

RHB BOND FUND

SEMI-ANNUAL REPORT 2025

For the financial period ended 31 March 2025

GENERAL INFORMATION ABOUT THE FUND

Name, Category and Type

Fund Name	-	RHB Bond Fund
Fund Category	-	Bond Fund
Fund Type	-	Income

Investment Objective, Policy and Strategy

Objective of the Fund

To provide investors with higher than average income returns compared to fixed deposits over the medium to long term through investments in bonds and other fixed income securities with minimum risk to capital invested.

Strategy

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

- Up to 95% of the Fund's Net Asset Value will be invested in bonds and other fixed income securities, of which at least 60% of the Fund's Net Asset Value will be invested in bonds.
- Minimum of 5% of the Fund's Net Asset Value will be invested in liquid assets

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

The Fund will invest in quality fixed income securities which carry a minimum long term credit rating of investment grade and above assigned by any Domestic Rating Agencies. To contain credit risk, the Manager will ensure that the diversification of credit rating (and duration standing) in the bond portfolio mitigate the overall risk position of the portfolio.

The Manager may also take temporary defensive measures that may be inconsistent with the Fund's principal strategy in attempting to respond to adverse market conditions, economics, political or any other conditions which the Manager deem detrimental to the Fund. The defensive measures that the Manager may undertake are in no way to be deviated from the mandates or breaching any laws and regulations. The Fund's strategies in yield enhancement for the portfolio will also be balanced with other investment needs of the Fund, such as liquidity and risk management. On liquidity management, the Fund will maintain sufficient amount of portfolio in liquid

bond to accommodate redemption. As for risk management, the portfolio duration is kept at optimal level where yield enhancement can be optimised on risk adjusted basis, and at the same time, balanced with the need for containing portfolio's volatility.

Hence, during the temporary defensive period, the Manager may choose to increase the asset allocation by allocating more investment into risk free investments which are money market instruments and Deposit in adverse market condition.

Performance Benchmark

Effective from 30 September 2023, the performance of the Fund is benchmarked against RHB Bank Berhad's 12-month fixed deposit rate.

Prior to 30 September 2023, the performance of the Fund was benchmarked against Malayan Banking Berhad's ("Maybank's") 12 months fixed deposit rate.

Permitted Investments

This Fund may invest in fixed income securities traded in or under the rules of an Eligible Market; warrants that carry the right in respect of a security traded in or under the rules of an Eligible Market; unlisted securities including securities not listed or quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing or quotation and are offered directly to the Fund by issuer; Deposits and money market instruments; financial derivatives; collective investment schemes, structured products; and any other investments permitted by the Securities Commission Malaysia from time to time.

Distribution Policy

Income, if any, will be distributed during the financial year.

MANAGER'S REPORT

MARKET REVIEW

The first quarter of year 2025 ("1Q25") saw significant economic, geopolitical, and market turbulence in the United States ("US"). Slowing economic data, rising global tensions, and growing policy uncertainty led to the unwinding of the "Trump trade," resulting in higher market volatility and lower US Treasury yields ("UST"). UST yields were steepened with 2-years yield decreased by 36 basis points ("bps") quarter on quarter ("QoQ") while the ultra-long end 30-years yield dropped by 19bps QoQ. Risk aversion, driven by tariff announcements and trade war concerns, increased demand for USTs. In the January 2025 and March 2025 Federal Open Market Committee ("FOMC") meeting, the US Federal Reserve ("Fed") kept rates between 4.25% and 4.50%, and its latest projections (dot-plot) in March 2025 suggest the officials seeing two more rate cuts coming in year 2025 and another two cuts in year 2026.

President Donald Trump recently has introduced a 25.00% tariff on imported cars and trucks, impacting nearly half of US vehicle sales and raising concerns about higher prices and lower profits for automakers like Ford and General Motors ("GM"). He also expanded the 25.00% tariff on steel and aluminum imports, removing exemptions for key partners like Canada, Mexico, and the European Union ("EU"). In response, Canada proposed retaliatory tariffs, heightening tensions. These measures, along with inflation worries, caused a sharp drop in US consumer confidence, reaching its lowest point in two years due to concerns over the economic impact of protectionist policies.

US added 228,000 jobs in March 2025, far more than expected, as the US economy shook off the blow from the Donald Trump administration's deep cuts to federal workers. The figure was up from an adjusted 117,000 jobs added in February 2025. The unemployment however rose slightly to 4.20%. US annual headline inflation, eased to 2.80% in February 2025, marking the first decline since September 2024. Core CPI, which excludes food and energy prices, also softened to 3.10%. Both figures fell below market expectations.

For local scene, Bank Negara Malaysia ("BNM") in its January 2025 and March 2025 has kept the Overnight Policy Rate ("OPR") unchanged at 3.00%, in line with market expectations. The policy statement remained mostly unchanged, with the only update in March 2025 meeting being a revised outlook on exports, now expected to grow at a more moderate pace due to global policy uncertainties. The central bank's neutral stance indicates no plans to adjust the policy rate in the near future. Malaysia's headline inflation increased by 1.50% year-on-year in February 2025, slowing down from a 1.70% rise in January 2025.

Pursuant to the above, Malaysian Government Securities (“MGS”) and Malaysian Government Investment Issue (“MGII”) yield curve overall shifted lower QoQ, with yields decreasing by 3 bps to 9 bps across the curve. Meanwhile, local corporate bond continues to receive steady demand from the market especially on the good credit quality names. Government Guaranteed space led the rally with yield dropped by 14 bps q-o-q while in the AAA-rated space yield dropped by 13 bps QoQ as investors are continue seeking yield for their portfolio.

Foreign investors return to bonds Malaysian debt market in March 2025, with net inflows of RM3.20 billion (February 2025: outflow of RM1.10 billion), driven by strong domestic demand and strong export data reinforced confidence over local growth outlook. For the whole 1Q25, the local debt market recorded a net foreign inflow of RM3.30 billion.

REVIEW OF FUND PERFORMANCE DURING THE FINANCIAL PERIOD

For the period ended March 2025, the Fund has registered a return of 2.03%* over 6-month period in net asset value terms, while its benchmark RHB Bank Berhad’s 12 Months Fixed Deposit Rate recorded a gain of 1.24%*. The Fund is working to meet its objective to provide investors with higher than average income returns compared to fixed deposits over the medium to long term. The Fund thus over performed its benchmark by 0.79% during the financial period under review. The Net Asset Value per unit of the Fund was RM0.9533 (30 September 2024: RM0.9396) as at 31 March 2025.

* *Source: Lipper Investment Management (“Lipper IM”), 11 April 2025*

MARKET OUTLOOK AND STRATEGY GOING FORWARD

US Fed currently faces challenges in balancing full employment and stable prices, especially with reciprocal tariffs impacts. As the cost pressures rise, recession risks in the US are mounting. JP Morgan has revised its US recession probability upward to 60.00%, from 40.00% previously, while the Goldman Sachs has similarly raised its forecast to 45.00% from 35.00% previously. The futures market as at 10th April 2025 anticipating three to four US interest rate cuts in year 2025, higher as compared to one to two rate cuts in beginning of the year due to further escalation of trade hostilities that could slow down the economy growth.

US inflation is under pressure amid implemented reciprocal tariffs. Despite a 90-days pause on high tariffs recently announced, the 10.00% baseline rate tariffs are still in place a for now. The disinflation trend seen in year 2023 to year 2024 appears to plateauing and was on uptrend since September 2024, suggesting that inflation is stickier than expected. In terms of the tariffs that are in effect so far are 25.00% on all goods from Mexico and Canada (25.00% non-energy; 10.00% energy and potash), originally scheduled on 4th February 2025 but delayed until April 2025, and a 20.00%

tariff on China, increased in March 2025 from 10.00%. Globally all imports of Steel and Aluminium into the US would have a 25.00% tariff, and a likely 25.00% tariff on autos are expected to be effective from 3rd April 2025.

Following the 100bps of rate cuts in year 2024, we scale back on expecting the same quantum of cuts for year 2025, but expect at least 2 rate cuts, the view being highly dependent on macro events and data releases. In the current market environment, we are still biased towards allocation into higher quality credit issuers given rates still arguably remain elevated and the risk of slower than expected growth has risen in light of further additional tariffs likely to be announced in the coming weeks. The strategy for year 2025 is to position more for carry given a number of external factors (potentially looser fiscal policies, divergence of monetary policy, etc) could heighten volatility and stifle the potential upside in fixed income.

For Malaysia, the downside risks to growth have intensified especially after the announcement of reciprocal tariffs by the US. We believe that the case for BNM to eventually cut the OPR is highly probable as the central bank's focus will be to manage this downside risk, considering that inflation have already declined below 2.00% in recent months' readings. Inflation concerns from RON-95 subsidy rationalisation are likely to be more contained now as the Government have indicated that it will likely only be implemented for the top 15.00% earning which should keep a lid on overall inflation rate in the country. Meanwhile, factors that have supported the Malaysian Bond Market in the first quarter such as strong local investor demand and lower net supply of MGS and MGII by the government due to lower fiscal deficit are going to provide a tailwind for the Malaysian fixed income assets to continue to perform positively. Indeed, we see bond gains to potentially accelerate should global interest rates fall further and trigger a return of foreign inflow into the Malaysian bond market.

In summary, we are positive on the fixed income market and advocate portfolios to stay invested with an increased allocation to fixed income to generate steady returns amidst weakening global growth prospects.

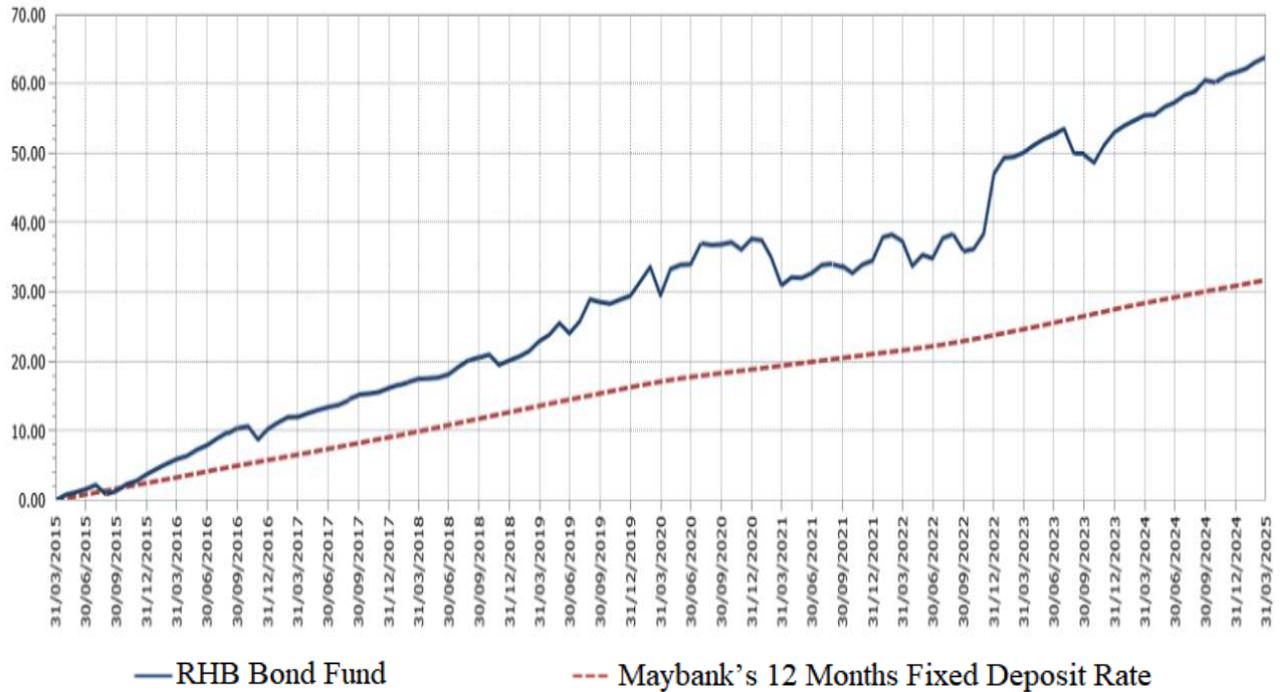
PERFORMANCE DATA

	30.09.2024- 31.03.2025 %	Annual Total Returns Financial Year Ended 30 September				
		2024 %	2023 %	2022 %	2021 %	2020 %
RHB Bond Fund						
- Capital Return	1.44	2.89	5.37	(1.42)	(6.30)	2.29
- Income Return	0.59	4.06	4.66	3.13	4.27	4.06
- Total Return	2.03	7.07	10.27	1.67	(2.30)	6.44
Bond Fund Index**	1.24	2.70	2.92	2.02	1.85	2.53

	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 Bond Fund	5.29	6.06	4.80	5.05
Bond Fund Index**	2.56	2.65	2.35	2.78

** Effective 30 September 2023, the Fund's composite benchmark (Bond Fund Index) was changed from Malayan Banking Berhad's ("Maybank's") 12 months fixed deposit rate to RHB Bank Berhad's 12-month fixed deposit rate. The Fund's composite benchmark performance has been adjusted to reflect the new benchmark.

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



Source: Lipper IM, 11 April 2025

The abovementioned 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.

A combination of benchmark/composite benchmark has been used for the performance computation as follows:

From 10 October 1997 to 29 September 2023	Malayan Banking Berhad's ("Maybank's") 12 months fixed deposit rate
30 September 2023 onwards	RHB Bank Berhad's 12-month fixed deposit rate

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 31.03.2025	As at 30 September		
		2024	2023	2022
Net Asset Value (RM million)*	185.89	160.82	131.01	186.36
Units In Circulation (million)	194.98	171.16	143.45	215.03
Net Asset Value Per Unit (RM)*	0.9533	0.9396	0.9133	0.8667

Historical Data	01.10.2024- 31.03.2025	Financial Year Ended 30 September		
		2024	2023	2022
Unit Prices				
NAV - Highest (RM)*	0.9531	0.9669	0.9680	0.9099
- Lowest (RM)*	0.9376	0.9035	0.8650	0.8622
Unit Split	-	-	-	-
Others				
Total Expense Ratio (TER) (%) #	0.54	1.09	1.09	1.09
Portfolio Turnover Ratio (PTR) (times) ##	0.42	1.03	0.65	0.18

* *The figures quoted are ex-distribution*

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

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

Distribution Date	Financial Period Ended 31 March			
	Gross Distribution Per Unit (sen)	Net Distribution Per Unit (sen)	NAV before distribution (cum)	NAV after distribution (ex)
01.10.2024- 31.03.2025 26.12.2024	0.5500	0.5500	0.9449	0.9396

Distributions Date	Financial Year Ended 30 September			
	Gross Distributions Per Unit (sen)	Net Distributions Per Unit (sen)	NAV before distributions (cum)	NAV after distributions (ex)
2024 26.12.2023	0.5700	0.5700	0.9319	0.9264
25.09.2024	3.2000	3.2000	0.9669	0.9351
	3.7700	3.7700		
2023 23.12.2022	1.0500	1.0500	0.9363	0.9261
25.09.2023	3.1800	3.1800	0.9439	0.9125
	4.2300	4.2300		
2022 28.09.2022	2.7000	2.7000	0.8921	0.8622

DISTRIBUTION

For the financial period under review, the Fund has declared a net distribution of 0.5500 sen per unit, which is equivalent to a net yield of 0.58% based on the average net asset value for the financial period.

PORTFOLIO STRUCTURE

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

	As at	As at 30 September		
	31.03.2025	2024	2023	2022
	%	%	%	%
Sectors				
Unquoted fixed income securities	91.38	92.75	87.39	99.91
Liquid assets and other net current assets	8.62	7.25	12.61	0.09
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

The asset allocations have been structured to meet the Fund's intended objective.

SECURITIES FINANCING TRANSACTIONS

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

CROSS TRADE

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

SOFT COMMISSION

There were no soft commissions received by the management company for the financial period under review.

RHB BOND FUND
UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	<u>Note</u>	<u>31.03.2025</u> RM	<u>30.09.2024</u> RM
ASSETS			
Bank balances	5	50,440	52,398
Deposits with licensed financial institutions	5	10,255,185	17,254,959
Investments	6	169,868,957	149,155,040
Amount due from brokers		5,280,377	-
Amount due from Manager		624,170	133,769
TOTAL ASSETS		<u>186,079,129</u>	<u>166,596,166</u>
LIABILITIES			
Amount due to Manager		9,530	135,948
Accrued management fee		157,483	133,588
Amount due to Trustee		12,599	10,687
Distribution payable		-	5,477,336
Other payables and accruals		14,223	16,875
TOTAL LIABILITIES		<u>193,835</u>	<u>5,774,434</u>
NET ASSET VALUE		<u>185,885,294</u>	<u>160,821,732</u>
EQUITY			
Unit holders' capital		185,991,658	163,569,109
Accumulated losses		(106,364)	(2,747,377)
		<u>185,885,294</u>	<u>160,821,732</u>
UNITS IN CIRCULATION (UNITS)	7	<u>194,983,053</u>	<u>171,164,739</u>
NET ASSET VALUE PER UNIT (EX-DISTRIBUTION) (RM)		<u>0.9533</u>	<u>0.9396</u>

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

RHB BOND FUND
UNAUDITED STATEMENT OF INCOME AND EXPENSES
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025

	<u>Note</u>	<u>01.10.2024-</u> <u>31.03.2025</u> RM	<u>01.10.2023-</u> <u>31.03.2024</u> RM
INCOME			
Interest income from deposits with licensed financial institutions		200,925	188,957
Interest income from investments		3,769,574	3,005,699
Net realised gain on disposal		131,102	619,678
Net unrealised gain on changes in fair value		586,333	2,094,309
		<u>4,687,934</u>	<u>5,908,643</u>
EXPENSES			
Management fee	8	(895,819)	(693,117)
Trustee's fee	9	(71,666)	(55,449)
Audit fee		(4,701)	(4,714)
Tax agent's fee		(1,922)	(1,933)
Other expenses		(3,371)	(4,077)
		<u>(977,479)</u>	<u>(759,290)</u>
Net income before taxation		3,710,455	5,149,353
Taxation	10	-	-
Net income after taxation		<u>3,710,455</u>	<u>5,149,353</u>
Net income after taxation is made up of the following:			
Realised amount		3,056,110	2,955,119
Unrealised amount		654,345	2,194,234
		<u>3,710,455</u>	<u>5,149,353</u>

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

RHB BOND FUND
UNAUDITED STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025

	Unit holders' capital RM	Accumulated losses RM	Total net asset value RM
Balance as at 1 October 2023	137,559,332	(6,553,288)	131,006,044
Movement in net asset value:			
Net income after taxation	-	5,149,353	5,149,353
Creation of units arising from distributions	5,373,376	-	5,373,376
Creation of units arising from applications	16,397,408	-	16,397,408
Cancellation of units	(8,618,756)	-	(8,618,756)
Distributions (Note 11)	-	(853,947)	(853,947)
Balance as at 31 March 2024	<u>150,711,360</u>	<u>(2,257,882)</u>	<u>148,453,478</u>
Balance as at 1 October 2024	163,569,109	(2,747,377)	160,821,732
Movement in net asset value:			
Net income after taxation	-	3,710,455	3,710,455
Creation of units arising from distributions	6,517,404	-	6,517,404
Creation of units arising from applications	21,767,377	-	21,767,377
Cancellation of units	(5,862,232)	-	(5,862,232)
Distributions (Note 11)	-	(1,069,442)	(1,069,442)
Balance as at 31 March 2025	<u>185,991,658</u>	<u>(106,364)</u>	<u>185,885,294</u>

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

RHB BOND FUND
UNAUDITED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025

	<u>01.10.2024-</u> <u>31.03.2025</u> RM	<u>01.10.2023-</u> <u>31.03.2024</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from redemption of investments	-	5,000,000
Proceeds from sale of investments	59,952,455	41,641,433
Purchase of investments	(84,607,144)	(67,322,897)
Interest received from deposits with licensed financial institutions	200,925	188,957
Interest received from investments	3,147,404	2,858,469
Management fee paid	(871,924)	(681,860)
Trustee's fee paid	(69,754)	(54,549)
Payment for other fees and expenses	(12,646)	(13,352)
Net cash used in operating activities	<u>(22,260,684)</u>	<u>(18,383,799)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash proceeds from units created	21,276,976	16,216,606
Cash paid for units cancelled	(5,988,650)	(8,740,167)
Payment for income distribution	(29,374)	(47,189)
Net cash generated from financing activities	<u>15,258,952</u>	<u>7,429,250</u>
Net decrease in cash and cash equivalents	(7,001,732)	(10,954,549)
Cash and cash equivalents at the beginning of the financial period	<u>17,307,357</u>	<u>21,343,894</u>
Cash and cash equivalents at the end of the financial period	<u>10,305,625</u>	<u>10,389,345</u>

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

RHB BOND FUND
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

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

The Fund was launched on 10 October 1997 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 defined in the Deeds, which comprises fixed income securities, derivatives, all types of collective investment schemes and any other form of investments as may be approved by the relevant authorities from time to time.

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

The main objective of the Fund is to provide investors with higher than average income returns compared to fixed deposits over the medium to long term through investments in bonds and other fixed income securities with minimum risk to capital invested.

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 October 2024

The Fund has applied the following standards and amendments for the first time for the financial period beginning 1 October 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 October 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 2025)
 - 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 October 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 payments of principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund’s business model’s objective. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from brokers and amount due from Manager 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.

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 gains or losses on investments in the financial year in which they arise.

Interest on debt securities at fair value through profit or loss is recognised in the statement of income and expenses.

Unquoted fixed income securities denominated in Ringgit Malaysia are revalued on a daily basis based on fair value prices quoted by a bond pricing agency (“BPA”) registered with SC as per the SC’s Guidelines on Unit Trust Funds.

Where such quotations are not available or where the Manager is of the view that the price quoted by the BPA for a specific unquoted fixed income security differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager:

- (i) Records its basis for using a non-BPA price;
- (ii) Obtains necessary internal approvals to use the non-BPA price; and
- (iii) Keeps an audit trail of all decisions and basis for adopting the market price.

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

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

Impairment of financial assets

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Financial assets (continued)

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Write-off

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

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 Manager, accrued management fee, amount due to Trustee, distribution payable and other payables and accruals are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.4 Unit holders' capital

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

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

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

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

2.5 Income recognition

Interest income from short-term deposits with licensed financial institutions and unquoted fixed income securities are 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 gain or loss on sale of unquoted fixed income securities are measured by the difference between the net disposal proceeds and the carrying amounts of the investments (adjusted for accretion of discount or amortisation of premium).

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 period.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.7 Cash and cash equivalents

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

2.8 Distribution

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

2.9 Amount due from/to brokers

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

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amounts due from brokers at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the 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.

2.10 Presentation and functional currency

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

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

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

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Price risk

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

The Fund is exposed to price risk arising from interest rate risk in relation to its investments of RM169,868,957 (30.09.2024: RM149,155,040) in unquoted fixed income securities. The Fund's exposure to price risk arising from interest rate risk and the related sensitivity analysis are disclosed in "Interest rate risk" below.

Interest rate risk

In general, when interest rates rise, unquoted fixed income securities prices will tend to fall and vice versa. Therefore, the net asset value of the Fund may also tend to fall when interest rates rise or are expected to rise. However, investors should be aware that should the Fund hold an unquoted fixed income security till maturity, such price fluctuations would dissipate as it approaches maturity, and thus the growth of the net asset value shall not be affected at maturity. In order to mitigate interest rates exposure of the Fund, the Manager will manage the duration of the portfolio via shorter or longer tenured assets depending on the view of the future interest rate trend of the Manager, which is based on its continuous fundamental research and analysis.

This risk is crucial since bond portfolio management depends on forecasting interest rate movements. Bonds with longer maturity and lower yield coupon rates are more susceptible to interest rate movements.

Investors should note that fixed income securities (such as the bonds held by the Fund) and money market instruments are subject to interest rate fluctuations. Such investments may be subject to unanticipated rise in interest rates which may impair the ability of the issuers to make payments of interest and principal, especially if the issuers are highly leveraged. An increase in interest rates may therefore increase the potential for default by an issuer.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Interest rate risk (continued)

The table below summarises the sensitivity of the Fund's profit or loss after taxation and net asset value as at reporting date to movements in prices of unquoted fixed income securities held by the Fund as a result of movement in interest rate. The analysis is based on the assumptions that the interest rate increased and decreased by 1% with all other variables held constant.

<u>% Change in interest rate</u>	Impact on profit or loss after taxation and net asset value	
	<u>31.03.2025</u> RM	<u>30.09.2024</u> RM
+ 1%	(473,878)	(408,059)
- 1%	477,298	411,228

The Fund's exposure to interest rate risk arises from investment in money market instruments is expected to be minimal as the Fund's investments comprise mainly short term deposits with approved licensed financial institutions.

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. Credit risk arising from unquoted fixed income securities can be managed by performing continuous fundamental credit research and analysis to ascertain the creditworthiness of its issuer. In addition, the Manager imposes a minimum rating requirement as rated by either local and/or foreign rating agencies and manages the duration of the investment in accordance with the objective of the Fund. The credit risk arising from cash and cash equivalents is managed by ensuring that the Fund will only maintain cash balances and place deposits with reputable licensed financial institutions. The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC's Guidelines on Unit Trust Funds.

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

	<u>Investments</u> RM	<u>Cash and cash equivalents</u> RM	<u>Other financial assets*</u> RM	<u>Total</u> RM
<u>31.03.2025</u>				
AAA	11,665,411	10,305,625	-	21,971,036
AAA (S)	2,694,827	-	-	2,694,827
AA3	13,426,663	-	-	13,426,663
AA1	18,151,031	-	-	18,151,031
AA1 (S)	2,605,434	-	-	2,605,434
AA-	7,485,915	-	-	7,485,915
AA- IS	19,418,724	-	-	19,418,724
A1	36,965,414	-	-	36,965,414
A+	1,029,347	-	-	1,029,347
A2	7,065,180	-	-	7,065,180
A3	5,742,874	-	-	5,742,874
A-	11,725,112	-	-	11,725,112
BBB1	5,138,323	-	-	5,138,323
Non-rated	26,754,702	-	-	26,754,702
Others	-	-	5,904,547	5,904,547
	<u>169,868,957</u>	<u>10,305,625</u>	<u>5,904,547</u>	<u>186,079,129</u>

* Comprise amount due from brokers and Manager.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

The following table sets out the credit risk concentration of the Fund: (continued)

	<u>Investments</u> RM	<u>Cash and cash equivalents</u> RM	<u>Amount due from Manager</u> RM	<u>Total</u> RM
<u>30.09.2024</u>				
AAA	1,551,757	17,307,357	-	18,859,114
AAA (S)	6,907,584	-	-	6,907,584
AAA IS	1,014,982	-	-	1,014,982
AAA (BG)	2,387,478	-	-	2,387,478
AA1	12,805,792	-	-	12,805,792
AA1 (S)	7,753,542	-	-	7,753,542
AA3	13,445,211	-	-	13,445,211
AA- IS	14,076,753	-	-	14,076,753
A1	25,225,572	-	-	25,225,572
A+ IS	1,030,187	-	-	1,030,187
A2	5,026,243	-	-	5,026,243
A2 (S)	2,053,708	-	-	2,053,708
A IS (CG)	4,001,271	-	-	4,001,271
A3	2,615,655	-	-	2,615,655
A- IS	18,158,365	-	-	18,158,365
BBB1	9,940,268	-	-	9,940,268
BBB IS	3,554,782	-	-	3,554,782
Non-rated	17,605,889	-	-	17,605,889
Other	-	-	133,769	133,769
	<u>149,155,040</u>	<u>17,307,357</u>	<u>133,769</u>	<u>166,596,166</u>

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, possibly preventing the Fund from selling such illiquid securities at an advantageous time or price. Unit trust funds with principal investment strategies that involve securities or securities with substantial market and/or credit risk tend to have the greater exposure to liquidity risk. As part of its risk management, the Manager will attempt to manage the liquidity of the Fund through asset allocation and diversification strategies within the portfolio. The Manager will also conduct constant fundamental research and analysis to forecast future liquidity of its investments.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk (continued)

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

	Less than <u>1 month</u> RM	Between <u>1 month</u> to 1 year RM
<u>31.03.2025</u>		
Amount due to Manager	9,530	-
Accrued management fee	157,483	-
Amount due to Trustee	12,599	-
Other payables and accruals	-	14,223
	179,612	14,223
<u>30.09.2024</u>		
Amount due to Manager	135,948	-
Accrued management fee	133,588	-
Amount due to Trustee	10,687	-
Distribution payable	5,477,336	-
Other payables and accruals	-	16,875
	5,757,559	16,875

Capital risk

The capital of the Fund is represented by equity consisting of unit holders' capital of RM185,991,658 (30.09.2024:RM163,569,109) and accumulated losses of RM106,364 (30.09.2024:RM2,747,377). The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

4. FAIR VALUE ESTIMATION

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

The fair value of financial assets 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 period 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 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 period 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>31.03.2025</u>				
Financial assets at FVTPL				
- Unquoted fixed income securities	-	169,868,957	-	169,868,957
<hr/>				
<u>30.09.2024</u>				
Financial assets at FVTPL				
- Unquoted fixed income securities	-	149,155,040	-	149,155,040
<hr/>				

Financial instruments that trade in markets that are considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. This include unquoted fixed income securities. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. The Fund’s policies on valuation of these financial assets are stated in Note 2.2.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise:

	<u>31.03.2025</u> RM	<u>30.09.2024</u> RM
Bank balances	50,440	52,398
Deposits with licensed financial institutions	10,255,185	17,254,959
	<u>10,305,625</u>	<u>17,307,357</u>

6. INVESTMENTS

	<u>31.03.2025</u> RM	<u>30.09.2024</u> RM
Investments:		
- Unquoted fixed income securities	<u>169,868,957</u>	<u>149,155,040</u>

Investments as at 31 March 2025 are as follows:

<u>Name of Instruments</u>	<u>Rating</u>	<u>Nominal Value</u> RM	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> RM
UNQUOTED FIXED INCOME SECURITIES					
5.600% Alpha Circle Sdn Bhd IMTN 18/11/2022 [^]	C*	851,900	865,453	-	-
5.700% Alpha Circle Sdn Bhd IMTN 18/11/2022 [^]	C*	2,800,000	2,800,000	-	-
4.100% Aeon Credit Senior Sukuk (S6T2) 22/08/2030	AA3	2,000,000	2,016,106	2,019,337	1.09
4.100% Affin Bank Berhad MTN4 8/5/2029	AA3	1,000,000	1,016,175	1,022,265	0.55

6. INVESTMENTS (CONTINUED)

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

<u>Name of Instruments</u>	<u>Rating</u>	<u>Nominal Value</u> RM	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> RM
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)					
5.100% Affin Islamic Bank Berhad IMTN5 Perpetual AT1 Sukuk Wakalah	A3	5,500,000	5,677,065	5,742,874	3.09
4.220% Air Selangor IMTN T2 S2 29/10/2031	AAA	1,500,000	1,543,213	1,563,547	0.84
4.850% Alliance Bank 08/11/2117 (Tranche 006)	BBB1	5,000,000	5,007,973	5,138,323	2.76
4.050% Alliance Bank MTN 5477D 26/10/2035	A2	5,000,000	4,964,820	5,016,998	2.70
4.550% Ambank MTN 3653D 03/11/2033 - Tier 2	AA3	2,000,000	2,068,376	2,074,248	1.11
5.430% Aquasar IMTN 18/07/2029	AAA	3,000,000	3,249,290	3,231,420	1.74
3.920% Cagamas IMTN 17/07/2029	AAA	1,000,000	1,007,947	1,014,947	0.55
4.000% CIMB 25/05/2116 (Tranche 6)	A1	2,000,000	2,026,082	1,999,022	1.08
3.420% Danum IMTN 21/02/2035 (Tranche 5)	AAA	1,000,000	1,003,654	966,224	0.52
4.150% Dialog Perpetual Sukuk Wakalah (Tranche 1)	A1	5,000,000	5,077,924	5,055,124	2.72
5.080% Drb-Hicom IMTN 30/08/2030	AA- IS	1,500,000	1,510,111	1,584,338	0.85
6.250% Ekve Sdn Bhd IMTN 29/01/2036	AAA	2,000,000	2,200,063	2,384,993	1.28
5.150% GENM Capital MTN 3652D 31/5/2034	AA1 S	2,500,000	2,543,034	2,605,434	1.40

6. INVESTMENTS (CONTINUED)

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

<u>Name of Instruments</u>	<u>Rating</u>	<u>Nominal Value</u> RM	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> RM
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)					
4.860% Genting Capital Berhad 08/06/2027	Non-rated	5,000,000	5,127,964	5,115,930	2.75
4.193% GII Murabahah 1/2022 07/10/2032	GG	3,000,000	3,144,980	3,152,321	1.70
3.804% GII Murabahah 2/2024 08/10/2031	Non-rated	2,500,000	2,555,780	2,558,971	1.38
4.724% GII Murabahah 6/2017 15/06/2033	GG	4,000,000	4,304,818	4,325,586	2.33
5.730% IJM Land Perpetual Sukuk Musharakah - S1 T2	A2	2,000,000	2,043,893	2,048,182	1.10
5.850% Jep IMTN 04/06/2031(Tranche 21)	AA-	2,000,000	2,211,187	2,219,725	1.19
4.170% KLK IMTN 16/03/2032	AA1	5,000,000	5,051,760	5,096,440	2.74
4.810% LBS Bina IMTN 23/01/2032 (S1 T2)	AA- IS	10,000,000	10,088,293	10,247,893	5.51
5.300% LESB IMTN 16/07/2038 Series 18	AA-	2,000,000	2,021,781	2,156,621	1.16
4.480% Malakoff Pow IMTN 17/02/2032	AA- IS	5,500,000	5,534,778	5,556,253	2.99
4.24% Malayan Cement 03/07/2029	AA3	1,500,000	1,518,750	1,535,899	0.83
5.700% MEX I IMTN (Tranche 13) 21/01/2037 - A13	A1	1,068,973	925,905	1,228,220	0.66
5.700% MEX I IMTN (Tranche 14) 21/01/2038 - A14	A1	6,760,769	6,980,623	7,841,421	4.22

6. INVESTMENTS (CONTINUED)

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

<u>Name of Instruments</u>	<u>Rating</u>	<u>Nominal Value</u> RM	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> RM
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)					
5.700% MEX I MTN (Tranche 15) 21/01/2039 - A15	A1	2,816,004	2,286,604	3,299,798	1.78
5.700% MEX I IMTN (Tranche 16) 23/01/2040 - A16	A1	2,799,255	2,256,370	3,322,468	1.79
5.700% MEX I IMTN (Tranche 5) 22/01/2029 - A5	A1	513,078	514,004	541,134	0.29
5.700% MEX I IMTN (Tranche 6) 21/01/2030 - A6	A1	1,230,275	1,231,341	1,305,988	0.70
6.000% MEX II IMTN 29/04/2030 - Issue No. 10	D**	1,800,000	1,743,752	-	-
6.300% MEX II IMTN 29/04/2033	D**	1,500,000	1,678,130	-	-
4.642% MGS 07/11/2033	GG	8,000,000	8,761,594	8,640,669	4.65
5.700% MMC Corporation IMTN 24/03/2028	AA-	1,000,000	1,048,876	1,049,737	0.56
4.660% MRCB20PERP IMTN 16/10/2026	AA-	2,000,000	2,049,499	2,059,832	1.11
5.190% MRCB20PERP IMTN Issue 5-9 27/02/2026	AA- IS	2,000,000	2,023,489	2,030,240	1.09
3.320% PASB IMTN 04/06/2027 - Issue No. 21	AAA	2,500,000	2,501,835	2,504,280	1.35
6.050% Pujian Bayu MTN 31/7/2029 (Tranche 1)	AA3	1,500,000	1,617,664	1,619,483	0.87

6. INVESTMENTS (CONTINUED)

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

<u>Name of Instruments</u>	<u>Rating</u>	<u>Nominal Value</u> RM	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> RM
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)					
5.000% Rantau Imtn 16/01/2032 (Tranche 10)	AAA S	2,500,000	2,684,234	2,694,827	1.45
5.500% Sabahdev MTN 2555D 27/2/2026 - Issue No. 201	AA1	5,000,000	5,063,160	5,073,606	2.73
4.400% Sabahdev MTN 2557D 24/04/2026 - Issue No. 204	AA1	1,000,000	1,032,314	1,035,309	0.56
5.500% Sabahdev MTN 730D 24/4/2026 (Tranche 9) Series 1	AA1	2,000,000	2,042,460	2,038,474	1.10
4.700% Slam IMTN Sub 17/10/2033 (Tranche 5)	A1	2,500,000	2,553,438	2,611,338	1.40
4.830% SMS IMTN 21/10/2033	AA3	2,000,000	2,067,964	2,049,355	1.10
5.130% SMS IMTN 21/10/2036	AA3	3,000,000	3,115,230	3,106,076	1.67
0.000% Solarvest ICP 181D 17/07/2025 (T2/S1)	P1	3,000,000	2,962,461	2,961,225	1.59
4.680% Sunreit Perp Bonds Series 3 14/04/2119	A1	9,500,000	9,699,459	9,760,901	5.25
6.300% WCT IMTN 04/11/2118	A-	4,000,000	4,102,181	4,110,861	2.21
5.650% WCT IMTN 20/04/2026	A+	1,000,000	1,027,078	1,029,347	0.55
6.000% WCT IMTN 27/09/2119 (Series 1 Tranche 2)	A-	4,500,000	4,508,115	4,518,639	2.43
7.500% YHB IMTN 02/11/2122	A-	3,000,000	3,013,562	3,095,612	1.67

6. INVESTMENTS (CONTINUED)

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

<u>Name of Instruments</u>	<u>Rating</u>	<u>Nominal Value</u> RM	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> RM
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)					
3.650% YTL Corporation MTN 3652D 24/7/2030	AA1	250,000	244,601	248,490	0.13
4.550% YTL Corporation MTN 4383D 27/9/2035	AA1	2,000,000	2,022,027	2,093,986	1.13
4.195% YTL Power IMTN 26/08/2039	AA1	2,000,000	2,008,917	2,043,755	1.10
4.990% YTL Power International Bhd 3653D 24/08/2028	AA1	500,000	514,633	520,971	0.28
TOTAL INVESTMENTS			172,462,790	169,868,957	91.38

6. INVESTMENTS (CONTINUED)

Investments as at 30 September 2024 are as follows:

<u>Name of Instruments</u>	<u>Rating</u>	<u>Nominal Value</u> RM	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> RM
UNQUOTED FIXED INCOME SECURITIES					
5.600% Alpha Circle Sdn Bhd IMTN 18/11/2022 [^]	C*	630,700	644,253	-	-
5.700% Alpha Circle Sdn Bhd IMTN 18/11/2022 [^]	C*	2,800,000	2,800,000	-	-
5.600% Alpha Circle Sdn Bhd IMTN 18/11/2022 [^]	C*	221,200	221,200	-	-
4.100% Aeon Credit Senior Sukuk 22/08/2030	AA3	2,000,000	2,017,180	2,018,586	1.26
4.100% Affin Bank MTN4 Senior 08/05/2029	AA3	1,000,000	1,016,400	1,022,290	0.64
5.100% Affin Islamic Bank Berhad AT1 Sukuk Wakalah 10/10/2028	A3	2,500,000	2,560,580	2,615,655	1.63
4.650% Alliance Bank (Tranche 005) 08/11/2117	BBB1	5,000,000	5,008,281	4,975,381	3.09
4.850% Alliance Bank (Tranche 006) 08/11/2117	BBB1	5,000,000	5,008,637	4,964,887	3.09
4.050% Alliance Bank MTN 26/10/2035	A2	5,000,000	4,954,758	5,026,242	3.13
4.550% Ambank MTN TIER 2 03/11/2033	AA3	2,000,000	2,072,890	2,080,647	1.29

6. INVESTMENTS (CONTINUED)

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

<u>Name of Instruments</u>	<u>Rating</u>	<u>Nominal Value</u> RM	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> RM
UNQUOTED FIXED INCOME SECURITIES					
5.430% Aquasar IMTN 18/07/2029	AAA (S)	3,000,000	3,273,374	3,248,873	2.02
3.920% Cagamas IMTN 17/07/2029	AAA IS	1,000,000	1,008,162	1,014,982	0.62
4.000% CIMB Group Holdings Berhad (Tranche 6) 25/05/2116	A1	2,000,000	2,026,082	1,987,162	1.24
3.420% Danum Capital Berhad IMTN (Tranche 5) 21/02/2035	AAA (S)	1,000,000	1,003,842	959,172	0.60
4.150% Dialog Perpetual Sukuk Wakalah (Tranche 1) 16/11/2027	A1	5,000,000	5,078,452	5,053,501	3.14
5.080% DRB-HICOM Berhad IMTN 30/08/2030	AA- IS	6,500,000	6,545,782	6,866,315	4.27
6.250% EKVE Sdn Bhd IMTN 29/01/2036	AAA (BG)	2,000,000	2,206,868	2,387,478	1.48
5.150% GENM Capital MTN 31/05/2034	AA1 (S)	2,500,000	2,543,387	2,611,612	1.62
4.860% Genting Capital Berhad 08/06/2027	AA1 (S)	5,000,000	5,139,439	5,141,930	3.20
4.193% GII Murabahah 1/2022 07/10/2032	Non- rated	3,000,000	3,150,026	3,150,222	1.96
4.280% GII Murabahah 1/2024 23/03/2054	Non- rated	1,900,000	1,925,768	1,928,407	1.20
3.804% GII Murabahah 2/2024 08/10/2031	Non- rated	2,500,000	2,556,620	2,563,481	1.59
5.730% IJM Land Perpetual Sukuk Musharakah	A2 (S)	2,000,000	2,053,198	2,053,708	1.28

6. INVESTMENTS (CONTINUED)

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

<u>Name of Instruments</u>	<u>Rating</u>	<u>Nominal Value</u> RM	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> RM
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)					
4.720% Johor Corporation IMTN 11/06/2027	AAA	1,500,000	1,548,687	1,551,757	0.96
5.300% LESB IMTN (Series 18) 16/07/2038	AA- IS	2,000,000	2,022,362	2,052,142	1.28
4.240% Malayan Cement 03/07/2029	AA3	1,500,000	1,519,469	1,531,117	0.95
5.500% MEX I Capital Sdn Bhd IMTN 21/01/2037	A1	1,053,176	903,516	1,210,150	0.75
5.500% MEX I Capital Sdn Bhd IMTN 21/01/2038	A1	2,769,231	2,370,574	3,212,775	2.00
5.500% MEX I Capital Sdn Bhd IMTN 21/01/2039	A1	2,657,057	2,089,470	3,115,051	1.94
5.000% MEX I Capital Sdn Bhd IMTN 23/01/2040	A1	2,630,879	2,046,733	3,123,428	1.94
5.000% MEX I Capital Sdn Bhd IMTN 22/01/2029	A1	513,078	513,349	544,093	0.34
5.000% MEX I Capital Sdn Bhd IMTN 21/01/2030	A1	1,230,275	1,229,968	1,312,369	0.82
6.000% MEX II Capital Sdn Bhd IMTN 29/04/2030	D**	1,800,000	1,743,752	-	-
6.300% MEX II Capital Sdn Bhd IMTN 29/04/2033	D**	1,500,000	1,678,130	-	-

6. INVESTMENTS (CONTINUED)

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

<u>Name of Instruments</u>	<u>Rating</u>	<u>Nominal Value</u> RM	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> RM
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)					
4.642% Malaysian Government Securities 07/11/2033	Non-rated	5,000,000	5,549,595	5,430,064	3.38
4.921% Malaysian Government Securities 06/07/2048	Non-rated	4,000,000	4,805,339	4,533,715	2.82
5.700% MMC Corporation IMTN 24/03/2028	AA- IS	1,000,000	1,056,250	1,060,001	0.66
4.460% MNRB Holdings IMTN (Series 2) 22/03/2034	A1	3,000,000	3,009,787	3,063,383	1.90
4.660% MRCB20PERP IMTN 16/10/2026	AA- IS	2,000,000	2,052,054	2,060,927	1.28
5.190% MRCB20PERP IMTN Issue 5-9 27/02/2026	AA- IS	2,000,000	2,031,786	2,037,369	1.27
6.350% Muamalat AT1 Sukuk Wakalah 29/09/2122	BBB IS	3,500,000	3,501,827	3,554,782	2.21
6.050% Pujian Bayu MTN (Tranche 1) 31/07/2029	AA3	1,500,000	1,628,876	1,635,970	1.02
5.000% Rantau IMTN (Tranche 10) 16/01/2032	AAA S	2,500,000	2,698,706	2,699,540	1.68
5.500% Sabahdev MTN (Issue No. 201) 27/02/2026	AA1	5,000,000	5,083,048	5,112,549	3.18
5.500% Sabahdev MTN (Issue No. 204) 24/04/2026	AA1	1,000,000	1,036,278	1,043,870	0.65

6. INVESTMENTS (CONTINUED)

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

<u>Name of Instruments</u>	<u>Rating</u>	<u>Nominal Value</u> RM	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> RM
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)					
4.400% Sabahdev MTN (Series 1 Tranche 9) 24/04/2026	AA1	2,000,000	2,044,608	2,045,135	1.27
4.700% SLAM IMTN (Tranche 5) 17/10/2033	A1	2,500,000	2,553,760	2,603,660	1.62
4.830% Solar Management (Seremban) Sdn Bhd IMTN 21/10/2033	AA3	2,000,000	2,069,152	2,046,895	1.27
5.130% Solar Management (Seremban) Sdn Bhd IMTN 21/10/2036	AA3	2,999,999	3,116,726	3,109,706	1.93
3.950% TG Excellence Sukuk Wakalah (Tranche 1) 27/02/2120	A IS (CG)	4,000,000	3,996,649	4,001,271	2.49
5.650% WCT Holdings Berhad IMTN 20/04/2026	A+ IS	1,000,000	1,028,007	1,030,187	0.64
6.000% WCT Holdings Berhad IMTN (Series 1 Tranche 2) 28/09/2026	A- IS	15,000,000	15,029,754	15,067,913	9.37
7.500% Yinson Holdings Berhad IMTN 02/11/2122	A- IS	3,000,000	3,013,562	3,090,452	1.91

6. INVESTMENTS (CONTINUED)

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

<u>Name of Instruments</u>	<u>Rating</u>	<u>Nominal Value</u> RM	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> RM
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)					
4.550% YTL Corporation Berhad MTN 27/09/2035	AA1	2,000,000	2,022,562	2,070,297	1.29
4.195% YTL Power Corporation Berhad MTN 26/08/2039	AA1	2,000,000	2,009,401	2,010,635	1.25
4.990% YTL Power International Berhad 24/08/2028	AA1	500,000	516,290	523,306	0.33
TOTAL INVESTMENTS			152,335,206	149,155,040	92.75

[^] *Maturity date extended to 31/12/2030*

6. INVESTMENTS (CONTINUED)

* Alpha Circle Sdn Bhd (“ACSB”) RM60 million Senior Sukuk Musharakah and RM55 million Junior Sukuk Musharakah

Alpha Circle Sdn Bhd (“ACSB”) has, since 2016, undertaken various re-termining exercises for its Senior Sukuk due to its lumpy debt maturities, and volatile foreign worker permit or Pas Lawatan Kerja Sementara (“PLKS”) volumes owing to changes in government policy relating to the recruitment of foreign workers. In recent years, ACSB’s parent company and concessionaire, NERS Sdn Bhd (“NERS”), has been adversely affected by lower PLKS volumes due to closure of international borders and the restriction on intake of foreign workers amid the pandemic. ACSB has continued to rely on Sukukholders’ indulgence to defer shortfalls on the Senior Sukuk obligations with repayments on a piecemeal basis. On 18 January 2023, MARC downgraded ACSB’s rating to C from B after noting that ACSB has continued to face payment delays that have led to a severe liquidity crunch. Repayments over the years have, nonetheless, reduced the Senior Sukuk outstanding amount by 92% or RM498 million, from RM540 million to RM42 million currently. The latest repayment of the Senior Sukuk made by ACSB amounted to RM10 million on 28 July 2023.

On 15 March 2023, a news article was published on the arrest of several individuals by Malaysian Anti-Corruption Commission (“MACC”) over alleged misappropriation of funds involving a project facilitating the registration, recruitment and biometric security system for foreign workers in the country. Investigations relating to the charges mentioned in the article are still ongoing, although we are not privy to the progress of this investigation. However, Sukukholders were made to understand that there was a diversion of funds with respect to the April 2022 to November 2022 payments from JIM as instructed by the Directors of NERS without the Sukukholders’ and Trustee’s consent (“Misappropriated Funds”).

To avoid a default and risk termination of the concession at the time, Sukukholders collectively agreed to pass resolutions to extend the maturity of the RM60 million Senior Sukuk principal due on 23 March 2023 until further notice from the Sukukholders or until 31 May 2023 (i.e. the concession expiry), whichever is earlier.

Sukukholders were informed by NERS that a lawsuit has been brought by S5 Systems Sdn Bhd (“S5”, which operates and maintains the NERS system) against NERS for amounts owed for services provided. Following a hearing on 3 April 2023, NERS was placed under Judicial Management.

6. INVESTMENTS (CONTINUED)

* Alpha Circle Sdn Bhd (“ACSB”) RM60 million Senior Sukuk Musharakah and RM55 million Junior Sukuk Musharakah (continued)

While the Judicial Manager (“JM”) has attempted to make contact with Kementerian Dalam Negeri (“KDN”) to negotiate for an extension of the concession, the JM has been unsuccessful in securing a meeting. The concession expired on 31 May 2023, although there was no official notification from KDN at that time. Sukukholders passed resolutions to extend the maturity of the Senior Sukuk to 31 December 2023 and the Junior Sukuk to 31 March 2024 given uncertainties surrounding the concession. On 8 August 2023, Sukukholders were notified that KDN has decided not to grant an extension of the concession via a letter dated 3 August 2023. Without the extension of the concession, there will be no future cash inflows from the concession.

Meanwhile, payments from Jabatan Imigresen Malaysia (“JIM”) for billings for the month of December 2023 up to April 2023 are lower than expected, as the Government has made profit-sharing deductions to the payments (“Profit-Sharing Deductions”). Sukukholders are of the view that such payments were not justified and have requested for the JM to seek clarification from JIM on this. Payment from JIM for May 2023 billing remains outstanding (“May 2023 Payment”).

The JM had provided a Statement of Proposal (“SOP”) to all creditors of NERS on 10 Nov 2023 for voting during a Creditors’ Meeting on 1 Dec 2023. The SOP detailed amounts owing to all creditors and the JM’s action plan for recovery, without any mention of the position and ranking of creditors. Sukukholders were generally not agreeable to this as based on the advice of the Trustee’s solicitor, Shook Lin & Bok (“SLB”), the security of Sukukholders may be challenged by the other major creditor of NERS, i.e. S5, at a later stage since a Dissolution Event (“DE”) has not been called. As such, the requisite approval (from creditors holding 75% of the outstanding amounts claimed) to pass the SOP was not obtained.

Sukukholders approved resolutions to call a Dissolution Event (“DE”) and appoint a receiver and manager (“R&M”) on 28 Feb 2024. A DE Notice was sent to the issuer on 5 March 2024 and the R&M was to be formally appointed on 8 Apr 2024 to take over the recovery process from the JM. On 8 April 2024, Sukukholders were notified that S5 (now known as Ultiotech Sdn Bhd), has commenced action against NERS, where it is seeking for NERS to be placed under JM (“JM Application”). In light of this, the Trustee had put on hold the enforcement of the security furnished by NERS, including the appointment of the R&M.

6. INVESTMENTS (CONTINUED)

** MEX II Sdn Bhd (“MEX II”) RM1.30 billion Sukuk Murabahah Programme

On 18 October 2019, MARC had downgraded the rating of MEX II Sdn Bhd’s (“MEX II”) RM1.3 billion Sukuk Murabahah Programme from AA- to A whilst maintaining the rating on a negative outlook premised on rising completion risk and increased uncertainty with regard to completion and associated tolling date of the 16.8-km Lebuhraya KLIA (MEX Extension) project. MARC further placed MEX II’s ratings on MARCWatch Negative on 22 May 2020 due to the lack of construction progress at the Expressway.

On 30 October 2020, MEX II fulfilled its obligation on the Sukuk with a full and timely profit payment of circa RM39 million from monies previously ring-fenced for the sole benefit of Sukukholders in a reserve account.

On 18 November 2020, MARC downgraded MEX II’s ratings to BBB from A and the rating remained on MARCWatch Negative following concerns on MEX II’s timely ability to obtain additional financing to meet its debt obligations in April 2021 and complete a sukuk restructuring exercise.

On 9 February 2021, MARC further downgraded the rating to BB from BBB while maintaining the rating on MARCWatch Negative due to escalating risk that MEX II may not be able to obtain a liquidity line in time to meet Sukuk principal and profit payments of RM68.7 million due on 29 April 2021.

On 26 March 2021, MARC downgraded MEX II’s rating to C from BB while maintaining the rating on MARCWatch Negative due to mounting liquidity pressure and the risk of missing the upcoming Sukuk payments on 29 April 2021, further highlighting that MEX II’s viability rests on a successful Sukuk restructuring through which additional funding will be available to complete the Expressway.

On 26 April 2021, Sukukholders holding in aggregate not less than 75% of the nominal value of the Sukuk had consented to the deferment of Sukuk principal and profit amounting to RM68.7 million originally due on (i) 28 April 2021 (i.e., principal repayment of RM30 million and the profit payment in respect of this tranche only) and (ii) 30 April 2021 (i.e., profit payments in respect of the other tranches) for 4 months until 27 August 2021.

6. INVESTMENTS (CONTINUED)

** MEX II Sdn Bhd (“MEX II”) RM1.30 billion Sukuk Murabahah Programme (continued)

On 24 August 2021, Sukukholders voted to approve the deferment of Sukuk obligations falling due on 27 August 2021 and 29 October 2021 to 31 December 2021 to buy more time for the proposed restructuring. On 3 January 2022, the Trustee formally declared an Event of Default when MEX II failed to remit the deferred amount on due date of 31 December 2021 upon which the Dissolution Amount of RM1,378,113,337.59 became immediately due and payable to Sukukholders. Resolutions for the Trustee to declare an Event of Default and to subsequently appoint a receiver were passed by Sukukholders earlier. Sukukholders had also earlier formally rejected MEX II’s request to extend the deferment period beyond 31 December 2021 as well as rejected the company’s restructuring proposal.

On 5 January 2022, MEX II applied for a Judicial Management Order (“JM Application”), resulting in an automatic moratorium against enforcement and such other creditor action. The Court had earlier fixed a Hearing on 23 February 2022 for the JM Application as well as for the Trustee (acting for and behalf of the Sukukholders) to seek leave of Court to proceed with enforcement/appointment of a receiver during the automatic moratorium period.

The Court Hearing, however, was postponed several times due to adjournments sought by the legal representative of MEX II and allowed by the Court for the parties to file further documents, from originally 23 February 2022 to 28 February 2022 then to 4 March 2022 and subsequently continued on 8 March 2022. The Judge then decided to reserve his decision to 26 April 2022.

On 26 April 2022, the Court dismissed the Issuer’s application for JM order and further allowed the Trustee’s Leave Application. Pursuant to the favorable outcome, Ernst & Young (EY) was appointed as the Receiver and Manager (R&M) of the secured property via Extraordinary Resolutions in Writing on 29 April 2022.

On 29 April 2022, Notice of Appeals (Appeals) were filed by the Issuer against the High Court’s decision and pursuant to case management on 1 September 2022, the High Court has fixed the cases to be heard on 15 May 2023.

On 10 May 2022, the Issuer served Notices of Motion (NOM) to preserve its assets until full and final dispose of the Appeal. On 12 August 2022, the Court of Appeal ruled in favour of Sukukholders by dismissing the NOMs.

6. INVESTMENTS (CONTINUED)

** MEX II Sdn Bhd (“MEX II”) RM1.30 billion Sukuk Murabahah Programme (continued)

EY had resigned on 13 February 2023, and BDO Consulting Sdn Bhd (BDO) has been appointed to replace EY as the R&M with effect from 27 February 2023. BDO will work with Sukukholders as well as the relevant government authorities and parties to expedite the restructuring of the Sukuk.

On 15 May 2023, the Court of Appeal has ruled in favour of the Sukukholders whereby the appeal sought by MEX II has been unsuccessful. On 15 Jun 2023, MEX II filed Motions to Appeal to Federal Court. A hearing took place on 26 Sep 2023, where the Appeal by MEX II was dismissed, exhausting all legal options for MEX II.

The R&M continues to work on a restructuring proposal for MEX II and has submitted a proposal to Kementerian Kerja Raya on 21 November 2023 and a revised proposal on 15 March 2024, which incorporates some feedback from the government agencies. Discussion with the government agencies remain ongoing.

7. UNITS IN CIRCULATION

	<u>31.03.2025</u> Units	<u>30.09.2024</u> Units
At the beginning of the financial period/year	171,164,739	143,445,346
Creation of units during the financial period/year		
Arising from distributions	6,934,314	5,898,393
Arising from applications	23,088,000	60,421,000
Cancellation of units during the financial period/year	(6,204,000)	(38,600,000)
At the end of the financial period/year	<u>194,983,053</u>	<u>171,164,739</u>

8. MANAGEMENT FEE

In accordance with the Prospectus, the management fee provided in the financial statements is 1.00% (01.10.2023-31.03.2024:1.00%) per annum based on the net asset value of the Fund, calculated on a daily basis for the financial period.

9. TRUSTEE'S FEE

In accordance with the Prospectus, the Trustee's fee provided in the financial statements is 0.08% (01.10.2023-31.03.2024:0.08%) per annum based on the net asset value of the Fund, calculated on a daily basis for the financial period.

10. TAXATION

(a) Tax charge for the financial period

	<u>01.10.2024-</u> <u>31.03.2025</u> RM	<u>01.10.2023-</u> <u>31.03.2024</u> RM
Current taxation	<u>-</u>	<u>-</u>

10. TAXATION (CONTINUED)

(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:

	01.10.2024- 31.03.2025	01.10.2023- 31.03.2024
	RM	RM
Net income before taxation	<u>3,710,455</u>	<u>5,149,353</u>
Tax calculated at a statutory income tax rate of 24%	890,509	1,235,845
Tax effects of:		
- Income not subject to tax	(1,125,104)	(1,418,074)
- Expenses not deductible for tax purposes	18,046	14,121
- Restriction on tax deductible expenses	<u>216,549</u>	<u>168,108</u>
Tax expense	<u>-</u>	<u>-</u>

11. DISTRIBUTIONS

Distribution to unit holders is derived from the following sources:

	01.10.2024- 31.03.2025	01.10.2023- 31.03.2024
	RM	RM
Interest income from deposits with licensed financial institutions	102,083	98,824
Interest income from investments	988,553	1,077,716
Net realised gain on disposal	<u>-</u>	<u>15,282</u>
	1,090,636	1,143,915
Less: Expenses	<u>(21,194)</u>	<u>(337,875)</u>
Net distribution amount	<u>1,069,442</u>	<u>853,947</u>
	Gross/Net	Gross/Net
<u>Distributions date</u>	<u>sen per unit</u>	<u>sen per unit</u>
26 December 2024/26 December 2023	<u>0.5500</u>	<u>0.5700</u>

12. TOTAL EXPENSE RATIO (“TER”)

	<u>01.10.2024- 31.03.2025</u> %	<u>01.10.2023- 31.03.2024</u> %
TER	<u>0.54</u>	<u>0.55</u>

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

13. PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>01.10.2024- 31.03.2025</u>	<u>01.10.2023- 31.03.2024</u>
PTR (times)	<u>0.42</u>	<u>0.41</u>

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

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

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

	<u>31.03.2025</u>		<u>30.09.2024</u>	
	Units	RM	Units	RM
The Manager	5,446	5,192	5,447	5,118
RHB Capital Nominees (Tempatan) Sdn Bhd	<u>16,113,674</u>	<u>15,361,165</u>	<u>15,138,773</u>	<u>14,224,391</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, are under nominees structure.

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

14. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER (CONTINUED)

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

15. TRANSACTIONS BY THE FUND

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

Brokers/Financial institutions	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
CIMB Bank Berhad	35,566,810	23.76	-	-
CIMB Islamic Bank Berhad	5,001,031	3.34	-	-
Malayan Banking Berhad	13,626,800	9.10	-	-
RHB Investment Bank Berhad*	39,302,334	26.25	-	-
Hong Leong Bank Berhad	17,451,800	11.66	-	-
Bank of America Malaysia Berhad	14,177,400	9.47	-	-
Affin Hwang Bank Berhad	3,046,200	2.03	-	-
Hong Leong Investment Bank Berhad	7,018,200	4.69	-	-
United Overseas Bank (M) Berhad	14,523,900	9.70	-	-
	<u>149,714,475</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

15. TRANSACTIONS BY THE FUND (CONTINUED)

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

Brokers/Financial <u>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> %
CIMB Bank Berhad	95,990,597	32.05	-	-
RHB Investment Bank Berhad*	79,663,900	26.60	-	-
United Overseas Bank (M) Berhad	35,301,600	11.79	-	-
Bank of America Merrill Lynch	30,578,000	10.21	-	-
Hong Leong Bank Berhad	13,118,800	4.38	-	-
Malayan Banking Berhad	10,653,700	3.56	-	-
Affin Hwang Investment Bank Berhad	8,606,750	2.87	-	-
Hong Leong Investment Bank Berhad	8,089,000	2.70	-	-
CIMB Islamic Bank Berhad	5,455,869	1.82	-	-
Bank Islam Malaysia Berhad	3,500,000	1.18	-	-
Others	8,516,075	2.84	-	-
	<u>299,474,291</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

* Included in the transactions by the Fund are trades with RHB Bank Berhad, the ultimate holding company of the Manager and RHB Investment Bank Berhad, the holding company of the Manager. 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.

16. FINANCIAL INSTRUMENTS BY CATEGORIES

	<u>31.03.2025</u> RM	<u>30.09.2024</u> RM
Financial assets		
Financial assets at FVTPL		
• Unquoted fixed income securities	<u>169,868,957</u>	<u>149,155,040</u>
Financial assets at amortised cost		
• Bank balances	50,440	52,398
• Deposits with licensed financial institutions	10,255,185	17,254,959
• Amount due from brokers	5,280,377	-
• Amount due from Manager	624,170	133,769
	<u>16,210,172</u>	<u>17,441,126</u>
Financial liabilities		
Financial liabilities at amortised cost		
• Amount due to Manager	9,530	135,948
• Accrued management fee	157,483	133,588
• Amount due to Trustee	12,599	10,687
• Distribution payable	-	5,477,336
• Other payables and accruals	14,223	16,875
	<u>193,835</u>	<u>5,774,434</u>

**STATEMENT BY MANAGER
RHB BOND 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 unaudited statement of financial position, unaudited statement of income and expenses, unaudited statement of changes in net asset value, unaudited 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 period 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 Bond Fund (“Fund”),

We have acted as Trustee of the Fund for the financial period 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 period 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.

We are of the opinion that the distributions of income by the Fund are appropriate and reflects the investment objective of the Fund.

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

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*)

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: 07-358 3581
Kuantan Office	1st Floor, Lot 10, Jalan Putra Square 1 Putra Square 25300 Kuantan, Pahang Tel: 09-517 3611 / 09-517 3615 Fax: 09-517 3612
Kuching Office	Lot 133, Section 20, Sublot 2 & 3 1st Floor, Jalan Tun Ahmad Zaidi Adruce 93200 Kuching, Sarawak Tel: 082-550 838 Fax: 082-550 508 Yung Kong Abell, Units 1-10 2nd Floor Lot 365 Section 50 Jalan Abell 93100 Kuching, Sarawak Tel: 082-245 611 Fax: 082-230 326

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

TRUSTEE	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 AmInvestment Bank Berhad Areca Capital Sdn Bhd CIMB Bank Berhad CIMB Private Banking Genexus Advisory Sdn Bhd HSBC Bank Malaysia Berhad iFAST Capital Sdn Bhd Kenanga Investors Berhad OCBC Bank (M) Berhad Phillip Mutual Berhad Standard Chartered Bank Malaysia Berhad Standard Financial Adviser Sdn Bhd UOB Kay Hian Securities (M) Sdn Bhd United Overseas Bank (M) Berhad

RHB  **Asset Management**

RHB Asset Management Sdn Bhd 198801007231 (174588-X)

Head Office

Level 8, Tower 2 & 3,

RHB Centre, Jalan Tun Razak,

50400, Kuala Lumpur

Tel: +603 9205 8000

Fax: +603 9205 8100

<https://rhbgroup.com/myinvest>