

# EASTSPRING INVESTMENTS ISLAMIC EQUITY INCOME FUND

ANNUAL REPORT

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025



**Dear Valued Investor,**

Greetings from Eastspring Investments Berhad!

First and foremost, we would like to take this opportunity to thank you for choosing to invest with Eastspring Investments Berhad.

**We are pleased to enclose a copy of the Annual/Semi-annual/Quarterly Fund Reports of Eastspring Investments Berhad's fund(s) for the reporting period ended 30 September 2025.**

You may also download these reports from our website at [www.eastspring.com/my](http://www.eastspring.com/my)

Should you require any assistance, please do not hesitate to contact our Client Services at 03-2778 1000.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Yap Sioh Hoon', written in a cursive style.

**YAP SIOK HOON**

Executive Director/Chief Executive Officer

# TABLE OF CONTENTS

Fund Information	1
Key Performance Data	2
Manager's Report	5
Market Review	9
Rebates and Soft Commissions	11
Securities Lending or Repurchase Transactions	11
Statement by the Manager	14
Trustee's Report to the Unit Holders of Eastspring Investments Islamic Equity Income Fund	15
Shariah Adviser's Report to the Unit Holders of Eastspring Investments Islamic Equity Income Fund	16
Independent Auditors' Report to the Unit Holders of Eastspring Investments Islamic Equity Income Fund	17
Statement of Comprehensive Income	21
Statement of Financial Position	22
Statement of Changes in Equity	23
Statement of Cash Flows	24
Material Accounting Policy Information	25
Notes to the Financial Statements	33
Corporate Directory	66
Appendix 1 – List of Changes for Eastspring Investments Islamic Equity Income Fund	68

## FUND INFORMATION

<b>Name of Fund</b>	Eastspring Investments Islamic Equity Income Fund (the “Fund”)
<b>Fund Category/ Type</b>	Equity (Shariah)/income
<b>Fund Objective</b>	<p>The Fund seeks to provide a stable income* stream with medium to long-term capital growth.</p> <p><b>ANY MATERIAL CHANGES TO THE FUND’S OBJECTIVE WOULD REQUIRE UNIT HOLDERS’ APPROVAL.</b></p> <p>* Income distributed to a Unit Holder will be reinvested into additional Units unless Unit Holder opts for the distribution to be paid out.</p>
<b>Performance Benchmark</b>	<p>The performance benchmark of the Fund is FTSE Bursa Malaysia EMAS Shariah Index (“FBMS”).</p> <p><b>Source:</b> <a href="http://www.bursamalaysia.com">www.bursamalaysia.com</a></p> <p><b>Note:</b> The risk profile of the Fund is different from the risk profile of the performance benchmark.</p>
<b>Fund Income Distribution Policy</b>	Subject to the availability of income, distribution of income, if any, will be on annual basis, after deduction of taxation and expenses.

## KEY PERFORMANCE DATA FOR THE FINANCIAL YEAR ENDED

Category	2025	2024	2023
	(%)	(%)	(%)
<b>Quoted Shariah-compliant securities</b>			
Construction	11.77	5.69	1.74
Consumer Products & Services	10.23	15.26	17.50
Energy	2.53	1.99	3.03
Financial Services	2.38	3.93	2.34
Health Care	4.37	7.82	2.19
Industrial Products & Services	18.79	14.19	10.43
Islamic Real Estate Investment Trust	5.36	4.64	4.46
Plantation	6.49	3.17	9.53
Property	3.52	4.13	4.76
Technology	6.66	5.39	6.97
Telecommunications & Media	8.82	7.36	11.88
Transportation & Logistics	5.04	3.61	2.22
Utilities	10.52	14.28	13.91
	96.48	91.46	90.96
Cash and other assets	3.52	8.54	9.04
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## KEY PERFORMANCE DATA (CONTINUED)

Category	2025	2024	2023
Net Asset Value (NAV) (RM'000)	34,510	27,233	22,610
Units In Circulation (Units '000)	58,628	46,100	45,131
Net Asset Value Per Unit (RM)	0.5886	0.5907	0.5010
Highest Net Asset Value Per Unit (RM) <sup>#</sup>	0.5894	0.6169	0.5040
Lowest Net Asset Value Per Unit (RM) <sup>#</sup>	0.5797	0.4970	0.5010
Total Return (%)			
- Capital Growth	(0.36)	17.90	2.20
- Income Distribution	5.24	-	4.68
Total Return (%)	4.87	17.90	6.99
Gross Distribution Per Unit (RM)	0.0304	-	0.0235
Net Distribution Per Unit (RM)	0.0304	-	0.0235
Total Expense Ratio (TER) (%) <sup>*</sup>	1.62	1.66	1.67
Portfolio Turnover Ratio (PTR) (times) <sup>^</sup>	0.69	0.60	0.24

<sup>#</sup> Figures shown as ex-distribution.

<sup>\*</sup> There were no significant changes to the TER during the period under review.

<sup>^</sup> There were no significant changes to the PTR during the period under review.

## KEY PERFORMANCE DATA (CONTINUED)

	1 year 1.10.2024 to 30.9.2025	3 years 1.10.2022 to 30.9.2025	5 years 1.10.2020 to 30.9.2025
	(%)	(%)	(%)

Average total return 4.87 9.77 3.64

Year ended	1.10.2024 to 30.9.2025	1.10.2023 to 30.9.2024	1.10.2022 to 30.9.2023	1.10.2021 to 30.9.2022	1.10.2020 to 30.9.2021
	(%)	(%)	(%)	(%)	(%)

Annual total return 4.87 17.90 6.99 (10.19) 0.64

**Source:** The above total return of the Fund was sourced from Lipper for Investment Management.

### Bases of calculation and assumptions made in calculating returns:

$$\text{Percentage growth} = \frac{\text{NAV}_t - 1}{\text{NAV}_0}$$

$\text{NAV}_t$  = NAV at the end of the period

$\text{NAV}_0$  = NAV at the beginning of the period

$$\text{Performance annualised} = (1 + \text{Percentage Growth})^{1/n} - 1$$

Adjusted for unit split and distribution paid out for the period

$$n = \text{Number of years}$$

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

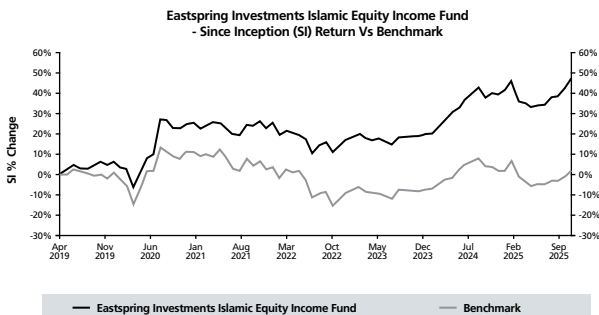
# MANAGER'S REPORT

## Fund Performance

Over the 5-year period, the Fund registered a return of 19.57%, outperforming the benchmark return of -6.86% by 26.43%.

During the period under review, the Fund registered a return of 4.87%, outperforming the benchmark return of -1.87% by 6.74%.

The outperformance during the period under review was mainly attributed to positive Shariah-compliant stock selections. Performance contributors came from Fund's exposure to industrials and materials sectors. Meanwhile, exposure to energy and financial sectors acted as detractors during the period under review.



**The performance is calculated on NAV-to-NAV basis with gross income or dividend reinvested.**

**Benchmark:** FTSE Bursa Malaysia EMAS Shariah Index ("FBMS").

**Source:** [www.bursamalaysia.com](http://www.bursamalaysia.com)

**Past performance of the Fund is not necessarily indicative of its future performance.**



# MANAGER'S REPORT (CONTINUED)

## Analysis of Fund Performance

For the financial year ended 30 September 2025:

Income Return	Capital Return*	Total Return	Total Return of Benchmark
(%)	(%)	(%)	(%)
5.24	(0.36)	4.87	(1.87)

\* Capital return components (NAV per unit to NAV per unit).

## Distribution/ Unit Split

Ex-date	17-Sep-25
Distribution Per Unit	(RM)
Gross	0.0304
Net	0.0304

Impact on NAV arising from distribution for the financial year ended 30 September 2025.

Ex-date	17-Sep-25
	(RM per Unit)
Net Asset Value before distribution	0.6101
Less: distribution	(0.0304)
Net Asset Value after distribution	0.5797

No unit split were declared for the financial year ended 30 September 2025.

## Investment Strategy During the Period Under Review

During the period under review, the Fund increased its position in selected industrials and materials Shariah-compliant stocks, while reducing exposure to consumer discretionary and utilities sectors.

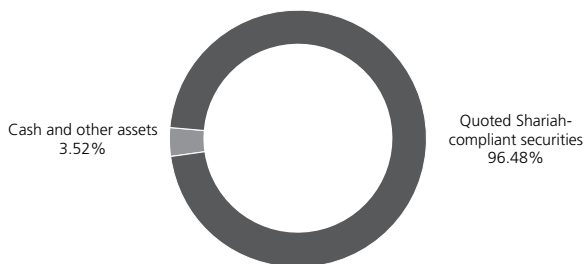
The Fund will continue to focus on strong fundamental Shariah-compliant stocks with sustainable earnings growth and good dividend yields.

## MANAGER'S REPORT (CONTINUED)

**Asset Allocation**

<b>Asset Allocation</b>	<b>30-Sep 2025</b>	<b>30-Sep 2024</b>	<b>Changes</b>
	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>

Quoted Shariah-compliant securities	96.48	91.46	5.02
Cash and other assets	3.52	8.54	(5.02)

**Asset Allocation as at 30 September 2025**

There were no significant changes in asset allocation of the Fund for the period under review.

**State of Affairs of the Fund**

There have been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unit holders during the period under review.

We have issued the Sixth Supplementary Prospectus of Eastspring Investments Islamic Equity Income Fund dated 2 September 2025 ("Sixth Supplementary Prospectus") with the following key changes:

## MANAGER'S REPORT (CONTINUED)

### State of Affairs of the Fund (continued)

No.	Key changes	Chapter
1	<p>Updated the information in relation to the background of the Manager.</p> <p>You can now refer to our website at <a href="https://www.eastspring.com/my/about-us/company">https://www.eastspring.com/my/about-us/company</a> for the Manager's corporate information and experience as a unit trust management company.</p>	Chapter 6 – The Management and the Administration of the Fund
2	<p>We have enhanced the disclosure in our website to include the information in relation to the fund management function of our funds.</p> <p>You can now refer to our website at <a href="https://www.eastspring.com/my/about-us/fund-management-function">https://www.eastspring.com/my/about-us/fund-management-function</a> for information on the designated fund manager for the Fund.</p>	Chapter 6 – The Management and the Administration of the Fund
3	<p>Updated the information in relation to the External Investment Manager (i.e. Eastspring Al-Wara' Investments Berhad).</p> <p>You can now refer to our website at <a href="https://www.eastspring.com/my/about-us/advisers-and-delegates">https://www.eastspring.com/my/about-us/advisers-and-delegates</a> for information on the External Investment Manager.</p>	Chapter 6 – The Management and the Administration of the Fund
4	<p>Updated the experience in Shariah advisory services of the Shariah Adviser (i.e. BIMB Securities Sdn Bhd).</p> <p>You can now refer to our website at <a href="https://www.eastspring.com/my/about-us/advisers-and-delegates">https://www.eastspring.com/my/about-us/advisers-and-delegates</a> for information on the Shariah Adviser.</p>	Chapter 7 – The Shariah Adviser
With above, unit holders may refer to <b>Appendix 1</b> for the detailed list of changes.		

## MARKET REVIEW

For most of 4Q2024, Malaysian equity markets trended down in line with weakness in the region, as investors stayed on the sidelines ahead of the US elections in November. Month of October was fairly quiet, and domestic news was centered on Budget 2025. An expansionary budget focused on reforming the economy, fuelling change and bringing prosperity to the people. Minimal new taxes were introduced, and a timeline for RON95 subsidy rationalization was stated for mid-2025, although the mechanism of its rollout is still lacking. Cash aid was the highest in this budget at RM13b, and minimum wages will increase to RM1700/month effective 1 Feb 2025. The US Presidential Elections took centre stage in the beginning of November. President-elect Trump winning convincingly was a bit of a surprise as investors were expecting the race to be tighter. Nevertheless, emerging markets post this election result saw weakness as the threat of the US imposing higher import tariffs have become more of a reality. The month of November was corporate results reporting for the 3Q24, and results were either in line or below expectations, with some underlying weaknesses seen in some consumer and technology stocks. The impact of the sharp MYR appreciation up to the end of September 2024 when it reached RM4.1235/USD, also negatively affected many companies' earnings in unrealized forex losses, hitting exporters especially hard. By the end of 4Q2024, the Malaysian equity market rebounded likely on window dressing activities, as newsflow was weak for the last month of the year. The signing of the Johor–Singapore Special Economic Zone (JSSEZ) was delayed from 9 December 2024, as Singapore's Prime Minister was infected with COVID-19. The FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI) saw two new constituents added to the index: Gamuda Berhad and 99 Speedmart Retail Holdings Berhad, replacing Genting Malaysia Berhad and Genting Berhad. Foreign investors were net sellers of Malaysian equities for 4Q2024, to the tune of RM7.7b for the quarter.

After experiencing one of the best years in equities performance in 2024, in more than a decade, Malaysian equities had the worst start to 2025 since the index started in mid-1999. January correction was on the back of the sell-off in stocks related to the Artificial Intelligence (AI) trade. The Biden administration announced AI export controls just before President Trump's inauguration, causing a lot of uncertainty regarding the current and future capex plans of hyperscalers. Then the launch of DeepSeek, which is a Chinese startup offering free AI assistance with an open-source model, was developed at a fraction of the cost of competitors. During the month, the leaders of Malaysia and Singapore formalised an agreement establishing a special economic zone linking Johor and Singapore, with the aim of attracting 50 projects in the first five years of its establishment. By mid-1Q2025 Malaysian equity markets managed to bounce back supported by gains in the big cap stocks. February was results reporting month, where a majority of companies reported their 2024 full year earnings. Overall, the plantation, banking and utilities companies reported earnings either in line or above.

The month of April kicked off with “Liberation” Day, as President Donald Trump declared a national economic emergency and announced a new set of reciprocal tariffs on April 2nd. A minimum of 10% tariff was announced on imports from all US trading partners and there were also additional reciprocal tariffs that was supposed to become effective from 9 April which was then put on hold for 90 days except for China which was imposed a higher tariff at 145%. Malaysia fared better than regional peers as other than Singapore and the Philippines, the announced reciprocal tariff imposed by the US was relatively lower. China’s President Xi Jin Ping was in Malaysia for a 3-day visit, where a total of 31 Memoranda of Understanding (MoUs) were signed across sectors such as communications, transport, education and artificial intelligence. May saw Malaysian equities underperforming regional markets, despite seeing some de-escalation in the US Tariff trade war. Malaysia’s corporate results reporting season in May came in rather underwhelming with more companies disappointing or inline, and only a few surprising on the upside. Those that disappointed were in the telco, oil and gas, auto, gaming, healthcare and utilities sectors. Post the results reporting season, consensus has downgraded earnings from above 6% to below 3% for 2025, with further downside risk to earnings as more analysts start to cut their earnings for the banks. During the month, Bank Negara Malaysia (BNM) maintained OPR at 3% but cut the Statutory Reserve Requirement (SRR) from 2% to 1%, releasing RM19b of liquidity into the banking system. BNM was clear to state that changes to the SRR is an instrument to manage liquidity and is not a signal on the stance of monetary policy. By the end of the 2Q2025 Malaysian equity markets managed to rebound despite weak sentiment from expanded Sales and Service Tax (SST) concerns and the surprise attack by Israel on Iran’s key military and nuclear facilities on 13 June 2025 which saw oil prices spiking. By the 24 June 2025, Iran and Israel agreed to a ceasefire, easing investor sentiments. Investors were hopeful on the potential positive progress in US-Malaysia import tariff negotiations, strengthening of the MYR, and renewed foreign fund inflows.

The beginning of 3Q25 started off on a weak note for Malaysian equities given the uncertainties surrounding the US tariffs, post the 90-day pause which expired on 9 July 2025, and the new tariff which was announced for 14 countries that were not able to secure an agreement by then. The tariff on Malaysian products to the US as at the 9 July 2025 was 25% (vs 2 April 2025 at 24%). BNM at their July Monetary Policy Committee (MPC) announced a 25bps cut to OPR to 2.75% and later announced their revised Gross Domestic Product (GDP) growth forecasts for 2025 of 4%-4.8% (vs 4.5%-5.5%), taking into account various tariff scenarios.

The FBM KLCI closed the period under review at 1,611.88 points, down 2.25%. The broader FBMS Index closed the period under review lower by 2.7%. The MSCI Asia Pacific ex-Japan Index gained by 12.66% in USD terms.<sup>1</sup>

## REBATES AND SOFT COMMISSIONS

During the period under review, the Manager and its delegates (if any) received soft commissions from brokers/dealers in the form of goods and services which directly assist the investment management of the Fund, including research and advisory services, market analyses, data and quotation services, and computer hardware and software used for and/or in support of the investment process of fund managers. Such soft commissions received are utilised in the investment management of the Fund and are of demonstratable benefit to the Fund and Unitholders. There were no churning of trades.

The Manager and its delegates (if any) have not received any rebates or shared any commissions from any brokers during the same period under review.

## SECURITIES LENDING OR REPURCHASE TRANSACTIONS

No securities lending or repurchase transaction have been carried out during the financial period under review.

<sup>1</sup> **Source:** Bloomberg: World indices

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# EASTSPRING INVESTMENTS ISLAMIC EQUITY INCOME FUND

## FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025



## STATEMENT BY THE MANAGER

We, Yap Siok Hoon and John Campbell Tupling, being two of the Directors of Eastspring Investments Berhad, do hereby state that, in the opinion of the Manager, the accompanying financial statements set out on pages 21 to 65 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 September 2025 and of its financial performance, changes in equity and cash flows for the financial year ended on that date in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,  
**EASTSPRING INVESTMENTS BERHAD**

**YAP SIOK HOON**  
Executive Director/Chief Executive Officer

**JOHN CAMPBELL TUPLING**  
Independent, Non-Executive Director

Kuala Lumpur  
Date: 25 November 2025

## TRUSTEE'S REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS ISLAMIC EQUITY INCOME FUND ("FUND")

We have acted as Trustee of the Fund for the financial year ended 30 September 2025 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Eastspring Investments 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 deed, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

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

For Deutsche Trustees Malaysia Berhad

**Ng Hon Leong**  
Head, Fund Operations

**Sylvia Beh**  
Chief Executive Officer

Kuala Lumpur  
Date: 25 November 2025

## SHARIAH ADVISER'S REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS ISLAMIC EQUITY INCOME FUND ("FUND")

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Eastspring Investments Berhad has operated and managed the Fund for the period covered by these financial statements namely, the year ended 30 September 2025, in accordance with Shariah principles and requirements, and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The assets of the Fund comprise instruments that have been classified as Shariah-compliant except for the securities which have been reclassified as Shariah non-compliant by the Shariah Advisory Council of the Securities Commission Malaysia as follows:

No.	Securities	Reclassification Effective Date	Remarks
i.	Powerwell Holdings Berhad	29 November 2024	<p>These securities have been completely disposed of on 17 July 2025 at a gain.</p> <p>In addition, the Fund has received a dividend on 29 July 2025, resulting in an excess capital gain amounting to RM9,138.</p> <p>In accordance with the Fund's Shariah investment guidelines as provided in the Fund's Deed and disclosed in the Fund's prospectus, the excess capital gain has been channelled to charitable bodies as advised by us on 26 September 2025.</p>

For and on behalf of the Shariah Adviser,  
**BIMB SECURITIES SDN BHD**

**MUHAMMAD SHAHIER SA'MIN**  
Designated Shariah Person

Kuala Lumpur  
Date: 25 November 2025

# INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS ISLAMIC EQUITY INCOME FUND

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Our opinion

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

### What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 September 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 21 to 65.

### Basis for opinion

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

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

### *Independence and other ethical responsibilities*

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

### Information other than the financial statements and auditors' report thereon

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

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

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

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

### Responsibilities of the Manager for the financial statements

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

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

### Auditors' responsibilities for the audit of the financial statements

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

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

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

- e. Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

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

#### OTHER MATTERS

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

PRICEWATERHOUSECOOPERS PLT  
LLP0014401-LCA & AF 1146  
Chartered Accountants

Kuala Lumpur  
Date: 25 November 2025

# STATEMENT OF COMPREHENSIVE INCOME

## FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

	Note	2025 RM	2024 RM
<b>INVESTMENT INCOME</b>			
Gross dividend income		1,156,126	851,267
Profit income from Islamic deposits with licensed financial institutions		44,250	51,779
Net gain on financial assets at fair value through profit or loss	7	978,629	3,379,483
		<u>2,179,005</u>	<u>4,282,529</u>
<b>EXPENSES</b>			
Management fee	3	(472,361)	(355,538)
Trustee fee	4	(20,469)	(15,712)
Audit fee		(7,000)	(7,000)
Tax agent fee		(3,700)	(4,000)
Transaction costs		(138,559)	(92,050)
Payment to charitable bodies	9	(9,138)	-
Other expenses		(14,532)	(15,775)
		<u>(665,759)</u>	<u>(490,075)</u>
<b>PROFIT BEFORE TAXATION</b>		1,513,246	3,792,454
<b>TAXATION</b>	6	-	-
<b>PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME</b>		<u>1,513,246</u>	<u>3,792,454</u>
Profit after taxation is made up of the following:			
Realised amount		2,319,868	(593,499)
Unrealised amount		(806,622)	4,385,953
		<u>1,513,246</u>	<u>3,792,454</u>

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



# STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2025

	Note	2025 RM	2024 RM
<b>ASSETS</b>			
Cash and cash equivalents	8	1,056,242	2,965,198
Financial assets at fair value through profit or loss	7	33,296,226	24,906,428
Amount due from Manager		161,342	323,292
Amount due from brokers		365,897	73,387
Dividends receivable		79,379	73,120
<b>TOTAL ASSETS</b>		<b>34,959,086</b>	<b>28,341,425</b>
<b>LIABILITIES</b>			
Accrued management fee		41,514	32,702
Amount due to Manager		180,195	50,124
Amount due to Trustee		1,799	1,417
Amount due to brokers		208,903	999,599
Other payables and accruals		16,272	24,010
<b>TOTAL LIABILITIES</b>		<b>448,683</b>	<b>1,107,852</b>
<b>NET ASSET VALUE OF THE FUND</b>		<b>34,510,403</b>	<b>27,233,573</b>
<b>EQUITY</b>			
Unit holders' capital		31,371,714	23,906,714
Retained earnings		3,138,689	3,326,859
<b>NET ASSET ATTRIBUTABLE TO UNIT HOLDERS</b>		<b>34,510,403</b>	<b>27,233,573</b>
<b>NUMBER OF UNITS IN CIRCULATION</b>	10	<b>58,627,955</b>	<b>46,100,403</b>
<b>NET ASSET VALUE PER UNIT (EX-DISTRIBUTION) (RM)</b>		<b>0.5886</b>	<b>0.5907</b>

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

# STATEMENT OF CHANGES IN EQUITY

## FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

	Note	Unit holders' capital	Retained earnings	Total
		RM	RM	RM
Balance as at 1 October 2024		23,906,714	3,326,859	27,233,573
Movement in unit holders' contribution:				
Creation of units from applications		13,531,501	-	13,531,501
Creation of units from distributions		1,656,641	-	1,656,641
Cancellation of units		(7,723,142)	-	(7,723,142)
Distribution (Gross/Net: 3.04 sen)	5	-	(1,701,416)	(1,701,416)
Total comprehensive income for the financial year		-	1,513,246	1,513,246
Balance as at 30 September 2025		<u>31,371,714</u>	<u>3,138,689</u>	<u>34,510,403</u>
Balance as at 1 October 2023		23,075,132	(465,595)	22,609,537
Movement in unit holders' contribution:				
Creation of units from applications		10,003,203	-	10,003,203
Cancellation of units		(9,171,621)	-	(9,171,621)
Total comprehensive income for the financial year		-	3,792,454	3,792,454
Balance as at 30 September 2024		<u>23,906,714</u>	<u>3,326,859</u>	<u>27,233,573</u>

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

# STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

	Note	2025	2024
		RM	RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Proceeds from sale of Shariah-compliant investments		17,834,809	13,701,618
Purchase of Shariah-compliant investments		(26,467,743)	(13,948,249)
Dividends received		1,143,524	843,161
Profit income received from Islamic deposits with licensed financial institutions		44,250	51,779
Management fee paid		(463,549)	(350,505)
Trustee fee paid		(20,087)	(15,528)
Payment to charitable bodies	9	(9,138)	-
Payment for other fees and expenses		(26,627)	(30,300)
Net cash (used in)/generated from operating activities		(7,964,561)	251,976
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash proceeds from units created		13,693,451	9,810,459
Payments for cancellation of units		(7,593,071)	(9,140,370)
Distribution paid		(44,775)	-
Net cash generated from financing activities		6,055,605	670,089
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		(1,908,956)	922,065
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>		2,965,198	2,043,133
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	8	1,056,242	2,965,198

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

## MATERIAL ACCOUNTING POLICY INFORMATION

### FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

The following accounting policies have been used in dealing with items which are considered material in relation to the financial statements.

#### **A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including Islamic derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements is in conformity with the MFRS and International Financial Reporting Standards which requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial year. It also requires the Manager to exercise their judgement in the process of applying the Fund's accounting policies. Although these estimates and judgement are based on the Manager's best knowledge of current events and actions, actual results may differ.

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

- a. Standards, amendments to published standards and interpretations that are applicable and effective:

There are no standards, amendments to standards or interpretations that are applicable and effective for annual periods beginning on 1 January 2024 that have a material effect on the financial statements of the Fund.

- b. Standards and amendments that have been issued that are applicable to the Fund but not yet effective:
  - Amendments to MFRS 9 and MFRS 7 'Amendments to the Classification and Measurement of Financial Instruments' (effective 1 January 2026)

- The amendments clarify that financial assets are derecognised when the rights to the cash flows expire or when the asset is transferred, and financial liabilities are derecognised at the settlement date (i.e. when the liability is extinguished or qualifies for derecognition).
  - There is an optional exception to derecognise a financial liability at a date earlier than the settlement date if the cash transfer takes place through an electronic payment system, provided that all the specified criteria are met;
  - The amendments also clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest ("SPPI") criterion;
  - There are additional new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
  - The amendments update the disclosures for equity instruments designated at fair value through other comprehensive income ("FVOCI").
- MFRS 18 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027) replaces MFRS 101 'Presentation of Financial Statements'
- The new MFRS introduces a new structure of profit or loss statement.
    - i. Income and expenses are classified into 3 new main categories:
      - Operating category which typically included results from the main business activities;
      - Investing category that presents the results of investments in associates and joint venture and other assets that generate a return largely independently of other resources; and
      - Financing category that presents income and expenses from financing liabilities.
    - ii. Entities are required to present two new specified subtotals: 'Operating profit or loss' and 'Profit or loss before financing and income taxes'.
  - Management-defined performance measures are disclosed in a single note and reconciled to the most similar specified subtotal in MFRS Accounting Standards.
  - Changes to the guidance on aggregate and disaggregation which focus on grouping items based on their shared characteristics.

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

## **B PROFIT INCOME RECOGNITION**

Profit income from short-term Islamic deposits placed with licensed financial institutions is recognised on an accrual basis using the effective profit rate method.

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

Dividend income is recognised on the ex-dividend date, when the right to receive the dividend has been established.

Realised gain or loss on disposal of quoted Shariah-compliant securities is accounted for as the difference between the net disposal proceeds and the carrying amount of Shariah-compliant securities, which is determined on a weighted average cost basis.

## **C TRANSACTION COSTS**

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisors, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

## **D TAXATION**

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

## **E FUNCTIONAL AND PRESENTATION CURRENCY**

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

## **F FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

### **i. Classification**

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

- those to be measured subsequently at fair value through profit or loss, and
- those to be measured at amortised cost

The Fund classifies its investments based on both the Fund’s business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity<sup>1</sup> securities as fair value through other comprehensive income. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from Manager, amount due from brokers and dividends receivable as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

The Fund classifies accrued management fee, amount due to Manager, amount due to Trustee, amount due to brokers and other payables and accruals as financial liabilities measured at amortised cost.

<sup>1</sup> For the purposes of the investments made by the Fund, equity refers to Shariah-compliant equity instruments.

## ii. Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Fund commits to purchase or sell the asset. Shariah-compliant investments are initially recognised at fair value and transaction costs are expensed in the statement of comprehensive income.

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

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

Financial liabilities are derecognised when the obligation under the liabilities is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Gains or losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are presented in the statement of comprehensive income within “net gain/(loss) on financial assets at fair value through profit or loss” in the financial year in which they arise.

Quoted Shariah-compliant securities in Malaysia are valued at the last done market price quoted on Bursa Malaysia Securities Berhad (“Bursa Securities”) at the date of the statement of financial position.

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

Financial assets and other financial liabilities are subsequently carried at amortised cost using the effective profit rate method.



iii. Impairment for assets carried at amortised costs

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

iv. Significant increase in credit risk

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

v. Definition of default and credit-impaired financial assets

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

vi. Write-off

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

## **G AMOUNT DUE FROM/(TO) BROKERS**

Amount due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. The amount due from brokers balance is held for collection. Refer to Note F for accounting policy on recognition and measurement.

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

Significant financial difficulties of the brokers, probability that the brokers will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

## **H CASH AND CASH EQUIVALENTS**

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

## **I UNIT HOLDERS' CAPITAL**

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

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

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

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

## **J DISTRIBUTION**

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

## **K CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES**

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

## 1 INFORMATION ON THE FUND

Eastspring Investments Islamic Equity Income Fund (the “Fund”) was constituted pursuant to the execution of a Deed dated 26 December 2018 (the “Deed”) entered into between Eastspring Investments Berhad (the “Manager”) and Deutsche Trustees Malaysia Berhad (the “Trustee”), followed by First Supplemental Deed dated 20 May 2022 (collectively referred to as the “Deeds”).

The Fund was launched on 8 April 2019 and will continue its operations until terminated by the Trustee or the Manager as provided under Part 12 of the Deed.

The Fund invests in Shariah-compliant equities and Shariah-compliant equity-related securities of listed companies in Malaysia that have consistent track record of dividend distributions and prospect for capital growth or increase in future dividend distributions.

All Shariah-compliant investments will be subjected to the Securities Commission’s (“SC”) Guidelines on Unit Trust Funds, the Deeds and the objective of the Fund.

The Fund seeks to provide a stable income stream with medium to long-term capital growth.

The Manager is a company incorporated in Malaysia and is related to Prudential Plc., a public listed company in the United Kingdom. The principal activity of the Manager is the establishment and management of unit trust funds and asset management.

## 2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks which include market risk (inclusive of price risk and exposure to interest rate risk), stock/issuer risk, liquidity risk, fund management risk, non-compliance risk, Shariah status reclassification risk, capital risk and credit/default risk.

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

Financial instruments of the Fund are as follows:

	Note	Financial assets at amortised cost RM	Financial assets at fair value through profit or loss RM	Total RM
<b>2025</b>				
Cash and cash equivalents	8	1,056,242	-	1,056,242
Quoted Shariah-compliant securities	7	-	33,296,226	33,296,226
Amount due from Manager		161,342	-	161,342
Amount due from brokers		365,897	-	365,897
Dividends receivable		79,379	-	79,379
		<u>1,662,860</u>	<u>33,296,226</u>	<u>34,959,086</u>
<b>2024</b>				
Cash and cash equivalents	8	2,965,198	-	2,965,198
Quoted Shariah-compliant securities	7	-	24,906,428	24,906,428
Amount due from Manager		323,292	-	323,292
Amount due from brokers		73,387	-	73,387
Dividends receivable		73,120	-	73,120
		<u>3,434,997</u>	<u>24,906,428</u>	<u>28,341,425</u>

All liabilities are financial liabilities which are carried at amortised cost.

## Market risk

### i. Price risk

Price risk arises mainly from the uncertainty about future prices of investments. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Manager manages the risk of unfavourable changes in prices by continuous monitoring of the performance and risk profile of the investment portfolio.

The table below shows assets of the Fund as at 30 September which are exposed to price risk:

	2025	2024
	RM	RM

Financial assets at fair value through profit or loss:

Quoted Shariah-compliant securities	33,296,226	24,906,428
-------------------------------------	------------	------------

The following table summarises the sensitivity of the Fund's profit after tax and net asset value to movements in prices of quoted Shariah-compliant securities at the end of each financial reporting year. The analysis is based on the assumptions that the market price of the quoted Shariah-compliant securities increased by 5% and decreased by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted Shariah-compliant securities, having regard to the historical volatility of the prices.

% Change in price	2025		2024	
	Impact on		Impact on	
	profit after		profit after	
	tax and		tax and	
	Market	net asset	Market	net asset
	value	value	value	value
	RM	RM	RM	RM
+5% (2024: +5%)	34,961,037	1,664,811	26,151,749	1,245,321
-5% (2024: -5%)	31,631,415	(1,664,811)	23,661,107	(1,245,321)

## ii. Exposure to interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flows.

The Fund's investments in Islamic deposits with licensed financial institutions are short-term in nature. Therefore, exposure to interest rate fluctuations is minimal.

The above interest rate is a general economic indicator that will have an impact on the management of the Fund regardless whether it is an Islamic unit trust fund or otherwise. It does not in any way suggest that the Fund will invest in conventional financial instruments. All investments carried out for the Fund including placements and deposits are in accordance with Shariah.

**Stock/Issuer risk**

The Fund is restricted to investment in Shariah-compliant securities issued by and Shariah-compliant securities relating to any issuer of not more than ten percent (10%) of its net asset value. Furthermore, the Fund is restricted to invest in Shariah-compliant securities issued by and Shariah-compliant securities relating to any group of companies of not more than twenty percent (20%) of its net asset value. Under such restrictions, the exposure risk to the Shariah-compliant securities of any single issuer or any one group of companies is minimised.

**Liquidity risk**

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. Generally, all investments are subject to a certain degree of liquidity risk depending on the nature of the investment instruments, market, sector and other factors. For the purpose of the Fund, the Manager will attempt to balance the entire portfolio by investing in a mix of assets with satisfactory trading volume and those that occasionally could encounter poor liquidity. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

The Fund maintains sufficient level of Islamic liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellations of units by unit holders. Islamic liquid assets comprise bank balances, Islamic deposits with licensed financial institutions and other Shariah-compliant instruments which are capable of being converted into cash within 7 days.



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

	<b>Less than 1 month</b>	<b>Between 1 month to 1 year</b>	<b>Total</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b><u>2025</u></b>			
Accrued management fee	41,514	-	41,514
Amount due to Manager	180,195	-	180,195
Amount due to Trustee	1,799	-	1,799
Amount due to brokers	208,903	-	208,903
Other payables and accruals	-	16,272	16,272
Contractual undiscounted cash outflows	<u>432,411</u>	<u>16,272</u>	<u>448,683</u>
<b><u>2024</u></b>			
Accrued management fee	32,702	-	32,702
Amount due to Manager	50,124	-	50,124
Amount due to Trustee	1,417	-	1,417
Amount due to brokers	999,599	-	999,599
Other payables and accruals	-	24,010	24,010
Contractual undiscounted cash outflows	<u>1,083,842</u>	<u>24,010</u>	<u>1,107,852</u>

**Fund management risk**

There is the risk that the management company may not adhere to the investment mandate of the respective Funds. With close monitoring by the investment committee, back office system being incorporated with limits and controls, and regular reporting to the senior management team, the management company is able to manage such risk. The Trustee has an oversight function over management of the Fund by the management company to safeguard the interests of unit holders.

**Non-compliance risk**

Non-compliance risk arises when the Manager and others associated with the Fund are not compliant to the rules set out in the Fund's constitution or the laws that govern the Fund or applicable internal control procedures, or acts of fraudulence or dishonesty.

Non-compliance may expose the Fund to higher risks which may result in a fall in the value of the Fund which in turn may affect its investment goals. However, the risk can be mitigated by the internal controls and compliance monitoring undertaken by the Manager.

## **Shariah status reclassification risk**

### **a. Shariah-compliant equity securities**

The risk refers to the risk that the currently held Shariah-compliant equity securities in the Fund may be reclassified as Shariah non-compliant in the periodic review of the securities by the Shariah Advisory Council ("SAC") of the Securities Commission ("SC"). If this occurs, the Manager will take the necessary steps to dispose of such securities.

Opportunity loss could occur due to the restriction on the Fund to retain the excess capital gains derived from the disposal of the reclassified Shariah non-compliant securities. In such an event, the Fund is required:

- i. to dispose of such securities with immediate effect or within one (1) calendar month if the value of the securities exceeds or is equal to the investment cost on the reclassification effective date by the SAC of the SC. The Fund is allowed to keep dividends received and capital gains from the disposal of the securities up to the reclassification effective date. However, any dividends received and excess capital gains from the disposal of the Shariah non-compliant securities after the reclassification effective date should be channelled to baitulmal and/or charitable bodies as advised by the Shariah Adviser;
- ii. to hold such securities if the value of the said securities is below the investment cost on the reclassification effective date until the total subsequent dividends received (if any) and the market price of the securities is equal to the cost of investment at which time disposal has to take place within one (1) calendar month, excess capital gains (if any) from the disposal of the securities should be channelled to baitulmal and/or charitable bodies as advised by the Shariah Adviser; or
- iii. to dispose of such securities at a price lower than the investment cost which will result in a decrease in the Fund's value.

b. Islamic money market instruments or Islamic deposits

This risk refers to the risk of a possibility that the currently held Islamic money market instruments or Islamic deposits invested by the Fund may be declared as Shariah non-compliant by the relevant authority or the Shariah Adviser. If this occurs, the Manager will take the necessary steps to dispose of or withdraw such money market instruments or deposits.

### **Capital risk**

The capital of the Fund is represented by equity consisting of unit holders' capital of RM31,371,714 (2024: RM23,906,714) and retained earnings of RM3,138,689 (2024: RM3,326,859). The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the Shariah-compliant investment activities of the Fund.

### **Credit/Default risk**

Credit risk refers to the ability of an issuer or a counter party to make timely payments of profit income, principals and proceeds from realisation of Shariah-compliant investments.

Credit risk arising from cash and bank balances is managed by ensuring that they are held by parties with credit rating of AA1 or higher.

The credit risk arising from placements of Islamic deposits with licensed financial institutions is managed by ensuring that the Fund will only place Islamic deposits in reputable licensed financial institutions. For amount due from brokers, the settlement terms are governed by the relevant rules and regulations as prescribed by Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The credit/default risk is minimal as all transactions in quoted Shariah-compliant securities are settled/paid upon delivery using approved brokers. The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC's Guidelines on Unit Trust Funds.

The following table sets out the credit risk concentrations and counterparties of the Fund.

	Cash and cash equivalents	Dividends receivable	Amount due from Manager	Amount due from brokers	Total
	RM	RM	RM	RM	RM
2025					
Consumer Products & Services					
- NR	-	1,271	-	-	1,271
Financial Services					
- AAA	1,056,242	-	-	-	1,056,242
Health Care					
- NR	-	9,980	-	-	9,980
Industrial Products & Services					
- NR	-	12,600	-	-	12,600
Islamic Real Estate Investment Trust					
- NR	-	5,522	-	-	5,522
Property					
- NR	-	2,458	-	-	2,458
Technology					
- NR	-	5,448	-	-	5,448
Utilities					
- NR	-	42,100	-	-	42,100
Other					
- NR	-	-	161,342	365,897	527,239
	1,056,242	79,379	161,342	365,897	1,662,860

	Cash and cash equivalents	Dividends receivable	Amount due from Manager	Amount due from brokers	Total
	RM	RM	RM	RM	RM
2024					
Consumer Products & Services					
- NR	-	2,542	-	-	2,542
Financial Services					
- AAA	2,965,198	-	-	-	2,965,198
Health Care					
- NR	-	9,724	-	-	9,724
Property					
- NR	-	7,648	-	-	7,648
Industrial Products & Services					
- NR	-	2,578	-	-	2,578
Islamic Real Estate Investment Trust					
- NR	-	2,710	-	-	2,710
Technology					
- NR	-	1,893	-	-	1,893
Utilities					
- NR	-	46,025	-	-	46,025
Other					
- NR	-	-	323,292	73,387	396,679
	<u>2,965,198</u>	<u>73,120</u>	<u>323,292</u>	<u>73,387</u>	<u>3,434,997</u>

None of these financial assets are past due or impaired.

## Fair value estimation

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

The fair value of financial assets traded in active market (such as trading Shariah-compliant securities) are based on quoted market prices at the close of trading on the financial year end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is representative of the fair value.

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

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques.

### i. Fair value hierarchy

The following table analyses financial instruments carried at fair value by valuation method.

The different levels have been defined as follows:

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

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

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

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

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM

#### 2025

Financial assets at fair value

through profit or loss:

Quoted Shariah-

compliant securities	33,296,226	-	-	33,296,226
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#### 2024

Financial assets at fair value

through profit or loss:

Quoted Shariah-

compliant securities	24,906,428	-	-	24,906,428
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Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed quoted Shariah-compliant securities. The Fund does not adjust the quoted prices for these instruments. The Fund’s policies on valuation of these financial assets are stated in Note F to the financial statements.

- ii. The carrying value of cash and cash equivalents, amount due from Manager, amount due from brokers, dividends receivable and all liabilities are a reasonable approximation of their fair values due to their short-term nature.



### **3 MANAGEMENT FEE**

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 2.00% per annum of the net asset value of the Fund calculated on daily basis.

For the financial year ended 30 September 2025, the management fee is recognised at a rate of 1.50% (2024: 1.50%) per annum on the net asset value of the Fund, calculated on daily basis.

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

### **4 TRUSTEE FEE**

In accordance with the Deed, the Trustee is entitled to an annual fee at a rate not exceeding 0.20% per annum of the net asset value of the Fund, subject to a minimum fee of RM15,000 per annum.

For the financial year ended 30 September 2025, the Trustee fee is recognised at a rate of 0.065% (2024: 0.065%) subject to a minimum fee of RM15,000 per annum on the net asset value of the Fund, calculated on daily basis.

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

## 5 DISTRIBUTION

	2025	2024
	RM	RM
Distribution to unit holders are from the following sources:		
Dividend income	940,353	-
Profit income	43,372	-
Realised gain on sale of investments	1,145,272	-
Gross realised income	2,128,997	-
Less: Expenses	(427,581)	-
	<u>1,701,416</u>	<u>-</u>
Gross distribution per unit (sen)	<u>3.04</u>	<u>-</u>
Net distribution per unit (sen)	<u>3.04</u>	<u>-</u>
Ex-Date	<u>17 September 2025</u>	<u>-</u>

Gross distribution is derived using total income less total expenses. The distribution is made from current financial years' realised income.

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.

During the financial year ended 30 September 2025, the Fund incurred an unrealised losses of RM806,622 (2024: RM Nil).

## 6 TAXATION

	2025	2024
	RM	RM

Tax charged for the financial year:

Current taxation - -

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

	2025	2024
	RM	RM

Profit before taxation 1,513,246 3,792,454

Tax at Malaysian statutory rate of 24% (2024: 24%) 363,179 910,189

Tax effect of:

Shariah-compliant investment income  
not subject to tax (522,961) (1,027,807)

Expenses not deductible for tax purposes 44,736 30,609

Restriction on the tax deductible expenses for  
Unit Trust Funds 115,046 87,009

Taxation - -

## 7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025	2024
	RM	RM
Financial assets at fair value through profit or loss:		
Quoted Shariah-compliant securities	<u>33,296,226</u>	<u>24,906,428</u>
Net gain on financial assets at fair value through profit or loss:		
Realised gain/(loss) on disposals	1,785,251	(1,006,470)
Change in unrealised fair value (loss)/gain	<u>(806,622)</u>	<u>4,385,953</u>
	<u>978,629</u>	<u>3,379,483</u>

Quoted Shariah-compliant securities

<b>Name of counter</b>	<b>Quantity</b>	<b>Aggregate cost</b>	<b>Fair value as at 30.9.2025</b>	<b>Percentage of net asset value of the Fund</b>
	<b>Units</b>	<b>RM</b>	<b>RM</b>	<b>%</b>
<u>Construction</u>				
Binastra Corporation Berhad	97,900	208,527	230,065	0.67
Gamuda Berhad	362,921	1,640,692	2,006,953	5.82
IJM Corporation Berhad	317,400	907,609	895,068	2.59
Kerjaya Prospek Group Berhad	241,600	504,591	572,592	1.66
UUE Holdings Berhad	406,000	336,595	355,250	1.03
	<u>1,425,821</u>	<u>3,598,014</u>	<u>4,059,928</u>	<u>11.77</u>
<u>Consumer Products &amp; Services</u>				
Farm Fresh Berhad	241,500	435,441	548,205	1.59
Fraser & Neave Holdings Berhad	24,400	711,030	664,656	1.93
Hong Leong Industries Berhad	78,500	843,521	1,099,000	3.18
MBM Resources Berhad	64,000	330,372	331,520	0.96
Mr D.I.Y. Group (M) Berhad	214,100	407,588	351,124	1.02
Oriental Food Industries Holdings Berhad	127,100	131,576	175,398	0.51
Sime Darby Berhad	157,100	340,544	358,188	1.04
	<u>906,700</u>	<u>3,200,072</u>	<u>3,528,091</u>	<u>10.23</u>
<u>Energy</u>				
Dialog Group Berhad	274,000	624,565	517,860	1.50
Solarvest Holdings Berhad	130,900	253,620	356,048	1.03
	<u>404,900</u>	<u>878,185</u>	<u>873,908</u>	<u>2.53</u>
<u>Financial Services</u>				
Bank Islam Malaysia Berhad	186,500	545,843	427,085	1.24
Bursa Malaysia Berhad	49,000	404,668	393,470	1.14
	<u>235,500</u>	<u>950,511</u>	<u>820,555</u>	<u>2.38</u>
<u>Health Care</u>				
IHH Healthcare Berhad	199,600	1,324,611	1,506,980	4.37

Quoted Shariah-compliant securities (continued)

<b>Name of counter</b>	<b>Quantity</b>	<b>Aggregate cost</b>	<b>Fair value as at 30.9.2025</b>	<b>Percentage of net asset value of the Fund</b>
	<b>Units</b>	<b>RM</b>	<b>RM</b>	<b>%</b>
<u>Industrial Products &amp; Services</u>				
Engtex Group Berhad	503,300	337,928	309,530	0.90
KJTS Group Berhad	199,700	250,564	317,523	0.92
Malayan Cement Berhad	180,000	952,216	1,265,400	3.67
PETRONAS Chemicals Group Berhad	145,000	528,370	613,350	1.78
Press Metal Aluminum Holdings Berhad	222,000	1,179,843	1,312,020	3.80
Scientex Berhad	139,700	621,492	504,317	1.46
Sunway Berhad	250,900	1,021,868	1,417,585	4.11
Uchi Technologies Berhad	146,300	476,936	482,790	1.40
V.S. Industry Berhad	441,201	491,258	260,309	0.75
	<u>2,228,101</u>	<u>5,860,475</u>	<u>6,482,824</u>	<u>18.79</u>
<u>Islamic Real Estate Investment Trust</u>				
Al-'Aqar Healthcare REIT	337,100	433,118	421,375	1.22
Axis Real Estate Investment Trust	165,565	292,444	339,408	0.98
KLCC Property Holdings Berhad	126,600	1,011,618	1,090,026	3.16
	<u>629,265</u>	<u>1,737,180</u>	<u>1,850,809</u>	<u>5.36</u>
<u>Plantation</u>				
Hap Seng Plantations Holdings Berhad	173,800	371,046	347,600	1.01
Kuala Lumpur Kepong Berhad	31,840	664,281	655,904	1.90
SD Guthrie Berhad	236,500	1,080,443	1,234,530	3.58
	<u>442,140</u>	<u>2,115,770</u>	<u>2,238,034</u>	<u>6.49</u>

Quoted Shariah-compliant securities (continued)

<b>Name of counter</b>	<b>Quantity</b>	<b>Aggregate cost</b>	<b>Fair value as at 30.9.2025</b>	<b>Percentage of net asset value of the Fund</b>
	<b>Units</b>	<b>RM</b>	<b>RM</b>	<b>%</b>
<u>Property</u>				
Eco World Development Group Berhad	360,000	717,290	788,400	2.28
Matrix Concepts Holdings Berhad	140,450	178,168	198,035	0.57
S P Setia Berhad	224,200	297,621	230,926	0.67
	<u>724,650</u>	<u>1,193,079</u>	<u>1,217,361</u>	<u>3.52</u>
<u>Technology</u>				
Frontken Corporation Berhad	196,300	795,124	814,645	2.36
Inari Amertron Berhad	185,200	509,107	383,364	1.11
ITMAX System Berhad	108,500	403,912	487,165	1.41
SNS Network Technology Berhad	274,000	142,490	179,470	0.52
ViTrox Corporation Berhad	43,600	182,743	163,500	0.47
Zetrix AI Berhad	321,566	276,732	273,331	0.79
	<u>1,129,166</u>	<u>2,310,108</u>	<u>2,301,475</u>	<u>6.66</u>
<u>Telecommunications &amp; Media</u>				
Axiata Group Berhad	321,500	824,553	861,620	2.50
CelcomDigi Berhad	124,500	505,989	460,650	1.33
Telekom Malaysia Berhad	185,852	1,101,045	1,315,832	3.81
TIME dotCom Berhad	80,000	392,350	408,000	1.18
	<u>711,852</u>	<u>2,823,937</u>	<u>3,046,102</u>	<u>8.82</u>

Quoted Shariah-compliant securities (continued)

<b>Name of counter</b>	<b>Quantity</b>	<b>Aggregate cost</b>	<b>Fair value as at 30.9.2025</b>	<b>Percentage of net asset value of the Fund</b>
	<b>Units</b>	<b>RM</b>	<b>RM</b>	<b>%</b>
<u>Transportation &amp; Logistics</u>				
MISC Berhad	128,900	921,933	940,970	2.73
Westports Holdings Berhad	148,789	728,347	797,509	2.31
	<u>277,689</u>	<u>1,650,280</u>	<u>1,738,479</u>	<u>5.04</u>
<u>Utilities</u>				
Gas Malaysia Berhad	94,300	332,515	406,433	1.18
PETRONAS Gas Berhad	54,000	964,118	999,000	2.89
Tenaga Nasional Berhad	168,400	2,060,226	2,226,247	6.45
	<u>316,700</u>	<u>3,356,859</u>	<u>3,631,680</u>	<u>10.52</u>
<b>TOTAL QUOTED SHARIAH-COMPLIANT SECURITIES</b>	<u>9,632,084</u>	<u>30,999,081</u>	<u>33,296,226</u>	<u>96.48</u>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			<u>2,297,145</u>	
<b>TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			<u>33,296,226</u>	



Quoted Shariah-compliant securities

<b>Name of counter</b>	<b>Quantity</b>	<b>Aggregate cost</b>	<b>Fair value as at 30.9.2024</b>	<b>Percentage of net asset value of the Fund</b>
	<b>Units</b>	<b>RM</b>	<b>RM</b>	<b>%</b>
<u>Construction</u>				
Gamuda Berhad	133,780	673,731	1,080,942	3.97
Sunway Construction Group Berhad	103,900	202,701	467,550	1.72
	237,680	876,432	1,548,492	5.69
<u>Consumer Products &amp; Services</u>				
Bermaz Auto Berhad	102,400	221,593	229,376	0.84
Fraser & Neave Holdings Berhad	20,100	579,912	627,522	2.30
Guan Chong Berhad	69,000	267,141	213,210	0.78
Hong Leong Industries Berhad	85,800	875,502	1,178,892	4.33
MBM Resources Berhad	92,000	442,986	541,880	1.99
Mr D.I.Y. Group (M) Berhad	226,100	416,320	479,332	1.76
Oriental Food Industries Holdings Berhad	127,100	131,576	233,864	0.86
Sime Darby Berhad	173,200	391,276	426,072	1.56
Three-A Resources Berhad	253,000	260,013	228,965	0.84
	1,148,700	3,586,319	4,159,113	15.26
<u>Energy</u>				
Dialog Group Berhad	252,300	712,949	542,445	1.99
<u>Financial Services</u>				
Bank Islam Malaysia Berhad	156,500	464,363	422,550	1.55
Bursa Malaysia Berhad	68,000	569,676	647,360	2.38
	224,500	1,034,039	1,069,910	3.93

Quoted Shariah-compliant securities (continued)

<b>Name of counter</b>	<b>Quantity</b>	<b>Aggregate cost</b>	<b>Fair value as at 30.9.2024</b>	<b>Percentage of net asset value of the Fund</b>
	<b>Units</b>	<b>RM</b>	<b>RM</b>	<b>%</b>
<u>Health Care</u>				
Hartalega Holdings Berhad	85,000	228,334	237,150	0.87
IHH Healthcare Berhad	154,000	953,829	1,102,640	4.05
Kossan Rubber Industries Berhad	139,200	318,165	260,304	0.96
KPJ Healthcare Berhad	249,700	290,208	529,364	1.94
	<u>627,900</u>	<u>1,790,536</u>	<u>2,129,458</u>	<u>7.82</u>
<u>Industrial Products &amp; Services</u>				
Cahya Mata Sarawak Berhad	329,000	469,291	447,440	1.64
Engtex Group Berhad	503,300	337,928	329,662	1.21
Malayan Cement Berhad	73,700	363,341	383,240	1.41
Powerwell Holdings Berhad	754,000	418,850	301,600	1.11
Press Metal Aluminium Holdings Berhad	107,000	594,040	541,420	1.99
Scientex Berhad	70,700	309,473	305,424	1.12
Solarvest Holdings Berhad	214,900	278,150	337,393	1.24
Sunway Berhad	128,900	382,631	541,380	1.99
Uchi Technologies Berhad	142,300	434,306	533,625	1.96
V.S. Industry Berhad	140,000	166,502	137,900	0.51
V.S. Industry Berhad - Warrant	14,000	-	2,590	0.01
	<u>2,477,800</u>	<u>3,754,512</u>	<u>3,861,674</u>	<u>14.19</u>
<u>Islamic Real Estate Investment Trust</u>				
Al-'Aqar Healthcare REIT	207,000	254,590	269,100	0.99
Axis Real Estate Investment Trust	86,065	151,915	157,499	0.58
KLCC Property Holdings Berhad	104,400	820,873	835,200	3.07
	<u>397,465</u>	<u>1,227,378</u>	<u>1,261,799</u>	<u>4.64</u>

Quoted Shariah-compliant securities (continued)

<b>Name of counter</b>	<b>Quantity</b>	<b>Aggregate cost</b>	<b>Fair value as at 30.9.2024</b>	<b>Percentage of net asset value of the Fund</b>
	<b>Units</b>	<b>RM</b>	<b>RM</b>	<b>%</b>
<u>Plantation</u>				
SD Guthrie Berhad	180,500	790,145	864,595	3.17
<u>Property</u>				
Mah Sing Group Berhad	135,000	216,000	232,200	0.85
Matrix Concepts Holdings Berhad	305,900	403,224	611,800	2.25
S P Setia Berhad	224,200	297,621	280,250	1.03
	665,100	916,845	1,124,250	4.13
<u>Technology</u>				
Frontken Corporation Berhad	61,000	215,352	223,870	0.82
Inari Amertron Berhad	135,200	374,857	392,080	1.44
ITMAX System Berhad	141,700	184,279	511,537	1.88
SNS Network Technology Berhad	274,000	142,490	165,770	0.61
ViTrox Corporation Berhad	53,600	239,022	173,128	0.64
	665,500	1,156,000	1,466,385	5.39
<u>Telecommunications &amp; Media</u>				
CelcomDigi Berhad	106,900	465,040	397,668	1.46
Telekom Malaysia Berhad	175,852	973,879	1,181,725	4.34
TIME dotCom Berhad	89,500	445,446	424,230	1.56
	372,252	1,884,365	2,003,623	7.36

Quoted Shariah-compliant securities (continued)

<b>Name of counter</b>	<b>Quantity</b>	<b>Aggregate cost</b>	<b>Fair value as at 30.9.2024</b>	<b>Percentage of net asset value of the Fund</b>
	<b>Units</b>	<b>RM</b>	<b>RM</b>	<b>%</b>
<u>Transportation &amp; Logistics</u>				
MISC Berhad	98,900	701,133	771,420	2.83
Westports Holdings Berhad	50,000	214,270	213,500	0.78
	148,900	915,403	984,920	3.61
<u>Utilities</u>				
Gas Malaysia Berhad	177,200	532,274	673,360	2.47
PETRONAS Gas Berhad	31,000	558,740	558,000	2.05
Tenaga Nasional Berhad	184,100	2,066,724	2,658,404	9.76
	392,300	3,157,738	3,889,764	14.28
<b>TOTAL QUOTED SHARIAH-COMPLIANT SECURITIES</b>	<u>7,790,897</u>	21,802,661	<u>24,906,428</u>	91.46
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			<u>3,103,767</u>	
<b>TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			<u>24,906,428</u>	

8 CASH AND CASH EQUIVALENTS

	2025	2024
	RM	RM
Bank balance with a licensed bank	106,172	104,967
Islamic deposits with licensed financial institution	950,070	2,860,231
	<u>1,056,242</u>	<u>2,965,198</u>

The effective weighted average rate of return of short-term Islamic deposits with licensed financial institution per annum as at the date of the statement of financial position are as follows:

	2025	2024
	%	%
Islamic deposits with licensed financial institution	<u>2.70</u>	<u>2.95</u>

The Islamic deposits have an average maturity of 1 day (2024: 1 day).

## 9 SHARIAH INFORMATION OF THE FUND

### 2025

- (a) The Shariah Adviser confirmed that the investment portfolio of the Fund is Shariah-compliant, which comprises:
- (1) Equity securities listed on Bursa Malaysia Securities Berhad which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission Malaysia except for:

No.	Securities	Reclassification Effective Date	Remarks
i.	Powerwell Holdings Berhad	29 November 2024	<p>These securities have been completely disposed of on 17 July 2025 at a gain.</p> <p>In addition, the Fund has received a dividend on 29 July 2025, resulting in an excess capital gain amounting to RM9,138.</p> <p>In accordance with the Fund's Shariah investment guidelines as provided in the Fund's Deed and disclosed in the Fund's prospectus, the excess capital gain has been channelled to charitable bodies as advised by the Shariah Adviser on 26 September 2025.</p>

- (2) Collective investment schemes which have been verified as Shariah-compliant by the Shariah Adviser; and
- (3) Cash placements and liquid assets in local market which are placed in Shariah-compliant instruments.

(b) Payment to charitable bodies

Payment to charitable bodies has comprised the excess capital gain derived from the disposal of the securities and the dividend, as disclosed in Note 9 2025 (a)(1)(i) above.

2024

(a) The Shariah Adviser confirmed that the investment portfolio of the Fund is Shariah-compliant, which comprises:

- (1) Equity securities listed on Bursa Malaysia Securities Berhad which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission Malaysia;
- (2) Collective investment schemes which have been verified as Shariah-compliant by the Shariah Adviser; and
- (3) Cash placements and liquid assets in local market which are placed in Shariah-compliant instruments.

## 10 UNITS IN CIRCULATION

	2025	2024
	No. of units	No. of units
At the beginning of the financial year	46,100,403	45,130,572
Creation of units during the financial year:		
Arising from applications	23,158,778	18,283,013
Arising from distribution	2,857,755	-
Cancellation of units during the financial year	(13,488,981)	(17,313,182)
At the end of the financial year	<u>58,627,955</u>	<u>46,100,403</u>

## 11 TRANSACTIONS WITH BROKERS

Details of transactions with the top 10 brokers are as follows:

Name of brokers	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage fees
	RM	%	RM	%
<b>2025</b>				
UBS Securities Malaysia Sdn Bhd	4,926,920	11.27	9,361	11.47
RHB Investment Bank Berhad	4,757,857	10.88	8,488	10.40
CGS International Securities Malaysia Sdn Bhd	4,591,513	10.50	8,724	10.69
J.P. Morgan Securities (Malaysia) Sdn Bhd	4,310,591	9.86	8,209	10.06
Kenanga Investment Bank Berhad	3,685,357	8.43	6,787	8.32
Maybank Investment Bank Berhad	3,542,819	8.10	5,953	7.30
Affin Hwang Investment Bank Berhad	2,979,979	6.82	5,662	6.94
CLSA Securities Malaysia Sdn Bhd	2,659,519	6.08	5,053	6.19
AmlInvestment Bank Berhad	2,531,418	5.79	4,810	5.90
UOB Kay Hian (M) Sdn Bhd	2,463,790	5.64	4,681	5.74
Others	7,271,940	16.63	13,851	16.99
	<b>43,721,703</b>	<b>100.00</b>	<b>81,579</b>	<b>100.00</b>



Name of brokers	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage fees
	RM	%	RM	%
<b>2024</b>				
RHB Investment Bank Berhad	3,636,168	12.72	6,913	12.62
CLSA Securities Malaysia Sdn Bhd	3,364,435	11.77	6,392	11.67
Citigroup Global Markets (M) Sdn Bhd	2,985,467	10.44	5,672	10.35
Maybank Investment Bank Berhad	2,871,170	10.04	5,678	10.36
Kenanga Investment Bank Berhad	2,435,746	8.52	4,628	8.45
CIMB Securities Sdn Bhd	2,337,740	8.18	4,442	8.11
UOB Kay Hian Securities (M) Sdn Bhd	1,960,661	6.86	3,772	6.89
J.P. Morgan Securities (Malaysia) Sdn Bhd	1,678,927	5.87	3,190	5.82
CGS International Securities Malaysia Sdn Bhd	1,404,274	4.91	2,668	4.87
Affin Hwang Investment Bank Berhad	1,270,725	4.44	2,414	4.41
Others	4,644,792	16.25	9,014	16.45
	<b>28,590,105</b>	<b>100.00</b>	<b>54,783</b>	<b>100.00</b>

All brokers highlighted above are not related to the Manager.

## 12 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

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

Related parties	Relationship
Director of Eastspring Investments Berhad	Director of the Manager
Eastspring Investments Berhad	The Manager
Eastspring Investments Group Private Limited	Immediate holding company of the Manager
Prudential Plc	Ultimate holding company of the Manager

### Units held by Manager:

	2025		2024	
	No. of units	RM	No. of units	RM
Eastspring Investments Berhad	2,497	1,470	2,373	1,402

The above units were transacted at the prevailing market price.

The units are held legally and beneficially by the Manager. Other than the above, there were no units held by the Directors or parties related to the Manager.

In addition to the related parties disclosure mentioned in the financial statements, there were no other significant related parties transactions and balances.

13 TOTAL EXPENSE RATIO ("TER")

	2025	2024
	%	%
TER	1.62	1.66

TER is derived from the following calculation:

$$\text{TER} = \frac{(A + B + C + D + E)}{F} \times 100$$

- A = Management fee
- B = Trustee fee
- C = Audit fee
- D = Tax agent fee
- E = Other expenses (excluding sales and service tax on transaction cost and withholding tax)
- F = Average net asset value of the Fund calculated on a daily basis

The average net asset value of the Fund for the financial year calculated on a daily basis is RM31,503,837 (2024: RM23,697,227).

## 14 PORTFOLIO TURNOVER RATIO ("PTR")

	2025	2024
PTR (times)	0.69	0.60

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisitions for the financial period} + \text{total disposals for the financial period}) \div 2}{\text{Average net asset value of the Fund for the financial period calculated on a daily basis}}$$

where:

total acquisitions for the financial year = RM25,596,553 (2024: RM14,780,650)

total disposals for the financial year = RM18,185,384 (2024: RM13,819,319)

## 15 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 25 November 2025.

## CORPORATE DIRECTORY

### **THE MANAGER**

NAME

EASTSPRING INVESTMENTS BERHAD

COMPANY NO.

200001028634 (531241-U)

REGISTERED OFFICE

Level 25, Menara Hong Leong

No. 6, Jalan Damanela

Bukit Damansara

50490 Kuala Lumpur

BUSINESS OFFICE

Level 22, Menara Prudential

Persiaran TRX Barat

55188 Tun Razak Exchange

Kuala Lumpur

TELEPHONE NO.

603-2778 3888

FAX NO.

603-2789 7220

EMAIL

cs.my@eastspring.com

WEBSITE

www.eastspring.com/my

### **TRUSTEE**

NAME

DEUTSCHE TRUSTEES MALAYSIA BERHAD

COMPANY NO.

200701005591 (763590-H)

REGISTERED OFFICE & BUSINESS OFFICE

Level 20, Menara IMC

No. 8, Jalan Sultan Ismail

50250 Kuala Lumpur

TELEPHONE NO.

603-2053 7522

FAX NO.

603-2053 7526

### **SHARIAH ADVISER**

NAME

BIMB SECURITIES SDN BHD

COMPANY NO.

199401004484 (290163-X)

REGISTERED ADDRESS

32<sup>nd</sup> Floor, Menara Bank Islam

No. 22 Jalan Perak

50450 Kuala Lumpur

BUSINESS ADDRESS

Level 34, Menara Bank Islam

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50450 Kuala Lumpur

TELEPHONE NO.

603-2613 1600

FAX NO.

603-2613 1799

EMAIL

shariah.bimbsec@bankislam.com.my

WEBSITE

www.bimbsec.com.my

**SALE & PURCHASE OF UNITS**

**Eastspring Investments Berhad**

Level 22, Menara Prudential  
Persiaran TRX Barat  
55188 Tun Razak Exchange  
Kuala Lumpur

TELEPHONE NO.  
603-2778 1000

**BRANCHES**

**Petaling Jaya**

Eastspring Investments Berhad  
A-17-P1 & M  
Block A, Jaya One  
72A, Jalan Profesor Diraja Ungku Aziz  
46200 Petaling Jaya, Selangor

TELEPHONE NO.  
603-7948 1288

**Kota Kinabalu**

Eastspring Investments Berhad  
Suite E3, 9<sup>th</sup> Floor  
CPS Tower, Centre Point Sabah  
No. 1, Jalan Centre Point  
88000 Kota Kinabalu, Sabah

TELEPHONE NO.  
6088-238 613

**ENQUIRIES**

CLIENT SERVICES  
603-2778 1000

## APPENDIX 1 – LIST OF CHANGES FOR EASTSPRING INVESTMENTS ISLAMIC EQUITY INCOME FUND

Unless otherwise stated, the following changes are affected via the Sixth Supplementary Prospectus of Eastspring Investments Islamic Equity Income dated 2 September 2025.

Section	First Prospectus dated 8 April 2019, First Supplementary Prospectus dated 8 April 2019, Second Supplementary Prospectus dated 1 August 2019, Third Supplementary Prospectus dated 30 September 2022, Fourth Supplementary Prospectus dated 2 February 2024 and Fifth Supplementary Prospectus of Eastspring Investments Islamic Equity Income Fund dated 21 April 2025	Sixth Supplementary Prospectus dated 2 September 2025
<b>The Management And The Administration Of The Fund – Background of the Manager</b>	<p>Eastspring Investments Berhad was incorporated in November 2000 and is part of the Prudential Group. The ultimate parent company of the Prudential Group is Prudential plc whose shares are listed on the London, New York, Hong Kong and Singapore stock exchanges. The Manager is a duly approved unit trust management company by the SC since 5 January 2005 and holds a capital markets services licence for fund management and dealing in securities restricted to unit trust funds.</p> <p>Eastspring Investments companies (excluding joint venture companies) are ultimately wholly owned/indirect subsidiaries/associate of Prudential plc of the United Kingdom. Eastspring Investments companies (including joint venture companies) and Prudential plc are not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America or with the Prudential Assurance Company, a subsidiary of M&amp;G plc (a company incorporated in the United Kingdom).</p>	<p><u>The Manager's corporate information and experience as a unit trust management company can be viewed at <a href="https://www.eastspring.com/my/about-us/company">https://www.eastspring.com/my/about-us/company</a>.</u></p>

Section	<p>First Prospectus dated 8 April 2019, First Supplementary Prospectus dated 8 April 2019, Second Supplementary Prospectus dated 1 August 2019, Third Supplementary Prospectus dated 30 September 2022, Fourth Supplementary Prospectus dated 2 February 2024 and Fifth Supplementary Prospectus of Eastspring Investments Islamic Equity Income Fund dated 21 April 2025</p>	<p>Sixth Supplementary Prospectus dated 2 September 2025</p>
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**The Management and the Administration of the Fund – Fund Management Function**

The Manager's investment team is headed by the head of investments. The head of investments is supported by a team of experienced fund managers who are responsible to manage the Funds.

**YVONNE TAN HONG YEAN  
Head of Equities**

**Yvonne Tan Hong Yean is the designated fund manager for this Fund.**

Yvonne has been with the Manager for over eighteen (18) years. She is currently heading the equity team and overseeing all the Manager's equity funds. Prior to that, she was heading the insurance investment team, overseeing more than RM20 billion in funds.

Yvonne has over thirty (30) years of experience in the investment industry, comprising over twenty-four (24) years in fund management and over six (6) years in investment research. Yvonne has experience in managing the domestic and Asia-Pacific ex-Japan equities, as well as balanced funds.

Prior to joining the Manager, she was a senior investment manager in a leading multinational insurance company, and she was also one of the pioneers of a local and Singapore-based asset management company. Yvonne obtained her Capital Markets Services Representative's License in January 2007 from the SC.

The information on the fund management function is available on our website at <https://www.eastspring.com/my/about-us/fund-management-function>.



Section	<p>First Prospectus dated 8 April 2019, First Supplementary Prospectus dated 8 April 2019, Second Supplementary Prospectus dated 1 August 2019, Third Supplementary Prospectus dated 30 September 2022, Fourth Supplementary Prospectus dated 2 February 2024 and Fifth Supplementary Prospectus of Eastspring Investments Islamic Equity Income Fund dated 21 April 2025</p>	<p>Sixth Supplementary Prospectus dated 2 September 2025</p>
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**The Management and the Administration of the Fund – Fund Management Function (continued)**

Yvonne holds a Bachelor of Science (First Class Honours) and she graduated from the Association of International Accountants (United Kingdom) in 1993. She is a Chartered Financial Analyst (CFA) Charterholder since September 1998.

**The Management And The Administration Of The Fund – Manager's Delegate – External Investment Manager**

**Background of Eastspring Al-Wara' Investments Berhad**

Eastspring Al-Wara' Investments Berhad ("Eastspring Al-Wara'") was incorporated in June 2009 and is part of the Prudential Group. The ultimate parent company of the Prudential Group is Prudential plc whose shares are listed on the London, New York, Hong Kong and Singapore stock exchanges.

Eastspring Al-Wara' business is to manage funds on behalf of institutional client and as at 30 June 2022, it manages more than RM 8.5 billion of Shariah-compliant asset. Eastspring Al-Wara' is also part of the Malaysian International Islamic Financial Centre community, which focuses on supporting the development of the Malaysian Islamic capital market and positioning Malaysia as one of the leading global hubs for Islamic finance.

The Manager has appointed Eastspring Al-Wara' Investments Berhad ("Eastspring Al-Wara'") as the external investment manager for the Fund.

**Roles and Duties of the External Investment Manager**

The External Investment Manager is responsible to invest the investments of the Fund in accordance with the Fund's objective and its Deed, and subject to the Act, the Guidelines and any practice notes issued by the SC from time to time, as well as the internal policies and procedures of the Manager. The External Investment Manager reports to the committee undertaking the oversight function of the Fund on a regular basis on the status of the portfolio, proposed investment strategy and other matters relating to the portfolio of the Fund.

The External Investment Manager's investment team is headed by the head of investments. The head of investments is supported by a team of experienced fund managers who are responsible to manage the Fund delegated to them.

Section	<p><b>First Prospectus dated 8 April 2019, First Supplementary Prospectus dated 8 April 2019, Second Supplementary Prospectus dated 1 August 2019, Third Supplementary Prospectus dated 30 September 2022, Fourth Supplementary Prospectus dated 2 February 2024 and Fifth Supplementary Prospectus of Eastspring Investments Islamic Equity Income Fund dated 21 April 2025</b></p>	<p><b>Sixth Supplementary Prospectus dated 2 September 2025</b></p>
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**The Management And The Administration Of The Fund – Manager’s Delegate – External Investment Manager (continued)**

**Roles and Duties of the External Investment Manager**

The Manager will be appointing Eastspring Al Wara’ as the external investment manager for the Fund with effect from 1 January 2023. The External Investment Manager is responsible to invest the investments of the Fund in accordance with the Fund’s objective and its Deed, and subject to the Act, the Guidelines and any practice notes issued by the SC from time to time, as well as the internal policies and procedures of the Manager. The External Investment Manager reports to the members of committee undertaking the oversight function of the Fund on a regular basis on the status of the portfolio, proposed investment strategy and other matters relating to the portfolio of the Fund.

The External Investment Manager’s investment team is headed by the head of investments. The head of investments is supported by a team of experienced fund managers who are responsible to manage the Fund delegated to them.

Further information on the External Investment Manager are available on our website at <https://www.eastspring.com/my/about-us/advisers-and-delegates>.

**Material Litigation and Arbitration**

As at 30 June 2025, the External Investment Manager is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect its business and/or financial position.

Section	First Prospectus dated 8 April 2019, First Supplementary Prospectus dated 8 April 2019, Second Supplementary Prospectus dated 1 August 2019, Third Supplementary Prospectus dated 30 September 2022, Fourth Supplementary Prospectus dated 2 February 2024 and Fifth Supplementary Prospectus of Eastspring Investments Islamic Equity Income Fund dated 21 April 2025	Sixth Supplementary Prospectus dated 2 September 2025
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**The Management And The Administration Of The Fund**  
**– Manager’s Delegate**  
**– External Investment Manager (continued)**

**Tan Ming-Han**  
*Head of Investments*

Tan Ming-Han (Ming-Han) joined Eastspring Al-Wara’ as head of investments in November 2018. Prior to joining Eastspring Al-Wara’, Ming-Han was an associate director in Amundi Malaysia Sdn Bhd where he managed regional and domestic equity portfolios for institutional clients from June 2012 to October 2018. Ming-Han has past investment experience in the industry including Meridian Asset Management Sdn Bhd, HwangDBS Investment Management and Philip Capital Management where he also managed both local and regional unit trust funds and discretionary mandates. He has long and short equity experience from his working stint as a hedge fund manager in Singapore in 2010. He started his career in corporate finance and brings with him more than 18 years of investment industry experience. Ming-Han holds a Bachelor of Commerce degree majoring in Corporate Finance and International Business from the University of Adelaide, Australia.

**Material Litigation and Arbitration**

As at 30 June 2022, the External Investment Manager is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect its business and/or financial position.

Section	<b>First Prospectus dated 8 April 2019, First Supplementary Prospectus dated 8 April 2019, Second Supplementary Prospectus dated 1 August 2019, Third Supplementary Prospectus dated 30 September 2022, Fourth Supplementary Prospectus dated 2 February 2024 and Fifth Supplementary Prospectus of Eastspring Investments Islamic Equity Income Fund dated 21 April 2025</b>	<b>Sixth Supplementary Prospectus dated 2 September 2025</b>
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**The Shariah Adviser – Experience as Shariah Adviser to Unit Trust Funds**

BIMB Securities Sdn Bhd is registered with the SC to act as a Shariah adviser for Islamic products and services regulated by the SC, which include Islamic collective investment schemes. BIMB Securities Sdn Bhd is independent from the Manager and does not hold office as a member of the committee undertaking the oversight function of the Fund or any other funds managed and administered by the Manager. As at 31 January 2025, BIMB Securities Sdn Bhd is a corporate Shariah adviser to one hundred and four (104) Islamic funds including two (2) Islamic real estate investment trusts.

BIMB Securities Sdn Bhd is registered with the SC to act as a Shariah adviser for Islamic products and services regulated by the SC, which include Islamic collective investment schemes. BIMB Securities Sdn Bhd is independent from the Manager and does not hold office as a member of the committee undertaking the oversight function of the Fund or any other funds managed and administered by the Manager. Please refer to <https://www.eastspring.com/my/about-us/advisers-and-delegates> for more information on the Shariah Adviser.

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