



## **Asset Management**

Maybank Asset Management Sdn Bhd  
199701006283

Level 12, Tower C

Dataran Maybank

No.1 Jalan Maarof

59000 Kuala Lumpur, Malaysia

Telephone +603 2297 7888

Facsimile +603 2715 0071

[www.maybank-am.com.my](http://www.maybank-am.com.my)

# **MAYBANK MALAYSIA SMALLCAP FUND**

**Annual report**

**For the financial year ended 31 July 2025**

## **CORPORATE INFORMATION**

### **MANAGER**

Maybank Asset Management Sdn Bhd (199701006283) (421779-M)  
Level 12 Tower C  
Dataran Maybank  
No 1 Jalan Maarof  
59000 Kuala Lumpur, Malaysia  
Telephone +603 2297 7888  
Facsimile +603 2715 0071  
[www.maybank-am.com.my](http://www.maybank-am.com.my)

### **TRUSTEE**

CIMB Commerce Trustee Berhad (199401027349) (313031-A)  
Level 21 Menara CIMB  
Jalan Stesen Sentral 2  
Kuala Lumpur Sentral  
50100 Kuala Lumpur  
Telephone +603 2261 8888  
Facsimile +603 2261 9894

## **MAYBANK MALAYSIA SMALLCAP FUND**

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## **MAYBANK MALAYSIA SMALLCAP FUND**

### **Manager's report**

**For the financial year ended 31 July 2025**

#### **A. Fund Information**

**1. Name of the Fund**

Maybank Malaysia SmallCap Fund ("Fund")

**2. Type of Fund**

Growth Fund

**3. Category of Fund**

Equity Fund

**4. Duration of the Fund**

The Fund is an open-ended Fund.

**5. Fund's launch date/ Commencement date**

3 March 2004/ 24 March 2004

**6. Fund's investment objective**

The Fund aims to achieve Medium to Long Term capital growth by primarily investing into securities of small and medium sized companies:

- (i) listed on the Bursa Malaysia's Main Market, ACE Market and/ or any other boards approved by the Securities Commission Malaysia ("SC");
- (ii) with market capitalisation of not more than the limit considered by the SC to be appropriate for fund similar to this Fund; and
- (iii) which have the potential for capital appreciation over the Medium to Long Term.

**7. Fund's distribution policy**

It is not the main objective of the Fund to distribute income as the main focus of the Fund is to secure capital growth in line with the performance of the Fund's benchmark. Any distribution is at the Manager's discretion, subject to Trustee's approval.

**8. Fund's performance benchmark**

FTSE Bursa Malaysia SmallCap Index

**9. The Fund's asset allocation policy**

The Fund will be investing a minimum of 70% (maximum 98%) of the Fund's NAV in stocks and shares of small and medium cap companies, and a minimum of 2% (maximum 30%) of the Fund's NAV will be invested in liquid assets and money market instruments.

**10. The Fund's investment policy and principal investment strategy**

The Fund invests in securities of companies which have obtained approval from the relevant authorities for listing on the Main Market or ACE Market of Bursa Malaysia. The Fund invests primarily in selected small and medium sized companies with market capitalisation of not more than Ringgit Malaysia ("RM") 3 billion at the point of purchase of stocks which have the potential for capital appreciation over the Medium to Long Term. The Fund may also invest in companies with market capitalisation exceeding RM3 billion in order to increase the benefit of diversification and enhance the stability of the Fund. The Fund may consider investment in unlisted equities. However, investment in unlisted equities is limited to a maximum of 10% of the NAV of the Fund.

## MAYBANK MALAYSIA SMALLCAP FUND

### Manager's report

For the financial year ended 31 July 2025 (cont'd)

### B. Performance Review

#### 1. Key performance data of the Fund

Category	FY2025	FY2024	FY2023
<b>Portfolio composition (%)</b>			
<b>Quoted equities (%)</b>	<b>95.67</b>	<b>77.95</b>	<b>94.93</b>
Construction	14.72	10.64	-
Consumer Products	2.60	9.79	24.27
Energy	9.15	12.00	17.63
Finance	8.06	1.81	3.98
Healthcare	1.66	2.60	5.14
Industrial Products	28.21	17.94	10.89
Plantations	3.38	1.79	4.48
Property	10.47	10.28	-
Real Estate Investment Trusts ("REITs")	2.48	1.31	5.31
Technology	10.11	6.85	23.23
Telecommunication & Media	4.83	2.94	-
<b>Cash and other net assets (%)</b>	<b>4.33</b>	<b>22.05</b>	<b>5.07</b>
<b>Total (%)</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
NAV (RM'000)	28,245	48,205	27,422
Units in circulation (units'000)	39,417	59,260	41,778
NAV per unit (RM)	0.7166	0.8135	0.6564
Highest NAV per unit (RM)	0.8130	0.8536	0.7057
Lowest NAV per unit (RM)	0.6047	0.6358	0.5973
Net income distributed (RM'000)	-	1,481	-
Distribution date	-	26 July 2024	-
Gross/ Net distribution per unit (sen)	-	2.50	-
Annual total return (%) <sup>(1)</sup>	(11.91)	27.72	6.92
Benchmark (%)	(19.00)	24.52	8.95
Total Expense Ratio ("TER") (%) <sup>(2)</sup>	1.62	1.64	1.63
Portfolio Turnover Ratio ("PTR") (times) <sup>(3)</sup>	0.22	1.00	0.43

#### Notes:

- (1) Actual return of the Fund for the financial year is computed based on the daily average NAV per unit, net of Manager's and Trustee's fees.
- (2) The Fund's TER decreased to 1.62% due to higher average daily NAV during the current financial year.
- (3) The Fund's PTR decrease to 0.22 times due to decrease in trading activities during the current financial year.

*Investors are reminded that past performance of the Fund is not necessarily an indicative of its future performance and that unit prices and investment returns may fluctuate.*

## MAYBANK MALAYSIA SMALLCAP FUND

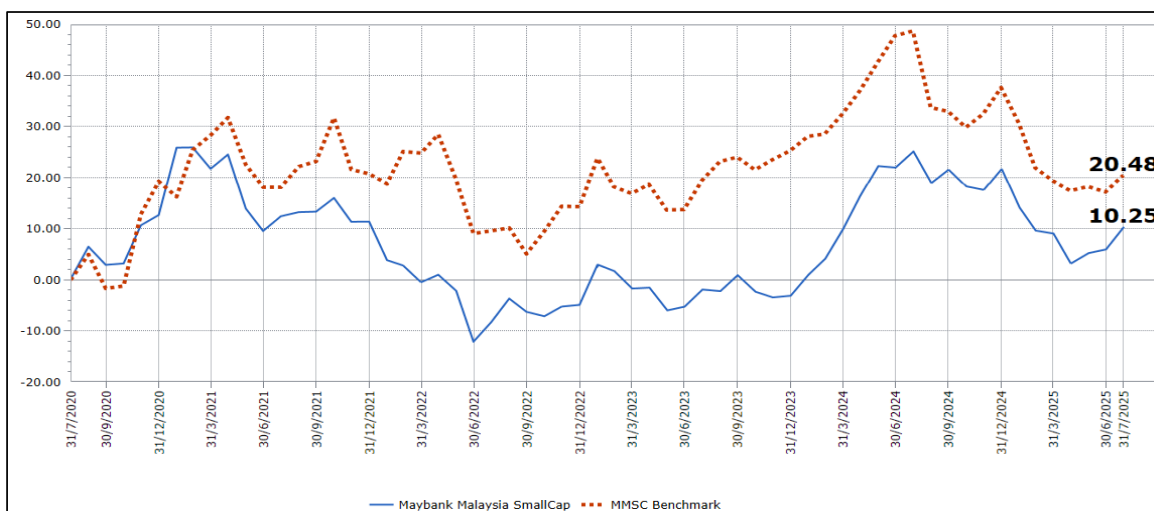
### Manager's report

For the financial year ended 31 July 2025 (cont'd)

### B. Performance Review (cont'd)

#### 2. Performance of the Fund up to 31 July 2025

Category	1 year to 31.07.2025	3 years to 31.07.2025	5 years to 31.07.2025
Capital growth	(11.91)	16.73	3.55
Income distribution	-	3.06	6.47
Total return of the Fund	(11.91)	20.30	10.25
Benchmark	(19.00)	9.90	20.48
Average total return	(11.91)	6.35	1.97



Source: Lipper, as at 31 July 2025

#### Has the Fund met its objective?

During the 1-year period under review, the Fund's performance declined by 11.91%, outperforming the benchmark's loss of 19.00%. The Fund benefited from better stock selection in the consumer and industrial sectors, as well as more defensive positioning within the technology sector. However, it still recorded negative returns due to weak market sentiment and various tariff and trade restrictions imposed by the United States ("US").

Over the 3-year period, the Fund delivered a return of 20.30%, outperforming the benchmark's return of 9.90%. However, over the 5-year period, the Fund posted a return of 10.25%, underperforming the benchmark's return of 20.48%. This underperformance was primarily driven by the Fund's overweight position in the technology sector, which was negatively affected by market expectations of faster tapering by the US Federal Reserve ("Fed") and a more hawkish stance on interest rate hikes.

The Fund successfully achieved its mid-term (3-year) return target by outperforming the index by 10.40%.

## MAYBANK MALAYSIA SMALLCAP FUND

### Manager's report

For the financial year ended 31 July 2025 (cont'd)

#### B. Performance Review

##### 3. Annual total return of the Fund

For the financial year ended	31.07.2025 %	31.07.2024 %	31.07.2023 %	31.07.2022 %	31.07.2021 %
Capital growth	(11.91)	23.93	6.92	(18.42)	8.74
Income distribution	-	3.06	-	-	3.31
Total return	(11.91)	27.72	6.92	(18.42)	12.34
Benchmark	(19.00)	24.52	8.95	(7.22)	18.16

##### 4. Basis of calculation made in calculating the returns:

The performance figures are a comparison of the growth/ decline in NAV after taking into account all the distributions payable (if any) during the stipulated period.

An illustration of the above would be as follows:

Capital return	=	(NAV per unit end/ NAV per unit begin) - 1
Income return	=	Income distribution per unit/ NAV per unit ex-date
Total return	=	(1+Capital return) x (1+Income return) - 1

#### C. Market Review

During the year under review, the main US markets climbed higher. The tech-focused Nasdaq gained 43.90%, outperforming the Standard & Poor's ("S&P") 500 and Dow Jones Industrial Average indices, which increased by 20.40% and 35.90%, respectively. European markets also performed well, with the Stoxx 50 gaining 25.80%. Asia experienced overall growth, led by the Hang Seng Index ("HSI") with a 48.40% increase, followed by the Straits Times Index ("STI") at 28.40%, and the Taiwan Stock Exchange ("TWSE") and Jakarta Composite Index ("JCI") at 7.00% and 6.80%, respectively. In contrast, the Philippine Stock Exchange Composite Index ("PSEi") recorded a negative return of 3.50%.

Domestically, Malaysia underperformed relative to other markets. The FTSE Bursa Malaysia ("FBM") Kuala Lumpur Composite Index ("KLCI") declined by 3.00%, while the FBM Emas Index posted negative returns of 5.50%. The FBM SmallCap Index saw a larger decline of 19.00%, driven by weaker corporate results, foreign outflows, and a general risk-off sentiment in the market.

At the beginning of the year, January 2025 saw a positive sentiment driven by strong demand for Artificial Intelligence ("AI"), which boosted the growth of local data centres ("DCs"). However, this enthusiasm was short-lived due to several negative events, namely, the Liberation Day tariff-related sell-off in April 2025, followed by uncertainty surrounding the now-scrapped "AI diffusion rule".

Toward the end of the reporting period, sentiment improved somewhat. Malaysia's reciprocal tariffs with the US were maintained at 19.00%, and the semiconductor sector was excluded from Trump's proposed 100% tariff rule. Nevertheless, uncertainty persists as US external policies continue to change over time.

## **MAYBANK MALAYSIA SMALLCAP FUND**

### **Manager's report**

**For the financial year ended 31 July 2025 (cont'd)**

#### **C. Market Review (cont'd)**

Despite a softer reporting season, we believe the local market is beginning to present attractive valuations and yields. We expect improved performance in the second half of the year as interest rates decline and tariff-related concerns become priced in.

#### **D. Market outlook and strategies**

During the year under review, the Fund began with a preference for the technology and industrial sectors, which proved successful toward the end of calendar year 2024. Investments were made in DC-related counters and undervalued stocks in the industrial sector, both of which saw rising value. The Fund maintained positions in fundamentally solid companies throughout the Liberation Day tariff-related sell-off and continued to seek opportunities in oversold counters.

We anticipate that volatility will persist through the second half of 2025, driven by rapid policy shifts and ongoing trade tensions. Despite this, we believe select sectors in Malaysia are well-positioned to perform, including:

- i) beneficiaries of trade diversions stemming from US–China tensions;
- ii) alternative providers of equipment, technology, and materials to both the US and China; and
- iii) local infrastructure companies linked to the data centre segment.

Looking ahead, the Fund remains cautious as persistent inflation concerns and overall market uncertainty continue to weigh on sentiment. Nevertheless, the Fund is actively identifying strong new Initial Public Offerings (“IPOs”) and companies with solid balance sheets capable of withstanding ongoing volatility.

While the Fund believes the ongoing boom in generative AI will continue to drive growth in related technologies, it remains highly selective in its exposure to technology names poised to benefit from this trend investments.

#### **E. Soft Commissions and Rebates**

The Manager and its delegates will not retain any form of soft commissions and rebates from or otherwise share in any commission with any broker in consideration for directing dealings in the investments of the Fund unless the soft commissions received are retained in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Fund. All dealings with brokers are executed on best available terms.

During the financial year under review, the Manager and its delegates did not receive any soft commissions and rebates from brokers or dealers but have retained soft commissions in the form of goods and services such as research materials and advisory services that assist in decision making process relating to the investment of the Fund (i.e. research materials data and quotation services, computer hardware and software incidental to the investment management of the Fund and investment advisory services) which were of demonstrable benefits to the unitholders.

#### **F. Securities Financing Transactions and Cross Trade Transactions**

The Fund has not undertaken any securities lending or repurchase transaction (“securities financing transactions”) in FY2025. No cross trade transactions have been carried out in FY2025.



## MAYBANK MALAYSIA SMALLCAP FUND

### Manager's report

For the financial year ended 31 July 2025 (cont'd)

### G. Significant Changes in The State of Affairs of the Fund

List highlighting the amendments from the prospectus dated 17 January 2020 (as modified by the first supplementary master prospectus dated 22 February 2021, the second supplementary master prospectus dated 8 May 2023 and the third supplementary master prospectus dated 22 November 2023) ("principal master prospectus") and the fourth supplementary master prospectus ("fourth supplementary master prospectus") in relation to the Fund.

No.	Principal Master Prospectus	Fourth Supplementary Master Prospectus
1.	<p><b>Chapter 3 – The Funds, Section 3.8 – Risk Factors, Manager's risk</b></p> <p>This risk refers to the day-to-day management of the fund by the manager which will impact the performance of the fund. For example, investment decisions undertaken by the manager, as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the deed, relevant law or guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely affect the performance of the fund.</p> <p>The fund management function of MMDF is carried out by the EIM who has expertise in managing funds. The person(s) or members of a committee undertaking the oversight function of the Fund monitors the EIM's investment processes to ensure consistent fund performance and that the Fund is managed according to internal policies and relevant regulations. To mitigate other areas of manager's risk, the Manager has internal controls in place to ensure that compliance monitoring processes are undertaken.</p>	<p><b>Chapter 3 – The Funds, Section 3.8 – Risk Factors, Manager's risk</b></p> <p>This risk refers to the day-to-day management of the fund by the manager which will impact the performance of the fund. For example, investment decisions undertaken by the manager, as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the deed, relevant law or guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely affect the performance of the fund.</p>
2.	<p><b>Chapter 3 – The Funds, Section 3.8 – Risk Factors, Mitigation of risk</b></p> <p>The Manager and EIM will take reasonable steps to ensure that the above potential risks are managed by:</p> <p>(a) actively monitoring a Fund's asset allocation to ensure minimum impact from any adverse market movements. They will ensure that the equities and fixed income securities are carefully selected through site visits, fundamental analysis and portfolio diversification.</p>	<p><b>Chapter 3 – The Funds, Section 3.8 – Risk Factors, Mitigation of risk</b></p> <p>The Manager will take reasonable steps to ensure that the above potential risks are managed by:</p> <p>(a) actively monitoring a Fund's asset allocation to ensure minimum impact from any adverse market movements. They will ensure that the equities and fixed income securities are carefully selected through site visits, fundamental analysis and portfolio diversification.</p>

## MAYBANK MALAYSIA SMALLCAP FUND

### Manager's report

For the financial year ended 31 July 2025 (cont'd)

### G. Significant Changes in The State of Affairs of the Fund (cont'd)

No.	Principal Master Prospectus	Fourth Supplementary Master Prospectus
2.	<p><b>Chapter 3 – The Funds, Section 3.8 – Risk Factors, Mitigation of risk (cont'd)</b></p> <p>In the case of fixed income securities, the Manager and EIM will also focus on the credit quality of the fixed income securities, which must be of an investment grade that complies with the respective Fund's permitted investments.</p> <p>(b) investing over a wide range of equities and fixed income securities of different companies which provides diversification across a number of sectors and industries, minimising the risk not only of any single company's securities becoming worthless, but also of all holdings suffering uniformly from adverse business conditions. The Manager and EIM will seek to reduce all these risks by utilizing their experience, the analytical process and by structuring a broadly diversified investment pool.</p> <p>The Manager and EIM will apply risk management controls over the investment portfolio including asset allocation, liquidity, adherence to investment objective and investment parameters, valuation, monitoring performance etc.</p> <p>The Manager and EIM will report to the person(s) or members of a committee undertaking the oversight function of the Fund quarterly. The person(s) or members of a committee undertaking the oversight function of the Fund will review and approve the investment portfolio and strategies of the Fund and ensure that the investment objective of the Fund and compliance to the Guidelines are met.</p>	<p><b>Chapter 3 – The Funds, Section 3.8 – Risk Factors, Mitigation of risk (cont'd)</b></p> <p>In the case of fixed income securities, the Manager will also focus on the credit quality of the fixed income securities, which must be of an investment grade that complies with the respective Fund's permitted investments.</p> <p>(b) investing over a wide range of equities and fixed income securities of different companies which provides diversification across a number of sectors and industries, minimising the risk not only of any single company's securities becoming worthless, but also of all holdings suffering uniformly from adverse business conditions. The Manager will seek to reduce all these risks by utilizing their experience, the analytical process and by structuring a broadly diversified investment pool.</p> <p>The Manager will apply risk management controls over the investment portfolio including asset allocation, liquidity, adherence to investment objective and investment parameters, valuation, monitoring performance etc.</p> <p>The Manager will report to the person(s) or members of a committee undertaking the oversight function of the Fund quarterly. The person(s) or members of a committee undertaking the oversight function of the Fund will review and approve the investment portfolio and strategies of the Fund, and ensure that the investment objective of the Fund and compliance to the Guidelines are met.</p>

## MAYBANK MALAYSIA SMALLCAP FUND

### Manager's report

For the financial year ended 31 July 2025 (cont'd)

### G. Significant Changes in The State of Affairs of the Fund (cont'd)

No.	Principal Master Prospectus	Fourth Supplementary Master Prospectus
3.	<p><b>Chapter 3 – The Funds, Section 3.8 – Risk Factors, Liquidity risk management, first paragraph</b></p> <p>In managing the Fund's liquidity, we and/or the EIM, as the case may be, will:</p> <p>(a) actively manage the liquidity of the Fund to meet repurchase requests from Unit Holders; and/ or</p> <p>(b) where available, take cash borrowing or cash financing on a temporary basis for the purpose of meeting repurchase requests for Units and for short term bridging requirements subject to the conditions set out in the section below under the heading "Financing and Borrowing".</p>	<p><b>Chapter 3 – The Funds, Section 3.8 – Risk Factors, Liquidity risk management, first paragraph</b></p> <p>In managing the Fund's liquidity, we will:</p> <p>(a) actively manage the liquidity of the Fund to meet repurchase requests from Unit Holders; and/ or</p> <p>(b) where available, borrow cash or take cash financing on a temporary basis for the purpose of meeting repurchase requests for Units and for short term bridging requirements subject to the conditions set out in the section below under the heading "Financing and Borrowing".</p>
4.	<p><b>Chapter 3 – The Funds, Section 3.11 – Investment Process, first paragraph and third paragraph</b></p> <p><u>First Paragraph</u></p> <p>The Manager and EIM adopt a combined top-down and bottom-up approach to investing that focuses on specific stock selection rather than markets and sectors. This ensures that the Funds invest in financial assets which are expected to give greater returns in a particular investment environment. For example, in a rising fixed income rates scenario, equities usually do not perform well and therefore, exposure to this asset class is reduced. In contrast, when fixed income rates are declining, exposure to equities is increased to maximise returns.</p> <p><u>Third Paragraph</u></p> <p>The person(s) or members of a committee undertaking the oversight function of the Fund will review and endorse the investment strategies recommended by the Manager and EIM. For MMEDF, the person(s) or members of a committee undertaking the oversight function of the Fund will also advise the Manager on ethical issues to ensure proper compliance with ethical principles of the Fund.</p>	<p><b>Chapter 3 – The Funds, Section 3.11 – Investment Process, first paragraph and third paragraph</b></p> <p><u>First Paragraph</u></p> <p>The Manager adopts a combined top-down and bottom-up approach to investing that focuses on specific stock selection rather than markets and sectors. This ensures that the Funds invest in financial assets which are expected to give greater returns in a particular investment environment. For example, in a rising fixed income rates scenario, equities usually do not perform well and therefore, exposure to this asset class is reduced. In contrast, when fixed income rates are declining, exposure to equities is increased to maximise returns.</p> <p><u>Third Paragraph</u></p> <p>The person(s) or members of a committee undertaking the oversight function of the Fund will review and endorse the investment strategies recommended by the Manager. For MMEDF, the person(s) or members of a committee undertaking the oversight function of the Fund will also advise the Manager on ethical issues to ensure proper compliance with ethical principles of the Fund.</p>

## MAYBANK MALAYSIA SMALLCAP FUND

### Manager's report

For the financial year ended 31 July 2025 (cont'd)

### G. Significant Changes in The State of Affairs of the Fund (cont'd)

No.	Principal Master Prospectus	Fourth Supplementary Master Prospectus
5.	<p><b>Chapter 4 – Fees, Charges and Expenses, Section 4.1 – Charges, Conversion charge</b></p> <p>This facility enables you to convert Units of a Class for Units of other Classes within the same Fund. The conversion charge for each Class of MMVF to another Class within the same Fund is MYR25 per transaction.</p> <p><i>Note: The Manager reserves the right to waive the conversion charge.</i></p>	Deleted.
6.	<p><b>Chapter 4 – Fees, Charges and Expenses, Section 4.4 – Policy on Brokerage Rebates and Soft Commissions</b></p> <p>We, the EIM, the Trustee or the Trustee's delegate should not retain any rebate from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission will be directed to the Fund's account.</p> <p>However, soft commissions provided by any broker or dealer may be retained by us or the EIM if:</p> <p>(i) the soft commissions bring direct benefit or advantage to the management of the Fund and may include research and advisory related services;</p> <p>(ii) any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund; and</p> <p>(iii) the availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and we and the EIM will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.</p>	<p><b>Chapter 4 – Fees, Charges and Expenses, Section 4.4 – Policy on Brokerage Rebates and Soft Commissions</b></p> <p>We, the Trustee or the Trustee's delegate should not retain any rebate from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission will be directed to the Fund's account.</p> <p>However, soft commissions provided by any broker or dealer may be retained by us if:</p> <p>(i) the soft commissions bring direct benefit or advantage to the management of the Fund and may include research and advisory related services;</p> <p>(ii) any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund; and</p> <p>(iii) the availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and we will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.</p>

## MAYBANK MALAYSIA SMALLCAP FUND

### Manager's report

For the financial year ended 31 July 2025 (cont'd)

### G. Significant Changes in The State of Affairs of the Fund (cont'd)

No.	Principal Master Prospectus	Fourth Supplementary Master Prospectus
7.	<p><b>Chapter 4 – Fees, Charges and Expenses, last paragraph</b></p> <p>There are fees and charges involved and investors are advised to consider the fees and charges before investing in the Fund.</p>	<p><b>Chapter 4 – Fees, Charges and Expenses, last paragraph</b></p> <p>There are fees and charges involved and investors are advised to consider them before investing in the Funds.</p> <p>We may (in our sole and absolute discretion) waive or reduce the amount of any fees (except the trustee fee) and expenses of the Funds, either for all the investors or a particular investor.</p>
8.	<p><b>Chapter 5 – Transaction Information, Section 5.1 Valuation Bases for Assets of the Funds, items (a), (b), (j) and second paragraph</b></p> <p>(a) Listed securities will be valued based on the last done market price of the respective exchanges.</p> <p>Where no market values are publicly available for listed securities, including in the event of a suspension in the quotation of the listed securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the listed securities should be valued at fair value, as determined in good faith by the Manager or the EIM, based on the methods or bases approved by the Trustee after appropriate technical consultation.</p> <p>(b) Unlisted bonds denominated in MYR are valued at the indicative market value quoted by a bond pricing agency (BPA) registered with the SC. Where the Manager or the EIM is of the view that the price quoted by BPA for a specific bond differs from the “market price” by more than 20 basis points, the Manager or the EIM may use the “market price”, provided that the Manager or the EIM:</p>	<p><b>Chapter 5 – Transaction Information, Section 5.1 Valuation Bases for Assets of the Funds, items (a), (b), (j) and second paragraph</b></p> <p>(a) Listed securities will be valued based on the last done market price of the respective exchanges.</p> <p>Where no market values are publicly available for listed securities, including in the event of a suspension in the quotation of the listed securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the listed securities should be valued at fair value, as determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation.</p> <p>(b) Unlisted bonds denominated in MYR are valued at the indicative market value quoted by a bond pricing agency (BPA) registered with the SC. Where the Manager is of the view that the price quoted by BPA for a specific bond differs from the “market price” by more than 20 basis points, the Manager may use the “market price”, provided that the Manager:</p>

## MAYBANK MALAYSIA SMALLCAP FUND

### Manager's report

For the financial year ended 31 July 2025 (cont'd)

### G. Significant Changes in The State of Affairs of the Fund (cont'd)

No.	Principal Master Prospectus	Fourth Supplementary Master Prospectus
8.	<p><b>Chapter 5 – Transaction Information, Section 5.1 Valuation Bases for Assets of the Funds, items (a), (b), (j) and second paragraph (cont'd)</b></p> <p>(i) records its basis for using a non-BPA price;  (ii) obtains necessary internal approvals to use the non-BPA price; and  (iii) keeps an audit trail of all decisions and basis for adopting the “market yield”.</p> <p>(j) Any other investments will be valued at fair value as determined in good faith by us or the EIM, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.</p> <p><u>Second paragraph</u>  The Manager and EIM will calculate the value of investments for the Funds at the end of each Business Day.</p>	<p><b>Chapter 5 – Transaction Information, Section 5.1 Valuation Bases for Assets of the Funds, items (a), (b), (j) and second paragraph (cont'd)</b></p> <p>(i) records its basis for using a non-BPA price;  (ii) obtains necessary internal approvals to use the non-BPA price; and  (iii) keeps an audit trail of all decisions and basis for adopting the “market yield”.</p> <p>(j) Any other investments will be valued at fair value as determined in good faith by us, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.</p> <p><u>Second Paragraph</u>  The Manager will calculate the value of investments for the Funds at the end of each Business Day.</p>
9.	<p><b>Chapter 5 – Transaction Information, Section 5.6 – Transfer, Switching and Conversion of Units</b></p> <p><b>5.6 TRANSFER, SWITCHING AND CONVERSION OF UNITS</b></p> <p>You may request for transfer, switching or conversion of your Units by completing the relevant forms and submitting the forms together with any additional documents deemed necessary directly to the Manager or the relevant appointed IUTAs. Each transaction is subject to an administration charge.</p> <p>We have the discretion to decline any request that we:</p> <p>(i) regard as disruptive to efficient portfolio management; or  (ii) deem to be contrary to the best interest of the affected Fund/Class.</p>	<p><b>Chapter 5 – Transaction Information, Section 5.6 – Transfer and Switching of Units</b></p> <p><b>5.6 TRANSFER AND SWITCHING OF UNITS</b></p> <p>You may request for transfer or switching of your Units by completing the relevant forms and submitting the forms together with any additional documents deemed necessary directly to the Manager or the relevant appointed IUTAs. Each transaction is subject to an administration charge.</p> <p>We have the discretion to decline any request that we:</p> <p>(i) regard as disruptive to efficient portfolio management; or  (ii) deem to be contrary to the best interest of the affected Fund/Class.</p>

## MAYBANK MALAYSIA SMALLCAP FUND

### Manager's report

For the financial year ended 31 July 2025 (cont'd)

### G. Significant Changes in The State of Affairs of the Fund (cont'd)

No.	Principal Master Prospectus	Fourth Supplementary Master Prospectus
9.	<p><b>Chapter 5 – Transaction Information, Section 5.6 – Transfer, Switching and Conversion of Units (cont'd)</b></p> <p>The details for each transaction are as follows:</p> <p><b>Transfer</b></p> <p>Transfer is a request to fully or partially transfer your (transferor) Units of a Fund to another investor (transferee). There is no minimum amount per transaction for transfers provided the minimum balance requirement is met. We may decline any transfer request which would result in the transferor or transferee with less than the minimum balance requirement of Units for the relevant Fund/ Class.</p> <p><i>Note: We reserve the right to decline any transfer request if such transfer will expose us to any liability and/ or will contravene any law or regulatory requirements, whether or not having the force of law.</i></p> <p><b>Switching</b></p> <p>Switching is a request to withdraw all or a specified part of your investment in a Fund, at the NAV per Unit of that Fund/ Class at the time of the switch, and use the proceeds to buy units in any other fund managed by the Manager. The minimum amount of Units per switching transaction is 1,000 Units. For partial switching, Units in your account must not be less than the relevant minimum balance requirement.</p>	<p><b>Chapter 5 – Transaction Information, Section 5.6 – Transfer and Switching of Units (cont'd)</b></p> <p>The details for each transaction are as follows:</p> <p><b>Transfer</b></p> <p>Transfer is a request to fully or partially transfer your (transferor) Units of a Fund to another investor (transferee). There is no minimum amount per transaction for transfers provided the minimum balance requirement is met. We may decline any transfer request which would result in the transferor or transferee with less than the minimum balance requirement of Units for the relevant Fund/ Class.</p> <p><i>Note: We reserve the right to decline any transfer request if such transfer will expose us to any liability and/ or will contravene any law or regulatory requirements, whether or not having the force of law.</i></p> <p><b>Switching</b></p> <p>You are permitted to switch from and to other funds managed by us provided that both funds are denominated in the same currency. Switching is treated as a withdrawal from one (1) fund and an investment into another fund. Switching will be made at the prevailing NAV per Unit of the Fund/ Class to be switched from on a Business Day when the switching request is received and accepted by us, subject to the availability and any terms and conditions imposed by the intended fund to be switched to, if any.</p> <p>There is no restriction on the minimum number of Units for a switch or the frequency of switching. However, you must meet the minimum Unit holdings (after the switch) of the Fund/ Class that you intend to switch from unless you are redeeming all your investments from the Fund/ Class.</p>

## MAYBANK MALAYSIA SMALLCAP FUND

### Manager's report

For the financial year ended 31 July 2025 (cont'd)

### G. Significant Changes in The State of Affairs of the Fund (cont'd)

No.	Principal Master Prospectus	Fourth Supplementary Master Prospectus
9.	<p><b>Chapter 5 – Transaction Information, Section 5.6 – Transfer, Switching and Conversion of Units (cont'd)</b></p> <p>Any switching request made <b>on or before the cut-off time of 4.00 p.m.</b> will be made at the NAV per Unit of the fund to be switched from when the switching request is received and accepted by us on a Business Day, subject to availability and any terms and conditions imposed by the intended fund, if any.</p> <p>Any switching request received or deemed to have been received after this cut-off time would be considered as being transacted on the following Business Day.</p> <p>We reserve the rights to vary the terms and conditions for switching from time to time, which shall be communicated to you in writing.</p> <p><i>Note: Our distributors may have an earlier cut-off time for receiving applications in respect of any switching of Units. Please check with the respective distributors for their respective cut-off time.</i></p> <p><b>Conversion</b></p> <p>Conversion is a request to withdraw all or a specified part of your investment in any Class of a Fund, at the NAV per Unit applicable to Units in that Class at the time of the conversion, and use the proceeds to buy Units in another Class of the same Fund. The minimum amount of Units per conversion transaction is 1,000 Units. For partial conversion, Units in your account must not be less than the relevant minimum balance requirement.</p>	<p><b>Chapter 5 – Transaction Information, Section 5.6 – Transfer and Switching of Units (cont'd)</b></p> <p>Any switching request made <b>on or before the cut off time of 4.00 p.m.</b> will be made at the NAV per Unit of the Fund/Class to be switched from when the switching request is received and accepted by us on a Business Day, subject to availability and any terms and conditions imposed by the intended fund, if any.</p> <p>Any switching request received or deemed to have been received after this cut-off time would be considered as being transacted on the following Business Day.</p> <p>We reserve the right to vary the terms and conditions for switching from time to time, which shall be communicated to you in writing.</p> <p><i>Note: Our distributors may set an earlier cut-off time for receiving applications in respect of switching of Units. Please check with the respective distributors for their respective cut-off time.</i></p>



## MAYBANK MALAYSIA SMALLCAP FUND

### Manager's report

For the financial year ended 31 July 2025 (cont'd)

### G. Significant Changes in The State of Affairs of the Fund (cont'd)

No.	Principal Master Prospectus	Fourth Supplementary Master Prospectus
10.	<p><b>Chapter 5 – Transaction Information, Section 5.7 – Distribution Payment, policy on unclaimed monies</b></p> <p>Any amount of monies payable to Unit Holders which remain unclaimed for such period of time as prescribed by the Unclaimed Moneys Act 1965 after the date for payment shall be paid by the Manager to the consolidated trust account in accordance with the provisions of the Unclaimed Moneys Act 1965.</p>	<p><b>Chapter 5 – Transaction Information, Section 5.7 – Distribution Payment, policy on unclaimed monies</b></p> <p>Any monies payable to Unit Holders which remain unclaimed for 2 years will be handled in accordance with the requirements of the Unclaimed Moneys Act, 1965 (as amended by the Unclaimed Moneys (Amendment) Act 2024).</p>
11.	<p><b>Chapter 6 – The Management Company, Section 6.4 – Designated Investment Managers of the Funds</b></p> <p>The designated person responsible for the fund management function of the Fund is Syhiful Zamri bin Abdul Azid.</p> <p>Syhiful is the Chief Investment Officer of the Manager and his profile is available on our website at <a href="https://www.maybank-am.com.my/key-people">https://www.maybank-am.com.my/key-people</a>.</p> <p>The profile of the designated investment manager for MMDF is as follows:</p> <p>Mr David Ng Kong Cheong – Chief Investment Officer</p> <p>Mr David joined AHAM in 2002 as Head of Equities and assumed the role of Chief Investment Officer in September 2006. He has been responsible for successfully steering AHAM's investments through a tumultuous decade of multiple crisis. His astute and decisive guidance on broad investment strategies which includes interpreting market signals and making timely asset allocation calls has allowed AHAM to remain ahead of its peers. A decade later, he has built the investment team from just four (4) fund managers to a 40 strong group of fund managers featuring an impressive resume across different investment specialties, coverage and geographies.</p>	<p><b>Chapter 6 – The Management Company, Section 6.4 – Designated Investment Managers of the Funds</b></p> <p>The designated person responsible for the fund management function of the Funds is Syhiful Zamri bin Abdul Azid.</p> <p>Syhiful is the Chief Investment Officer of the Manager and his profile is available on our website at <a href="https://www.maybank-am.com.my/key-people">https://www.maybank-am.com.my/key-people</a>.</p>

## MAYBANK MALAYSIA SMALLCAP FUND

### Manager's report

For the financial year ended 31 July 2025 (cont'd)

### G. Significant Changes in The State of Affairs of the Fund (cont'd)

No.	Principal Master Prospectus	Fourth Supplementary Master Prospectus
11.	<p><b>Chapter 6 – The Management Company, Section 6.4 – Designated Investment Managers of the Funds (cont'd)</b></p> <p>Under his foresight and vision, the team has evolved from being equity-heavy to encompass strong local and regional multi-asset and sector investment capabilities. His absolute return investment philosophy and bottom-up stock selection technique has garnered recognition for AHAM with its multiple award wins, having been voted “CIO of the Year” for Malaysia by Asia Asset Management 2013 awards. Mr David’s philosophy of subscribing to the long-term, not taking excessive risk, and investing into quality throughout all the portfolios has set the blueprint for AHAM’s investments in years to come. He is well-known in the industry for his discipline, prudence and reasonable attitude to investing. He graduated with a double degree in Bachelor of Commerce (Accounting) and Bachelor of Law from Monash University in Melbourne, Australia and is also a Chartered Financial Analyst (CFA) charterholder.</p>	<p><b>Chapter 6 – The Management Company, Section 6.4 – Designated Investment Managers of the Funds (cont'd)</b></p>
12.	<p><b>Chapter 6 – The Management Company, Section 6.5 – Other Information</b></p> <p>For more information and/ or updated information on the Manager, the Board of Directors and the EIM, please refer to our website at <a href="http://www.maybank-am.com">www.maybank-am.com</a>.</p>	<p><b>Chapter 6 – The Management Company, Section 6.5 – Other Information</b></p> <p>For more information and/ or updated information on the Manager and the Board of Directors, please refer to our website at <a href="http://www.maybank-am.com">www.maybank-am.com</a>.</p>
13.	<p><b>Chapter 8 – Salient Terms of the Deed, Section 8.2 – Maximum Fees and Charges Permitted by the Deeds</b></p> <p>The following table describes the maximum fees and charges as permitted by the Deeds. The actual fees and charges imposed are disclosed in section 4 of this master prospectus.</p>	<p><b>Chapter 8 – Salient Terms of the Deed, Section 8.2 – Maximum Fees and Charges Permitted by the Deeds</b></p> <p>The following table describes the maximum fees and charges as permitted by the Deeds. The actual fees and charges imposed are disclosed in section 4 of this master prospectus.</p>

## MAYBANK MALAYSIA SMALLCAP FUND

### Manager's report

For the financial year ended 31 July 2025 (cont'd)

### G. Significant Changes in The State of Affairs of the Fund (cont'd)

No.	Principal Master Prospectus	Fourth Supplementary Master Prospectus																																																																																																																																								
13.	<div>Chapter 8 – Salient Terms of the Deed, Section 8.2 – Maximum Fees and Charges Permitted by the Deeds (cont'd)</div> <table><tr><th>Fund</th><th>Class</th><th>Annual management fee (% of NAV)</th><th>Annual trustee fee (% of NAV)</th><th>Sales charge (% of NAV per Unit)</th><th>Repurchase charge (% of NAV per Unit)</th></tr><tr><td>MMVF</td><td>A-MYR</td><td>2.0</td><td>0.2</td><td>6.5</td><td>Nil</td></tr><tr><td></td><td>C-MYR</td><td>1.5</td><td></td><td></td><td></td></tr><tr><td>MMGF</td><td></td><td>1.5</td><td>0.05</td><td></td><td></td></tr><tr><td>MMBF</td><td></td><td>1.5</td><td>Note 1</td><td>10.0 (adjusted upwards to the nearest 1 sen)</td><td>5 sen per Unit (adjusted upwards to the nearest 1 sen)</td></tr><tr><td>MMIF</td><td>Not applicable</td><td>1.5</td><td>0.035*</td><td></td><td></td></tr><tr><td>MMEDF</td><td></td><td>2.0</td><td>0.2</td><td>10.0</td><td>Nil</td></tr><tr><td>MMSCF</td><td></td><td>2.0</td><td>0.07</td><td>6.5</td><td>Nil</td></tr><tr><td>MMDF</td><td></td><td>2.0</td><td>0.5*</td><td>6.0</td><td>1.0</td></tr></table> <div>* subject to a maximum fee of MYR18,000 per annum calculated on a daily basis. * up to a maximum NAV of MYR 100 million and thereafter at a rate of 0.1 per annum.</div> <div>Note 1:</div> <table><tr><th>Size of the Fund</th><th>Annual trustee fee (% of NAV)</th></tr><tr><td>First MYR20 million</td><td>0.06</td></tr><tr><td>Next MYR20 million</td><td>0.05</td></tr><tr><td>Next MYR20 million</td><td>0.04</td></tr><tr><td>Next MYR20 million</td><td>0.03</td></tr><tr><td>Next MYR20 million</td><td>0.02</td></tr><tr><td>Any amount in excess of MYR100 million</td><td>0.01</td></tr></table>	Fund	Class	Annual management fee (% of NAV)	Annual trustee fee (% of NAV)	Sales charge (% of NAV per Unit)	Repurchase charge (% of NAV per Unit)	MMVF	A-MYR	2.0	0.2	6.5	Nil		C-MYR	1.5				MMGF		1.5	0.05			MMBF		1.5	Note 1	10.0 (adjusted upwards to the nearest 1 sen)	5 sen per Unit (adjusted upwards to the nearest 1 sen)	MMIF	Not applicable	1.5	0.035*			MMEDF		2.0	0.2	10.0	Nil	MMSCF		2.0	0.07	6.5	Nil	MMDF		2.0	0.5*	6.0	1.0	Size of the Fund	Annual trustee fee (% of NAV)	First MYR20 million	0.06	Next MYR20 million	0.05	Next MYR20 million	0.04	Next MYR20 million	0.03	Next MYR20 million	0.02	Any amount in excess of MYR100 million	0.01	<div>Chapter 8 – Salient Terms of the Deed, Section 8.2 – Maximum Fees and Charges Permitted by the Deeds (cont'd)</div> <table><tr><th>Fund</th><th>Class</th><th>Annual management fee (% of NAV)</th><th>Annual trustee fee (% of NAV)</th><th>Sales charge (% of NAV per Unit)</th><th>Repurchase charge (% of NAV per Unit)</th></tr><tr><td>MMVF</td><td>A-MYR</td><td>2.0</td><td>0.2</td><td>6.5</td><td>Nil</td></tr><tr><td></td><td>C-MYR</td><td>1.5</td><td>0.08</td><td></td><td></td></tr><tr><td>MMGF</td><td></td><td>1.5</td><td></td><td></td><td></td></tr><tr><td>MMBF</td><td></td><td>1.5</td><td>Note 1</td><td>10.0 (adjusted upwards to the nearest 1 sen)</td><td>5 sen per Unit (adjusted upwards to the nearest 1 sen)</td></tr><tr><td>MMIF</td><td>Not applicable</td><td>1.5</td><td>0.035*</td><td></td><td></td></tr><tr><td>MMEDF</td><td></td><td>2.0</td><td>0.2</td><td>10.0</td><td>Nil</td></tr><tr><td>MMSCF</td><td></td><td>2.0</td><td>0.07</td><td>6.5</td><td>Nil</td></tr><tr><td>MMDF</td><td></td><td>2.0</td><td>0.5*</td><td>6.0</td><td>1.0</td></tr></table> <div>* subject to a minimum fee of MYR18,000 per annum calculated on a daily basis. * up to a maximum NAV of MYR 100 million and thereafter at a rate of 0.01% per annum.</div> <div>Note 1:</div> <table><tr><th>Size of the Fund</th><th>Annual trustee fee (% of NAV)</th></tr><tr><td>First MYR20 million</td><td>0.06</td></tr><tr><td>Next MYR20 million</td><td>0.05</td></tr><tr><td>Next MYR20 million</td><td>0.04</td></tr><tr><td>Next MYR20 million</td><td>0.03</td></tr><tr><td>Next MYR20 million</td><td>0.02</td></tr><tr><td>Any amount in excess of MYR100 million</td><td>0.01</td></tr></table>	Fund	Class	Annual management fee (% of NAV)	Annual trustee fee (% of NAV)	Sales charge (% of NAV per Unit)	Repurchase charge (% of NAV per Unit)	MMVF	A-MYR	2.0	0.2	6.5	Nil		C-MYR	1.5	0.08			MMGF		1.5				MMBF		1.5	Note 1	10.0 (adjusted upwards to the nearest 1 sen)	5 sen per Unit (adjusted upwards to the nearest 1 sen)	MMIF	Not applicable	1.5	0.035*			MMEDF		2.0	0.2	10.0	Nil	MMSCF		2.0	0.07	6.5	Nil	MMDF		2.0	0.5*	6.0	1.0	Size of the Fund	Annual trustee fee (% of NAV)	First MYR20 million	0.06	Next MYR20 million	0.05	Next MYR20 million	0.04	Next MYR20 million	0.03	Next MYR20 million	0.02	Any amount in excess of MYR100 million	0.01
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14.	<div>Chapter 10 – Related Party Transactions and Conflict of Interest, Related Party Transactions</div> <div>Save as disclosed below, there are no existing or proposed related party transactions involving the Funds, the Manager, the Trustee and/ or persons connected to them as at 31 August 2023:</div> <table><tr><th>Name of Party</th><th>Name of Related Party and Nature of Relationship</th><th>Existing / Potential Related Party Transaction</th></tr><tr><td>The Manager</td><td>Maybank  The Manager is wholly-owned by Maybank Asset Management Group Berhad ("MAMG"). Maybank is a substantial shareholder of MAMG.</td><td>Distributor: Maybank has been appointed as one of the Manager's IUTAs.  Delegate: The Manager has delegated its back office functions (i.e. the fund accounting and valuation function and maintenance of the register of Unit Holders) to Maybank Securities Solutions which is a unit within Maybank.</td></tr><tr><td></td><td>MAMG  The Manager is wholly-owned by MAMG.</td><td>Delegate: The Manager has delegated its back office functions (i.e. finance, performance attribution, administration, legal, compliance, corporate secretarial services, strategy and project management office and risk management) to MAMG.</td></tr><tr><td></td><td>Maybank Shared Services Sdn Bhd  Maybank Shared Services Sdn Bhd is wholly owned by Maybank.</td><td>Delegate: The Manager has delegated its back office function (i.e. information technology) to Maybank Shared Services Sdn Bhd.</td></tr></table>	Name of Party	Name of Related Party and Nature of Relationship	Existing / Potential Related Party Transaction	The Manager	Maybank  The Manager is wholly-owned by Maybank Asset Management Group Berhad ("MAMG"). Maybank is a substantial shareholder of MAMG.	Distributor: Maybank has been appointed as one of the Manager's IUTAs.  Delegate: The Manager has delegated its back office functions (i.e. the fund accounting and valuation function and maintenance of the register of Unit Holders) to Maybank Securities Solutions which is a unit within Maybank.		MAMG  The Manager is wholly-owned by MAMG.	Delegate: The Manager has delegated its back office functions (i.e. finance, performance attribution, administration, legal, compliance, corporate secretarial services, strategy and project management office and risk management) to MAMG.		Maybank Shared Services Sdn Bhd  Maybank Shared Services Sdn Bhd is wholly owned by Maybank.	Delegate: The Manager has delegated its back office function (i.e. information technology) to Maybank Shared Services Sdn Bhd.	<div>Chapter 10 – Related Party Transactions and Conflict of Interest, Related Party Transactions</div> <div>Save as disclosed below, there are no existing or proposed related party transactions involving the Funds, us as the Manager, the Trustee and/ or persons connected to them as at 30 April 2024:</div> <table><tr><th>Name of Party</th><th>Name of Related Party and Nature of Relationship</th><th>Existing / Potential Related Party Transaction</th></tr><tr><td>The Manager</td><td>Maybank  The Manager is wholly-owned by Maybank Asset Management Group Berhad ("MAMG"). MAMG is wholly owned by Maybank.</td><td>Distributor: Maybank has been appointed as one of the Manager's IUTAs.  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# MAYBANK MALAYSIA SMALLCAP FUND

## Manager's report

For the financial year ended 31 July 2025 (cont'd)

### G. Significant Changes in The State of Affairs of the Fund (cont'd)

No.	Principal Master Prospectus	Fourth Supplementary Master Prospectus
15.	<p><b>Chapter 10 – Related Party Transactions and Conflict of Interest, Statement of conflict of interest in relation to the EIM</b></p> <p>The Manager has in place policies and procedures to deal with any conflict of interest situations. In making an investment transaction for MMDF, the EIM will not make improper use of its positions in managing the Fund to gain, directly or indirectly, any advantage or to cause detriment to the interests of Unit Holders. As at LPD, to the best of the Manager's knowledge, there has been no occurrence of conflict of interest involving the EIM.</p>	Deleted.
16.	<p><b>Chapter 11 – Taxation of the Fund</b></p> <p>-Taxation adviser's letter-</p>	<p><b>Chapter 11 – Taxation of the Fund</b></p> <p>-Taxation adviser's letter has been updated-</p>
17.	<p><b>Chapter 12 – Additional Information, Section 12.7 – Consent, first paragraph</b></p> <p>The Trustees and EIM have given their consent to the inclusion of their names and statements in the form and context in which they appear in this master prospectus and have not withdrawn such consent prior to the issue of this master prospectus.</p>	<p><b>Chapter 12 – Additional Information, Section 12.7 – Consent, first paragraph</b></p> <p>The Trustees have given their consent to the inclusion of their names and statements in the form and context in which they appear in this master prospectus and have not withdrawn such consent prior to the issue of this master prospectus.</p>

**TRUSTEE'S REPORT  
TO THE UNIT HOLDERS OF MAYBANK MALAYSIA SMALLCAP FUND ("Fund")**

We have acted as Trustee of the Fund for the financial year ended 31 July 2025 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, **Maybank Asset Management Sdn Bhd** has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

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

For and on behalf of  
**CIMB Commerce Trustee Berhad**

**Tok Puan Datin Ezreen Eliza binti Zulkiplee**  
Chief Executive Officer

Kuala Lumpur, Malaysia  
17 September 2025

## **STATEMENT BY MANAGER**

### **TO THE UNITHOLDERS OF MAYBANK MALAYSIA SMALLCAP FUND FOR THE FINANCIAL YEAR ENDED 31 JULY 2025**

We, Dr Hasnita Binti Dato' Hashim and Muhammad Hishamudin Bin Hamzah, being two of the Directors of Maybank Asset Management Sdn Bhd (the "Manager") do hereby state that, in the opinion of the Manager, the accompanying financial statements are drawn up in accordance with MFRS Accounting Standards and IFRS Accounting Standards so as to give a true and fair view of the financial position of Maybank Malaysia SmallCap Fund as at 31 July 2025 and of its results, changes in net assets attributable to unitholders and cash flows for the financial year ended 31 July 2025 and comply with the requirements of the Deeds.

For and on behalf of the Manager

**Dr Hasnita Binti Dato' Hashim**  
Chairman

**Muhammad Hishamudin Bin Hamzah**  
Director

Kuala Lumpur, Malaysia  
17 September 2025

**Independent auditors' report to the Unitholders of  
Maybank Malaysia SmallCap Fund**

**Report on the audit of the financial statements**

*Opinion*

We have audited the financial statements of Maybank Malaysia SmallCap Fund (the "Fund"), which comprise the statement of financial position of the Fund as at 31 July 2025, and statement of comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows of the Fund for the year then ended and notes to the financial statements, including material accounting policy information as set out on pages 7 to 33.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 July 2025 and of its financial performance and cash flows for the year then ended in accordance with MFRS Accounting Standards and IFRS Accounting Standards.

*Basis for opinion*

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

*Independence and other ethical responsibilities*

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

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

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

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

**Independent auditors' report to the Unitholders of  
Maybank Malaysia SmallCap Fund (cont'd)**

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

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

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

*Responsibilities of the Manager and Trustee for the financial statements*

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

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

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

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

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



**Independent auditors' report to the Unitholders of  
Maybank Malaysia SmallCap Fund (cont'd)**

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

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

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

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

**Independent auditors' report to the Unitholders of  
Maybank Malaysia SmallCap Fund (cont'd)**

Other matters

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

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

Yeo Beng Yean  
03013/10/2026 J  
Chartered Accountant

Kuala Lumpur, Malaysia  
17 September 2025

# MAYBANK MALAYSIA SMALLCAP FUND

## STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 JULY 2025

	Note	2025 RM	2024 RM
<b>INVESTMENT (LOSS)/ INCOME</b>			
Dividend income		975,616	527,234
Profit/ Interest income		101,800	110,321
Net (loss)/ gain from financial assets at fair value through profit or loss ("FVTPL"):			
- Realised (loss)/ gain		(1,338,634)	1,722,721
- Unrealised (loss)/ gain		(4,202,565)	3,740,229
		<u>(4,463,783)</u>	<u>6,100,505</u>
<b>EXPENSES</b>			
Manager's fee	3	538,322	394,160
Trustee's fee	4	25,122	18,394
Auditors' remuneration		9,270	9,270
Tax agent's fee		4,773	3,900
Brokerage and other transaction fees		29,512	151,086
Administrative expenses		4,119	5,322
		<u>611,118</u>	<u>582,132</u>
<b>Net results before taxation</b>		(5,074,901)	5,518,373
Taxation	5	(2,501)	(3,286)
<b>Net results after taxation, representing the total comprehensive (loss)/ income for the financial year</b>		<u>(5,077,402)</u>	<u>5,515,087</u>
<b>Net results after taxation is made up of the following:</b>			
Net realised (loss)/ income		(874,837)	1,774,858
Net unrealised (loss)/ income		(4,202,565)	3,740,229
		<u>(5,077,402)</u>	<u>5,515,087</u>
<b>Distributions for the financial year:</b>			
Net distributions	11	-	1,481,033
Gross/ Net distribution per unit (sen)		-	2.50
Distribution date (ex-date)		-	Refer note 11

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

# MAYBANK MALAYSIA SMALLCAP FUND

## STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2025

	Note	2025 RM	2024 RM
<b>ASSETS</b>			
Financial assets at FVTPL	6	27,003,938	37,573,817
Deposits with licensed financial institutions	7	1,275,885	12,162,448
Dividend receivable		16,169	17,287
Profit/ Interest receivable		96	993
Amount due from Manager	8	19,786	12,075
Cash at bank		16,599	15,318
<b>TOTAL ASSETS</b>		<b>28,332,473</b>	<b>49,781,938</b>
<b>LIABILITIES</b>			
Amount due to Manager	8	63,582	69,962
Amount due to Trustee	9	1,676	2,901
Distribution payable		-	1,481,033
Other payables and accruals		22,270	22,779
<b>TOTAL LIABILITIES</b>		<b>87,528</b>	<b>1,576,675</b>
<b>NET ASSETS VALUE ("NAV") OF THE FUND</b>		<b>28,244,945</b>	<b>48,205,263</b>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISE:</b>			
Unitholders' capital	10(a)	(7,502,887)	7,380,029
Retained earnings	10(b)&(c)	35,747,832	40,825,234
		<b>28,244,945</b>	<b>48,205,263</b>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>	10(a)	<b>39,416,909</b>	<b>59,259,904</b>
<b>NAV PER UNIT (RM)</b>		<b>0.7166</b>	<b>0.8135</b>

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

# **MAYBANK MALAYSIA SMALLCAP FUND**

## **STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND FOR THE FINANCIAL YEAR ENDED 31 JULY 2025**

	<b>Unitholders' capital Note 10(a) RM</b>	<b>Retained earnings Note 10(b) &amp; 10(c) RM</b>	<b>Net assets attributable to unitholders RM</b>
At 1 August 2024	7,380,029	40,825,234	48,205,263
Total comprehensive loss for the financial year	-	(5,077,402)	(5,077,402)
Creation of units	2,055,493	-	2,055,493
Reinvestment of units	1,481,033	-	1,481,033
Cancellation of units	(18,419,442)	-	(18,419,442)
At 31 July 2025	<u>(7,502,887)</u>	<u>35,747,832</u>	<u>28,244,945</u>
At 1 August 2023	(9,369,206)	36,791,180	27,421,974
Total comprehensive income for the financial year	-	5,515,087	5,515,087
Creation of units	42,949,492	-	42,949,492
Cancellation of units	(26,200,257)	-	(26,200,257)
Distribution (Note 11)	-	(1,481,033)	(1,481,033)
At 31 July 2024	<u>7,380,029</u>	<u>40,825,234</u>	<u>48,205,263</u>

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

**MAYBANK MALAYSIA SMALLCAP FUND****STATEMENT OF CASH FLOWS****FOR THE FINANCIAL YEAR ENDED 31 JULY 2025**

	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Net proceeds from disposal of financial assets at FVTPL	10,260,086	23,425,563
Net payment for purchase of financial assets at FVTPL	(5,260,919)	(29,341,312)
Net dividend received	974,234	506,661
Profit/ Interest received	102,697	109,455
Manager's fee paid	(564,553)	(369,139)
Trustee's fee paid	(26,347)	(17,226)
Payment of other fees and expenses	(18,671)	(14,621)
Net cash generated from/ (used in) operating and investing activities	<u>5,466,527</u>	<u>(5,700,619)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	2,047,782	42,937,910
Payments for cancellation of units	(18,399,591)	(26,644,578)
Net cash (used in)/ generated from financing activities	<u>(16,351,809)</u>	<u>16,293,332</u>
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>	<u>(10,885,282)</u>	<u>10,592,713</u>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<u>12,177,766</u>	<u>1,585,053</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<u>1,292,484</u>	<u>12,177,766</u>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash at bank	16,599	15,318
Deposits with licensed financial institutions with maturity of less than 3 months (Note 7)	1,275,885	12,162,448
	<u>1,292,484</u>	<u>12,177,766</u>

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

## **MAYBANK MALAYSIA SMALLCAP FUND**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JULY 2025**

#### **1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES**

Maybank Malaysia SmallCap Fund ("the Fund") was constituted pursuant to the execution of a Deed dated 11 February 2004 between Amanah Mutual Berhad as the Manager, and Malaysian Trustee Berhad as the Trustee and the Registered Holders of the Fund. A First Supplemental Deed dated 26 May 2005 and a Second Supplemental Deed dated 28 January 2014, which was entered into between the Manager, Malaysian Trustee Berhad and the new Trustee, CIMB Commerce Trustee Berhad, was issued to amend the principal Deed. A Third Supplemental Deed was also issued on 27 January 2016. The Fund commenced operations on 24 March 2004 and will continue to be in operations until terminated by the Trustee as provided under the Deeds.

The Manager, a company incorporated in Malaysia, is principally engaged in the management of unit trust funds. Amanah Saham Nasional Berhad ("ASNB") and Permodalan Nasional Berhad, companies incorporated in Malaysia, were the holding and ultimate holding company of the Manager until 16 May 2018.

Following the acquisition of AMB by Maybank Asset Management Sdn Bhd ("MAM"), the immediate and ultimate holding companies of the Manager has been changed to MAM and Malayan Banking Berhad ("MBB") respectively effective 17 May 2018.

MAM and CIMB Commerce Trustee Berhad as the Trustee had entered into a Fourth Supplemental Deed dated 4 September 2018, Fifth Supplemental Deed dated 11 July 2019 and Sixth Supplemental Deed dated 3 August 2022. The Deed and Supplemental Deeds are hereinafter referred to as 'Deeds'.

The principal activity of the Fund is to invest in a selected portfolio of investments in small and medium size companies listed on the Main Market of Bursa Malaysia Securities Berhad and other approved investments.

The Manager of the Fund is MAM, a company incorporated in Malaysia. It is a holder of the Capital Markets Services License with fund management as its regulated activity under the Capital Markets and Services Act 2007 ("CMSA"). The principal place of business of MAM is at Level 12, Tower C, Dataran Maybank, No. 1 Jalan Maarof, 59000 Kuala Lumpur, Malaysia. MAM is a subsidiary of Maybank Asset Management Group Berhad ("MAMG"), which in turn is a subsidiary of Malayan Banking Berhad ("MBB").

The financial statements were authorised for issue by the Board of Directors of the Manager (the "Directors") in accordance with a resolution of the Directors on 17 September 2025.

#### **2. MATERIAL ACCOUNTING POLICY INFORMATION**

##### **2.1 Basis of preparation**

The financial statements of the Fund have been prepared in accordance with MFRS Accounting Standards ("MFRS") as issued by the Malaysian Accounting Standards Board ("MASB") and IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), the Deeds and any regulatory requirements.

The Fund has adopted the MFRS Accounting Standards, Amendments to Standards and Interpretations Committee ("IC") Interpretations which have become effective for the financial year ended 31 July 2025. The adoption of the new pronouncements did not result in any material impact to the financial statements.

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies in Note 2.3 to 2.14 to the financial statements. The financial statements are presented in Ringgit Malaysia ("RM").

## MAYBANK MALAYSIA SMALLCAP FUND

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.2 Standards and Amendments to Standards issued but not yet effective

The following are Standards and Amendments to Standards issued by the MASB, but not yet effective, up to the date of issuance of the Fund's financial statements. The Fund intends to adopt the relevant standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 121: <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS 7: <i>Amendments to the Classifications and Measurement of Financial Instruments</i>	1 January 2026
Amendments to MFRS 1: <i>First-time Adoption of Malaysian Financial Reporting Standards</i>	1 January 2026
Amendments to MFRS 7: <i>Financial Instruments: Disclosures</i>	1 January 2026
Amendments to MFRS 9: <i>Financial Instruments</i>	1 January 2026
Amendments to MFRS 10: <i>Consolidated Financial Statements</i>	1 January 2026
Amendments to MFRS 107: <i>Statement of Cash Flows</i>	1 January 2026
MFRS 18: <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19: <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

Except for MFRS 18, the Fund expects that the adoption of the above Standards and Amendments to Standards will not have any material impact on the financial statements in the period of initial application. The Fund is currently in the process of assessing the potential effects of MFRS 18.

#### 2.3 Financial instruments

Financial assets and liabilities are recognised when the Fund becomes a party to the contractual provision of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### 2.4 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured in their entirety at amortised cost or fair value, depending on the classification of the assets.



## MAYBANK MALAYSIA SMALLCAP FUND

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.4 Financial assets (cont'd)

##### (i) Financial assets at amortised cost (cont'd)

The Fund classifies dividend receivable, profit/ interest receivables, amount due from Manager, cash and cash equivalents as financial assets at amortised cost.

These assets are subsequently measured using the effective profit rate ("EPR")/ effective interest rate ("EIR") method and are subject to impairment. The EPR/ EIR is a method of calculating the amortised cost of financial asset and of allocating and recognising the profit income in profit or loss of the relevant

Unless designated as at fair value through profit or loss ("FVTPL") on initial recognition, debt instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss:

- the assets are held within a business model whose objectives is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding.

Debt instruments that do not meet the criteria above are classified as either fair value through other comprehensive income ("FVTOCI") or FVTPL.

These assets are subsequently measured using the EPR/ EIR method and are subject to impairment. The EPR/ EIR is a method of calculating the amortised cost of the financial assets and of allocating and recognising the profit income in profit or loss over the relevant period.

##### (ii) Financial assets at FVTPL

Investments in equity instruments are classified as FVTPL, unless the Fund designates an investment that is not held for trading as FVTOCI on initial recognition.

A financial asset is recognised at FVTPL if:

- it has been acquired principally for the purpose of selling it in the near term;
- on initial recognition it is part of the portfolio of identified financial instruments that the Fund manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Debt instruments that do not meet the amortised cost criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria but are designated as at FVTPL are measured at FVTPL. A debt instrument may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Debt instruments are reclassified from amortised cost to FVTPL when the business model is changed such that the amortised cost criteria are no longer met. Reclassification of debt instruments that are designated as at FVTPL on initial recognition is not allowed.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains or losses arising on remeasurement recognised in profit or loss.

## **MAYBANK MALAYSIA SMALLCAP FUND**

### **2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

#### **2.4 Financial assets (cont'd)**

##### **(ii) Financial assets at FVTPL (cont'd)**

Profit/ Interest income on debt instruments as at FVTPL is disclosed separately in the profit or loss.

Dividend income on investments in equity instruments at FVTPL is recognised when the Fund's right to receive the dividends is established in accordance with MFRS 9 and is disclosed separately in the profit or loss.

Changes in the fair value of FVTPL investments are recognised in unrealised gain/ (loss) on FVTPL investments in profit and loss. Accumulated unrealised gains or losses are reclassified to realised (loss)/ gain on FVTPL investments in profit or loss when the associated assets are sold.

##### **(iii) Impairment**

Credit losses are recognised based on the Expected Credit Loss ("ECL") model. The Fund recognises loss allowances for ECL on financial instruments that are not measured at FVTPL. The impairment model does not apply to equity investments.

ECL are a probability-weighted estimate of credit losses. It is measured as follows:

- Financial assets that are not credit-impaired at the reporting date.  
As the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Fund expects to receive).
- Financial assets that are credit-impaired at the reporting date.  
As the difference between the gross carrying amount and the present value of estimated future cash flows.

At each reporting date, the Fund assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the issuer or counterparty;
- Significant downgrade in credit rating of the instrument by a rating agency;
- A breach of contract such as a default or past due event; or
- The disappearance of an active market for a security because of financial difficulties.

For balances with short-term nature, full impairment will be recognised on uncollected balances after the grace period.

##### **(iv) Derecognition**

The Fund derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

## **MAYBANK MALAYSIA SMALLCAP FUND**

### **2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

#### **2.4 Financial assets (cont'd)**

##### **(iv) Derecognition (cont'd)**

If the Fund neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Fund recognises its retained profit/ interest in the asset and an associated liability for amounts it may have to pay. If the Fund retains substantially all the risks and rewards of ownership of a transferred financial asset, the Fund continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of financial asset classified as FVTPL, the cumulative unrealised gain or loss previously recognised is transferred to realised gain or loss on disposal in profit or loss.

On derecognition of financial assets at amortised cost, gains and losses are recognised in profit or loss when the asset is derecognised, modified, or impaired.

#### **2.5 Financial liabilities**

##### **(i) Classification**

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. The Fund classifies amount due to Manager, amount due to Trustee, distribution payable and other payables and accruals as other financial liabilities.

##### **(ii) Recognition and measurement**

The Fund's financial liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the EPR/ EIR method. The EPR/ EIR is a method of calculating the amortised cost of the financial liability and of allocating and recognising the profit expense in profit or loss over the relevant year.

##### **(iii) Derecognition of financial liabilities**

The Fund derecognises financial liabilities when, and only when, the Fund's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

#### **2.6 Unitholders' capital**

The unitholders' 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 NAV;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

## **MAYBANK MALAYSIA SMALLCAP FUND**

### **2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

#### **2.6 Unitholders' capital (cont'd)**

The outstanding units are carried at the redemption amount that is payable at each financial year if unitholder exercises the right to put the unit back to the Fund. Units are created and cancelled at prices based on the Fund's NAV per unit at the time of creation or cancellation. The Fund's NAV per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units.

#### **2.7 Revenue/ Income**

Revenue/ Income is measured at the fair value of consideration received or receivable.

Dividend income is recognised when the right to receive is established. Dividend revenue is presented gross of any non-recoverable withholding taxes, which are disclosed separately in the statement of comprehensive income.

Realised gain or loss on disposal of investments is accounted for as the difference between net disposal proceeds and the carrying amount of the investments.

Other revenue/ income is generally recognised when the Fund satisfies a performance obligation by transferring a promised good or service or an asset to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

#### **2.8 Cash and cash equivalents**

Cash and cash equivalents include cash at bank and deposits with licensed financial institutions with maturities of 3 months or less, which have an insignificant risk of changes in value.

#### **2.9 Distribution**

Any distribution to the Fund's unitholders is accounted for as a deduction from realised reserves except where distribution is sourced out of distribution equalisation which is accounted for as a deduction to the unitholders' capital. A proposed distribution is recognised as a liability in the year in which it is approved.

Distribution is either reinvested or paid in cash to the unitholders on the distribution payment date. Reinvestment is based on the NAV per unit on the distribution payment date, which is also the time of creation.

#### **2.10 Taxation**

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

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in net assets attributable to unitholders.

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

No deferred tax is recognised as there are no material temporary differences.

## **MAYBANK MALAYSIA SMALLCAP FUND**

### **2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

#### **2.11 Fair value measurement**

Fair value is 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. The fair value measurement is based on the presumption that the transaction to sell or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Fund.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets that are recognised in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

#### **2.12 Functional and foreign currency**

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 RM, which is also the Fund's functional currency.

#### **2.13 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

#### **2.14 Critical accounting estimates and judgements**

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

## MAYBANK MALAYSIA SMALLCAP FUND

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.14 Critical accounting estimates and judgements (cont'd)

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

### 3. MANAGER'S FEE

The Manager's fee is computed daily based on 1.50% (2024: 1.50%) per annum ("p.a.") of the NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day.

### 4. TRUSTEE'S FEE

The Trustee fee is calculated and accrued daily. The Trustee fee is computed based on 0.07% (2024: 0.07% p.a.) of the NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day, subject to a minimum of RM18,000 p.a..

### 5. TAXATION

	2025 RM	2024 RM
Tax charge for the financial year:		
Current income tax expense	2,501	3,286

Income tax is calculated at the Malaysian statutory rate of 24% (2024: 24%) of the estimated assessable income for the financial year.

The tax expense for the financial year is in relation to the taxable income earned by the Fund after deducting tax allowable expenses. In accordance with Schedule 6 of the Income Tax Act 1967, profit/ interest income and dividend income earned by the Fund is exempted from tax.

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

	2025 RM	2024 RM
Net results before taxation	(5,074,901)	5,518,373
Taxation at Malaysian statutory rate of 24% (2024: 24%)	(1,217,976)	1,324,410
Income not subject to tax	(258,580)	(1,464,121)
Loss not deductible for tax purposes	1,329,888	-
Expenses not deductible for tax purposes	146,668	139,711
Income tax at source	2,501	3,286
Tax expense for the financial year	2,501	3,286

# MAYBANK MALAYSIA SMALLCAP FUND

## 6. FINANCIAL ASSETS AT FVTPL

			2025 RM	2024 RM
Quoted equities			27,003,938	37,573,817
2025	Quantity Unit	Aggregate cost RM	Market Value RM	Percentage of NAV %
<b>Construction</b>				
Econpile Holdings Bhd	2,000,000	988,799	789,999	2.80
Gamuda Bhd	413,706	1,167,986	2,142,997	7.59
Kerjaya Prospek Group Bhd	600,000	1,109,306	1,224,000	4.33
	3,013,706	3,266,091	4,156,996	14.72
<b>Consumer Products</b>				
Focus Point Holdings Bhd	1,000,000	388,224	735,000	2.60
<b>Energy</b>				
Keyfield International Bhd	700,000	1,424,063	1,155,000	4.09
Lianson Fleet Group Bhd	400,000	227,120	464,000	1.64
Steel Hawk Bhd	703,900	330,763	344,911	1.22
Yinson Holdings Bhd	265,000	618,035	620,100	2.20
	2,068,900	2,599,981	2,584,011	9.15
<b>Finance</b>				
RHB Bank Bhd	153,073	790,827	938,337	3.32
Well Chip Group Bhd	1,000,000	1,484,199	1,340,000	4.74
	1,153,073	2,275,026	2,278,337	8.06
<b>Healthcare</b>				
Umedic Group Bhd	1,400,000	641,360	469,000	1.66

# MAYBANK MALAYSIA SMALLCAP FUND

## 6. FINANCIAL ASSETS AT FVTPL (CONT'D)

2025 (cont'd)	Quantity Unit	Aggregate cost RM	Market Value RM	Percentage of NAV %
<b>Industrial Products</b>				
CPE Technology Bhd	1,000,000	1,104,740	965,000	3.42
EPB Group Bhd	500,000	280,000	250,000	0.89
OB Holdings Bhd	2,083,700	500,088	322,974	1.14
Pecca Group Bhd	950,000	1,245,425	1,444,000	5.11
Prolintas Infra Business Trust	700,000	665,000	682,500	2.42
QES Group Bhd	1,500,000	1,028,560	615,000	2.18
RGT Bhd	1,727,400	1,690,209	388,665	1.38
RGT Bhd-Warrants	200,000	-	10,000	0.04
Sunway Bhd	358,200	710,166	1,694,286	6.00
Superlon Holdings Bhd	1,622,500	1,431,750	1,265,550	4.48
Swift Energy Technology Bhd	1,200,000	336,000	324,000	1.15
	<u>11,841,800</u>	<u>8,991,938</u>	<u>7,961,975</u>	<u>28.21</u>
<b>Plantation</b>				
Sarawak Oil Palms Bhd	<u>284,900</u>	<u>597,355</u>	<u>954,415</u>	<u>3.38</u>
<b>Property</b>				
Malaysian Resources Corp Bhd	1,650,300	744,635	882,911	3.13
Naim Holdings Bhd	595,700	798,934	580,808	2.06
Sime Darby Property Bhd	1,000,000	777,800	1,490,000	5.28
	<u>3,246,000</u>	<u>2,321,369</u>	<u>2,953,719</u>	<u>10.47</u>
<b>Real Estate Investment Trusts ("REITs")</b>				
Axis REITs	<u>352,505</u>	<u>631,752</u>	<u>701,485</u>	<u>2.48</u>



# MAYBANK MALAYSIA SMALLCAP FUND

## 6. FINANCIAL ASSETS AT FVTPL (CONT'D)

2025 (cont'd)	Quantity Unit	Aggregate cost RM	Market Value RM	Percentage of NAV %
<b>Technology</b>				
Frontken Corp Bhd (Warrants)	875,000	-	140,000	0.50
IT Max System Bhd	500,000	791,360	2,005,000	7.08
TT Vision Holdings Bhd	1,200,000	1,339,407	714,000	2.53
	<u>2,575,000</u>	<u>2,130,767</u>	<u>2,859,000</u>	<u>10.11</u>
<b>Telecommunication &amp; Media</b>				
Telekom Malaysia Bhd	200,000	1,341,120	1,350,000	4.83
<b>Total FVTPL investments</b>	<b><u>27,135,884</u></b>	<b><u>25,184,983</u></b>	<b><u>27,003,938</u></b>	<b><u>95.67</u></b>
<b>Unrealised gain on FVTPL investments</b>			<b><u>1,818,955</u></b>	
<b>2024</b>				
<b>Construction</b>				
Econpile Holdings Bhd	2,000,000	988,800	990,000	2.05
Ekovest Bhd	230,000	104,650	103,500	0.21
Gamuda Bhd	201,354	1,127,438	1,582,642	3.28
Kerjaya Prospek Group Bhd	500,000	917,050	1,015,000	2.11
Sunway Construction Group Bhd	300,000	573,690	1,440,000	2.99
	<u>3,231,354</u>	<u>3,711,628</u>	<u>5,131,142</u>	<u>10.64</u>
<b>Consumer Products</b>				
Airasia X Bhd	500,000	882,850	740,000	1.54
DXN Holdings Bhd	805,700	536,797	527,734	1.09
Focus Point Holdings Bhd	1,000,000	388,224	815,000	1.69
Well Chip Group Bhd	1,516,700	2,251,085	2,639,058	5.47
	<u>3,822,400</u>	<u>4,058,956</u>	<u>4,721,792</u>	<u>9.79</u>

# MAYBANK MALAYSIA SMALLCAP FUND

## 6. FINANCIAL ASSETS AT FVTPL (CONT'D)

2024 (cont'd)	Quantity Unit	Aggregate cost RM	Market Value RM	Percentage of NAV %
<b>Energy</b>				
Deleum Bhd	1,073,400	1,155,501	1,352,484	2.81
Icon Offshore Bhd	400,000	227,120	448,000	0.93
Keyfield International Bhd	800,000	1,627,500	1,936,000	4.02
Wasco Bhd	500,000	483,857	610,000	1.27
Yinson Holdings Bhd	600,000	1,398,560	1,434,000	2.97
	3,373,400	4,892,538	5,780,484	12.00
<b>Finance</b>				
RHB Bank Bhd	153,073	790,827	874,047	1.81
<b>Healthcare</b>				
Alpha IVF Group Bhd	1,137,400	363,968	363,968	0.76
Umedic Group Bhd	1,400,000	641,360	889,000	1.84
	2,537,400	1,005,328	1,252,968	2.60
<b>Industrial Products</b>				
CPE Technology Bhd	1,000,000	1,104,740	1,270,000	2.63
EPB Group Bhd	500,000	280,000	280,000	0.58
Pecca Group Bhd	950,000	1,245,425	1,178,000	2.44
Prolintas Infra Business Trust	833,900	792,205	729,663	1.51
QES Group Bhd	1,200,000	848,200	816,000	1.69
RGT Bhd	1,727,400	1,690,209	1,183,269	2.45
Sunway Bhd	354,800	696,158	1,522,092	3.16
Superlon Holdings Bhd	1,622,500	1,431,750	1,638,725	3.40
RGT Bhd-Warrants	200,000	-	38,000	0.08
	8,388,600	8,088,687	8,655,749	17.94

# MAYBANK MALAYSIA SMALLCAP FUND

## 6. FINANCIAL ASSETS AT FVTPL (CONT'D)

2024 (cont'd)	Quantity Unit	Aggregate cost RM	Market Value RM	Percentage of NAV %
<b>Plantation</b>				
Sarawak Oil Palms Bhd	300,000	629,015	864,000	1.79
<b>Property</b>				
Iskandar Waterfront City Bhd	1,080,000	922,868	772,200	1.60
LBS Bina Group Bhd	2,000,000	1,687,850	1,430,000	2.97
Malaysian Resources Corp Bhd	1,650,300	744,635	1,023,186	2.12
Naim Holdings Bhd	95,700	142,784	150,249	0.31
Sime Darby Property Bhd	1,000,000	777,800	1,580,000	3.28
	5,826,000	4,275,937	4,955,635	10.28
<b>REITs</b>				
Axis REITs	350,000	627,493	633,500	1.31
<b>Technology</b>				
TT Vision Holdings Bhd	1,200,000	1,339,407	1,368,000	2.82
IT Max System Bhd	500,000	791,360	1,575,000	3.27
Frontken Corp Bhd (Warrants)	875,000	-	367,500	0.76
	2,575,000	2,130,767	3,310,500	6.85
<b>Telecommunication &amp; Media</b>				
Telekom Malaysia Bhd	200,000	1,341,121	1,394,000	2.94
<b>Total FVTPL investments</b>	<b>30,757,227</b>	<b>31,552,297</b>	<b>37,573,817</b>	<b>77.95</b>
<b>Unrealised gain on FVTPL investments</b>			<b>6,021,520</b>	

## MAYBANK MALAYSIA SMALLCAP FUND

### 7. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

	2025 RM	2024 RM
Short term placements with licensed financial institutions with maturity of:		
- less than 3 months	1,275,885	12,162,448

The weighted average effective profit rates ("WAEPR")/ weighted average effective interest rates ("WAEIR") of deposits and the average maturity of deposits as at the reporting date were as follows:

	2025 WAEPR/ WAEIR % p.a.	Average maturity Days	2024 WAEPR/ WAEIR % p.a.	Average maturity Days
Deposits with licensed financial institutions	2.75	1	2.98	1

### 8. AMOUNT DUE FROM/ TO MANAGER

		2025 RM	2024 RM
Amount due from Manager is in respect of:			
Creation of units	(i)	19,786	12,075
Amount due to Manager is in respect of:			
Manager's fee	(ii)	35,923	62,154
Cancellation of units	(iii)	27,659	7,808
		63,582	69,962

- (i) The amount represents amount receivable from the Manager for units created.
- (ii) The amount relates to the amount payable to the Manager arising from the accruals for Manager's fee at the end of the financial year. The normal credit term for Manager's fee is 15 days (2024: 15 days).
- (iii) The amount represents amount payable to the Manager for units cancelled.

### 9. AMOUNT DUE TO TRUSTEE

The amount due to Trustee relates to the amount payable arising from the accrual for Trustee's fee at the end of the financial year. The normal credit term is 15 days (2024: 15 days).

### 10. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND

	Note	2025 RM	2024 RM
Unitholders' capital	10 (a)	(7,502,887)	7,380,029
Accumulated realised income	10 (b)	33,928,879	34,803,716
Accumulated unrealised income	10 (c)	1,818,953	6,021,518
		28,244,945	48,205,263

# MAYBANK MALAYSIA SMALLCAP FUND

## 10. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

### (a) Unitholder's capital

	2025		2024	
	Units	RM	Units	RM
As at beginning of the financial year	59,259,904	7,380,029	41,778,477	(9,369,206)
Creation of units	2,834,427	2,055,493	55,121,442	42,949,492
Reinvestment of units	1,820,569	1,481,033	-	-
Cancellation of units	(24,497,991)	(18,419,442)	(37,640,015)	(26,200,257)
As at end of the financial year	39,416,909	(7,502,887)	59,259,904	7,380,029

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

As at the reporting date, the total number and value of units held legally or beneficially by the Manager are as follows:

	2025		2024	
	Units	RM	Units	RM
MBB, the ultimate holding company of the Manager	5,892,408	4,222,500	5,892,408	4,793,474

The units are held beneficially by the Manager for booking purposes, and are within the prescribed limit allowed by the SC's Guidelines on Unit Trust Funds. Other than the above, there were no units held by the directors or parties related to the Manager.

### (b) Accumulated realised income

	2025 RM	2024 RM
At the beginning of the financial year	34,803,716	34,509,891
Net realised (loss)/ income for the financial year	(874,837)	1,774,858
Distribution (Note 11)	-	(1,481,033)
At the end of the financial year	33,928,879	34,803,716

### (c) Accumulated unrealised income

	2025 RM	2024 RM
At the beginning of the financial year	6,021,518	2,281,289
Net unrealised (loss)/ income for the financial year	(4,202,565)	3,740,229
At the end of the financial year	1,818,953	6,021,518

## MAYBANK MALAYSIA SMALLCAP FUND

### 11. DISTRIBUTION

There was no distribution declared for the financial year ended 31 July 2025.

The composition of distributions are as follows:

Source of distribution*	2024	
	Total distribution RM	Composition of distribution in percentage %
- Income distribution	1,481,033	100.00
- Capital distribution	-	-
	<u>1,481,033</u>	<u>100.00</u>

\* Effective from the 1 March 2022, the Securities Commission Guidelines permit a fund to distribute out of income (which includes current year's realised income) or out of capital (which includes prior year's realised income).

The gross and net distributions per unit and the distribution date are as follows:

Distribution date (ex-date)	Gross/ Net distribution per unit (RM sen)
<b>2024</b>	
26 July 2024	<u>2.50</u>

### 12. TRANSACTIONS WITH BROKERS/ DEALERS/ FINANCIAL INSTITUTIONS

The transactions with top 10 brokers/ dealers are as follows:

	Value of trade RM	Percent of total trade %	Brokerage fees RM	Percent of brokerage fees %
<b>2025</b>				
MIDF Amanah Investment Bank Bhd	5,179,117	43.77	5,205	36.90
TA Securities Holdings Bhd	3,565,518	30.14	3,584	25.42
Hong Leong Investment Bank Bhd	1,353,234	11.44	2,268	16.08
Kenanga Investment Bank Bhd	1,018,463	8.61	1,617	11.47
Nomura Securities Malaysia Sdn Bhd	714,124	6.04	1,428	10.13
	<u>11,830,456</u>	<u>100.00</u>	<u>14,102</u>	<u>100.00</u>

## MAYBANK MALAYSIA SMALLCAP FUND

### 12. TRANSACTIONS WITH BROKERS/ DEALERS/ FINANCIAL INSTITUTIONS (CONT'D)

The transactions with top 10 brokers/ dealers are as follows: (cont'd)

2024	Value of trade RM	Percent of total trade %	Brokerage fees RM	Percent of brokerage fees %
TA Securities Holdings Bhd	24,732,758	51.12	24,967	34.86
Kenanga Investment Bank Bhd	6,980,950	14.43	13,962	19.49
MIDF Amanah Investment Bank Bhd	3,856,447	7.97	3,884	5.42
Nomura Securities Malaysia Sdn Bhd	3,093,850	6.39	6,188	8.64
CIMB Investment Bank Bhd	2,560,901	5.29	5,122	7.15
Affin Hwang Investment Bank Bhd	2,517,170	5.20	5,034	7.03
RHB Investment Bank Bhd	1,620,160	3.35	3,240	4.52
United Overseas Bank (M) Bhd	1,278,695	2.64	5,749	8.02
Hong Leong Investment Bank Bhd	1,136,784	2.35	2,274	3.17
CGS International Securities Malaysia	609,690	1.26	1,219	1.70
	<u>48,387,405</u>	<u>100.00</u>	<u>71,639</u>	<u>100.00</u>

Details of transactions, primarily cash placements with financial institutions are as follows:

	2025		2024	
	Value of placements RM	Percentage of total placements %	Value of placements RM	Percentage of total placements %
Financial institutions				
MBB *	618,447,146	70.76	458,961,965	51.27
CIMB Islamic Bank Bhd	255,589,134	29.24	379,229,495	42.36
CIMB Bhd	-	-	56,993,872	6.37
	874,036,280	100.00	895,185,332	100.00

\* MBB is the ultimate holding company of the Manager.

### 13. SIGNIFICANT RELATED PARTY TRANSACTION AND BALANCES

For the purpose of these financial statements, parties are considered to be related to the Fund or the Manager if the Fund or the Manager has the ability directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decision, or vice versa, or where the Fund or the Manager and the party are subject to common control or common significant influence. Related parties may be individuals or other entities. In addition to the related party information disclosed elsewhere in the financial statements, the following is the significant related party transaction and balances of the Fund during the financial year.

## MAYBANK MALAYSIA SMALLCAP FUND

### 13. SIGNIFICANT RELATED PARTY TRANSACTION AND BALANCES (CONT'D)

Other than those disclosed elsewhere in the financial statements, the significant related party transactions and balances as at the reporting date are as below:

	2025 RM	2024 RM
<b>(a) Significant related party transactions</b>		
MBB*:		
Profit/ Interest income from deposits	73,415	55,583
<b>(b) Significant related party balances</b>		
MBB*:		
Deposit with a licensed financial institution	1,275,885	7,148,174
Profit/ Interest receivable	96	588

\* MBB is the ultimate holding company of the Manager.

### 14. TOTAL EXPENSE RATIO ("TER")

TER is calculated based on the ratio of the total fees and recovered expenses for the year, to the average daily NAV of the Fund. For the financial year ended 31 July 2025, the TER of the Fund stood at 1.62% (2024: 1.64%).

### 15. PORTFOLIO TURNOVER RATIO ("PTR")

The PTR of the Fund is the ratio of average of the total acquisitions and disposals of the investment in the Fund for the financial year to the daily average NAV of the Fund. For the financial year ended 31 July 2025, the PTR of the Fund stood at 0.22 times (2024: 1.00 times).

### 16. FINANCIAL INSTRUMENTS

#### (a) Classification of financial instruments

The Fund's financial assets and financial liabilities were measured on an ongoing basis at either fair value or at amortised cost based on their respective classifications. The material accounting policy information in Note 2.3 to 2.14 to the financial statements describe how the classes of financial instruments are measured and how income and expenses are recognised.

The following table analyses the financial assets and liabilities (excluding tax-related matters) of the Fund in the statement of financial position as at the reporting date by the class of financial instrument to which they are assigned, and therefore by the measurement basis.



# MAYBANK MALAYSIA SMALLCAP FUND

## 16. FINANCIAL INSTRUMENTS (CONT'D)

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

	Financial instruments at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
<b>2025</b>				
<b>Financial assets</b>				
Financial assets at FVTPL	27,003,938	-	-	27,003,938
Deposits with licensed financial institutions	-	1,275,885	-	1,275,885
Dividend receivable	-	16,169	-	16,169
Profit/ Interest receivable	-	96	-	96
Amount due from Manager	-	19,786	-	19,786
Cash at bank	-	16,599	-	16,599
<b>Total financial assets</b>	<b>27,003,938</b>	<b>1,328,535</b>	<b>-</b>	<b>28,332,473</b>
<b>Financial liabilities</b>				
Amount due to Manager	-	-	63,582	63,582
Amount due to Trustee	-	-	1,676	1,676
Other payables and accruals	-	-	22,270	22,270
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>87,528</b>	<b>87,528</b>
<b>2024</b>				
<b>Financial assets</b>				
Financial assets at FVTPL	37,573,817	-	-	37,573,817
Deposits with licensed financial institutions	-	12,162,448	-	12,162,448
Profit/ Interest receivable	-	17,287	-	17,287
Amount due from Manager	-	993	-	993
Amount due from brokers	-	12,075	-	12,075
Cash at bank	-	15,318	-	15,318
<b>Total financial assets</b>	<b>37,573,817</b>	<b>12,208,121</b>	<b>-</b>	<b>49,781,938</b>
<b>Financial liabilities</b>				
Amount due to Manager	-	-	69,962	69,962
Amount due to Trustee	-	-	2,901	2,901
Distribution payable	-	-	1,481,033	1,481,033
Other payables and accruals	-	-	22,779	22,779
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,576,675</b>	<b>1,576,675</b>

## MAYBANK MALAYSIA SMALLCAP FUND

### 16. FINANCIAL INSTRUMENTS (CONT'D)

#### (b) Financial instruments that are carried at fair value

The fair value of quoted investments in shares, warrants and REITs are determined by reference to the last bid price on the Bursa Malaysia as at the statement of financial position date.

#### (c) Fair value hierarchy

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>2025</b>				
Investments at FVTPL	27,003,938	-	-	27,003,938
<b>2024</b>				
Investments at FVTPL	37,573,817	-	-	37,573,817

#### (d) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximations of fair value

Other than its investments at FVTPL, the Fund's financial instruments were not carried at fair value but their carrying amounts were reasonable approximations of fair value due to their short-term maturity.

### 17. SEGMENTAL REPORTING

The Portfolio Management Committee (the "PMC") of the Manager, being the chief operating decision-maker of the Manager makes the strategic decisions on the resources allocation of the Fund. The decisions are based on an integrated investment strategy to ensure the Fund achieve its targeted return with an acceptable level of risk within the portfolio.

The chief operating decision-maker is responsible for the performance of the Fund by investing a minimum of 70% of the Fund's assets in equities and equity-related securities, and a minimum of 2% of the Fund's NAV will be invested in liquid assets.

The internal reporting for the Fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of MFRS Accounting Standards and IFRS Accounting Standards.

There were no changes in the reportable operating segments during the financial year.

## MAYBANK MALAYSIA SMALLCAP FUND

### 18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

#### (a) Introduction

The Fund maintains investment portfolios in a variety of listed financial instruments as dictated by its Deeds and investment management strategy. The Fund is exposed to a variety of risks including market risk (which includes price risk) and liquidity risk. Whilst these are the most important types of financial risks inherent in each type of financial instruments, the Manager and the Trustee would like to highlight that this list does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Fund.

#### (b) Market risk

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate due to changes in market variables such as equity prices. The maximum risk resulting from financial instruments equals their fair value. The market risk is managed through consistent monitoring and swift response to various factors that may adversely affect the Fund.

##### (i) Equity price risk

Equity price risk is the risk of unfavourable changes in the fair values of equities as the result of changes in the levels of equity indices and the value of individual shares. The equity price risk exposure arises from the Fund's investments in quoted equities. This risk can be minimised through investing in a wide range of companies in different sectors, which function independently from one another.

##### (ii) Equity price risk concentration

The Fund's exposure to equity price risk based on its portfolio of investments as at the reporting date is disclosed in Note 6 to the financial statements.

##### (iii) Equity price risk sensitivity

Management's best estimate of the effect on profit for the year due to a reasonable change in equity index, with all other variables held constant is indicated in the table below:

	2025		2024	
	Changes in equity price %	Effects on profit for the year Increase/ (decrease) RM	Changes in equity price %	Effects on profit for the year Increase/ (decrease) RM
	+ 5	1,350,197	+ 5	1,878,691
Quoted equities	- 5	(1,350,197)	- 5	(1,878,691)

## MAYBANK MALAYSIA SMALLCAP FUND

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

#### (c) Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected. The Fund is exposed to cash redemptions of its units on a regular basis. Units sold to unitholders by the Manager are redeemable at the unitholders' option based on the Fund's NAV per unit at the time of redemption calculated in accordance with the Fund's Deeds.

The Manager's policy is to always maintain a prudent and sufficient level of liquid assets so as to meet normal operating requirements and expected redemption requests by unitholders. Liquid assets comprise of cash, deposit with a licensed financial institution and other instruments which are capable of being converted into cash within 7 days.

The following table summarises the maturity profile of the Fund's financial liabilities. Balances due within twelve months equal their carrying amounts, as the impact of discounting is insignificant.

	Less than 1 month RM	More than 1 month RM	Total RM
<b>2025</b>			
<b>Financial liabilities</b>			
Amount due to Manager	63,582	-	63,582
Amount due to Trustee	1,676	-	1,676
Other payables and accruals	22,270	-	22,270
Total undiscounted financial liabilities	<u>87,528</u>	<u>-</u>	<u>87,528</u>
<b>2024</b>			
<b>Financial liabilities</b>			
Amount due to Manager	69,962	-	69,962
Amount due to Trustee	2,901	-	2,901
Distribution payable	1,481,033	-	1,481,033
Other payables and accruals	22,779	-	22,779
Total undiscounted financial liabilities	<u>1,576,675</u>	<u>-</u>	<u>1,576,675</u>

The maturity grouping is based on the remaining period from the end of the reporting date to the contractual maturity date. When a counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund is required to settle its financial obligation.

#### (d) Credit risk

Credit risk is the risk that the issuer/ counterparty to a financial instrument will default on its contractual obligation resulting in a financial loss to the Fund. The Fund is exposed to the risk of credit-related losses that can occur as a result of an issuer/ counterparty's inability or unwillingness to honour its contractual obligations to make timely repayments of profit/ interest, principal and proceeds from realisation of investments. These credit exposures exist within financing relationships and other transactions.

## MAYBANK MALAYSIA SMALLCAP FUND

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

#### (d) Credit risk (cont'd)

The Manager manages the Fund's credit risk by undertaking credit evaluation and close monitoring of any changes to the issuer/ counterparty's credit profile to minimise such risk. It is the Fund's policy to enter into financial instruments with reputable counterparties. The Manager also closely monitors the creditworthiness of the Fund's other counterparties (e.g. brokers, custodian, banks, etc.) by reviewing their credit ratings and credit profile on a regular basis.

#### (i) Credit risk exposure

At the reporting date, the Fund's maximum exposure to credit risk is represented by the carrying amount of each class of financial asset recognised in the statement of financial position. None of the Fund's financial assets were past due or impaired as at the reporting date.

#### (ii) Credit quality of financial assets

The following table analyses the Fund's deposits with licensed financial institutions, cash at bank and profit/ interest receivables from financial institutions by rating categories. The rating is obtained from RAM Holdings Bhd's official website.

Financial assets	2025		2024	
	RM	As a percentage of NAV %	RM	As a percentage of NAV %
AAA	1,292,580	4.58	12,178,759	25.26

### 19. CAPITAL MANAGEMENT

The capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund.

The Fund's objectives for managing capital are:

- (a) To invest in investments meeting the description, risk exposure and expected returns as indicated in its prospectus;
- (b) To achieve consistent returns while safeguarding capital by using various investment strategies;
- (c) To maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise; and
- (d) To maintain sufficient fund size to ensure that the operations of the Fund are cost-efficient.

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