

Annual Report for

AmConservative

30 April 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 audited accounts of AmConservative ("Fund") for the financial year ended 30 April 2026.

Salient Information of the Fund

Name	AmConservative ("Fund")
Category/ Type	Fixed Income / Income
Objective	The Fund aims to preserve capital* and provide a stream of income** by having a bigger exposure to fixed income investments than equities. <i>Notes:</i> <i>Any material change to the investment objective of the Fund would require Unit Holders' approval.</i> <i>* The Fund is neither a capital guaranteed fund nor a capital protected fund.</i> <i>** The income could be in the form of units or cash.</i>
Duration	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.
Performance Benchmark	• 15% FTSE Bursa Malaysia Top 100 Index • 85% Quantshop Medium MGS Index (Available at www.aminvest.com) <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 Quantshop Medium MGS index. The risk profile of the performance benchmark is not the same as the risk profile of the Fund.</i> <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>
Income Distribution Policy	Subject to the availability of income, distribution will be made at least twice every year. At the Manager's discretion, the Fund may distribute from its gain, income and capital. The rationale for distribution out of capital is to allow the Fund the ability to (i) distribute income on a regular basis in accordance with the distribution policy of the Fund or (ii) increase the amount of distributable income to the unit holders, after taking into consideration the risk of distributing out of capital.

	Distribution out of the Fund's capital has the effect of lowering the NAV of the Fund, may reduce part of the unit holders' original investment and may also result in reduced future returns to unit holders. When a substantial amount of the original investment is being returned to the unit holders, it has a risk of eroding the capital of the Fund and may, over time, cause the NAV of the Fund to fall. The greater the risk of capital erosion that exists, the greater the likelihood that, due to capital erosion, the value of future returns would also be diminished.
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Fund Performance Data

Portfolio Composition	Details of portfolio composition of the Fund as at 30 April are as follows:			
		As at 30 April		
		2026 %	2025 %	2024 %
	Corporate bonds	34.49	65.12	61.78
	Collective Investment Schemes	60.81	31.95	25.19
	Money market deposits and cash equivalents	4.70	2.93	13.03
	Total	100.00	100.00	100.00
	Note: The abovementioned percentages are calculated based on total net asset value.			
Performance Details	Performance details of the Fund for the financial years ended 30 April are as follows:			
		FYE 2026	FYE 2025	FYE 2024
	Net asset value (RM)	1,368,655	2,359,173	2,725,333
	Units in circulation	1,210,662	2,051,344	2,334,015
	Net asset value per unit (RM)	1.1305	1.1501	1.1677
	Highest net asset value per unit (RM)	1.2074	1.1763	1.1696
	Lowest net asset value per unit (RM)	1.1032	1.1335	1.1267
	Benchmark performance (%)	5.05	4.44	4.37
	Total return (%) ⁽¹⁾	7.76	1.32	3.67
	- Capital growth (%)	-1.50	-1.48	3.67
	- Income distributions (%)	9.26	2.80	-
	Gross distributions (RM sen per unit)	10.6458	3.2734	-
	Net distributions (RM sen per unit)	10.6458	3.2734	-
	Total expense ratio (%) ⁽²⁾	2.54	2.11	2.11
	Portfolio turnover ratio (times) ⁽³⁾	0.97	0.34	0.49
	Note:			
	(1) Total return is the actual return of the Fund for the respective financial 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. The TER increased by 0.43% as compared to 2.11% per annum for the financial year ended 30 April 2025 mainly due to increase in expenses.			
	(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. The increase in the PTR for 2026 and decrease in 2025 were mainly due to investing activities.			

Average Total Return (as at 30 April 2026)

	AmConservative^(a) %	Benchmark^(b) %
One year	7.76	5.05
Three years	4.21	4.62
Five years	36.31	3.17
Ten years	18.62	3.58

Annual Total Return

Financial Years Ended (30 April)	AmConservative^(a) %	Benchmark^(b) %
2026	7.76	5.05
2025	1.32	4.44
2024	3.67	4.37
2023	323.99	4.03
2022	-1.97	-1.87

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

(b) 15% FTSE Bursa Malaysia Top 100 Index & 85% Quantshop Medium MGS Index. (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.

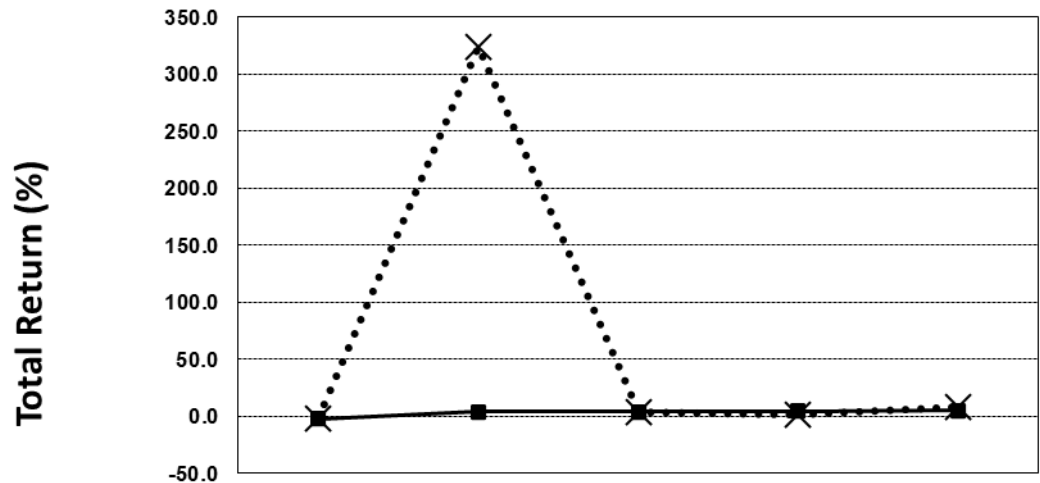
Fund Performance

For the financial year under review, the Fund registered a return of 7.76% which comprising of negative 1.50% capital and 9.26% income distributions.

Thus, the Fund return of 7.76% has outperformed the benchmark's return of 5.05% by 2.71%.

As compared with the financial year ended 30 April 2025, the net asset value ("NAV") per unit of the Fund decreased by 1.70% from RM1.1501 to RM1.1305, while units in circulations decreased by 40.98% from 2,051,344 units to 1,210,662 units.

The following line chart shows the comparison between the annual performances of AmConservative and its benchmark for the financial years ended 30 April.



	2022	2023	2024	2025	2026
••x•• Fund	-1.97	323.99	3.67	1.32	7.76
—■— Benchmark	-1.87	4.03	4.37	4.44	5.05

Financial Years Ended (30 April)

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 can have an equity exposure up to 30% and the remaining in fixed income instruments. 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 30% of its Net Asset Value (“NAV”) in equities. Value-add from equity investments is derived from active stock selection with focus on undervalued stocks relative to its earnings growth potential. In the event that outlook for equity investments is not conducive, the Fund can choose to have zero exposure in equity securities.

Fixed Income

The Fund can invest up to a maximum of 95% of its NAV in fixed income instruments. In buying and selling fixed income instruments for the Fund, the Manager uses active management.

The Manager will also:

- analyze the general economic and market conditions;
- use models that analyze and compare expected returns and assumed risk;
- focus on fixed income instruments that would deliver better returns for a given level of risk; and
- consider fixed income instruments with a better credit outlook and potential for capital appreciation.

The Manager may adopt an active trading stance, and will not consider portfolio turnover as a limiting factor in ensuring that the Fund meets its investment objective.

The Fund invests in Malaysia and up to 30% of its NAV in foreign eligible markets.

Portfolio Structure	The table below is the asset allocation of the Fund as at 30 April 2026 and 30 April 2025.			
		As at 30.04.2026 %	As at 30.04.2025 %	Changes %
	Corporate bonds	34.49	65.12	-30.63
	Collective Investment Schemes	60.81	31.95	28.86
	Money market deposits and cash equivalents	4.70	2.93	1.77
	Total	100.00	100.00	
	For the financial year under review, 60.81% of the portfolio's NAV was invested in local Collective Investment Schemes, 34.49% of its NAV in corporate bonds while the remaining 4.70% in money market deposits and cash equivalents.			
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 year under review.			
Distributions/ Unit Splits	During the financial year under review, the Fund declared distributions, detailed as follows:			
	Date of distributions	Distributions per unit RM (sen)	NAV per unit Cum-Distributions (RM)	NAV per unit Ex-Distributions (RM)
	25-Jun-25	0.6167	1.1795	1.1733
	18-Dec-25	10.0291	1.2080	1.1077
	There is no unit split declared for the financial year under review.			
State of Affairs	There has been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unitholders during the financial year under review.			
Rebates and Soft Commission	During the year, 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.			
	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 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.			
	Soft commissions received were for the benefit of the Fund and there was no churning of trades.			

Market Review	The Malaysian bond market turned decisively bullish in 2Q2025, supported by a dovish shift in rate expectations and strong foreign inflows. Weaker 1Q Gross Domestic Product (GDP) data fueled expectations of a rate cut, driving inflows of RM10.2 billion in April and a record RM13.5 billion in May, which pushed medium-term Malaysian Government Securities (MGS) yields lower. In addition, Bank Negara Malaysia's (BNM) Statutory Reserve Requirement (SRR) cut from 2.00% to 1.00% injected RM18.6 billion of liquidity, further supporting market momentum. In 3Q2025, sentiment was initially constructive following BNM's pre-emptive 25bps Overnight Policy Rate (OPR) cut to 2.75% in July, leading to a rally and bull-flattening of the curve. However, momentum moderated in August and turned cautious by September due to profit-taking and weak demand at a 15-year MGS auction, with yields rising across the curve. The market entered 4Q2025 cautiously but gradually recovered. Early weakness in October gave way to improved sentiment later in the quarter, supported by expectations of Federal Reserve (Fed) easing, renewed foreign inflows, and stable domestic fundamentals. Strong demand at bond auctions helped the market close the year on a positive note. In early 2026, the Malaysian bond market experienced heightened volatility amid uncertainty over the rate outlook and geopolitical tensions, particularly the United States (US)–Israel–Iran conflict, which triggered a global bond selloff and dampened sentiment due to concerns over rising energy prices and inflation. However, the market rebounded in April, supported by BNM's guidance to maintain the OPR at 2.75%, alongside subdued core inflation and stronger-than-expected 1Q2026 GDP. Overall, the Malaysian bond market remains supported by resilient domestic fundamentals and policy stability, although near-term performance will be influenced by external risks and global rate developments.
Market Outlook	Following the United Arab Emirates's (UAE) announcement to withdraw from Organization of the Petroleum Exporting Countries (OPEC), oil prices reacted in a relatively muted manner. As long as the Strait of Hormuz remains close, oil prices may stay elevated and provide a temporary fiscal cushion for Malaysia. Over the long term, once the geopolitical premium fades, a "price war" scenario would likely drive oil prices lower. That said, Malaysia's efforts to diversify its economy years ago are finally paying off. If Putrajaya is holding firm on its 3.5% deficit target and Bank Negara Malaysia (BNM) maintains the Overnight Policy Rate (OPR), we think the local bond market will continue to stay resilient given the ample liquidity in the market.

Kuala Lumpur, Malaysia
AmFunds Management Berhad

23 June 2026

Independent auditors' report to the unit holders of AmConservative

Report on the audit of the financial statements

Opinion

We have audited the financial statements of AmConservative (the "Fund"), which comprise the statement of financial position of the Fund as at 30 April 2026, and statement of comprehensive income, statement of changes in equity and statement of cash flows of the Fund for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 11 to 39.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 April 2026, and of its financial performance and cash flows for the financial year then ended in accordance with MFRS Accounting Standards and IFRS Accounting Standards.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

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

Information other than the financial statements and auditors' report thereon

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

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

**Independent auditors' report to the unit holders of
AmConservative (cont'd.)**

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

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

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

Responsibilities of the Manager and the Trustee for the financial statements

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

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

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

Auditors' responsibilities for the audit of the financial statements

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

**Independent auditors' report to the unit holders of
AmConservative (cont'd.)**

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

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

**Independent auditors' report to the unit holders of
AmConservative (cont'd.)**

Other matters

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

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

Ng Sue Ean
No. 03276/07/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
23 June 2026

AmConservative**STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2026**

	Note	2026 RM	2025 RM
ASSETS			
Investments	4	1,304,248	2,290,058
Amount due from Manager	5(a)	7,500	9,844
Cash at banks		107,303	106,383
TOTAL ASSETS		1,419,051	2,406,285
LIABILITIES			
Amount due to Manager	5(b)	4,064	2,896
Amount due to Trustee	6	48	77
Sundry payables and accruals		46,284	44,139
TOTAL LIABILITIES		50,396	47,112
NET ASSET VALUE ("NAV") OF THE FUND		1,368,655	2,359,173
EQUITY			
Unit holders' capital	8(a)	1,062,128	2,072,756
Retained earnings	8(b)(c)	306,527	286,417
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	8	1,368,655	2,359,173
UNITS IN CIRCULATION	8(a)	1,210,662	2,051,344
NAV PER UNIT (RM)		1.1305	1.1501

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

AmConservative**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

	Note	2026 RM	2025 RM
INVESTMENT INCOME			
Dividend/Distribution income		40,759	12,467
Interest income		60,261	79,018
Net gain/(loss) from investments:			
– Financial assets at fair value through profit or loss (“FVTPL”)	7	<u>110,194</u>	<u>(3,336)</u>
		<u>211,214</u>	<u>88,149</u>
EXPENDITURE			
Management fee	5	(25,635)	(31,861)
Trustee’s fee	6	(820)	(1,023)
Audit fee		(11,500)	(10,000)
Tax agent’s fee		(5,700)	(5,000)
Brokerage and other transaction fees		(2,266)	-
Other expenses		<u>(8,341)</u>	<u>(6,172)</u>
		<u>(54,262)</u>	<u>(54,056)</u>
Net income before taxation		156,952	34,093
Taxation	10	<u>-</u>	<u>-</u>
Net income after taxation, representing total comprehensive income for the financial year		<u>156,952</u>	<u>34,093</u>
Total comprehensive income comprises the following:			
Realised income		159,585	53,450
Unrealised losses		<u>(2,633)</u>	<u>(19,357)</u>
		<u>156,952</u>	<u>34,093</u>
Distributions for the financial year			
Net distributions	11	<u>136,842</u>	<u>71,430</u>
Gross distributions per unit (sen)	11	<u>10.6458</u>	<u>3.2734</u>
Net distributions per unit (sen)	11	<u>10.6458</u>	<u>3.2734</u>

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

AmConservative**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

	Note	Unit holders' capital RM	Retained earnings RM	Total equity RM
At 1 May 2025		2,072,756	286,417	2,359,173
Total comprehensive income for the financial year		-	156,952	156,952
Creation of units	8(a)	569,429	-	569,429
Reinvestment of distributions	8(a)	136,842	-	136,842
Cancellation of units	8(a)	(1,716,899)	-	(1,716,899)
Distributions	11	-	(136,842)	(136,842)
Balance at 30 April 2026		<u>1,062,128</u>	<u>306,527</u>	<u>1,368,655</u>
At 1 May 2024		2,401,579	323,754	2,725,333
Total comprehensive income for the financial year		-	34,093	34,093
Creation of units	8(a)	928,134	-	928,134
Reinvestment of distributions	8(a)	71,430	-	71,430
Cancellation of units	8(a)	(1,328,387)	-	(1,328,387)
Distributions	11	-	(71,430)	(71,430)
Balance at 30 April 2025		<u>2,072,756</u>	<u>286,417</u>	<u>2,359,173</u>

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

AmConservative**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

	2026 RM	2025 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of investments	2,519,614	897,715
Purchases of investments	(1,422,487)	(813,819)
Dividends/Distributions received	22,807	-
Interest received	77,090	84,524
Management fee paid	(27,390)	(32,318)
Trustee's fee paid	(849)	(1,038)
Tax agent's fee paid	(5,000)	(5,000)
Payments for other expenses	(20,662)	(16,494)
Net cash generated from operating and investing activities	<u>1,143,123</u>	<u>113,570</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	571,773	921,085
Payments for cancellation of units	(1,713,976)	(1,332,428)
Net cash used in financing activities	<u>(1,142,203)</u>	<u>(411,343)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	920	(297,773)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	<u>106,383</u>	<u>404,156</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u>107,303</u>	<u>106,383</u>
Cash and cash equivalents comprise:		
Cash at banks	<u>107,303</u>	<u>106,383</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

1. GENERAL INFORMATION

AmConservative (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 preserving capital and providing a stream of income by having a bigger exposure to fixed income investments than equities. As provided in the Deeds, the financial year shall end on 30 April 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 23 June 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 as issued by the Malaysian Accounting Standards Board (“MASB”) and IFRS Accounting Standards.

Standards effective during the financial year

The adoption of the following amendments to MFRS Accounting Standards which became effective during the financial year 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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 that are part of Annual Improvements - Volume 11: Amendments to MFRS 1 <i>First-time Adoption of Malaysian Financial Reporting Standards</i> 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>	1 January 2026
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 121: <i>The Effects of Changes in Foreign Exchange Rates - Translation to a Hyperinflationary Presentation Currency</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.

(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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

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

3.1 Income recognition (cont'd.)

(ii) Interest income (cont'd.)

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 YEAR ENDED 30 APRIL 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 YEAR ENDED 30 APRIL 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

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

3.8 Financial assets (cont'd.)

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 deposit with licensed financial institution, cash at banks, amount due from Target Fund Manager, amount due from Manager, amount due from brokers/financial institutions, dividend/distribution receivables and other receivables.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

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

3.8 Financial assets (cont'd.)

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

Financial assets at FVTPL (cont'd.)

The Fund subsequently measures its investments at FVTPL. Dividend/Distribution revenue and interest 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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

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

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.

3.12 Determination of fair value

For the investments in unquoted 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 year.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

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

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 year.

4. INVESTMENTS

	2026 RM	2025 RM
Financial assets at FVTPL		
Unquoted CIS	832,223	753,745
Corporate bonds	472,025	1,536,313
	<u>1,304,248</u>	<u>2,290,058</u>

Details of investments as at 30 April 2026 are as follows:

Name of trust	Number of units	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
Unquoted CIS				
AmBond*	95,919	130,795	131,205	9.56
AmBon Islam SRI*	147,741	202,907	194,523	14.82
AmCumulative Growth*	81,167	123,957	103,342	9.06
AmDynamic Bond*	349,124	246,517	250,049	18.01
AmDynamic Sukuk*	83,115	128,047	128,628	9.36
Total unquoted CIS	<u>757,066</u>	<u>832,223</u>	<u>807,747</u>	<u>60.81</u>

* These CIS are managed by the Manager.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

4. INVESTMENTS (CONT'D.)

Details of investments as at 30 April 2026 are as follows: (cont'd.)

Maturity date	Issuer	Credit rating	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
Corporate bonds						
28.08.2026	MTT Shipping and Logistics Berhad (f.k.a. MTT Shipping Sdn. Bhd.)	AA	150,000	151,963	151,349	11.10
03.05.2030	GENM Capital Berhad	AA	300,000	320,062	307,783	23.39
Total corporate bonds			<u>450,000</u>	<u>472,025</u>	<u>459,132</u>	<u>34.49</u>
Total financial assets at FVTPL				<u>1,304,248</u>	<u>1,266,879</u>	<u>95.30</u>
Excess of fair value over purchased/adjusted cost				<u>37,369</u>		

The weighted average effective yield on investments are as follows:

	Effective yield	
	2026	2025
	%	%
Corporate bonds	<u>4.13</u>	<u>3.96</u>

Analysis of the remaining maturities of investments as at 30 April 2026 and 30 April 2025 are as follows:

	Less than 1 year RM	1 year to 5 years RM	More than 5 years RM
2026			
At nominal value:			
Corporate bonds	<u>150,000</u>	<u>300,000</u>	<u>-</u>
2025			
At nominal value:			
Corporate bonds	<u>-</u>	<u>650,000</u>	<u>800,000</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

5. AMOUNT DUE FROM/TO MANAGER

	Note	2026 RM	2025 RM
(a) Due from Manager			
Creation of units	(i)	<u>7,500</u>	<u>9,844</u>
(b) Due to Manager			
Cancellation of units	(ii)	2,923	-
Management fee payable	(iii)	<u>1,141</u>	<u>2,896</u>
		<u>4,064</u>	<u>2,896</u>

(i) This represents amount receivable from the Manager for units created.

(ii) This represents amount payable from the Manager for units cancelled.

The normal credit period in the current and previous financial years for creation and cancellation of units is three business days.

(iii) Management fee is at a rate of 1.50% (2025: 1.50%) per annum on the NAV of the Fund, calculated on a daily basis. As the Fund invested in 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, no management fee can be charged to NAV of the unquoted CIS of this Fund to avoid double charging of management fee.

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

6. AMOUNT DUE TO TRUSTEE

Trustee's fee is at a rate of 0.04% (2025: 0.04%) per annum on the NAV of the Fund, calculated on daily basis.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

7. NET GAIN/(LOSS) FROM INVESTMENTS

	2026 RM	2025 RM
Net gain/(loss) on financial assets at FVTPL comprised:		
– Net realised gains on sale of investments	112,827	16,021
– Net unrealised losses on changes in fair value of investments	(2,633)	(19,357)
	<u>110,194</u>	<u>(3,336)</u>

8. TOTAL EQUITY

Total equity is represented by:

	Note	2026 RM	2025 RM
Unit holders' capital	(a)	1,062,128	2,072,756
Retained earnings			
– Realised income	(b)	269,158	246,415
– Unrealised gains	(c)	37,369	40,002
		<u>1,368,655</u>	<u>2,359,173</u>

(a) Unit holders' capital/Units in circulation

	2026		2025	
	Number of units	RM	Number of units	RM
At beginning of the financial year	2,051,344	2,072,756	2,334,015	2,401,579
Creation during the financial year	500,689	569,429	798,224	928,134
Reinvestment of distributions	122,925	136,842	62,143	71,430
Cancellation during the financial year	(1,464,296)	(1,716,899)	(1,143,038)	(1,328,387)
At end of the financial year	<u>1,210,662</u>	<u>1,062,128</u>	<u>2,051,344</u>	<u>2,072,756</u>

(b) Realised

	2026 RM	2025 RM
At beginning of the financial year	246,415	264,395
Net realised income for the financial year	159,585	53,450
Distributions out of realised income (Note 11)	(136,842)	(71,430)
At end of the financial year	<u>269,158</u>	<u>246,415</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

8. TOTAL EQUITY (CONT'D.)

(c) Unrealised

	2026 RM	2025 RM
At beginning of the financial year	40,002	59,359
Net unrealised losses for the financial year	(2,633)	(19,357)
At end of the financial year	<u>37,369</u>	<u>40,002</u>

9. SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES

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

Related parties

AmFunds Management Berhad
AmInvestment Bank Berhad
AMMB Holdings Berhad ("AMMB")
Subsidiaries and associates of AMMB
as disclosed in its financial statements

Relationships

The Manager
Holding company of the Manager
Ultimate holding company of the Manager
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 30 April 2026 and 30 April 2025.

Other than those disclosed elsewhere in the financial statements, the significant related party balances as at the reporting date is as follows:

	2026 RM	2025 RM
Significant related party balances		
<u>AmBank (M) Berhad</u>		
Cash at banks	<u>20</u>	<u>62</u>

10. TAXATION

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

10. TAXATION (CONT'D.)

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

	2026 RM	2025 RM
Net income before taxation	156,952	34,093
Taxation at Malaysian statutory rate of 24% (2025: 24%)	37,668	8,182
Tax effects of:		
Income not subject to taxation	(59,376)	(27,754)
Losses not allowed for tax deduction	8,685	6,598
Restriction on tax deductible expenses	8,021	9,042
Non-permitted expenses for tax purposes	4,111	2,927
Permitted expenses not used and not available for future financial years	891	1,005
Tax expense for the financial year	-	-

11. DISTRIBUTIONS

Details of distributions to unit holders for the current and previous financial years are as follows:

Financial year ended 30 April 2026

Distributions Ex-date	Gross distributions per unit RM (sen)	Net distributions per unit RM (sen)	Total distributions RM
25 June 2025	0.6167	0.6167	12,128
18 December 2025	10.0291	10.0291	124,714
	10.6458	10.6458	136,842

Financial year ended 30 April 2025

Distributions Ex-date	Gross distributions per unit RM (sen)	Net distributions per unit RM (sen)	Total distributions RM
18 June 2024	1.2649	1.2649	30,109
20 December 2024	2.0085	2.0085	41,321
	3.2734	3.2734	71,430

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026****11. DISTRIBUTIONS (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 distributions declared for the financial year ended 30 April 2026 have been proposed before taking into account the net unrealised losses of RM2,633 (2025: RM19,357) arising during the financial year which was carried forward to the next financial year.

All distributions during the current financial year were sourced from realised income. There were no distributions out of capital.

12. TOTAL EXPENSE RATIO ("TER")

The Fund's TER is as follows:

	2026 % p.a.	2025 % p.a.
Management fee	1.25	1.25
Trustee's fee	0.04	0.04
Fund's other expenses	1.25	0.82
Total TER	<u>2.54</u>	<u>2.11</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.

13. 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 0.97 times (2025: 0.34 times).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

14. 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 deposits with licensed financial institutions.

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 year.

	Equity portfolio RM	CIS portfolio RM	Fixed income portfolio RM	Total RM
2026				
Dividend/Distribution income	1,602	39,157	-	40,759
Interest income	-	-	60,261	60,261
Net gains/(loss) from investments:				
– Financial assets at FVTPL	9,750	101,528	(1,084)	110,194
Total segment investment income for the financial year	<u>11,352</u>	<u>140,685</u>	<u>59,177</u>	<u>211,214</u>
Financial assets at FVTPL	-	832,223	472,025	1,304,248
Total segment assets	<u>-</u>	<u>832,223</u>	<u>472,025</u>	<u>1,304,248</u>
2025				
Dividend/Distribution income	-	12,467	-	12,467
Interest income	-	-	79,018	79,018
Net (loss)/gain from investments:				
– Financial assets at FVTPL	-	(13,941)	10,605	(3,336)
Total segment investment (loss)/income for the financial year	<u>-</u>	<u>(1,474)</u>	<u>89,623</u>	<u>88,149</u>
Financial assets at FVTPL	-	753,745	1,536,313	2,290,058
Total segment assets	<u>-</u>	<u>753,745</u>	<u>1,536,313</u>	<u>2,290,058</u>

There were no segment liabilities as at 30 April 2026 and 30 April 2025.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

14. 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 income and net income after taxation:

	2026 RM	2025 RM
Net reportable segment investment income	211,214	88,149
Less: Expenses	(54,262)	(54,056)
Net income before taxation	156,952	34,093
Taxation	-	-
Net income after taxation	156,952	34,093

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.

	2026 RM	2025 RM
Total segment assets	1,304,248	2,290,058
Amount due from Manager	7,500	9,844
Cash at banks	107,303	106,383
Total assets of the Fund	1,419,051	2,406,285
Amount due to Manager	4,064	2,896
Amount due to Trustee	48	77
Sundry payables and accruals	46,284	44,139
Total liabilities of the Fund	50,396	47,112

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

15. TRANSACTIONS WITH THE MANAGER AND BROKERS

Details of transactions with the Manager and brokers for the financial year ended 30 April 2026 are as follows:

	Transactions value		Brokerage fee, stamp duty and clearing fee	
	RM	%	RM	%
AmFunds Management Berhad	1,511,365	37.98	-	-
Affin Hwang Investment Bank Berhad	527,666	13.26	-	-
Hong Leong Islamic Bank Berhad	525,491	13.21	-	-
CIMB Bank Berhad	515,658	12.96	-	-
Malayan Banking Berhad	509,097	12.79	-	-
AmInvestment Bank Berhad*	210,249	5.28	1,253	54.98
CIMB Securities Sdn. Bhd.	175,391	4.41	980	43.00
Maybank Investment Bank Berhad	4,374	0.11	46	2.02
Total	3,979,291	100.00	2,279	100.00

* 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, unquoted CIS and fixed income instruments. Transactions in unquoted CIS and fixed income instruments do not involve any commission or brokerage fee.

16. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the financial assets and financial liabilities of the Fund in the statement of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

16. FINANCIAL INSTRUMENTS (CONT'D.)

(a) Classification of financial instruments (cont'd.)

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
2026				
Financial assets				
Investments	1,304,248	-	-	1,304,248
Amount due from Manager	-	7,500	-	7,500
Cash at banks	-	107,303	-	107,303
Total financial assets	1,304,248	114,803	-	1,419,051
Financial liabilities				
Amount due to Manager	-	-	4,064	4,064
Amount due to Trustee	-	-	48	48
Total financial liabilities	-	-	4,112	4,112
2025				
Financial assets				
Investments	2,290,058	-	-	2,290,058
Amount due from Manager	-	9,844	-	9,844
Cash at banks	-	106,383	-	106,383
Total financial assets	2,290,058	116,227	-	2,406,285
Financial liabilities				
Amount due to Manager	-	-	2,896	2,896
Amount due to Trustee	-	-	77	77
Total financial liabilities	-	-	2,973	2,973

**Income, expenses, gains
and losses**

	2026 RM	2025 RM
Income, of which derived from:		
– Dividend/Distribution income from financial assets at FVTPL	40,759	12,467
– Interest income from financial assets at FVTPL	54,279	72,885
– Interest income from financial assets at amortised cost	5,982	6,133
Net gain/(loss) from financial assets at FVTPL	110,194	(3,336)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

16. FINANCIAL INSTRUMENTS (CONT'D.)

(b) Financial instruments that are carried at fair value

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

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable; either directly or indirectly; or

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows an analysis of financial instruments recorded at fair value by the level of the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
2026				
Financial assets at FVTPL	-	1,304,248	-	1,304,248
2025				
Financial assets at FVTPL	-	2,290,058	-	2,290,058

(c) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value due to their short period to maturity or short credit period:

- Amount due from/to Manager
- Cash at banks
- Amount due to Trustee

There are no financial instruments which are not carried at fair value and whose carrying amounts are not reasonable approximation of their respective fair value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

17. 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.

(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 managing price risk, the Manager actively monitors the performance and risk profile of the investment portfolio.

The result below summarised the price risk sensitivity of the Fund's NAV due to movements of price by -5.00% and +5.00% respectively:

Percentage movements in price by:	Sensitivity of the Fund's NAV	
	2026 RM	2025 RM
-5.00%	(41,611)	(37,687)
+5.00%	41,611	37,687

(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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

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

(a) Market risk (cont'd.)

(ii) Interest rate risk (cont'd.)

The result below summarised the interest rate sensitivity of the Fund's NAV, or theoretical value due to the parallel movement assumption of the yield curve by +100bps and -100bps respectively:

Parallel shift in yield curve by:	Sensitivity of the Fund's NAV, or theoretical value	
	2026 RM	2025 RM
+100bps	(11,477)	(60,349)
-100bps	11,970	63,517

(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 is exposed to the risk of bond issuers and licensed financial institutions defaulting on its repayment obligations which in turn would affect the NAV of the Fund.

(i) Credit quality of financial assets

The following table analyses the Fund's portfolio of debt securities by rating category as at 30 April 2026 and 30 April 2025:

Credit rating	RM	As a % of debt securities	As a % of NAV
2026			
AA	472,025	100.00	34.49
2025			
AAA	1,064,040	69.26	45.10
AA	472,273	30.74	20.02
	1,536,313	100.00	65.12

Cash at banks are held for liquidity purposes and are not to be exposed to significant credit risk.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

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

(b) Credit risk (cont'd.)

(ii) Credit risk concentration

Concentration of risk is monitored and managed based on sectorial distribution. The table below analyses the Fund's portfolio of debt securities by sectorial distribution as at 30 April 2026 and 30 April 2025:

Sector	RM	As a % of debt securities	As a % of NAV
2026			
Consumer discretionary	320,062	67.81	23.39
Transportation and storage	151,963	32.19	11.10
	<u>472,025</u>	<u>100.00</u>	<u>34.49</u>
2025			
Consumer discretionary	319,714	20.81	13.55
Energy and utilities	538,479	35.05	22.82
Transportation and storage	678,120	44.14	28.75
	<u>1,536,313</u>	<u>100.00</u>	<u>65.12</u>

(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 the 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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

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

(c) Liquidity risk

The following table presents the undiscounted contractual cash flows from different financial assets and financial liabilities classes in the Fund:

	Contractual cash flows (undiscounted)					
	0 – 1 year RM	1 – 2 years RM	2 – 3 years RM	3 – 4 years RM	4 – 5 years RM	More than 5 years RM
2026						
Financial assets						
Investments	169,947	16,050	16,138	16,006	307,871	-
Amount due from Manager	7,500	-	-	-	-	-
Cash at banks	107,303	-	-	-	-	-
Total financial assets	284,750	16,050	16,138	16,006	307,871	-
Financial liabilities						
Amount due to Manager	4,064	-	-	-	-	-
Amount due to Trustee	48	-	-	-	-	-
Total financial liabilities	4,112	-	-	-	-	-
2025						
Financial assets						
Investments	72,131	218,297	64,470	64,690	564,224	820,352
Amount due from Manager	9,844	-	-	-	-	-
Cash at banks	106,383	-	-	-	-	-
Total financial assets	188,358	218,297	64,470	64,690	564,224	820,352
Financial liabilities						
Amount due to Manager	2,896	-	-	-	-	-
Amount due to Trustee	77	-	-	-	-	-
Total financial liabilities	2,973	-	-	-	-	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2026**

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

(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.

18. CAPITAL MANAGEMENT

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

The Fund's objectives for managing capital are:

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

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

AmConservative

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 MFRS Accounting Standards and IFRS Accounting Standards so as to give a true and fair view of the financial position of AmConservative (the “Fund”) as at 30 April 2026 and of the comprehensive income, the changes in equity and cash flows for the financial year then ended.

For and on behalf of the Manager

WONG WENG TUCK

Executive Director

Kuala Lumpur, Malaysia

23 June 2026

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF AMCONSERVATIVE ("Fund")

We have acted as Trustee of the Fund for the financial year ended 30 April 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 year covered by these financial statements in accordance with the following:

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

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

Lee Cincee
Associate Director, Trustee and Fiduciary Services

Kuala Lumpur
23 June 2026

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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.)*

