
<u>Financial liabilities</u>		
Financial liabilities at amortised cost		
- Accrued management fee	5,058	11,608
- Amount due to Trustee	14,774	15,329
- Other payables and accruals	24,306	19,326
	<u>44,138</u>	<u>46,263</u>

STATEMENT BY MANAGER

We, Md Khairuddin bin Hj Arshad and Khadijah Sairah binti Ibrahim, the Director and Executive Director/Chief Executive Officer of Muamalat Invest Sdn. Bhd. ("the Manager"), do hereby state that in the opinion of the Directors of the Manager, the accompanying financial statements set out on pages 11 to 32 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 30 June 2025 and of its financial performance and cash flows for the financial year ended 30 June 2025 in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,
Muamalat Invest Sdn Bhd



MD KHAIRUDDIN BIN HJ ARSHAD
DIRECTOR



KHADIJAH SAIRAH BINTI IBRAHIM
EXECUTIVE DIRECTOR /
CHIEF EXECUTIVE DIRECTOR

Kuala Lumpur, Malaysia
25 August 2025



Maybank Trustees Berhad (196301000109)
8th Floor, Menara Maybank,
100 Jalan Tun Perak,
50050 Kuala Lumpur, Malaysia
Telephone +603 2070 8833 / 2078 8363
Facsimile +603 2070 9387
www.maybank2u.com.my

TRUSTEE'S REPORT

To the unit holders of MUAMALAT INVEST ISLAMIC EQUITY FUND ("Fund")

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

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

For **Maybank Trustees Berhad**

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

NORHAZLIANA BINTI MOHAMMED HASHIM

Head, Unit Trust & Corporate Operations

Kuala Lumpur, Malaysia

25 AUG 2025

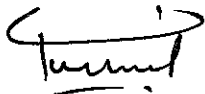
REPORT OF THE SHARIAH ADVISER

To the unitholders of MUAMALAT INVEST ISLAMIC EQUITY FUND ("Fund"),

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Muamalat Invest Sdn Bhd has operated and managed the Fund during the year covered by these financial statements in accordance with the Shariah principles and requirement and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The assets of the Fund comprise instruments that have been classified as Shariah compliant.

For Bank Muamalat Malaysia Berhad



Dr. Yusri Mohamad
Chairman of Shariah Committee for Bank Muamalat Malaysia Berhad

25 August 2025

**INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF
MUAMALAT INVEST ISLAMIC EQUITY FUND**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Muamalat Invest Islamic Equity Fund ("the Fund") give a true and fair view of the financial position of the Fund as at 30 June 2025 and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 June 2025, and the statement of comprehensive income, statement of changes in equity 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 1 to 22.

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.

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 the 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.

**INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF
MUAMALAT INVEST ISLAMIC EQUITY FUND (CONTINUED)**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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.

Auditors' responsibilities for the audit of the financial statements

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

**INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF
MUAMALAT INVEST ISLAMIC EQUITY FUND (CONTINUED)**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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.
- (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.

**INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF
MUAMALAT INVEST ISLAMIC EQUITY FUND (CONTINUED)**

OTHER MATTERS

This report is made solely to the unitholders 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
25 August 2025