

Semi-Annual Report for

AmBalanced

31 January 2026



TRUST DIRECTORY

Manager

AmFunds Management Berhad
9th & 10th Floor, Bangunan AmBank Group
55 Jalan Raja Chulan
50200 Kuala Lumpur

Trustee

HSBC (Malaysia) Trustee Berhad

Auditors and Reporting Accountants

Ernst & Young PLT

Taxation Adviser

Deloitte Malaysia Tax Services Sdn. Bhd.
(formerly known as Deloitte Tax Services Sdn. Bhd.)

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MANAGER'S REPORT

Dear Unitholders,

We are pleased to present you the Manager's report and the unaudited accounts of AmBalanced ("Fund") for the financial period ended 1 August 2025 to 31 January 2026.

Salient Information of the Fund

Name	AmBalanced ("Fund")
Category/ Type	Balanced / Growth
Objective	<p>AmBalanced aims to grow the value of investments in the long-term with lower volatility through asset diversification.</p> <p><i>Note:</i> <i>Any material change to the investment objective of the Fund would require Unit Holders' approval.</i></p>
Duration	<p>The Fund was established on 16 September 2003 and shall exist for as long as it appears to the Manager and the Trustee that it is in the interests of the unitholders for it to continue. In some circumstances, the unitholders can resolve at a meeting to terminate the Fund.</p>
Performance Benchmark	<p>50% Medium MGS Index by Quantshop 50% FTSE Bursa Malaysia Top100 Index (Available at www.aminvest.com)</p> <p><i>Note: The composite benchmark index is a reflection of the Fund's average asset allocation over the medium to long-term. For the equities portion of the Fund the performance benchmark will be FTSE Bursa Malaysia Top 100 Index and for the fixed income portion it will be the Quantshop Medium MGS Index. The benchmark is for performance comparison only. The risk profile of the performance benchmark is not the same as the risk profile of the Fund.</i></p> <p><i>Source: FTSE International Limited ("FTSE") © FTSE 2026. "FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence. "BURSA MALAYSIA" is a trade mark of Bursa Malaysia Berhad ("BURSA MALAYSIA"). All intellectual property rights in the index values and constituent list vests in FTSE and BURSA MALAYSIA. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and / or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.</i></p>
Income Distribution Policy	<p>Income distribution (if any) is incidental.</p>

Fund Performance Data

Portfolio Composition	Details of portfolio composition of the Fund as at 31 January 2026 and for the past three financial years are as follows:			
	As at 31.01.2026 %	As at 31 July		
		2025 %	2024 %	2023 %
Consumer discretionary	1.05	1.63	2.41	5.74
Consumer staples	3.70	3.16	4.60	3.93
Energy	0.49	-	1.06	0.42
Financials	23.44	20.88	12.56	11.01
Health care	4.90	1.56	7.14	3.33
Industrials	8.07	4.70	7.29	7.05
Information technology	1.85	1.03	5.02	5.60
Materials	0.95	1.03	2.52	2.95
Real estate/REITs	5.03	4.06	1.56	0.98
Telecommunication services	3.49	5.02	5.67	1.28
Utilities	7.04	9.09	7.14	3.21
Corporate bonds	14.01	14.54	21.04	31.11
Local Collective Investment Schemes	-	6.49	-	5.70
Malaysian Government Securities	19.20	19.69	12.01	11.17
Money market deposits and cash equivalents	6.78	7.12	9.98	6.52
Total	100.00	100.00	100.00	100.00
	<i>Note: The abovementioned percentages are calculated based on total net asset value.</i>			
Performance Details	Performance details of the Fund for the financial period ended 31 January 2026 and three financial years ended 31 July are as follows:			
	FPE 31.01.2026	FYE 2025	FYE 2024	FYE 2023
Net asset value (RM)	1,595,183	1,556,462	2,522,812	2,691,121
Units in circulation	1,208,953	1,245,127	1,723,439	2,039,663
Net asset value per unit (RM)	1.3195	1.2500	1.4638	1.3194
Highest net asset value per unit (RM)	1.3333	1.4641	1.4862	1.3282
Lowest net asset value per unit (RM)	1.2543	1.1897	1.3059	1.2194
Benchmark performance (%)	6.89	-1.38	10.34	2.66
Total return (%) ⁽¹⁾	5.56	-5.50	10.94	3.78
- Capital growth (%)	5.56	-14.77	10.94	3.78
- Income distribution (%)	-	9.27	-	-
Gross distribution (RM sen per unit)	-	13.5704	-	-
Net distribution (RM sen per unit)	-	13.5704	-	-
Total expense ratio (%) ⁽²⁾	1.53	2.64	2.43	2.11
Portfolio turnover ratio (times) ⁽³⁾	0.26	0.96	1.44	0.81

Note:

- (1) Total return is the actual return of the Fund for the financial period/years computed based on the net asset value per unit and net of all fees. Total return is calculated based on the published NAV/unit (last business day).
- (2) Total expense ratio (“TER”) is calculated based on the total fees and expenses incurred by the Fund divided by the average fund size calculated on a daily basis.
- (3) Portfolio turnover ratio (“PTR”) is calculated based on the average of the total acquisitions and total disposals of investment securities of the Fund divided by the average fund size calculated on a daily basis.

Average Total Return (as at 31 January 2026)

	AmBalanced^(a) %	Benchmark^(b) %
One year	4.64	6.90
Three years	3.37	5.33
Five years	0.69	2.81
Ten years	3.56	2.64

Annual Total Return

Financial Years Ended (31 July)	AmBalanced^(a) %	Benchmark^(b) %
2025	-5.50	-1.38
2024	10.94	10.34
2023	3.78	2.66
2022	-9.70	-1.64
2021	3.32	-2.15

(a) Source: Novagni Analytics and Advisory Sdn. Bhd.

(b) 50% FTSE Bursa Malaysia Top100 Index and 50% Medium MGS Index by Quantshop (Available at www.aminvest.com).

The Fund performance is calculated based on the net asset value per unit of the Fund. Average total return of the Fund and its benchmark for a period is computed based on the absolute return for that period annualised over one year.

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

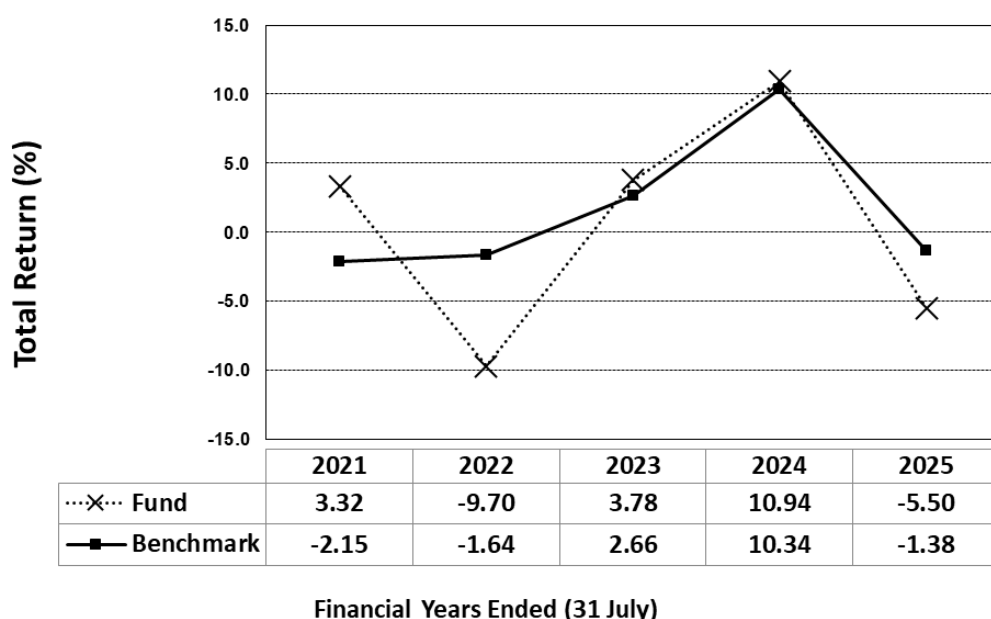
Fund Performance

For the financial period under review, the Fund registered a return of 5.56% which is entirely capital growth in nature.

Thus, the Fund’s return of 5.56% has underperformed the benchmark’s return of 6.89% by 1.33%.

As compared with the financial year ended 31 July 2025, the net asset value (“NAV”) per unit of the Fund increased by 5.56% from RM1.2500 to RM1.3195, while units in circulation decreased by 2.91% from 1,245,127 units to 1,208,953 units.

The following line chart shows comparison between the annual performances of AmBalanced and its benchmark for the financial years ended 31 July.



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

Strategies and Policies Employed

The Fund invests in equities and fixed income instruments ranging between 30% and 70% for either asset class. In managing the Fund, the Manager may opt to invest in the investments either directly or via collective investment schemes.

Equity

The Fund can invest up to a maximum 70% of its net asset value ("NAV") in equities. Value-add from equity investments is derived from active stock selection with focus on undervalued stock relative to its earnings growth potential and/or its intrinsic value. In the event that outlook for equity investments is not conducive, the Fund can choose to have a minimum exposure of 30% in equity securities.

Fixed Income

The Fund can invest up to a maximum 70% of its NAV in fixed income instruments. In buying and selling fixed income instruments for the Fund, the Manager uses active tactical duration management (where duration of the portfolio of the Fund will be monitored and modified according to interest rate outlook without any portfolio maturity limitation), yield curve positioning and credit spread arbitraging. This approach also involves an analysis of general economic and market conditions. It also involves the use of models that analyze and compare expected returns and assumed risk. Under this approach, the Manager will focus on fixed income instruments that would deliver favorable return in light of the risk. The Manager may also consider obligations with a more favorable or improving credit or industry outlook that provide the potential for capital appreciation. In the event that outlook for fixed income investments is not conducive, the Fund can choose to have a minimum exposure of 30% in fixed income instruments. The Manager will also employ an active trading strategy in managing the Fund.

The Fund invests in Malaysia and to a lesser extent, in foreign eligible markets.

The Fund is actively managed. In an adverse market condition, the Manager may reduce its portion of higher risk assets such as equities and increase its asset allocation in assets that carry lower risk than equities such as fixed income

	instruments at the expense of the equities asset allocation (i.e. to increase the allocation in liquid assets or fixed income instruments), to safeguard the return of the Fund.																																																																				
Portfolio Structure	<p>The table below is the asset allocation of the Fund as at 31 January 2026 and 31 July 2025.</p> <table border="1"> <thead> <tr> <th></th> <th>As at 31.01.2026 %</th> <th>As at 31.07.2025 %</th> <th>Changes %</th> </tr> </thead> <tbody> <tr> <td>Consumer discretionary</td> <td>1.05</td> <td>1.63</td> <td>-0.58</td> </tr> <tr> <td>Consumer staples</td> <td>3.70</td> <td>3.16</td> <td>0.54</td> </tr> <tr> <td>Energy</td> <td>0.49</td> <td>-</td> <td>0.49</td> </tr> <tr> <td>Financials</td> <td>23.44</td> <td>20.88</td> <td>2.56</td> </tr> <tr> <td>Health care</td> <td>4.90</td> <td>1.56</td> <td>3.34</td> </tr> <tr> <td>Industrials</td> <td>8.07</td> <td>4.70</td> <td>3.37</td> </tr> <tr> <td>Information technology</td> <td>1.85</td> <td>1.03</td> <td>0.82</td> </tr> <tr> <td>Materials</td> <td>0.95</td> <td>1.03</td> <td>-0.08</td> </tr> <tr> <td>Real estate/REITs</td> <td>5.03</td> <td>4.06</td> <td>0.97</td> </tr> <tr> <td>Telecommunication services</td> <td>3.49</td> <td>5.02</td> <td>-1.53</td> </tr> <tr> <td>Utilities</td> <td>7.04</td> <td>9.09</td> <td>-2.05</td> </tr> <tr> <td>Corporate bonds</td> <td>14.01</td> <td>14.54</td> <td>-0.53</td> </tr> <tr> <td>Local Collective Investment Schemes</td> <td>-</td> <td>6.49</td> <td>-6.49</td> </tr> <tr> <td>Malaysian Government Securities</td> <td>19.20</td> <td>19.69</td> <td>-0.49</td> </tr> <tr> <td>Money market deposits and cash equivalents</td> <td>6.78</td> <td>7.12</td> <td>-0.34</td> </tr> <tr> <td>Total</td> <td>100.00</td> <td>100.00</td> <td></td> </tr> </tbody> </table> <p>For the financial period under review, the Fund reduced investment in local Collective Investment Schemes to re-deploy capital into healthcare, industrial and financial sector.</p>		As at 31.01.2026 %	As at 31.07.2025 %	Changes %	Consumer discretionary	1.05	1.63	-0.58	Consumer staples	3.70	3.16	0.54	Energy	0.49	-	0.49	Financials	23.44	20.88	2.56	Health care	4.90	1.56	3.34	Industrials	8.07	4.70	3.37	Information technology	1.85	1.03	0.82	Materials	0.95	1.03	-0.08	Real estate/REITs	5.03	4.06	0.97	Telecommunication services	3.49	5.02	-1.53	Utilities	7.04	9.09	-2.05	Corporate bonds	14.01	14.54	-0.53	Local Collective Investment Schemes	-	6.49	-6.49	Malaysian Government Securities	19.20	19.69	-0.49	Money market deposits and cash equivalents	6.78	7.12	-0.34	Total	100.00	100.00	
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Securities Lending / Repurchase Transactions	The Fund has not undertaken any securities lending or repurchase transactions (collectively referred to as “securities financing transactions”).																																																																				
Cross Trades	There were no cross trades undertaken during the financial period under review.																																																																				
Distribution/ Unit splits	There is no distribution and unit split declared for the financial period under review.																																																																				
State of Affairs	There has been neither significant changes to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unitholders during the financial period under review.																																																																				
Rebates and Soft Commission	<p>During the period, the management company received soft commissions by virtue of transactions conducted for the Fund, in the form of research services, systems and services relating to performance measurement of portfolios and subscription fees for fund’s benchmark indices. All of these assist in the investment decision making process which are of demonstrable benefit to unitholders of the Fund.</p> <p>The company has soft commission arrangement with a total of 12 brokers, who execute trades for the Fund and other funds or investments managed by the company. The soft commission received would be in the form of research services, systems and services relating to performance measurement of portfolios and/or</p>																																																																				

	<p>subscription fees for fund's benchmark indices. All of these assist in the investment decision making process which are of demonstrable benefit to unitholders of the Fund and other funds or investments managed by the company.</p> <p>Soft commissions received were for the benefit of the Fund and there was no churning of trades.</p>
Market Review	<p>Third quarter of 2025 markets a second consecutive quarterly gain for Malaysia, with the FBM KLCI gaining 5.2% Quarter on quarter (QoQ) following the post-Liberation Day tariff rebound of 2Q2025. The Artificial Intelligence and Datacentre thematics remained strong in 3Q2025, but it was the Asean investor favourite – consumer stocks – that led the KLCI higher in the most recent quarter. Sime Darby (38.2% QoQ), 99 SpeedMart (+31.1% QoQ), and Nestle Malaysia (+25.4% QoQ) were the top index gainers. Prime Ministers (PM) RM100 handout to all Malaysians were the key drive to consumer exuberance for the quarter, alongside the extension of Malaysia's RON95 fuel subsidy, followed by a lowering of fuel prices for eligible Malaysians (up to 300 litres/month). Though the AI/DC thematic remains, Tenaga Nasional was Malaysia's worst performer in 3Q2025 on the back of new tax arrears.</p> <p>The fourth quarter of 2025 was the third consecutive quarter of gains for the KLCI, returning 4.7%. For the full year, Malaysia's leading index gained just 2.3% due to the -7.8% decline in 1Q2025. As a result. the best performing sector in 4Q2025 were the Financials (+8%), on the back of the positive Ringgit carry, as the Malaysian Ringgit (MYR) closed 2025 as Asia's best performing currency. In United States Dollar (USD)-terms, the KLCI far outperformed, gaining some 11.5%. Despite Financials leading the index higher in 4Q2025, the top index gainers were both thematic in nature – 99 Speedmart (+39% 4Q2025), Press Metal (+20.5% 4Q2025), and Nestle Malaysia (+18.5% 4Q2025). 99 Speedmart and Nestle continue to benefit from the government's SARA programme, while Press Metal has been a beneficiary of the global commodity rally, which also made Plantations the best performing sector in 2025 (+8.8% FY25). 99Speedmart and Press Metal were also the best performer index stocks for the year, gaining 54.3% and 45.3% respectively in FY2025.</p> <p>In January 2026, Malaysia market sentiment was lifted by Malaysian PM Anwar's New Year 2026 address, which emphasized governance reforms, stronger execution, and near-term economic support, alongside better-than-expected 4Q2025 advance Gross Domestic Product (GDP) growth of 5.7%. PM Anwar announced a series of institutional reform initiatives in his 2026 New Year message, including 1) The tabling of a bill to limit the prime minister's tenure to a 10-year term, alongside similar tenure limits for senior civil service positions; 2) The drafting of an Freedom Of Information Bill, with safeguards for national security, to enhance transparency in public procurement, contracts, and government decision-making; 3) The establishment of an Ombudsman Bill to strengthen public accountability and provide a formal channel for citizens to lodge complaints against public authorities; 4) The separation of powers between the attorney general and the public prosecutor.</p>
Market Outlook	<p>The recent United States (US)-Iran conflict presents a complex "double-edged sword" scenario. As a net energy exporter but a highly trade-dependent nation, Malaysia is balancing immediate fiscal gains against the risk of imported inflation and disrupted supply chains. Markets will be volatile in the short term as Iran retaliates but we opine that the conflict will not be protracted due to the US administration's preference to not prolong the campaign on Iran. Hence, while we are defensive in the short term, we will also be on the lookout for signs that market participants are looking past this conflict and not pricing in much geopolitical risk premium anymore. Any correction on fundamentally-sound stocks presents a good opportunity to accumulate for long-term positioning.</p>

Kuala Lumpur, Malaysia
AmFunds Management Berhad

18 March 2026

AmBalanced

**STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2026**

	Note	31.01.2026 (unaudited) RM	31.07.2025 (audited) RM
ASSETS			
Investments	4	1,487,012	1,445,654
Deposit with licensed financial institution	5	108,016	116,009
Amount due from brokers	6	-	7,900
Cash at bank		14,287	13,823
TOTAL ASSETS		<u>1,609,315</u>	<u>1,583,386</u>
LIABILITIES			
Amount due to brokers	6	-	9,133
Amount due to Manager	7	2,156	2,224
Amount due to Trustee	8	68	67
Sundry payables and accruals		11,908	15,500
TOTAL LIABILITIES		<u>14,132</u>	<u>26,924</u>
NET ASSET VALUE (“NAV”) OF THE FUND		<u>1,595,183</u>	<u>1,556,462</u>
EQUITY			
Unit holders’ capital	10(a)	(4,354,764)	(4,308,106)
Retained earnings	10(b)(c)	5,949,947	5,864,568
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	10	<u>1,595,183</u>	<u>1,556,462</u>
UNITS IN CIRCULATION	10(a)	<u>1,208,953</u>	<u>1,245,127</u>
NAV PER UNIT (RM)		<u>1.3195</u>	<u>1.2500</u>

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

AmBalanced**STATEMENT OF COMPREHENSIVE INCOME (Unaudited)
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

		01.08.2025 to 31.01.2026	01.08.2024 to 31.01.2025
	Note	RM	RM
INVESTMENT INCOME/(LOSS)			
Dividend/Distribution income		16,447	19,956
Interest income		12,744	17,371
Net gain/(loss) from investments:			
– Financial assets at fair value through profit or loss (“FVTPL”)	9	84,963	(101,789)
		<u>114,154</u>	<u>(64,462)</u>
EXPENDITURE			
Management fee	7	(11,740)	(15,340)
Trustee’s fee	8	(399)	(511)
Audit fee		(2,785)	(2,785)
Tax agent’s fee		(2,521)	(2,521)
Brokerage and other transaction fees		(4,572)	(8,882)
Other expenses		(6,756)	(6,096)
		<u>(28,773)</u>	<u>(36,135)</u>
Net income/(loss) before taxation		85,381	(100,597)
Taxation	12	(2)	-
Net income/(loss) after taxation, representing total comprehensive income/(loss) for the financial period		<u>85,379</u>	<u>(100,597)</u>
Total comprehensive income/(loss) comprises the following:			
Realised income/(loss)		8,829	(54,652)
Unrealised gain/(loss)		76,550	(45,945)
		<u>85,379</u>	<u>(100,597)</u>
Distribution for the financial period			
Net distribution	13	-	200,998
Gross distribution per unit (sen)	13	-	13.5704
Net distribution per unit (sen)	13	-	13.5704

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

AmBalanced**STATEMENT OF CHANGES IN EQUITY (Unaudited)
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

	Note	Unit holders' capital RM	Retained earnings RM	Total equity RM
At 1 August 2025		(4,308,106)	5,864,568	1,556,462
Total comprehensive income for the financial period		-	85,379	85,379
Creation of units	10(a)	594	-	594
Cancellation of units	10(a)	(47,252)	-	(47,252)
Balance at 31 January 2026		<u>(4,354,764)</u>	<u>5,949,947</u>	<u>1,595,183</u>
At 1 August 2024		(3,656,157)	6,178,969	2,522,812
Total comprehensive loss for the financial period		-	(100,597)	(100,597)
Creation of units		5,403	-	5,403
Reinvestment of distribution		200,998	-	200,998
Cancellation of units		(668,763)	-	(668,763)
Distribution		-	(200,998)	(200,998)
Balance at 31 January 2025		<u>(4,118,519)</u>	<u>5,877,374</u>	<u>1,758,855</u>

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

AmBalanced**STATEMENT OF CASH FLOWS (Unaudited)
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

	01.08.2025 to 31.01.2026 RM	01.08.2024 to 31.01.2025 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of investments	447,817	1,487,165
Purchases of investments	(405,470)	(883,843)
Dividend/Distribution received	16,445	19,857
Interest received	12,769	21,629
Management fee paid	(11,808)	(16,570)
Trustee's fee paid	(398)	(548)
Tax agent's fee paid	(5,000)	-
Payments for other expenses	(15,226)	(19,260)
Net cash generated from operating and investing activities	<u>39,129</u>	<u>608,430</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	594	5,403
Payments for cancellation of units	(47,252)	(668,763)
Net cash used in financing activities	<u>(46,658)</u>	<u>(663,360)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(7,529)	(54,930)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>129,832</u>	<u>200,005</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>122,303</u>	<u>145,075</u>
Cash and cash equivalents comprise:		
Deposit with licensed financial institution	108,016	131,011
Cash at bank	14,287	14,064
	<u>122,303</u>	<u>145,075</u>

AmBalanced

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026

1. GENERAL INFORMATION

AmBalanced (the “Fund”) was established pursuant to a Deed dated 11 September 2003 as amended by Deeds supplemental thereto (the “Deeds”), between AmFunds Management Berhad as the Manager, HSBC (Malaysia) Trustee Berhad as the Trustee and all unit holders.

The Fund was set up with the objective of growing the value of investments in longer term with lower volatility through asset diversification. As provided in the Deeds, the financial year shall end on 31 July and the units in the Fund were first offered for sale on 16 September 2003.

The financial statements were authorised for issue by the Manager on 18 March 2026.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Fund have been prepared on a historical cost basis, except as otherwise stated in the accounting policies and comply with MFRS Accounting Standards 134: *Interim Financial Reporting* (“MFRS 134”) as issued by the Malaysian Accounting Standards Board (“MASB”).

Standards effective during the financial period

The adoption of the following amendments to MFRS Accounting Standards which became effective during the financial period did not have any material financial impact to the financial statements.

Description	Effective for financial periods beginning on or after
Amendments to MFRS 121 <i>The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability</i>	1 January 2025

Standards issued but not yet effective

The new and amended standards that have been issued but not yet effective up to the date of issuance of the Fund’s financial statements are disclosed below. The Fund intends to adopt these new pronouncements, if applicable, when they become effective.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D.)

Standards issued but not yet effective (cont'd.)

Description	Effective for financial periods beginning on or after
Amendments to MFRS 9 <i>Financial Instruments</i> and MFRS 7 <i>Financial Instruments: Disclosures: Amendments to the Classifications and Measurement of Financial Instruments</i>	1 January 2026
Amendments that are part of Annual Improvements - Volume 11: Amendments to MFRS 1 <i>First-time Adoption of Malaysian Financial Reporting Standards</i>	1 January 2026
Amendments to MFRS 7 <i>Financial Instruments: Disclosures</i>	
Amendments to MFRS 9 <i>Financial Instruments</i>	
Amendments to MFRS 10 <i>Consolidated Financial Statements</i> *	
Amendments to MFRS 107 <i>Statement of Cash Flows</i>	
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i> *	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i> *	1 January 2027
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> *	Deferred

* These MFRS Accounting Standards and Amendments to MFRS Accounting Standards are not relevant to the Fund.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Income recognition

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

(i) Dividend/Distribution income

Dividend/Distribution income is recognised when the Fund's right to receive the payment is established.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

3.1 Income recognition (cont'd.)

(ii) Interest income

For all interest-bearing financial assets, interest income is calculated using the effective interest method. Effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not future credit losses.

Once the recorded value of a financial asset or a group of similar financial assets has been reduced due to an impairment loss, interest income continues to be recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

(iii) Gain or loss on disposal of investments

On disposal of investments, the net realised gain or loss on disposal is measured as the difference between the net disposal proceeds and the carrying amount of the investments. The net realised gain or loss is recognised in profit or loss.

3.2 Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income "(OCI)" or directly in equity.

3.3 Functional and presentation currency

Functional currency is the currency of the primary economic environment in which the Fund operates that most faithfully represents the economic effects of the underlying transactions. The functional currency of the Fund is Ringgit Malaysia ("RM") which reflects the currency in which the Fund competes for funds, issues and redeems units. The Fund has also adopted RM as its presentation currency.

3.4 Statement of cash flows

The Fund adopts the direct method in the preparation of the statement of cash flows.

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to cash with insignificant risk of changes in value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

3.5 Distribution

Distribution is at the discretion of the Manager. A distribution to the Fund's unit holders is accounted for as a deduction from retained earnings and realised income. Realised income is the income earned from dividend/distribution income, interest income and net gain on disposal of investments after deducting expenses and taxation. A proposed distribution is recognised as a liability in the period in which it is approved. Distribution is either reinvested or paid in cash to the unit holders on the distribution payment date. Reinvestment of units is based on the NAV per unit on the distribution payment date, which is also the time of creation.

3.6 Unit holders' capital

The unit holders' capital of the Fund meets the definition of puttable instruments and is classified as equity instruments as it meets all criteria for such classification under MFRS 132 *Financial Instruments: Presentation* ("MFRS 132").

3.7 Financial instruments – initial recognition and measurement

(i) Initial recognition

Financial assets and financial liabilities are recognised when the Fund becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised using trade date accounting or settlement date accounting. The method used is applied consistently for all purchases and sales of financial assets that belong to the same category of financial assets.

(ii) Initial measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at FVTPL, transaction costs that are attributable to the acquisition of the financial assets. All financial liabilities are recognised initially at fair value and, in the case of financial liabilities not recorded at FVTPL, net of directly attributable transaction costs.

(iii) "Day 1" profit or loss

At initial measurement, if the transaction price differs from the fair value, the Fund immediately recognises the difference between the transaction price and fair value (a "Day 1" profit or loss) in profit or loss provided that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. Level 1 input) or based on a valuation technique that uses only data from observable markets. In all other cases, the difference between the transaction price and model value is recognised in profit or loss on a systematic and rational basis that reflects the nature of the instrument over its tenure.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

3.8 Financial assets

Classification and measurement

The classification of financial assets depends on the Fund's business model of managing the financial assets in order to generate cash flows ("business model test") and the contractual cash flow characteristics of the financial instruments ("SPPI test"). The business model test determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both and the assessment is performed on a portfolio basis. The SPPI test determines whether the contractual cash flows are solely for payments of principal and interest and the assessment is performed on a financial instrument basis.

Business model

The business model reflects how the Fund manages the financial assets in order to generate cash flows. That is, whether the Fund's objective is solely to collect the contractual cash flows from the assets, or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. the financial assets are held for trading purposes), then the financial assets are classified as part of "other" business model. Factors considered by the Fund in determining the business model for a portfolio of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, and how risks are assessed and managed.

Cash flow characteristics

Where the business model is to hold the financial assets to collect contractual cash flows, or to collect contractual cash flows and sell, the Fund assesses whether the financial assets' contractual cash flows represent solely payment of principal and interest ("SPPI"). In making this assessment, the Fund considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI.

The Fund may classify its financial assets under the following categories:

Financial assets at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets include in this category are deposits with licensed financial institutions, cash at banks, amount due from Manager, amount due from Target Fund Manager, amount due from brokers/financial institutions, dividend/distribution receivables and other receivables.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

3.8 Financial assets (cont'd.)

Classification and measurement (cont'd.)

The Fund may classify its financial assets under the following categories: (cont'd.)

Financial assets at fair value through other comprehensive income ("FVOCI")

A financial asset is measured at FVOCI if its business model is both to hold the asset to collect contractual cash flows and to sell the financial assets. In addition, the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding principal.

These investments are initially recorded at fair value and transaction costs are expensed in the profit or loss. Subsequent to initial recognition, these investments are remeasured at fair value. All fair value adjustments are initially recognised through OCI. Debt instruments at FVOCI are subject to impairment assessment.

Financial assets at FVTPL

Any financial assets that are not measured at amortised cost or FVOCI are measured at FVTPL. Subsequent to initial recognition, financial assets at FVTPL are measured at fair value. Changes in the fair value of those financial instruments are recorded in "Net gain or loss on financial assets at FVTPL". Dividend/Distribution revenue and interest earned elements of such instruments are recorded separately in "Dividend/Distribution income" and "Interest income" respectively.

Instruments that qualify for amortised cost or FVOCI may be irrevocably designated as FVTPL, if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Equity instruments are normally measured at FVTPL, nevertheless, the Fund is allowed to irrevocably designate equity instruments that are not held for trading as FVOCI, with no subsequent reclassification of gains or losses to profit or loss.

The Fund subsequently measures its investments at FVTPL. Dividend/Distribution earned whilst holding the investments are recognised in profit or loss when the right to receive the payment has been established. Gains and losses on the investments, realised and unrealised, are included in profit or loss.

3.9 Financial liabilities – classification and subsequent measurement

Financial liabilities issued by the Fund are classified as financial liabilities at amortised cost, where the substance of the contractual arrangement results in the Fund having an obligation either to deliver cash or another financial asset to the holders. After initial measurement, financial liabilities are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

3.10 Derecognition of financial instruments

(i) Derecognition of financial asset

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired, or
- the Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either:
 - the Fund has transferred substantially all the risks and rewards of the asset, or
 - the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

For investments classified as FVOCI - debt instruments, the cumulative fair value change recognised in OCI is recycled to profit or loss.

(ii) Derecognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Gains and losses are recognised in profit or loss when the liabilities are recognised, and through the amortisation process.

3.11 Financial instruments – expected credit losses (“ECL”)

The Fund assesses the ECL associated with its financial assets at amortised cost using simplified approach. Therefore, the Fund does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The ECL in respect of financial assets at amortised cost, if any, is recognised in profit or loss.

Financial assets together with the associated allowance are written off when it has exhausted all practical recovery efforts and there is no realistic prospect of future recovery. The Fund may also write-off financial assets that are still subject to enforcement activity when there is no reasonable expectation of full recovery. If a write-off is later recovered, the recovery is credited to profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

3.12 Determination of fair value

For investments in local quoted equity securities, fair value is determined based on the closing price quoted on Bursa Malaysia Berhad. For investments in Collective Investment Schemes ("CIS"), fair value is determined based on the closing NAV per unit of the CIS. Purchased cost is the quoted price that the Fund paid when buying its investments. For investments in local fixed income securities, nominal value is the face value of the securities and fair value is determined based on the indicative prices from Bond Pricing Agency Malaysia Sdn. Bhd. plus accrued interest, which includes the accretion of discount and amortisation of premium. Adjusted cost of investments relates to the purchased cost plus accrued interest, adjusted for amortisation of premium and accretion of discount, if any, calculated over the period from the date of acquisition to the date of maturity of the respective securities as approved by the Manager and the Trustee. The difference between purchased/adjusted cost and fair value is treated as unrealised gain or loss and is recognised in profit or loss.

3.13 Classification of realised and unrealised gains and losses

Unrealised gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of prior period's unrealised gains and losses for financial instruments which were realised (i.e. sold, redeemed or matured) during the reporting period.

Realised gains and losses on disposals of financial instruments classified at FVTPL are calculated using the weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount.

3.14 Significant accounting estimates and judgments

The preparation of the Fund's financial statements requires the Manager to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in the future.

The Fund classifies its investments as financial assets at FVTPL as the Fund may sell its investments in the short-term for profit-taking or to meet unit holders' cancellation of units.

No major judgments have been made by the Manager in applying the Fund's accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

4. INVESTMENTS

	31.01.2026	31.07.2025
	RM	RM
Financial assets at FVTPL		
Quoted equity securities	900,701	774,044
Quoted CIS	56,510	37,760
Unquoted CIS	-	101,030
Unquoted fixed income securities	529,801	532,820
	<u>1,487,012</u>	<u>1,445,654</u>

Details of investments as at 31 January 2026 are as follows:

Name of company	Number of shares	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
Quoted equity securities				
Consumer discretionary				
Genting Berhad	2,000	5,720	7,380	0.36
Mr D.I.Y. Group (M) Berhad	6,000	10,980	11,490	0.69
	<u>8,000</u>	<u>16,700</u>	<u>18,870</u>	<u>1.05</u>
Consumer staples				
AEON Co. (M) Bhd.	27,000	33,480	36,970	2.10
QL Resources Berhad	2,000	8,040	7,748	0.50
SD Guthrie Berhad	3,000	17,520	14,430	1.10
	<u>32,000</u>	<u>59,040</u>	<u>59,148</u>	<u>3.70</u>
Energy				
Hibiscus Petroleum Berhad	5,000	7,750	7,850	0.49
Financials				
AEON Credit Service (M) Berhad	3,000	17,610	18,615	1.10
Affin Bank Berhad	3,000	8,040	7,590	0.51
CIMB Group Holdings Berhad	8,000	68,640	54,670	4.30
Malayan Banking Berhad	10,000	118,000	98,532	7.40
Public Bank Berhad	23,000	112,010	100,000	7.02
RHB Bank Berhad	3,000	25,350	16,501	1.59
Syarikat Takaful Malaysia Keluarga Berhad	7,000	24,290	26,407	1.52
	<u>57,000</u>	<u>373,940</u>	<u>322,315</u>	<u>23.44</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

4. INVESTMENTS (CONT'D.)

Details of investments as at 31 January 2026 are as follows: (cont'd.)

Name of company	Number of shares	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
Quoted equity securities (cont'd.)				
Health care				
Focus Point Holdings Berhad	32,000	15,680	15,840	0.98
Hartalega Holdings Berhad	4,000	3,680	5,040	0.23
IHH Healthcare Berhad	4,000	35,840	29,598	2.25
KPJ Healthcare Berhad	3,000	8,310	8,100	0.52
Top Glove Corporation Bhd.	24,000	14,640	15,697	0.92
	<u>67,000</u>	<u>78,150</u>	<u>74,275</u>	<u>4.90</u>
Industrials				
Cheeding Holdings Berhad	13,200	8,514	10,576	0.53
Frontken Corporation Berhad	5,000	19,200	21,297	1.20
Kimlun Corporation Berhad	2,300	3,036	2,737	0.19
Muhibbah Engineering (M) Bhd.	14,000	7,630	7,894	0.48
Pentamaster Corporation Berhad	2,000	6,500	8,140	0.41
PMW International Berhad	19,900	5,970	6,766	0.38
Samaiden Group Berhad	12,000	13,680	16,367	0.86
Sime Darby Berhad	9,000	19,440	24,126	1.22
Solarvest Holdings Berhad	3,000	7,560	9,090	0.47
Southern Cable Group Berhad	3,000	6,210	6,539	0.39
Sunway Berhad	2,000	11,520	8,505	0.72
Westports Holdings Berhad	2,000	12,220	10,745	0.77
Zetrix AI Berhad	9,000	7,245	8,460	0.45
	<u>96,400</u>	<u>128,725</u>	<u>141,242</u>	<u>8.07</u>
Information technology				
Cloudpoint Technology Berhad	33,000	19,140	23,580	1.20
Greotech Technology Berhad	4,000	7,040	8,040	0.44
V.S. Industry Berhad	8,000	3,360	4,880	0.21
	<u>45,000</u>	<u>29,540</u>	<u>36,500</u>	<u>1.85</u>
Materials				
Press Metal Aluminium Holdings Berhad	2,000	15,120	9,849	0.95

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

4. INVESTMENTS (CONT'D.)

Details of investments as at 31 January 2026 are as follows: (cont'd.)

Name of company/ trust	Number of shares/ units	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
Quoted equity securities (cont'd.)				
Real estate				
Sime Darby Property Berhad	8,000	12,000	11,680	0.75
UEM Sunrise Berhad	18,000	11,790	18,180	0.74
	<u>26,000</u>	<u>23,790</u>	<u>29,860</u>	<u>1.49</u>
Telecommunication services				
Axiata Group Berhad	4,000	9,200	9,800	0.58
CelcomDigi Berhad	7,000	22,820	29,908	1.43
Telekom Malaysia Berhad	3,000	23,700	19,498	1.48
	<u>14,000</u>	<u>55,720</u>	<u>59,206</u>	<u>3.49</u>
Utilities				
Tenaga Nasional Berhad	6,000	83,640	86,400	5.25
YTL Corporation Berhad	6,600	13,728	21,402	0.86
YTL Power International Berhad	4,600	14,858	20,465	0.93
	<u>17,200</u>	<u>112,226</u>	<u>128,267</u>	<u>7.04</u>
Total quoted equity securities	<u>369,600</u>	<u>900,701</u>	<u>887,382</u>	<u>56.47</u>
Quoted CIS				
REITs				
Capitaland Malaysia Trust	17,000	11,390	10,370	0.71
Paradigm Real Estate Investment Trust	15,000	15,300	15,000	0.96
Pavilion Real Estate Investment Trust	7,000	13,580	9,800	0.85
YTL Hospitality REIT	14,000	16,240	15,935	1.02
Total quoted CIS	<u>53,000</u>	<u>56,510</u>	<u>51,105</u>	<u>3.54</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

4. INVESTMENTS (CONT'D.)

Details of investments as at 31 January 2026 are as follows: (cont'd.)

Maturity date	Issuer	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
Unquoted fixed income securities					
Corporate bonds					
28.05.2027	EXSIM Capital Resources Berhad	50,000	51,636	50,570	3.24
06.10.2038	Solarpack Suria Sungai Petani Sdn. Bhd.	100,000	113,304	102,508	7.10
30.06.2042	Tenaga Nasional Berhad	50,000	58,575	50,243	3.67
Total corporate bonds		<u>200,000</u>	<u>223,515</u>	<u>203,321</u>	<u>14.01</u>
Malaysian Government Securities					
20.04.2028	Government of Malaysia	300,000	306,286	303,184	19.20
Total Malaysian Government Securities		<u>300,000</u>	<u>306,286</u>	<u>303,184</u>	<u>19.20</u>
Total unquoted fixed income securities		<u>500,000</u>	<u>529,801</u>	<u>506,505</u>	<u>33.21</u>
Total financial assets at FVTPL			<u>1,487,012</u>	<u>1,444,992</u>	<u>93.22</u>
Excess of fair value over purchased/adjusted cost			<u>42,020</u>		

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

5. DEPOSIT WITH LICENSED FINANCIAL INSTITUTION

	31.01.2026	31.07.2025
	RM	RM
At nominal value:		
Short-term deposit	<u>108,000</u>	<u>116,000</u>
At carrying value:		
Short-term deposit	<u>108,016</u>	<u>116,009</u>

Details of deposit with licensed financial institution are as follows:

Maturity date	Financial institution	Nominal value RM	Carrying value RM	Carrying value as a percentage of NAV %
31.01.2026				
Short-term deposit				
03.02.2026	CIMB Bank Berhad	<u>108,000</u>	<u>108,016</u>	<u>6.77</u>

6. AMOUNT DUE FROM/TO BROKERS

Amount due from/to brokers arose from the sale/purchase of investments. The settlement period is within three business days from the transaction date.

7. AMOUNT DUE TO MANAGER

	31.01.2026	31.07.2025
	RM	RM
Due to Manager		
Management fee payable	<u>2,156</u>	<u>2,224</u>

Management fee is at a rate of 1.50% (31.07.2025: 1.50%) per annum on the NAV of the Fund, calculated on a daily basis. As the Fund invested in the unquoted CIS, the management fee related to the CIS has been charged by the Manager.

According to Securities Commission Malaysia's Guidelines on Unit Trust Funds, the management fee can only be charged once and hence, there is no management fee charged on the NAV of the unquoted CIS of this Fund to avoid double charging of management fee.

The normal credit period in the current financial period and previous financial year for management fee payable is one month.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

8. AMOUNT DUE TO TRUSTEE

Trustee's fee is at a rate of 0.05% (31.07.2025: 0.05%) per annum on the NAV of the Fund, calculated on a daily basis.

The normal credit period in the current financial period and previous financial year for Trustee's fee payable is one month.

9. NET GAIN/(LOSS) FROM INVESTMENTS

	01.08.2025 to 31.01.2026 RM	01.08.2024 to 31.01.2025 RM
Net gain/(loss) on financial assets at FVTPL comprised:		
– Net realised gain/(loss) on sale of investments	8,413	(55,844)
– Net unrealised gain/(loss) on changes in fair value of investments	76,550	(45,945)
	<u>84,963</u>	<u>(101,789)</u>

10. TOTAL EQUITY

Total equity is represented by:

	Note	31.01.2026 RM	31.07.2025 RM
Unit holders' capital	(a)	(4,354,764)	(4,308,106)
Retained earnings			
– Realised income	(b)	5,907,927	5,899,098
– Unrealised gain/(loss)	(c)	42,020	(34,530)
		<u>1,595,183</u>	<u>1,556,462</u>

(a) Unit holders' capital/Units in circulation

	31.01.2026		31.07.2025	
	Number of units	RM	Number of units	RM
At beginning of the financial period/year	1,245,127	(4,308,106)	1,723,439	(3,656,157)
Creation during the financial period/year	460	594	6,788	8,570
Reinvestment of distribution	-	-	157,955	200,998
Cancellation during the financial period/year	<u>(36,634)</u>	<u>(47,252)</u>	<u>(643,055)</u>	<u>(861,517)</u>
At end of the financial period/year	<u>1,208,953</u>	<u>(4,354,764)</u>	<u>1,245,127</u>	<u>(4,308,106)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

10. TOTAL EQUITY (CONT'D.)

(a) Unit holders' capital/Units in circulation (cont'd.)

The negative balance of unit holders' capital is due to the cancellation of units at a higher NAV per unit following the price appreciation of the Fund as compared to the units being created at a lower NAV per unit in prior financial years.

(b) Realised

	31.01.2026	31.07.2025
	RM	RM
At beginning of the financial period/year	5,899,098	6,162,550
Net realised income/(loss) for the financial period/year	8,829	(62,454)
Distribution out of realised income	-	(200,998)
At end of the financial period/year	<u>5,907,927</u>	<u>5,899,098</u>

(c) Unrealised

	31.01.2026	31.07.2025
	RM	RM
At beginning of the financial period/year	(34,530)	16,419
Net unrealised gain/(loss) for the financial period/year	76,550	(50,949)
At end of the financial period/year	<u>42,020</u>	<u>(34,530)</u>

11. SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES

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

<u>Related parties</u>	<u>Relationships</u>
AmFunds Management Berhad	The Manager
AmInvestment Bank Berhad	Holding company of the Manager
AMMB Holdings Berhad ("AMMB")	Ultimate holding company of the Manager
Subsidiaries and associates of AMMB as disclosed in its financial statements	Subsidiaries and associate companies of the ultimate holding company of the Manager

There are no units held by the Manager or any other related party as at 31 January 2026 and 31 July 2025.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

12. TAXATION

	01.08.2025 to 31.01.2026 RM	01.08.2024 to 31.01.2025 RM
Local tax	<u>2</u>	<u>-</u>

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

The taxation charged for the financial period is related to withholding tax derived from local REITs calculated at the prevailing tax rate in Malaysia.

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

	01.08.2025 to 31.01.2026 RM	01.08.2024 to 31.01.2025 RM
Net income/(loss) before taxation	<u>85,381</u>	<u>(100,597)</u>
Taxation at Malaysian statutory rate of 24% (2025: 24%)	20,491	(24,143)
Tax effects of:		
Income not subject to tax	(28,361)	(10,454)
Losses not allowed for tax deduction	966	25,925
Restriction on tax deductible expenses for unit trust fund	3,181	3,915
Non-permitted expenses for tax purposes	3,371	4,322
Permitted expenses not used and not available for future financial periods	<u>354</u>	<u>435</u>
Tax expense for the financial period	<u>2</u>	<u>-</u>

13. DISTRIBUTION

No distribution has been declared to unit holders for the current financial period.

Details of distribution to unit holders for the previous financial period are as follows:

Financial period ended 31 January 2025

Distribution Ex-date	Gross distribution per unit RM (sen)	Net distribution per unit RM (sen)	Total distribution RM
19 September 2024	<u>13.5704</u>	<u>13.5704</u>	<u>200,998</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

13. DISTRIBUTION (CONT'D.)

Gross distribution per unit is derived from gross realised income less expenses divided by the number of units in circulation, while net distribution per unit is derived from gross realised income less expenses and taxation divided by the number of units in circulation.

The distribution declared for the financial period ended 31 January 2025 has been proposed before taking into account the net unrealised loss of RM45,945 arose during the financial period which was carried forward to the current financial period.

14. TOTAL EXPENSE RATIO (“TER”)

The Fund’s TER is as follows:

	01.08.2025 to 31.01.2026 RM	01.08.2024 to 31.01.2025 RM
Management fee	0.74	0.76
Trustee’s fee	0.03	0.03
Fund’s other expenses	0.76	0.55
Total TER	<u>1.53</u>	<u>1.34</u>

The TER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis.

15. PORTFOLIO TURNOVER RATIO (“PTR”)

The PTR of the Fund, which is the ratio of average total acquisitions and disposals of investments to the average NAV of the Fund calculated on a daily basis is 0.26 times (01.08.2024 to 31.01.2025: 0.57 times).

16. SEGMENTAL REPORTING

The Manager and Investment Committee of the Fund are responsible for allocating resources available to the Fund in accordance with the overall investment strategies as set out in the Investment Guidelines of the Fund. The Fund is managed by three segments:

- A portfolio of equity instruments;
- A portfolio of CIS; and
- A portfolio of fixed income instruments, including deposit with licensed financial institution.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

16. SEGMENTAL REPORTING (CONT'D.)

The investment objective of each segment is to achieve consistent returns from the investments in each segment while safeguarding capital by investing in diversified portfolios. There have been no changes in reportable segments in the current financial period.

	Equity portfolio RM	CIS portfolio RM	Fixed income portfolio RM	Total RM
01.08.2025 to 31.01.2026				
Dividend/Distribution income	16,425	22	-	16,447
Interest income	-	-	12,744	12,744
Net gain/(loss) from investments:				
- Financial assets at FVTPL	84,648	3,309	(2,994)	84,963
Total segment investment income for the financial period	<u>101,073</u>	<u>3,331</u>	<u>9,750</u>	<u>114,154</u>
01.08.2024 to 31.01.2025				
Dividend/Distribution income	19,956	-	-	19,956
Interest income	-	-	17,371	17,371
Net (loss)/gain from investments:				
- Financial assets at FVTPL	(101,857)	-	68	(101,789)
Total segment investment (loss)/income for the financial period	<u>(81,901)</u>	<u>-</u>	<u>17,439</u>	<u>(64,462)</u>
31.01.2026				
Financial assets at FVTPL	900,701	56,510	529,801	1,487,012
Deposit with licensed financial institution	-	-	108,016	108,016
Total segment assets	<u>900,701</u>	<u>56,510</u>	<u>637,817</u>	<u>1,595,028</u>
31.07.2025				
Financial assets at FVTPL	774,044	138,790	532,820	1,445,654
Amount due from broker	7,900	-	-	7,900
Deposit with licensed financial institution	-	-	116,009	116,009
Total segment assets	<u>781,944</u>	<u>138,790</u>	<u>648,829</u>	<u>1,569,563</u>
Amount due to brokers	9,133	-	-	9,133
Total segment liability	<u>9,133</u>	<u>-</u>	<u>-</u>	<u>9,133</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

16. SEGMENTAL REPORTING (CONT'D.)

Expenses of the Fund are not considered part of the performance of any investment segment. The following table provides reconciliation between the net reportable segment investment income/(loss) and net income/(loss) after taxation:

	01.08.2025 to 31.01.2026 RM	01.08.2024 to 31.01.2025 RM
Net reportable segment investment income/(loss)	114,154	(64,462)
Less: Expenses	<u>(28,773)</u>	<u>(36,135)</u>
Net income/(loss) before taxation	85,381	(100,597)
Taxation	<u>(2)</u>	<u>-</u>
Net income/(loss) after taxation	<u><u>85,379</u></u>	<u><u>(100,597)</u></u>

In addition, certain assets and liabilities are not considered to be part of the net assets or liabilities of an individual segment. The following table provides reconciliation between the net reportable segment assets and liabilities and total assets and liabilities of the Fund.

	31.01.2026 RM	31.07.2025 RM
Total segment assets	1,595,028	1,569,563
Cash at bank	<u>14,287</u>	<u>13,823</u>
Total assets of the Fund	<u><u>1,609,315</u></u>	<u><u>1,583,386</u></u>
Total segment liability	-	9,133
Amount due to Manager	2,156	2,224
Amount due to Trustee	68	67
Sundry payables and accruals	<u>11,908</u>	<u>15,500</u>
Total liabilities of the Fund	<u><u>14,132</u></u>	<u><u>26,924</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

17. TRANSACTIONS WITH THE MANAGER AND BROKERS

Details of transactions with the Manager and brokers for the financial period ended 31 January 2026 are as follows:

	Transactions value		Brokerage fee, stamp duty and clearing fee	
	RM	%	RM	%
Public Investment Bank Berhad	287,963	34.44	1,792	39.09
AmInvestment Bank Berhad*	240,703	28.78	1,481	32.31
AmFunds Management Berhad	101,524	12.14	-	-
Maybank Investment Bank Berhad	74,676	8.93	429	9.36
Affin Hwang Investment Bank Berhad	62,250	7.44	405	8.84
Kenanga DMG Futures Sdn. Bhd.	34,130	4.08	206	4.49
RHB Investment Bank Berhad	28,243	3.38	198	4.32
CIMB Securities Sdn. Bhd.	6,766	0.81	73	1.59
	<u>836,255</u>	<u>100.00</u>	<u>4,584</u>	<u>100.00</u>

* A financial institution related to the Manager.

The Manager is of the opinion that the above transactions have been entered in the normal course of business and have been established under terms that are no less favourable than those arranged with independent third parties.

The above transactions are in respect of investments in quoted equity securities and CIS, unquoted CIS and fixed income instruments. Transactions in unquoted CIS and fixed income instruments do not involve any commission or brokerage fee.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks that include market risk, credit risk, liquidity risk, single issuer risk, regulatory risk, management risk and non-compliance risk.

Risk management is carried out by closely monitoring, measuring and mitigating the above said risks, careful selection of investments coupled with stringent compliance to investment restrictions as stipulated by the Capital Markets and Services Act 2007, Securities Commission Malaysia's Guidelines on Unit Trust Funds and the Deeds as the backbone of risk management of the Fund.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(a) Market risk

The Fund's principal exposure to market risk arises primarily due to changes in the market environment, global economic and geo-political developments.

The Fund's market risk is affected primarily by the following risks:

(i) Price risk

Price risk refers to the uncertainty of an investment's future prices. In the event of adverse price movements, the Fund might endure potential loss on its investments in equities and CIS. In managing price risk, the Manager actively monitors the performance and risk profile of the investment portfolio.

(ii) Interest rate risk

Interest rate risk will affect the value of the Fund's investments, given the interest rate movements, which are influenced by regional and local economic developments as well as political developments.

Domestic interest rates on deposits and placements with licensed financial institutions are determined based on prevailing market rates.

(b) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge an obligation. The Fund would be exposed to the risk of bond issuers and licensed financial institutions defaulting on their repayment obligations which in turn would affect the NAV of the Fund.

For deposit with licensed financial institution, the Fund makes placements with licensed financial institution with sound rating of P1/MARC-1 and above. Cash at bank is held for liquidity purposes and is not exposed to significant credit risk.

(c) Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its financial liabilities or redeem its units earlier than expected. This is also the risk of Fund experiencing large redemptions, when the Investment Manager could be forced to sell large volumes of its holdings at unfavorable prices to meet redemption requirements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(c) Liquidity risk (cont'd.)

The Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellations of units by unit holders. Liquid assets comprise of cash at banks, deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 5 to 7 days. The Fund's policy is to always maintain a prudent level of liquid assets so as to reduce liquidity risk.

The Fund's financial liabilities have contractual maturities of not more than six months.

(d) Single issuer risk

Internal policy restricts the Fund from investing in securities issued by any issuer of not more than a certain percentage of its NAV. Under such restriction, the risk exposure to the securities of any single issuer is diversified and managed based on internal/external ratings.

(e) Regulatory risk

Any changes in national policies and regulations may have effects on the capital market and the NAV of the Fund.

(f) Management risk

Poor management of the Fund may cause considerable losses to the Fund that in turn may affect the NAV of the Fund.

(g) Non-compliance risk

This is the risk of the Manager or the Trustee not complying with their respective internal policies, the Deeds, securities laws or guidelines issued by the regulators relevant to each party, which may adversely affect the performance of the Fund.

AmBalanced

STATEMENT BY THE MANAGER

I, Wong Weng Tuck, being the Director of and on behalf of the Board of Directors of AmFunds Management Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards 134: *Interim Financial Reporting* (“MFRS 134”) so as to give a true and fair view of the financial position of AmBalanced (the “Fund”) as at 31 January 2026 and of the comprehensive income, the changes in equity and cash flows for the financial period then ended.

For and on behalf of the Manager

WONG WENG TUCK

Executive Director

Kuala Lumpur, Malaysia

18 March 2026

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF AMBALANCED ("Fund")

We have acted as Trustee of the Fund for the financial period ended 31 January 2026 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AmFunds Management Berhad 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.

For HSBC (Malaysia) Trustee Berhad

Lee Cincee
Associate Director, Trustee and Fiduciary Services

Kuala Lumpur
18 March 2026

DIRECTORY

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Email: enquiries@aminvest.com

Postal Address AmFunds Management Berhad
P.O Box 13611, 50816 Kuala Lumpur

*For enquiries about this or any of the other Funds offered by AmFunds Management Berhad
Please call 2032 2888 between 8.45 a.m. to 5.45 p.m. (Monday to Thursday),
Friday (8.45 a.m. to 5.00 p.m.)*

