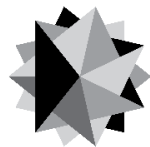


Affin Hwang Aiiman Income Plus Fund

Interim Report
28 February 2019

Out **think.** Out **perform.**



AFFIN HWANG
CAPITAL

MANAGER
Affin Hwang Asset Management Berhad (429786-T)

TRUSTEE
HSBC (Malaysia) Trustee Berhad (1281-T)

AFFIN HWANG AIIMAN INCOME PLUS FUND

Interim Report and Unaudited Financial Statements For the 6 Months Financial Period Ended 28 February 2019

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FUND INFORMATION

Fund Name	Affin Hwang Aiman Income Plus Fund
Fund Type	Income
Fund Category	Sukuk
Investment Objective	To provide steady income stream over the medium to long-term period through investments primarily in Sukuk
Benchmark	The performance benchmark to be used by the Manager in measuring the performance of the Fund will be 12-month Maybank General Investment Account rate (GIA) which is readily available at any Maybank's branches.
Distribution Policy	The Fund will distribute income, if any, on a quarterly basis. However, the amount of income available for distribution may fluctuate from year to year.

BREAKDOWN OF UNITHOLDERS BY SIZE RM CLASS AS AT 28 FEBRUARY 2019

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	61	161
5,001 to 10,000	54	415
10,001 to 50,000	122	2,690
50,001 to 500,000	73	11,459
500,001 and above	54	1,572,211
Total	364	1,586,936

* Note: Excluding Manager's stock

FUND PERFORMANCE DATA

Category	As at 28 Feb 2019 (%)	As at 28 Feb 2018 (%)	As at 28 Feb 2017 (%)
Portfolio composition			
Unquoted Sukuk	91.26	89.44	89.83
Cash & cash equivalent	8.74	10.56	10.17
Total	100.00	100.00	100.00
Total NAV (RM'million)	921.461	848.132	763.678
NAV per Unit (RM)	0.5806	0.5697	0.5701
Unit in Circulation (million)	1,587.096	1,448.815	1,339.595
Highest NAV	0.5806	0.5745	0.5763
Lowest NAV	0.5708	0.5651	0.5611
Return of the Fund (%) ⁱⁱⁱ	2.75	1.49	0.90
- Capital Growth (%) ⁱ	0.97	-0.57	-0.73
- Income Distribution (%) ⁱⁱ	1.76	2.07	1.65
Gross Distribution per Unit (sen)	1.00	1.17	0.93
Net Distribution per Unit (sen)	1.00	1.17	0.93
Management Expense Ratio (%) ¹	0.53	0.56	0.56
Portfolio Turnover Ratio (times) ²	0.25	0.33	0.50

Basis of calculation and assumption made in calculating the returns:-

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

An illustration of the above would be as follow:-

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
Capital Returnⁱ	= (NAV per Unit @ 28/02/19 ÷ NAV per Unit @ 31/8/18* - 1) x 100 = (0.5806 ÷ 0.5750 - 1) x 100 = 0.97%
Income Return @ ex-date	= {Income distribution per Unit ÷ NAV per Unit on ex-date} + 1 = {0.0050 ÷ 0.5708 @ 24/09/18} + 1 = 1.0088 = {0.0050 ÷ 0.5721 @ 21/12/18} + 1 = 1.0087
Total Income Returnⁱⁱ	= [{Income Return @ ex-date x Income Return @ ex-date} – 1] x 100 = [{1.0088 x 1.0087} – 1] x 100 = 1.76%
Return of the Fundⁱⁱⁱ	= [(1 + Capital Return) x (1 + Income Return)] – 1 x 100 = [(1 + 0.97%) x (1 + 1.76%)] – 1 x 100 = 2.75%

* Source –HSBC Trustee

¹The Fund's MER was slightly lower than previous year due to lower expenses incurred by the Fund during the period under review.

²The decrease in the Fund's PTR was due to lower average sum of acquisition and disposal during the period under review.

Table 1: Performance of the Fund

	6 Months (1/9/18 - 28/2/19)	1 Year (1/3/18 - 28/2/19)	3 Years (1/3/16 - 28/2/19)	5 Years (1/3/14 - 28/2/19)	Since Commencement (17/7/04 - 28/2/19)
Fund	2.75%	5.55%	14.50%	23.95%	119.02%
Benchmark	1.77%	3.60%	11.09%	19.01%	85.00%
Outperformance / (Underperformance)	0.98%	1.95%	3.41%	4.94%	34.02%

Source of Benchmark: Bursa Malaysia & Maybank

Table 2: Average Total Return

	1 Year (1/3/18 - 28/2/19)	3 Years (1/3/16 - 28/2/19)	5 Years (1/3/14 - 28/2/19)	Since Commencement (17/7/04 - 28/2/19)
Fund	5.55%	4.62%	4.39%	5.50%
Benchmark	3.60%	3.57%	3.54%	4.29%
Outperformance / (Underperformance)	1.95%	1.05%	0.85%	1.21%

Source of Benchmark: Bursa Malaysia & Maybank

Table 3: Annual Total Return

	FYE 2018 (01/9/17 - 31/8/18)	FYE 2017 (01/9/16 - 31/8/17)	FYE 2016 (01/9/15 - 31/8/16)	FYE 2015 (01/9/14 - 31/8/15)	FYE 2014 (01/9/13 - 31/8/14)
Fund	4.25%	2.76%	6.83%	2.89%	3.09%
Benchmark	3.44%	3.46%	4.01%	3.39%	3.20%
Outperformance / (Underperformance)	0.81%	(0.70%)	2.82%	(0.50%)	(0.11%)

Source of Benchmark: Bursa Malaysia & Maybank

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

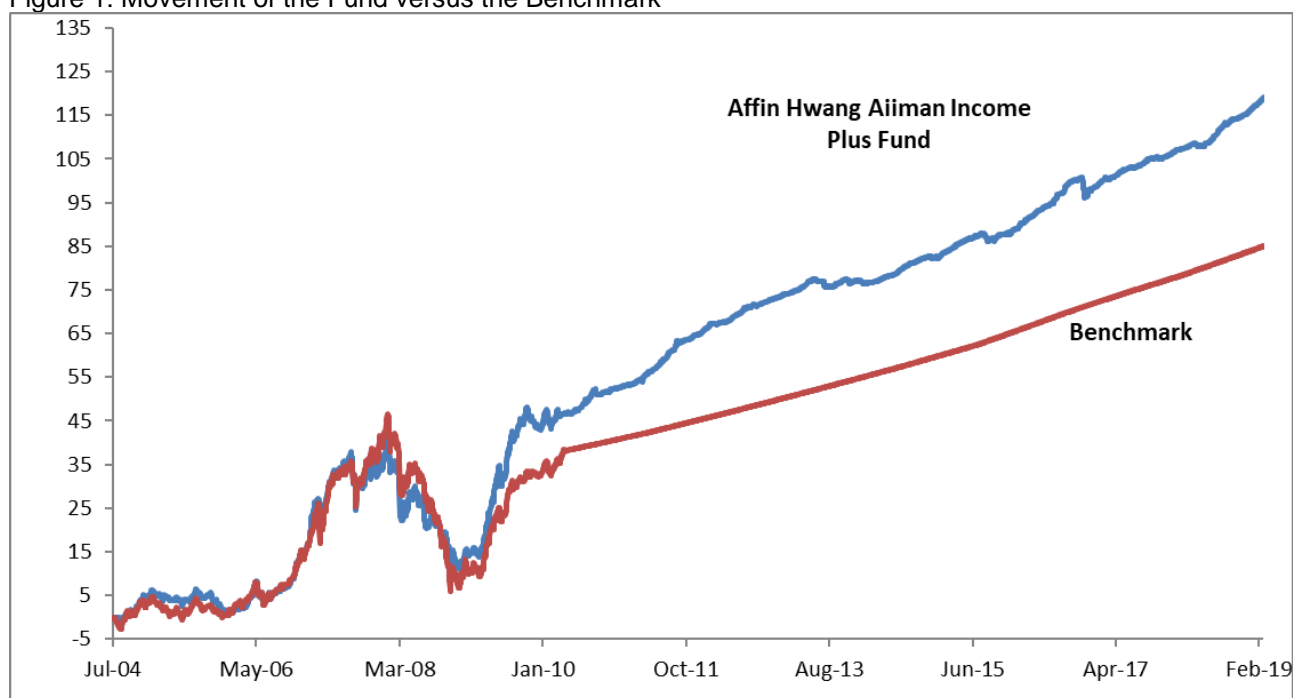
MANAGER'S REPORT

Performance Review

For the period 1 September 2018 to 28 February 2019, the Fund has registered a 2.75% return as compared to the benchmark return of 1.77%. The Fund outperformed the benchmark by 0.98 percentage points. The Net Asset Value (NAV) per unit as at 28 February 2019 was RM0.5806 while the NAV per unit 31 August 2018 was RM0.5750. The Fund has declared a gross income distribution of RM0.01 per unit during the period under review. (See Table 1 for performance of the Fund and Figure 1 for the movement of the Fund versus the Benchmark respectively).

Since inception, the Fund has registered a return of 119.02% versus the benchmark of 85.00%. This represents an outperformance of 34.02 percentage points. The Fund will continue to be managed in a manner to fulfill its objective.

Figure 1: Movement of the Fund versus the Benchmark



"This information is prepared by Affin Hwang Asset Management Berhad (AFFINHWANGAM) for information purposes only. Past earnings or the fund's distribution record is not a guarantee or reflection of the fund's future earnings/future distributions. Investors are advised that unit prices, distributions payable and investment returns may go down as well as up. Source of Benchmark is from Bursa Malaysia."

Benchmark: 12-month Maybank General Investment Account rate (GIA)

Income Distribution / Unit Split

Affin Hwang Asset Management Berhad recently declared a gross distribution of RM0.0100 per Unit for investors of the Affin Hwang Aiiman Income Plus Fund during the period under review.

The Net Asset Value per unit prior and subsequent to the distribution was as follows:-

Cum Date	Ex-Date	Cum-distribution (RM)	Distribution per Unit (RM)	Ex-distribution (RM)
23 Sep 2018	24 Sep 2018	0.5756	0.0050	0.5708
20 Dec 2018	21 Dec 2018	0.5769	0.0050	0.5721

No unit splits were declared for the financial period ended 28 February 2019.

Asset Allocation

For a snapshot of the Fund's asset mix during the period under review, please refer to Figure 2.

Figure 2: Asset allocation of the Fund

	<u>28 Feb 2019</u>	<u>28 Feb 2018</u>	<u>28 Feb 2017</u>
	(%)	(%)	(%)
Quoted Sukuk	91.26	89.44	89.83
Cash & cash equivalent	8.74	10.56	10.17
Total	100.00	100.00	100.00

As at 28 February 2019, the Sukuk exposure of the portfolio stood at 91.26%, while the balance was held in cash and cash equivalent. During the period under review, the Fund remained invested mostly in AA rated Sukuk.

Strategies Employed

With the return of volatility in markets, we raised our cash holdings and went into a defensive stance in our allocation. As the sell-down accelerated, we took a view that the correction was overdone and a recession was not imminent, where we then deployed back into the market with a focus on quality.

Market Review

Emerging markets (EMs) saw a "tantrum-like" sell-off in 2018 where investors' appetite for risk-assets tapered off significantly on the back of fractious developments within Turkey and Argentina that have sent both their currencies into free fall. Investors ploughed back money into the US on signs of quicker growth, rising interest rates and a stronger greenback that has undermined the attraction of riskier EM assets.

Regionally, the MSCI Asia ex-Japan Index was weighed down by external risk closing 1.94% lower. The MSCI AC Asia Islamic ex Japan Index fell 3.89% in the period under review due to the concentration of weights within the index including tech, property and manufacturing. As compared to the conventional space which included the banking sector that held up well.

Trade remained a key overhang of markets following tit-for-tat tariffs, where the Trump administration announced 10.0% duties on USD200 billion worth of Chinese imports which took effect on September 2018. China swiftly retaliated by imposing tariffs of their own on USD60 billion worth of US goods ranging between 5.0-10.0%. The two global powerhouses have already slapped tariffs on USD50 billion worth of goods throughout its trade skirmish.

A sharp depreciation of the Chinese yuan also dragged down the rest of EMs, as a high correlation between markets led to further pain within other Asian currencies. The yuan has shed over 3.37% of its value YTD, when trade tensions started to brew. Due to concerns over trade-frictions with the US and possible second-order impacts on the Chinese economy that could manifest into slower investment and softer consumption, Beijing has shifted slightly towards a more neutral tone that leaves more room for China to loosen its grip on deleveraging and policy easing.

Coming into 2019, markets staged a fast and furious early-year rally that fuelled gains in Asian equity benchmark gauges. Coming from a deeply oversold position, markets were buoyed by increased trade optimism as both US and China come around the negotiation table to iron out a framework for a trade deal. After a yearlong bitter trade conflict, we've since seen the two economic powerhouses change their political rhetoric to one of compromise and cooperation after extending the initial 1 March deadline. Some of the headwinds pressuring emerging markets (EMs) before are now receding with the US Federal Reserve turning more dovish and the US dollar strength starting to top-out. A gradual step-up in stimulus measures from China would also be supportive of markets and help drive growth.

The MYR sukuk market held up well in 2018 supported by flushed local liquidity despite domestic political events. On the flip-side, the global sukuk had a poor year in general, in line with global rates and credit markets due to tighter global monetary conditions and concerns of global growth tapering off. The decline in crude oil prices in the 2H'18 had little impact on the sukuk market, as oil prices still averaged higher than prices assumed in annual budgets throughout the year.

Investment Outlook

The global economy is poised to continue to grow at an even keel albeit at a slower pace. We do not see major economic imbalances that would lead to a recession in the immediate term. That said, as we head into a late cycle, we are mindful that uncertainty will stay high from economic, policy and politics perspective.

Easing measures announced by China has propped up the market, though closer monitoring would be needed to see if such stimulus has started to trickle-down to growth and GDP possibly sometime into the 2Q'19 due to lag effects. This could bolster fund flows back into EMs as positioning has been light with global funds underweight EMs and lots of cash on the side-lines.

Post sell-off, we do see valuations coming down to more attractive levels. With the exception of the 2008-GFC and Asian Financial Crisis, valuations today in Asia ex-Japan are at levels which correspond to positive market performance going forward. Though, we are mindful still of weaker earnings growth and further cuts to forward earnings estimates that could put a drag to market performance. We need to see earnings stabilise to anchor valuations forward.

State of Affairs of the Fund

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

Soft Commissions received from Brokers

As per the requirements of the Securities Commission's Guidelines on Unit Trust Funds and Guidelines on Compliance Function for Fund Management Companies, soft commissions received from brokers/dealers may be retained by the management company only if the :-

- (i) goods and services provided are of demonstrable benefit to Unit holders of the Fund; and
- (ii) goods and services are in the form of research and advisory services that assists in the decision making process.

During the financial period under review, the management company had received on behalf of the Fund, soft commissions in the form of research materials, data and quotation services, investment-related publications, market data feed and industry benchmarking agencies which are of demonstrable benefit to Unitholders of the Fund.

TRUSTEE'S REPORT TO THE UNITHOLDERS OF AFFIN HWANG AIIMAN INCOME PLUS FUND

We have acted as Trustee of Affin Hwang Aiiman Income Plus Fund ("the Fund") for the financial period ended 28 February 2019. To the best of our knowledge, Affin Hwang Asset Management Berhad ("the Management Company"), has operated and managed the Fund in accordance with the following:-

- a) limitations imposed on the investment powers of the Management Company and the Trustee under the Deeds, the Securities Commission's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 and other applicable laws;
- b) valuation/pricing is carried out in accordance with the Deeds and any regulatory requirements;
and
- c) creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirements.

During this financial period, a total distribution of 1.00 sen per unit (gross) has been distributed to the unitholders of the Fund. We are of the view that the distribution is not inconsistent with the objective of the Fund.

For HSBC (Malaysia) Trustee Berhad

Tan Bee Nie
Manager, Investment Compliance Monitoring

Kuala Lumpur
16 April 2019

SHARIAH ADVISER'S REPORT TO THE UNITHOLDERS OF AFFIN HWANG AIIMAN INCOME PLUS FUND

We have acted as the Shariah Adviser of **Affin Hwang Aiiman Income Plus Fund**. Our responsibility is to ensure that the procedures and processes employed by **Affin Hwang Asset Management Berhad** and the provisions of the Deed dated 5 May 2004 as amended by the First Supplemental Deed dated 29 December 2005, Second Supplemental Deed dated 18 June 2007, Third Supplemental Deed dated 23 September 2008, Fourth Supplemental Deed dated 20 November 2008, Fifth Supplemental Deed dated 26 March 2010, Sixth Supplemental Deed dated 18 January 2012, Seventh Supplemental Deed dated 27 June 2014 and Eighth Supplemental Deed dated 30 November 2017 are in accordance with Shariah principles.

In our opinion, Affin Hwang Asset Management has managed and administered Affin Hwang Aiiman Income Plus Fund in accordance with Shariah principles and complied with applicable guidelines, rulings and decisions issued by the Securities Commission pertaining to Shariah matters for the financial period ended 28 February 2019.

In addition, we also confirm that the investment portfolio of the Fund comprises securities which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission ("SACSC") or SAC of Bank Negara Malaysia ("BNM"). As for the securities which are not certified by the SACSC or BNM, we have reviewed the said securities and opine that these securities are designated as Shariah-compliant.

For **Amanie Advisors Sdn Bhd**

DATUK DR MOHD DAUD BAKAR
Executive Chairman

Kuala Lumpur
16 April 2019

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019**

	Note	6 months financial period ended <u>28.2.2019</u>	6 months financial period ended <u>28.2.2018</u>
	RM	RM	
INVESTMENT INCOME			
Profit income	4	18,913,636	18,769,147
Net gain/(loss) on financial assets at fair value through profit or loss	9	7,900,540	(1,864,993)
		<u>26,814,176</u>	<u>16,904,154</u>
EXPENSES			
Management fee	5	(3,979,982)	(4,066,004)
Trustee fee	6	(285,846)	(287,705)
Auditors' remuneration		(3,967)	(3,967)
Tax agent's fee		(1,883)	(1,985)
Other expenses		(4,727)	(259,713)
		<u>(4,276,405)</u>	<u>(4,619,374)</u>
NET PROFIT BEFORE TAXATION		22,537,771	12,284,780
TAXATION	7	-	-
NET PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD		<u>22,537,771</u>	<u>12,284,780</u>
Net profit after taxation is made up of the following:			
Realised amount		15,287,174	15,530,270
Unrealised amount		7,250,597	(3,245,490)
		<u>22,537,771</u>	<u>12,284,780</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

**STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2019**

ASSETS	<u>Note</u>	<u>2019</u> RM	<u>2018</u> RM
Financial assets at fair value through profit or loss	9	840,971,164	758,590,708
Cash and cash equivalents	10	80,818,973	73,739,349
Amount due from Manager - creation of units		135,140	7,960,160
Amount due from dealers		374,353	18,345,826
TOTAL ASSETS		<u>922,299,630</u>	<u>858,636,043</u>
LIABILITIES			
Amount due to Manager - management fee		686,211	644,987
- cancellation of units		81,808	39,879
Amount due to trustee		48,035	45,149
Amount due to dealers		-	9,709,942
Auditors' remuneration		3,967	3,967
Tax agent's fee		8,383	8,085
Other payables and accruals		9,913	52,169
TOTAL LIABILITIES		<u>838,317</u>	<u>10,504,178</u>
NET ASSET VALUE OF THE FUND		<u>921,461,313</u>	<u>848,131,865</u>
EQUITY			
Unitholders' capital		892,961,671	835,288,184
Retained earnings		28,499,642	12,843,681
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>921,461,313</u>	<u>848,131,865</u>
NUMBER OF UNITS IN CIRCULATION	11	<u>1,587,096,000</u>	<u>1,488,815,000</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.5806</u>	<u>0.5697</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019**

	Unitholders' <u>capital</u> RM	Retained <u>earnings</u> RM	<u>Total</u> RM
Balance as at 1 September 2018	783,368,413	19,990,286	803,358,699
Total comprehensive income for the financial period	-	22,537,771	22,537,771
Distributions (Note 8)	-	(14,028,415)	(14,028,415)
Movement in unitholders' capital:			
Creation of units arising from applications	179,648,646	-	179,648,646
Creation of units arising from distribution	12,160,868	-	12,160,868
Cancellation of units	(82,216,256)	-	(82,216,256)
Balance as at 28 February 2019	<u>892,961,671</u>	<u>28,499,642</u>	<u>921,461,313</u>
Balance as at 1 September 2017	779,535,907	17,410,537	796,946,444
Total comprehensive income for the financial period	-	12,284,780	12,284,780
Distributions (Note 8)	-	(16,851,636)	(16,851,636)
Movement in unitholders' capital:			
Creation of units arising from applications	102,189,118	-	102,189,118
Creation of units arising from distribution	14,546,113	-	14,546,113
Cancellation of units	(60,982,954)	-	(60,982,954)
Balance as at 28 February 2018	<u>835,288,184</u>	<u>12,843,681</u>	<u>848,131,865</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

**STATEMENT OF CASH FLOWS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019**

	<u>Note</u>	6 months financial period ended <u>28.2.2019</u> RM	6 months financial period ended <u>28.2.2018</u> RM
CASH FLOW FROM OPERATING ACTIVITIES			
Proceeds from sale of Shariah-compliant investments		167,456,608	257,730,402
Purchase of Shariah-compliant investments		(249,238,069)	(276,175,960)
Profit from short term Shariah-based deposits and unquoted sukuk		18,247,487	18,664,328
Management fee paid		(3,974,619)	(4,099,631)
Trustee fee paid		(285,470)	(290,059)
Payment for other fees and expenses		(13,408)	(270,978)
Net cash used in operating activities		<u>(67,807,471)</u>	<u>(4,441,898)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from creation of units		179,513,506	94,478,110
Payments for cancellation of units		(82,264,814)	(60,943,075)
Payment for distributions		(1,867,547)	(2,305,523)
Net cash generated from financing activities		<u>95,381,145</u>	<u>31,229,512</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		27,573,674	26,787,614
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD		<u>53,245,299</u>	<u>46,951,735</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	10	<u><u>80,818,973</u></u>	<u><u>73,739,349</u></u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019

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

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, except as disclosed in the summary of significant accounting policies and comply with Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

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

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

(a) Standards, amendments to published standards and interpretations that are effective:

The Fund has applied the following amendments for the first time for the financial period beginning on 1 September 2018:

- MFRS 9 ‘Financial Instruments’ became effective for annual periods beginning on or after 1 September 2018. It addresses the classification, measurement and derecognition of financial assets and liabilities and replaces the multiple classification and measurement models in MFRS 139.

Classification and measurement of debt assets is driven by the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. A debt instrument is measured at amortised cost if the objective of the business model is to hold the financial asset for the collection of the contractual cash flows and the contractual cash flows under the instrument solely represent payments of principal and interest (“SPPI”). A debt instrument is measured at fair value through other comprehensive income if the objective of the business model is to hold the financial asset both to collect contractual cash flows from SPPI and to sell. All other debt instruments must be recognised at fair value through profit or loss. An entity may however, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Derivative and equity instruments are measured at fair value through profit or loss unless, for equity instruments not held for trading, an irrevocable option is taken to measure at fair value through other comprehensive income. MFRS 9 also introduces a new expected credit loss (“ECL”) impairment model.

MFRS 9 has been applied retrospectively by the Fund and has resulted in the changes outlined in Note F.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

- (a) Standards, amendments to published standards and interpretations that are effective (continued):

The Fund's investment portfolio continues to be classified as fair value through profit or loss and other financial assets which are held for collection continue to be measured at amortised cost. There was no material impact on adoption from the application of the new impairment model.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 September 2018 that have a material effect on the financial statements of the Fund.

- (b) New standards, amendments and interpretations effective after 1 February 2018 and have not been early adopted:

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 March 2018, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

B INCOME RECOGNITION

Interest income

Profit from short term Shariah-based deposits with licensed financial institutions and unquoted sukuk are recognised based on effective profit rate method on an accrual basis.

Up till 31 August 2018, when a loan and receivable is impaired, the Fund reduce the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continue unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate.

From 1 September 2018, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

The changes did not result in any material impact in the Fund.

Dividend income

For unquoted Sukuk, realised gains and losses on sale are accounted as the difference between the net disposal proceeds and the carrying amount of Shariah-compliant investments, determined on a weighted average cost basis for Shariah-compliant investments and on cost adjusted for accretion of discount or amortisation of premium on investments.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)

C DIVIDEND DISTRIBUTION

A distribution to the Fund's unitholders is accounted for as a deduction from realised reserve. A proposed distribution is recognised as a liability in the period in which it is approved by the Trustee of the Fund.

D TAXATION

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

E FUNCTIONAL AND PRESENTATION CURRENCY

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

F FINANCIAL ASSETS AND FINANCIAL LIABILITES

(i) Classification

Up to 31 August 2018, the Fund designates its investment in unquoted sukuk as financial assets at fair value through profit or loss at inception.

Financial assets are designated at fair value through profit or loss when they are managed and their performance evaluated on a fair value basis.

Financing and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and have been included in current assets. The Fund's financing and receivables comprise cash and cash equivalents, amount due from Manager and amount due from dealers.

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, amount due to dealers, auditors' remuneration, tax agent's fee, other payables and accruals as other financial liabilities.

From 1 September 2018, the Fund classify its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ('OCI') or through profit or loss), and
- those to be measured at amortised cost

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(i) Classification (continued)

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Fund's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss

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

The Fund classifies amount due to Manager, amount due to Trustee, amount due to dealers, auditors' remuneration, tax agent's fee and other payables and accruals as financial liabilities measured at amortised cost.

(ii) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value.

Financial liabilities, within the scope of MFRS 139 up to 31 August 2018 and MFRS 9 from 1 September 2018, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

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

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

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

Unquoted sukuk denominated in Ringgit Malaysia are revalued on a daily basis based on fair value prices quoted by a bond pricing agency ("BPA"). Where such quotation are not available or where the Manager is of the view that the price quoted by the BPA for a specific unquoted sukuk differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager:

- (i) records its basis for using 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.

Shariah-based deposits with licensed financial institutions are stated at cost plus accrued profit calculated on the effective profit method over the period from the date of placement to the date of maturity of the deposit.

Financing and receivables and other liabilities are subsequently carried at amortised cost using the effective profit method.

(iii) Impairment

Up to 31 August 2018, for assets carried at amortised cost, the Fund assesses at the end of the reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective profit rate. The asset's carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If 'financing and receivables' or a 'held to maturity' investment has a variable profit rate, the discount rate for measuring any impairment loss is the current effective profit rate determined under the contract.

As a practical expedient, the Fund may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent year, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in comprehensive income.

When an asset is uncollectible, it is written off against the related allowance account. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

From 1 September 2018 onwards, the Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward looking information in determining any expected credit loss. Management consider the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12 month expected credit losses as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Write-off

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)

G CASH AND CASH EQUIVALENTS

For the purposes of cash flows, cash and cash equivalents comprise cash and bank balances and Shariah-based deposits held in highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

H AMOUNTS DUE FROM/(TO) DEALERS

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

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amounts due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

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

I UNITHOLDERS' CAPITAL

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

- the units entitle the holder to a proportionate share of the Fund's net assets value;
- 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.

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

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

J 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, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the strategic asset allocation committee of the Manager that makes strategic decisions.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)

K CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The preparation of financial statements in conformity with the Malaysian Financial Reporting Standards requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial period. Although these estimates are based on the Manager's best knowledge of current events and actions, actual results could differ from those estimates.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019

1 INFORMATION ON THE FUND

The Unit Trust Fund was constituted under the name HwangDBS Dana Fahim pursuant to the execution of a Deed dated 5 May 2004, First Supplemental Deed dated 29 December 2005, Second Supplemental Deed dated 18 June 2007 and Third Supplemental Deed dated 23 September 2008 and Eight Supplemental Deed dated 30 November 2017. The Fund has changed its name from HwangDBS Dana Fahim to HwangDBS AllMAN Balanced Fund (the "Fund") as amended by the Fourth Supplemental Deed dated 20 November 2008, from HwangDBS AllMAN Balanced Fund to HwangDBS AllMAN Income Plus Fund as amended by the Fifth Supplemental Deed dated 26 March 2010 and from HwangDBS AllMAN Income Plus Fund to Hwang AllMAN Income Plus Fund as amended by the Sixth Supplemental Deed dated 18 January 2012 and from Hwang Aiiman Income Plus Fund to Affin Hwang Aiiman Income Plus Fund as amended by the Seventh Supplemental Deed dated 27 June 2014 (the "Deeds") entered into between Affin Hwang Asset Management Berhad (the "Manager"), HSBC (Malaysia) Trustee Berhad (the "Trustee") and the registered unitholders of the Fund.

The Fund commenced operations on 28 June 2004 and will continue its operations until terminated by the Trustee as provided under Clause 3.1 of the Deed.

The Fund may invest in the following investments subject to the Shariah requirements, the Fund's objective and as approved by the Shariah Advisory Council of the SC and/or the Shariah Adviser:

- (i) Shariah-compliant securities of companies listed on the recognised Malaysian stock exchange or any other exchanges where the regulatory authority is a member of the International Organisation of Securities Commissions;
- (ii) Unlisted Shariah-compliant securities;
- (iii) Shariah-compliant warrants;
- (iv) Government Investment Issues, Islamic accepted bills, Bank Negara Malaysia negotiable notes, negotiable Islamic debt certificate, Islamic negotiable instrument of deposit, Cagamas mudharabah bonds and any other government Islamic papers;
- (v) Other Shariah-compliant obligations issued or guaranteed by the Malaysian government, Bank Negara Malaysia, state governments and government-relates agencies;
- (vi) Sukuk;
- (vii) Shariah-compliant deposits with financial institutions and placements of money with investment banks;
- (viii) Islamic money market instruments;
- (ix) Shariah-compliant collective investment schemes; and
- (x) Any other form of Shariah-compliant investments as may be permitted by Securities Commission Malaysia and/or Shariah adviser from time to time that is in line with the Fund's objectives.

The main objective of the Fund is to provide a steady income stream over the medium to long-term period through investments primarily in Sukuk.

The Manager is a company incorporated in Malaysia. The principal activities of the Manager are establishment and management of unit trust funds and private retirement schemes as well as providing fund management services to private clients.

The financial statements were authorised for issue by the Manager on 16 April 2019.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

<u>2019</u>	<u>Note</u>	Financial assets at amortised <u>cost</u> RM	Financial asset at fair value through <u>profit or loss</u> RM	<u>Total</u> RM
Unquoted sukuk	9	-	840,971,164	840,971,164
Cash and cash equivalents	10	80,818,973	-	80,818,973
Amount due from Manager - creation of units		135,140	-	135,140
Amount due from dealers		374,353	-	374,353
Total		81,328,466	840,971,164	922,299,630

<u>2018</u>	<u>Note</u>	Financing and <u>receivables</u>	Financial asset at fair value through <u>profit or loss</u>	<u>Total</u>
Unquoted sukuk	9	-	758,590,708	758,590,708
Cash and cash equivalents	10	73,739,349	-	73,739,349
Amount due from Manager - creation of units		7,960,160	-	7,960,160
Amount due from dealers		18,345,826	-	18,345,826
Total		100,045,335	758,590,708	858,636,043

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

The Fund is exposed to a variety of risks which include market risk (including price risk, profit rate risk) liquidity risk, credit risk, capital risk and reclassification of Shariah status risk.

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

Market risk

(a) Price risk

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(a) Price risk (continued)

The Fund's overall exposure to price risk was as follows:

	<u>2019</u> RM	<u>2018</u> RM
Shariah-compliant unquoted investments		
Unquoted sukuk designated at fair value through profit or loss*	840,971,164	758,590,708

* Include profit receivable RM10,015,268 (2018: RM9,124,410)

The following table summarises the sensitivity of the Fund's profit after taxation and net asset value to price risk movements. The analysis is based on the assumptions that the market price increased by 5% and decreased by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the unquoted securities, having regard to the historical volatility of the prices.

<u>% change in price</u>	<u>Market value</u> RM	<u>Impact on profit after tax/NAV</u> RM
<u>2019</u>		
-5%	789,408,101	(41,547,795)
0%	830,955,896	-
+5%	872,503,691	41,547,795
<u>2018</u>		
-5%	711,992,983	(37,473,315)
0%	749,466,298	-
+5%	786,939,613	37,473,315

(b) Interest rate risk

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Interest rate risk (continued)

This risk is crucial in an unquoted sukuk fund since unquoted sukuk portfolio management depends on forecasting profit rate movements. Prices of unquoted sukuk move inversely to profit rate movements, therefore as profit rates rise, the prices of unquoted sukuk decrease and vice versa. Furthermore, unquoted sukuk with longer maturity and lower yield coupon rates are more susceptible to profit rate movements.

Investors should note that unquoted sukuk and money market instruments are subject to profit rate fluctuations. Such investments may be subject to unanticipated rise in profit rates which may impair the ability of the issuers to make payments of profit income and principal, especially if the issuers are highly leveraged. An increase in profit rates may therefore increase the potential for default by an issuer.

The table below summarises the sensitivity of the Fund's net asset value to movements in prices of unquoted sukuk held by the Fund as a result of movement in profit rate. The analysis is based on the assumptions that the profit rate increased and decreased by 1% (100 basis points) with all other variables held constant.

<u>% movement in profit rate</u>	<u>Impact on profit after tax/NAV</u>	
	<u>2019</u>	<u>2018</u>
	RM	RM
+ 1%	(2,887,851)	(2,568,991)
- 1%	2,903,481	2,582,535

The Fund's exposure to profit rate risk associated with Shariah-based deposits with a licensed financial institution is not material as the carrying value of the deposit is held on a short term basis.

Credit risk

Credit risk refers to the ability of an issuer or counterparty to make timely payments of profit, principals and proceeds from realisation of Shariah-compliant investments. The Manager manages the credit risk by undertaking credit evaluation to minimise such risk.

The settlement terms of amount due from dealer are governed by the relevant rules and regulations as prescribed by the respective stock exchange.

Credit risk arising from placements of short term Shariah-based deposits in licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions.

For unquoted sukuk, the Manager regularly reviews the ratings assigned to the issuer so that necessary steps can be taken if the rating falls below those prescribed by the Deeds and SC's Guidelines on Unit Trust Funds.

The settlement terms of the proceeds from the creation of units' receivable from the Manager are governed by the SC's Guidelines on Unit Trust Funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

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

<u>2019</u>	<u>Unquoted Sukuk RM</u>	<u>Cash and cash equivalent RM</u>	<u>Amount due from Managers RM</u>	<u>Amount due from Dealers RM</u>	<u>Total RM</u>
Consumer Goods					
- AA	10,314,019	-	-	-	10,314,019
- AA2	3,174,378	-	-	-	3,174,378
Financials					
- AA-	93,744,517	-	-	-	93,744,517
- AA	7,147,551	-	-	-	7,147,551
- AA+	8,230,936	-	-	-	8,230,936
- AA1	31,142,976	45,606,204	-	-	76,749,180
- AA2	-	35,036,890	-	-	35,036,890
- AA3	49,195,036	-	-	-	49,195,036
- AAA	45,615,974	175,879	-	-	45,791,853
- NR	29,844,975	-	-	-	29,844,975
- SOV	22,907,695	-	-	-	22,907,695
Government					
- AA-	5,020,716	-	-	-	5,020,716
- AA1	17,946,013	-	-	-	17,946,013
- NR	12,827,180	-	-	-	12,827,180
Healthcare					
- AA-	5,144,912	-	-	-	5,144,912
Industrials					
- AA-	55,667,425	-	-	-	55,667,425
- AA	22,435,896	-	-	-	22,435,896
- AA+	35,407,850	-	-	-	35,407,850
- AA1	22,942,879	-	-	-	22,942,879
- AA3	40,746,292	-	-	-	40,746,292
- AAA	22,094,912	-	-	-	22,094,912
- NR	31,933,602	-	-	-	31,933,602
Oil & Gas					
- AA-	18,195,656	-	-	-	18,195,656
- AA	13,568,260	-	-	-	13,568,260
Telecommunications					
- AA+	4,630,358	-	-	374,353	4,630,358
- AA3	9,738,876	-	-	-	9,738,876
- AAA	16,585,615	-	-	-	16,959,968
Utilities					
- AA-	50,909,038	-	-	-	50,909,038
- AA	3,043,289	-	-	-	3,043,289
- AA1	32,918,106	-	-	-	32,918,106
- AA2	15,184,662	-	-	-	15,184,662
- AA3	35,526,469	-	-	-	35,526,469
- AAA	48,766,684	-	-	-	48,766,684
- NR	18,418,417	-	-	-	18,418,417

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

The following table sets out the credit risk concentrations and counterparties of the Fund: (continued)

<u>2019</u> (continued)	Unquoted <u>Sukuk</u> RM	Cash and cash <u>equivalent</u> RM	Amount due from <u>Managers</u> RM	Amount due from <u>Dealers</u> RM	<u>Total</u> RM
Others NR	-	-	135,140	-	135,140
	<u>840,971,164</u>	<u>80,818,973</u>	<u>135,140</u>	<u>374,353</u>	<u>922,299,630</u>

All financial assets of the fund are neither past due nor impaired.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

The following table sets out the credit risk concentrations and counterparties of the Fund: (continued)

	Unquoted <u>sukuk</u> RM	Cash and cash <u>equivalent</u> RM	Amount due from <u>Manager</u> RM	Amount due from <u>Dealers</u> RM	<u>Total</u> RM
<u>2018</u>					
Consumer Goods					
- AA2	18,006,975	-	-	-	18,006,975
- AA3	11,342,845	-	-	-	11,342,845
Financials					
- AAA	43,589,339	48,318,744	-	-	91,908,083
- AA1	14,187,127	25,420,605	-	-	39,607,732
- AA2	13,307,206	-	-	-	13,307,206
- AA3	27,016,524	-	-	-	27,016,524
- AA	4,036,631	-	-	-	4,036,631
- AA-	31,349,936	-	-	62,671	31,412,607
- NR	39,218,146	-	-	-	39,218,146
Government					
- AA+	8,173,520	-	-	-	8,173,520
- SOV	21,524,942	-	-	-	21,524,942
Healthcare					
- AA-	9,718,808	-	-	-	9,718,808
Industrials					
- AAA	46,484,455	-	-	130,060	46,614,515
- AA3	27,249,223	-	-	-	27,249,223
- AA1	15,452,053	-	-	-	15,452,053
- AA	5,144,964	-	-	-	5,144,964
- AA+	23,906,144	-	-	-	23,906,144
- AA-	65,255,315	-	-	3,956,121	69,211,436
- NR	34,837,963	-	-	-	34,837,963
Quasi-Gov					
- AAA	5,024,331	-	-	3,016,505	8,040,836
Telecommunications					
- AAA	3,073,938	-	-	-	3,073,938
- AA+	38,956,545	-	-	470,661	39,427,206

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

The following table sets out the credit risk concentrations and counterparties of the Fund: (continued)

	Unquoted <u>sukuk</u> RM	Cash and cash <u>equivalent</u> RM	Amount due from <u>Manager</u> RM	Amount due from <u>Dealers</u> RM	<u>Total</u> RM
<u>2018</u> (continued)					
Utilities					
- AAA	49,146,848	-	-	-	49,146,848
- AA3	29,141,255	-	-	5,527,726	34,668,981
- AA2	26,378,399	-	-	-	26,378,399
- AA1	45,900,876	-	-	-	45,900,876
- AA+	10,112,062	-	-	-	10,112,062
- AA-	70,147,659	-	-	5,182,082	75,329,741
- AA	10,656,383	-	-	-	10,656,383
- NR	10,250,296	-	-	-	10,250,296
Others					
- NR	-	-	7,960,160	-	7,960,160
	<u>758,590,708</u>	<u>73,739,349</u>	<u>7,960,160</u>	<u>18,345,826</u>	<u>858,636,043</u>

All financial assets of the fund are neither past due nor impaired.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk

Liquidity risk is the risk that investments cannot be readily sold at or near its actual value without taking a significant discount. This will result in lower NAV of the Fund. The Manager manages this risk by maintaining sufficient level of Shariah-based liquid assets to meet anticipated payment and cancellations of unit by unitholders. Shariah-based liquid assets comprise cash, short term Shariah-based deposits with licensed financial institutions and other Shariah-compliant instruments, which are capable of being converted into cash within 7 days.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

The amounts in the table below are the contractual undiscounted cash flows.

	<u>Within one month</u> RM	<u>Between one month to one year</u> RM	<u>Total</u> RM
<u>2019</u>			
Amount due to Manager			
- management fee	686,211	-	686,211
- cancellation of units	81,808	-	81,808
Amount due to Trustee	48,035	-	48,035
Auditors' remuneration	-	3,967	3,967
Tax agent's fee	-	8,383	8,383
Other payables and accruals	-	9,913	9,913
	<u>816,054</u>	<u>22,263</u>	<u>838,317</u>
<u>2018</u>			
Amount due to Manager			
- management fee	644,987	-	644,987
- cancellation of units	39,879	-	39,879
Amount due to Trustee	45,149	-	45,149
Amount due to brokers	9,709,942	-	9,709,942
Auditors' remuneration	-	3,967	3,967
Tax agent's fee	-	8,085	8,085
Other payables and accruals	41,408	10,761	52,169
	<u>10,481,365</u>	<u>22,813</u>	<u>10,504,178</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Capital risk

The capital of the Fund is represented by equity consisting of unitholders' capital and retained earnings. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unitholders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

Reclassification of Shariah status risk

The risk that the currently held Shariah-compliant securities in the portfolio of Shariah-based funds may be reclassified to be Shariah non-compliant upon review of the securities by the Shariah Advisory Council of the Securities Commission performed twice yearly. If this occurs, the value of the fund may be adversely affected where the Manager will take the necessary steps to dispose of such securities in accordance with the Shariah Advisory Council's advice.

3 FAIR VALUE ESTIMATION

Financial instruments comprise financial assets and financial liabilities. 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 of financial assets traded in active markets (such as trading securities) is based on quoted market prices at the close of trading on the period end date.

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

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

(i) Fair value hierarchy

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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

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

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

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2019</u>				
Financial assets at fair value through profit or loss at inception - unquoted sukuk	-	840,971,164	-	840,971,164
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>2018</u>				
Financial assets at fair value through profit or loss at inception - unquoted sukuk	-	758,590,708	-	758,590,708
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Financial instruments that trade in markets that are considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. This include unquoted sukuk. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information

- (ii) The carrying values of cash and cash equivalents, amount due from Manager, amount due from dealers and all current liabilities are a reasonable approximation of the fair values due their short term nature.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

4 PROFIT INCOME

	6 months financial period ended <u>28.2.2019</u> RM	6 months financial period ended <u>28.2.2018</u> RM
Profit income from		
- short term Shariah-based deposits	941,829	637,736
- unquoted sukuk	17,971,807	18,131,411
	<u>18,913,636</u>	<u>18,769,147</u>

5 MANAGEMENT FEE & MANAGEMENT FEE REBATE

	6 months financial period ended <u>28.2.2019</u> RM	6 months financial period ended <u>28.2.2018</u> RM
Gross management fee	4,083,511	4,110,071
Management fee rebate	(103,529)	(44,067)
Net management fee	<u>3,979,982</u>	<u>4,066,004</u>

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 3.00% per annum on the NAV of the Fund calculated on daily basis.

For the financial period ended 28 February 2019, the management fee is recognised at a rate of 1.00% (2018: 1.00%) per annum on the NAV of the Fund calculated on daily basis as stated in the Fund's Prospectus.

The management fee rebate is derived from the interest income earned by the Manager from the Fund's trust collection account maintained by the Manager. The interest income earned is reimbursed to the unitholders of the Fund in the form of management fee rebate.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

6 TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to an annual fee at a rate not exceeding 0.30% per annum on the NAV of the Fund, subject to a minimum fee of RM18,000 per annum.

For the financial period ended 28 February 2019, the Trustee fee is recognised at a rate of 0.07% (2018: 0.07%) per annum on the NAV of the Fund, inclusive of local custodian fee as stated in the Fund's Prospectus.

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

7 TAXATION

	<u>2019</u> RM	<u>2018</u> RM
Current taxation - local	-	-

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

	6 months financial period ended <u>28.02.2019</u> RM	6 months financial period ended <u>28.02.2018</u> RM
Net profit before taxation	<u>22,537,771</u>	<u>12,284,780</u>
Tax at Malaysian statutory rate of 24% (2018: 24%)	5,409,065	2,948,347
Tax effects of:		
Investment income exempt from tax	(6,435,402)	(4,056,997)
Expenses not deductible for tax purposes	69,832	131,500
Restriction on tax deductible expenses for Unit Trust Funds	956,505	977,150
Tax expense	<u>-</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

8 DISTRIBUTIONS

	6 months financial period ended <u>28.02.2019</u> RM	6 months financial period ended <u>28.02.2018</u> RM
Distribution to unitholders is from the following sources:		
Previous year's realised income	14,028,415	16,851,636
Gross realised income	14,028,415	16,851,636
Less: Expenses	-	-
Net distribution amount	<u>14,028,415</u>	<u>16,851,636</u>

Gross/net distribution per unit
sen

2019

24.09.2018	0.50
21.12.2018	0.50
	<u>1.00</u>

2018

18.09.2017	0.40
12.12.2017	0.77
	<u>1.17</u>

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

Included in distribution for the financial period is an amount of RM 14,028,415 (2018: RM16,851,636) made from previous year's realised income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2019</u> RM	<u>2018</u> RM
Designated at fair value through profit or loss at inception		
- unquoted sukuk	840,971,164	758,590,708
	<u>840,971,164</u>	<u>758,590,708</u>
Net gain/(loss) on assets at fair value through profit or loss		
- realised gain on sale of investment	1,188,351	686,592
- unrealised gain/(loss) on change in fair value loss	6,712,189	(2,551,585)
	<u>7,900,540</u>	<u>(1,864,993)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Unquoted sukuk

(i) Unquoted sukuk as at 28 February 2019 are as follows:

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Sukuk</u>				
4.10% Aman Sukuk Bhd 08.03.2023 (AAA)	5,000,000	5,095,836	5,076,379	0.55
4.25% Aman Sukuk Bhd 20.10.2023 (AAA)	1,500,000	1,512,753	1,523,575	0.17
4.47% Aman Sukuk Bhd 08.05.2025 (AAA)	4,500,000	4,567,365	4,597,869	0.50
4.78% Aman Sukuk Bhd 30.05.2024 (AAA)	1,500,000	1,545,152	1,552,931	0.17
4.88% AmBank Islamic Bhd (Call: 18.10.2023) (AA3)	10,000,000	10,179,569	10,273,548	1.11
5.35% AmBank Islamic Bhd (Call: 21.12.2020) (AA3)	5,000,000	5,101,117	5,132,151	0.56
5.00% Anih Bhd 27.11.2020 (AA)	5,000,000	5,131,946	5,126,464	0.56
5.22% Anih Bhd 29.11.2022 (AA)	250,000	259,603	260,407	0.03
5.70% Anih Bhd 27.11.2026 (AA)	2,000,000	2,138,484	2,167,974	0.24
6.00% Anih Bhd 29.11.2028 (AA)	5,000,000	5,579,168	5,583,366	0.61
4.50% Axis REIT Sukuk Bhd (Call: 13.07.2022) (AAA)	10,000,000	10,107,603	10,140,612	1.10
4.28% Bank Pembangunan Malaysia Bhd 02.03.2022 (AAA)	3,000,000	3,049,024	3,055,949	0.33
4.50% Bank Pembangunan Malaysia Bhd 04.11.2026 (AAA)	10,000,000	10,143,014	10,146,914	1.10
4.75% Bank Pembangunan Malaysia Bhd 12.09.2029 (AAA)	1,000,000	1,030,835	1,056,303	0.11
4.98% Bank Pembangunan Malaysia Bhd 02.03.2032 (AAA)	10,000,000	10,407,330	10,528,524	1.14
4.64% Besraya Malaysia Sdn Bhd 26.07.2019 (AA3)	1,000,000	1,005,722	1,005,288	0.11
4.72% Besraya Malaysia Sdn Bhd 28.07.2020 (AA3)	7,000,000	7,041,920	7,046,887	0.77
4.80% Besraya Malaysia Sdn Bhd 28.07.2021 (AA3)	2,500,000	2,510,521	2,518,496	0.27
5.04% Besraya Malaysia Sdn Bhd 26.07.2024 (AA3)	5,000,000	5,093,950	5,075,093	0.55

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Unquoted sukuk (continued)

(i) Unquoted sukuk as at 28 February 2019 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Sukuk</u> (continued)				
5.12% Besraya Malaysia Sdn Bhd 28.07.2025 (AA3)	5,000,000	5,116,032	5,090,894	0.55
5.28% Besraya Malaysia Sdn Bhd 28.07.2027 (AA3)	1,000,000	1,027,147	1,026,509	0.11
5.10% BEWG M Sdn Bhd 17.07.2020 (AA)	3,000,000	3,025,462	3,043,289	0.33
5.40% BEWG M Sdn Bhd 19.07.2023 (AA)	10,000,000	10,256,542	10,314,019	1.12
5.50% BEWG M Sdn Bhd 19.07.2024 (AA)	2,000,000	2,011,452	2,075,012	0.23
5.25% Bumitama Agri Ltd 18.03.2019 (AA3)	21,000,000	21,505,855	21,505,870	2.33
5.00% Cagamas Berhad (Call: 28.10.2020) (AAA)	5,000,000	5,102,488	5,275,997	0.57
4.80% Cahya Mata Sarawak Bhd 05.05.2022 (AA3)	9,500,000	9,717,809	9,738,876	1.06
5.05% Celcom Networks Sdn Bhd 29.08.2024 (AA+)	4,500,000	4,527,522	4,630,358	0.50
5.20% Celcom Networks Sdn Bhd 27.08.2027 (AA+)	5,000,000	5,129,468	5,206,812	0.57
5.27% Celcom Networks Sdn Bhd 28.10.2026 (AA+)	10,000,000	10,299,045	10,625,092	1.15
4.95% Danalnfra Nasional Bhd 19.10.2046 (NR)	8,500,000	8,649,856	8,674,846	0.94
5.00% Danalnfra Nasional Bhd 26.11.2038 (NR)	5,000,000	5,065,068	5,247,118	0.57
4.8% Danajamin Nasional Bhd (Call: 06.10.2022) (AA+)	8,000,000	8,152,837	8,230,936	0.89
4.65% Fortune Premiere Sdn Bhd 21.12.2022 (AA)	5,000,000	5,036,845	5,072,539	0.55
4.80% Fortune Premiere Sdn Bhd 13.03.2023 (AA)	9,000,000	9,202,627	9,297,685	1.01
5.05% Fortune Premiere Sdn Bhd 05.09.2025 (AA)	13,000,000	13,393,986	13,568,260	1.47
4.785% Gamuda Bhd 16.03.2023 (AA3)	5,000,000	5,145,428	5,147,799	0.56
7.25% Gas District Cooling Putrajaya 02.12.2022 (AAA)	5,000,000	5,576,708	5,619,654	0.61
4.88% GovCo Holdings Bhd 28.09.2032 (NR)	4,000,000	4,082,358	4,223,438	0.46
4.95% GovCo Holdings Bhd 20.02.2032 (NR)	7,250,000	7,274,117	7,583,496	0.82

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Unquoted sukuk (continued)

(i) Unquoted sukuk as at 28 February 2019 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Sukuk</u> (continued)				
5.10% GULF Investment Corp 16.03.2021 (AAA)	6,200,000	6,367,721	6,387,581	0.69
5.10% GULF Investment Corp 20.06.2022 (AAA)	2,500,000	2,524,954	2,547,850	0.28
4.80% Hong Leong Islamic Bank Bhd (Call:17.06.2019) (AA1)	5,000,000	5,053,886	5,058,208	0.55
5.05% IJM Corporation Bhd 18.08.2028 (AA3)	3,500,000	3,534,670	3,594,658	0.39
4.86% Jambatan Kedua Sdn Bhd 26.07.2041 (NR)	1,000,000	976,478	1,010,891	0.11
5.42% Jimah East Power Sdn Bhd 04.06.2025 (AA-)	500,000	525,973	530,089	0.06
5.52% Jimah East Power Sdn Bhd 04.06.2026 (AA-)	5,000,000	5,312,617	5,353,936	0.58
5.82% Jimah East Power Sdn Bhd 04.12.2030 (AA-)	3,000,000	3,275,125	3,331,777	0.36
5.85% Jimah East Power Sdn Bhd 04.06.2031 (AA-)	10,000,000	10,959,637	11,128,638	1.21
6.20% Jimah East Power Sdn Bhd 04.12.2031 (AA-)	3,000,000	3,380,987	3,437,394	0.37
4.55% Kapar Energy Ventures SB 05.07.2021 (AA+)	10,000,000	10,100,916	10,146,168	1.10
4.85% Kimanis Power Sdn Bhd 14.06.2023 (AA-)	5,000,000	5,131,446	5,145,158	0.56
5.05% Kimanis Power Sdn Bhd 08.08.2023 (AA-)	5,000,000	5,134,278	5,150,927	0.56
5.25% Kimanis Power Sdn Bhd 08.08.2025 (AA-)	4,000,000	4,122,334	4,188,362	0.45
5.40% Kimanis Power Sdn Bhd 06.08.2027 (AA-)	3,000,000	3,129,738	3,187,970	0.35
4.75% Konsortium Lebuhraya UT KL SB 02.12.2024 (AA-)	5,000,000	5,140,208	5,112,860	0.55
4.75% Konsortium Lebuhraya UT KL SB 02.12.2027 (AA-)	8,500,000	8,580,359	8,671,377	0.94
4.75% Konsortium Lebuhraya UT KL SB 30.11.2029 (AA-)	6,000,000	5,973,148	6,097,932	0.66
5.25% Konsortium Lebuhraya UT KL SB 02.12.2032 (AA-)	500,000	511,219	525,889	0.06
5.24% Lebuhraya DUKE Fasa 3 Sdn Bhd 23.08.2027 (AA-)	3,000,000	3,062,839	3,092,383	0.34
5.64% Lebuhraya DUKE Fasa 3 Sdn Bhd 22.08.2031 (AA-)	5,000,000	5,284,368	5,312,790	0.58

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Unquoted sukuk (continued)

(i) Unquoted sukuk as at 28 February 2019 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Sukuk</u> (continued)				
5.77% Lebuhraya DUKE Fasa 3 Sdn Bhd 23.08.2032 (AA-)	2,000,000	2,142,250	2,145,505	0.23
5.86% Lebuhraya DUKE Fasa 3 Sdn Bhd 23.08.2033 (AA-)	3,000,000	3,240,176	3,237,847	0.35
5.95% Lebuhraya DUKE Fasa 3 Sdn Bhd 23.08.2034 (AA-)	500,000	536,188	542,366	0.06
6.04% Lebuhraya DUKE Fasa 3 Sdn Bhd 23.08.2035 (AA-)	4,000,000	4,334,948	4,366,888	0.47
6.23% Lebuhraya DUKE Fasa 3 Sdn Bhd 21.08.2037 (AA-)	5,500,000	6,081,785	6,074,160	0.66
6.33% Lebuhraya DUKE Fasa 3 Sdn Bhd 23.08.2038 (AA-)	7,500,000	8,194,959	8,321,053	0.90
6.43% Lebuhraya DUKE Fasa 3 Sdn Bhd 23.08.2039 (AA-)	4,500,000	4,997,775	5,020,716	0.55
4.62% Lembaga Pembiayaan Perumah SA 19.09.2036 (NR)	7,500,000	7,635,372	7,650,890	0.83
4.85% Lembaga Pembiayaan Perumah SA 29.10.2038 (NR)	5,000,000	5,169,890	5,176,290	0.56
4.90% Lembaga Pembiayaan Perumah SA 21.09.2046 (NR)	3,750,000	3,825,540	3,828,126	0.42
4.71% Malayan Banking Bhd (Call: 30.01.2026) (AA1)	10,000,000	10,037,422	10,102,222	1.10
4.094% GII 30.11.2023 (SOV)	7,500,000	7,670,545	7,666,552	0.83
4.13% GII 09.07.2029 (SOV)	8,000,000	8,073,024	8,113,748	0.88
4.258% GII 26.07.2027 (SOV)	7,000,000	7,127,029	7,127,395	0.77
4.22% Manjung Island Energy Bhd 25.11.2022 (AAA)	5,000,000	5,078,451	5,068,018	0.55
4.6% Asian Finance Bank Bhd 29.05.2019 (AA1)	3,000,000	3,036,667	3,039,524	0.33
4.8% Asian Finance Bank Bhd 09.12.2022 (AA1)	4,000,000	4,038,659	4,072,408	0.44
5.10% MEX II Sdn Bhd 29.04.2021 (AA-)	5,000,000	5,144,028	5,156,581	0.56
5.80% MEX II Sdn Bhd 28.04.2028 (AA-)	5,000,000	5,415,346	5,474,826	0.59
6.20% MEX II Sdn Bhd 29.04.2032 (AA-)	7,000,000	7,569,432	7,876,632	0.86
6.30% MEX II Sdn Bhd 29.04.2033 (AA-)	15,000,000	16,175,686	16,980,452	1.84
6.40% MEX II Sdn Bhd 28.04.2034 (AA-)	5,000,000	5,550,558	5,694,486	0.62
5.70% MMC Corp Berhad 24.03.2028 (AA-)	9,000,000	9,219,255	9,321,045	1.01

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Unquoted sukuk (continued)

(i) Unquoted sukuk as at 28 February 2019 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Sukuk</u> (continued)				
4.89% Pelabuhan Tanjung Pelepas SB 01.11.2033 (NR)	4,000,000	4,064,307	4,158,467	0.45
4.63% Pengurusan Air SPV Bhd 05.02.2026 (NR)	5,000,000	5,166,576	5,176,003	0.56
4.63% Pengurusan Air SPV Bhd 26.09.2025 (NR)	5,000,000	5,243,559	5,255,824	0.57
MYBGJ1800032 (AA3)	5,000,000	5,067,309	5,081,259	0.55
MYBGO1900014 (AA3)	5,000,000	5,092,530	5,126,812	0.56
MYBGO1700018 (AA3)	8,000,000	8,020,318	8,130,718	0.88
4.50% PTPTN 25.07.2031 (NR)	2,500,000	2,498,777	2,525,388	0.27
4.85% PTPTN 26.07.2041 (NR)	12,000,000	12,027,911	12,074,905	1.31
4.86% PTPTN 12.03.2032 (NR)	6,500,000	6,648,449	6,885,836	0.75
4.93% PTPTN 17.08.2032 (NR)	8,000,000	8,066,763	8,358,846	0.91
4.64% Plus Bhd 10.01.2025 (AAA)	4,000,000	4,090,249	4,091,551	0.45
4.88% RHB Islamic Bank Bhd (Call: 27.04.2022) (AA3)	10,000,000	10,212,006	10,302,749	1.12
4.75% Sarawak Energy Berhad 18.08.2025 (AA1)	5,000,000	5,090,860	5,104,958	0.55
5.18% Sarawak Energy Berhad 25.04.2036 (AA1)	2,000,000	2,015,551	2,094,507	0.23
5.32% Sarawak Energy Berhad 03.12.2032 (AA1)	10,000,000	10,163,567	10,746,548	1.17
5.17% Southern Power Generation SB 30.04.2030 (AA-)	5,000,000	5,085,695	5,342,795	0.58
5.25% Southern Power Generation SB 30.04.2031 (AA-)	2,000,000	2,118,872	2,155,528	0.23
5.33% Southern Power Generation SB 30.04.2032 (AA-)	5,000,000	5,088,347	5,426,597	0.59
5.49% Southern Power Generation SB 28.04.2034 (AA-)	4,500,000	4,581,899	4,881,239	0.53
4.56% Prasarana Malaysia Bhd 15.11.2028 (NR)	5,000,000	5,168,888	5,193,814	0.56
5.30% Tadau Energy Sdn Bhd 29.07.2024 (AA3)	5,000,000	5,062,994	5,140,733	0.56

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Unquoted sukuk (continued)

(i) Unquoted sukuk as at 28 February 2019 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Sukuk</u> (continued)				
5.40% Tadau Energy Sdn Bhd 28.07.2025 (AA3)	1,500,000	1,515,088	1,549,041	0.17
5.50% Tadau Energy Sdn Bhd 27.07.2026 (AA3)	5,000,000	5,082,078	5,186,159	0.56
5.80% Tadau Energy Sdn Bhd 27.07.2029 (AA3)	4,200,000	4,303,648	4,431,735	0.48
5.55% Tanjung Bin Energy Issuer Bhd 15.09.2025 (AA3)	7,000,000	7,378,644	7,569,919	0.82
5.75% Tanjung Bin Energy Issuer Bhd 15.09.2027 (AA3)	5,000,000	5,452,324	5,531,478	0.60
4.54% Tanjung Bin Power Sdn Bhd 16.08.2019 (AA2)	5,000,000	5,014,469	5,016,541	0.54
4.66% Tanjung Bin Power Sdn Bhd 14.08.2020 (AA2)	5,000,000	5,032,558	5,036,172	0.55
5.01% Tanjung Bin Power Sdn Bhd 16.08.2024 (AA2)	5,000,000	5,111,118	5,131,949	0.56
4.59% Teknologi Tenaga Perlis Consor 29.01.2021 (AA1)	1,000,000	1,006,018	1,010,757	0.11
4.63% Teknologi Tenaga Perlis Consor 30.07.2021 (AA1)	2,000,000	2,029,633	2,024,757	0.22
4.55% Telekom Malaysia Bhd 07.10.2024 (AAA)	3,000,000	3,114,908	3,092,222	0.34
4.68% Telekom Malaysia Bhd 31.10.2028 (AAA)	8,000,000	8,209,682	8,217,396	0.89
4.98% Tenaga Nasional Bhd 27.08.2038 (AAA)	5,000,000	5,016,837	5,127,232	0.56
5.18% Tenaga Nasional Bhd 03.08.2037 (AAA)	15,000,000	15,648,163	15,848,369	1.72
4.105% TNB Northern Energy Bhd 29.11.2024 (AAA)	5,000,000	4,960,504	5,003,534	0.54
5.10% TNB Western Energy Bhd 30.01.2025 (AAA)	5,750,000	5,957,542	5,998,008	0.65
5.14% TNB Western Energy Bhd 30.07.2025 (AAA)	7,500,000	7,796,082	7,854,110	0.85
5.00% TRIpIc Medical Sdn Bhd 23.10.2026 (AA1)	5,000,000	5,139,539	5,245,706	0.57
5.05% TRIpIc Medical Sdn Bhd 22.10.2027 (AA1)	5,000,000	5,141,107	5,265,590	0.57
5.25% TRIpIc Medical Sdn Bhd 23.10.2029 (AA1)	5,000,000	5,257,952	5,350,724	0.58
5.40% TRIpIc Medical Sdn Bhd 23.10.2031 (AA1)	1,500,000	1,582,719	1,623,067	0.18
5.50% TRIpIc Medical Sdn Bhd 22.10.2032 (AA1)	5,000,000	5,272,090	5,457,792	0.59

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Unquoted sukuk (continued)

(i) Unquoted sukuk as at 28 February 2019 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Sukuk</u> (continued)				
4.85% UEM Edgenta Bhd 26.04.2022 (AA-)	5,000,000	5,097,471	5,144,912	0.56
4.90% UEM Sunrise Bhd 30.06.2021 (AA-)	9,000,000	9,135,322	9,139,903	0.99
5.00% UEM Sunrise Bhd 19.05.2023 (AA-)	5,000,000	5,093,161	5,134,693	0.56
5.06% UEM Sunrise Bhd 09.12.2022 (AA-)	9,500,000	9,670,316	9,741,779	1.06
5.15% UEM Sunrise Bhd 3 1.10.2025 (AA-)	7,500,000	7,648,383	7,819,219	0.85
5.32% UEM Sunrise Bhd 11.12.2024 (AA-)	5,000,000	5,104,203	5,219,901	0.57
6.00% UiTM Solar Power Sdn Bhd 26.04.2030 (AA-)	2,000,000	2,056,411	2,129,138	0.23
6.10% UiTM Solar Power Sdn Bhd 25.04.2031 (AA-)	5,000,000	5,144,847	5,338,681	0.58
6.20% UiTM Solar Power Sdn Bhd 27.04.2032 (AA-)	5,000,000	5,148,652	5,351,766	0.58
6.50% UiTM Solar Power Sdn Bhd 27.04.2035 (AA-)	5,000,000	5,159,026	5,376,071	0.58
5.22% UMW Holdings Bhd 02.10.2026 (AA2)	3,000,000	3,116,290	3,174,378	0.34
5.39% UniTapah Sdn Bhd 12.12.2022 (AA1)	5,000,000	5,221,210	5,249,430	0.57
5.59% UniTapah Sdn Bhd 12.12.2024 (AA1)	2,000,000	2,113,462	2,149,238	0.23
5.69% UniTapah Sdn Bhd 12.12.2025 (AA1)	5,000,000	5,349,156	5,428,377	0.59
5.82% UniTapah Sdn Bhd 11.06.2027 (AA1)	1,000,000	1,079,861	1,101,777	0.12
5.16% West Coast Expressway Sdn Bhd 27.08.2032 (AAA)	5,000,000	5,084,172	5,252,607	0.57
4.84% Westports Holdings Bhd 22.10.2027 (AA+)	4,000,000	4,133,658	4,146,303	0.45
5.25% Westports Holdings Bhd 03.05.2024 (AA+)	5,000,000	5,247,793	5,283,475	0.57

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Unquoted sukuk (continued)

(i) Unquoted sukuk as at 28 February 2019 are as follows (continued):

<u>Name of issuer</u>	Nominal <u>value</u> RM	Adjusted <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Sukuk</u> (continued)				
5.05% YTL Power International Bhd 03.05.2027 (AA1)	24,000,000	24,530,830	24,824,384	2.69
Total unquoted sukuk	<u>805,400,000</u>	<u>829,909,804</u>	<u>840,971,164</u>	<u>91.26</u>
Accumulated unrealised gain on unquoted sukuk		<u>11,061,360</u>		
Total unquoted sukuk		<u>840,971,164</u>		

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Unquoted sukuk (continued)

(ii) Unquoted sukuk as at 28 February 2018 are as follows:

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Sukuk</u>				
4.35% Al-'Aqar Capital Sdn Bhd 06.05.2020 (AAA)	7,000,000	7,034,247	7,021,912	0.83
4.53% Al-'Aqar Capital Sdn Bhd 04.05.2019 (AA2)	500,000	507,292	506,801	0.06
4.10% Aman Sukuk Bhd 08.03.2023 (AAA)	5,000,000	5,098,169	5,027,426	0.59
4.47% Aman Sukuk Bhd 08.05.2025 (AAA)	4,000,000	4,063,134	4,037,395	0.48
4.78% Aman Sukuk Bhd 30.05.2024 (AAA)	7,250,000	7,490,217	7,451,385	0.88
5.35% AmBank Islamic Bhd Call: 21.12.2020 (AA3)	5,000,000	5,127,066	5,120,401	0.60
5.00% Anih Bhd 27.11.2020 (AA)	5,000,000	5,169,434	5,144,964	0.61
4.50% Axis REIT Sukuk Bhd Call: 13.07.2022 (AAA)	10,000,000	10,120,246	10,070,779	1.19
4.50% Bank Pembangunan Malaysia Bhd 4.11.2026 (NR)	15,000,000	15,212,671	15,047,371	1.77
4.75% Bank Pembangunan Malaysia Bhd 12.09.2029 (NR)	3,500,000	3,610,130	3,600,251	0.42
4.64% Besraya Malaysia Sdn Bhd 26.07.2019 (AA3)	1,000,000	1,008,819	1,005,681	0.12
4.72% Besraya Malaysia Sdn Bhd 28.07.2020 (AA3)	7,000,000	7,049,884	7,038,071	0.83
4.80% Besraya Malaysia Sdn Bhd 28.07.2021 (AA3)	2,500,000	2,510,192	2,510,392	0.30
5.04% Besraya Malaysia Sdn Bhd 26.07.2024 (AA3)	5,000,000	5,104,567	5,029,303	0.59
5.12% Besraya Malaysia Sdn Bhd 28.07.2025 (AA3)	5,000,000	5,127,567	5,037,692	0.59
5.28% Besraya Malaysia Sdn Bhd 28.07.2027 (AA3)	2,000,000	2,058,237	2,024,209	0.24
5.10% BEWG M Sdn Bhd 17.07.2020 (AA)	2,500,000	2,524,509	2,528,522	0.30
5.30% BEWG M Sdn Bhd 19.07.2022 (AA)	4,000,000	4,058,858	4,059,374	0.48
5.40% BEWG M Sdn Bhd 19.07.2023 (AA)	2,000,000	2,012,131	2,032,651	0.24
5.50% BEWG M Sdn Bhd 19.07.2024 (AA)	2,000,000	2,012,356	2,035,836	0.24
4.90 BGSM Management Sdn Bhd 27.12.2019 (AA3)	2,500,000	2,528,953	2,535,444	0.30

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Unquoted sukuk (continued)

(i) Unquoted sukuk as at 28 February 2018 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Sukuk</u> (continued)				
5.00% Bumitama Agri Ltd 02.09.2019 (AA3)	10,000,000	10,341,020	10,311,236	1.21
5.25% Bumitama Agri Ltd 18.03.2019 (AA3)	1,000,000	1,030,501	1,031,609	0.12
5.00% Cagamas Bhd Call: 28.10.2020 (AAA)	5,000,000	5,112,292	5,089,162	0.60
4.80% Cahya Mata Sarawak Bhd 05.05.2022 (AA3)	4,500,000	4,598,256	4,603,875	0.54
4.85% Celcom Networks Sdn Bhd 28.10.2021 (AA+)	4,500,000	4,590,150	4,604,584	0.54
5.05% Celcom Networks Sdn Bhd 29.08.2024 (AA+)	9,500,000	9,566,909	9,599,829	1.13
5.20% Celcom Networks Sdn Bhd 27.08.2027 (AA+)	4,500,000	4,534,358	4,556,801	0.54
5.27% Celcom Networks Sdn Bhd 28.10.2026 (AA+)	13,750,000	14,176,757	14,254,415	1.68
3.75% Celcom Transmission Malaysia 29.08.2019 (AA+)	6,000,000	5,955,395	5,940,916	0.70
4.27% Danalinfra Nasional Bhd 24.05.2024 (NR)	4,250,000	4,296,736	4,282,243	0.50
4.95% Danalinfra Nasional Bhd 19.03.2032 (NR)	4,000,000	4,128,163	4,130,897	0.49
4.95% Danalinfra Nasional Bhd 19.10.2046 (NR)	8,500,000	8,652,162	8,215,772	0.97
4.80% Danajamin Nasional Bhd Call: 06.10.2022 (AA+)	8,000,000	8,155,310	8,173,520	0.96
4.60% Danga Capital Bhd 23.02.2026 (AAA)	5,000,000	5,024,057	5,024,331	0.59
4.35% First Resources Ltd 05.06.2020 (AA2)	3,000,000	3,020,701	3,020,700	0.36
4.65% Fortune Premiere Sdn Bhd 21.12.2022 (AA)	4,000,000	4,030,279	4,036,631	0.48
3.699% GII 15.11.2022 (SOV)	7,000,000	7,139,124	7,009,809	0.83
4.258% GII 26.07.2027 (SOV)	7,000,000	7,135,351	7,046,895	0.83
4.943% GII 06.12.2028 (SOV)	7,000,000	7,655,489	7,468,238	0.88
4.88% GovCo Holdings Bhd 28.09.2032 (NR)	4,000,000	4,082,358	4,083,038	0.48
4.95% GovCo Holdings Bhd 20.02.2032 (NR)	3,500,000	3,503,323	3,541,683	0.42

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Unquoted sukuk (continued)

(ii) Unquoted sukuk as at 28 February 2018 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Sukuk</u> (continued)				
5.10% GULF Investment Corp 16.03.2021 (AAA)	6,200,000	6,379,457	6,360,115	0.75
4.80% Hong Leong Islamic Bank Bhd Call:17.06.2019 (AA1)	5,000,000	5,071,440	5,075,450	0.60
4.86% Jambatan Kedua Sdn Bhd 26.07.2041 (NR)	1,000,000	975,695	962,928	0.11
-	-	-	-	-
5.42% Jimah East Power Sdn Bhd 04.06.2025 (AA-)	5,000,000	5,238,388	5,281,638	0.62
5.82% Jimah East Power Sdn Bhd 04.12.2030 (AA-)	3,000,000	3,289,476	3,263,437	0.38
5.85% Jimah East Power Sdn Bhd 04.06.2031 (AA-)	10,000,000	11,007,318	10,894,038	1.28
6.20% Jimah East Power Sdn Bhd 04.12.2031 (AA-)	3,000,000	3,399,464	3,368,784	0.40
4.55% Kapar Energy Ventures Sdn Bhd 05.07.2021 (AA+)	10,000,000	10,117,356	10,112,062	1.19
4.85% Kimanis Power Sdn Bhd 14.06.2023 (AA-)	5,000,000	5,148,155	5,106,808	0.60
5.05% Kimanis Power Sdn Bhd 08.08.2023 (AA-)	5,000,000	5,158,192	5,117,527	0.60
5.25% Kimanis Power Sdn Bhd 08.08.2025 (AA-)	4,000,000	4,136,666	4,136,882	0.49
5.40% Kimanis Power Sdn Bhd 06.08.2027 (AA-)	3,000,000	3,141,073	3,132,291	0.37
4.75% Konsortium Lebuhraya UT KL SB 01.12.2028 (AA-)	7,750,000	7,820,188	7,737,073	0.91
4.75% Konsortium Lebuhraya UT KL SB 02.12.2024 (AA-)	5,000,000	5,152,002	5,066,010	0.60
4.75% Konsortium Lebuhraya UT KL SB 02.12.2027 (AA-)	8,500,000	8,577,856	8,527,556	1.01
4.75% Konsortium Lebuhraya UT KL SB 30.11.2029 (AA-)	5,000,000	4,977,101	4,967,460	0.59
5.25% Konsortium Lebuhraya UT KL SB 02.12.2032 (AA-)	4,000,000	4,095,265	4,096,495	0.48
5.24% Lebuhraya DUKE Fasa 3 Sdn Bhd 23.08.2027 (AA-)	1,500,000	1,530,033	1,552,247	0.18
5.77% Lebuhraya DUKE Fasa 3 Sdn Bhd 23.08.2032 (AA-)	2,000,000	2,150,018	2,144,077	0.25
5.86% Lebuhraya DUKE Fasa 3 Sdn Bhd 23.08.2033 (AA-)	3,000,000	3,252,026	3,234,910	0.38

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Unquoted Sukuk (continued)

(ii) Unquoted sukuk as at 28 February 2018 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Sukuk</u> (continued)				
6.23% Lebuhraya DUKE Fasa 3 Sdn Bhd 21.08.2037 (AA-)	5,000,000	5,559,665	5,494,971	0.65
6.33% Lebuhraya DUKE Fasa 3 Sdn Bhd 23.08.2038 (AA-)	500,000	556,522	552,965	0.06
4.62% Lembaga Pembiayaan Perumah SA 19.09.2036 (NR)	7,500,000	7,634,734	7,349,165	0.87
4.90% Lembaga Pembiayaan Perumah SA 21.09.2046 (NR)	3,750,000	3,825,448	3,632,001	0.43
4.80% Malaysia Building Society Bhd 09.12.2022 (AA1)	4,000,000	4,037,271	4,031,322	0.48
4.22% Manjung Island Energy Bhd 25.11.2022 (AAA)	10,500,000	10,675,675	10,537,463	1.24
5.10% MEX II Sdn Bhd 29.04.2021 (AA-)	5,000,000	5,168,471	5,150,683	0.61
5.80% MEX II Sdn Bhd 28.04.2028 (AA-)	5,000,000	5,441,422	5,373,831	0.63
6.20% MEX II Sdn Bhd 29.04.2032 (AA-)	7,000,000	7,589,758	7,688,823	0.91
6.30% MEX II Sdn Bhd 29.04.2033 (AA-)	10,000,000	10,676,141	11,070,475	1.31
6.40% MEX II Sdn Bhd 28.04.2034 (AA-)	5,000,000	5,567,966	5,576,909	0.66
4.16% Pengurusan Air SPV Bhd 11.11.2021 (AAA)	4,000,000	4,071,836	4,023,316	0.47
4.63% Pengurusan Air SPV Bhd 05.02.2026 (NR)	5,000,000	5,186,483	5,080,022	0.60
4.63% Pengurusan Air SPV Bhd 26.09.2025 (NR)	5,000,000	5,262,527	5,170,274	0.61
4.85% Perbadanan Kemajuan N Selangor 31.05.2020 (AA3)	10,000,000	10,145,554	10,156,718	1.20
4.64% Plus Bhd 10.01.2025 (AAA)	3,000,000	3,091,342	3,044,646	0.36
4.72% Plus Bhd 12.01.2026 (AAA)	5,000,000	5,083,634	5,089,786	0.60
4.56% Prasarana Malaysia Bhd 15.11.2028 (NR)	5,000,000	5,177,267	5,029,914	0.59
4.75% Prasarana Malaysia Bhd 26.02.2031 (NR)	3,000,000	3,008,796	2,988,781	0.35
5.01% Prasarana Malaysia Bhd 14.09.2037 (NR)	9,000,000	9,229,607	9,227,428	1.09
4.50% PTPTN 25.07.2031 (NR)	2,000,000	2,007,644	1,948,944	0.23
4.85% PTPTN 26.07.2041 (NR)	6,000,000	6,041,135	5,783,575	0.68
4.86% PTPTN 12.03.2032 (NR)	6,500,000	6,648,616	6,656,451	0.78
4.93% PTPTN 17.08.2032 (NR)	2,600,000	2,606,280	2,623,038	0.31

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Unquoted sukuk (continued)

(ii) Unquoted sukuk as at 28 February 2018 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Sukuk</u> (continued)				
4.75% Public Islamic Bank Bhd Call: 10.06.2019 (AA1)	5,000,000	5,066,599	5,080,355	0.60
4.40% Putrajaya Holdings Sdn Bhd 24.04.2025 (AAA)	5,000,000	5,053,157	5,053,251	0.60
4.50% Putrajaya Holdings Sdn Bhd 26.05.2025 (AAA)	4,000,000	4,058,841	4,050,036	0.48
4.55% Putrajaya Holdings Sdn Bhd 19.09.2023 (AAA)	2,500,000	2,576,560	2,569,398	0.30
4.58% Putrajaya Holdings Sdn Bhd 26.05.2026 (AAA)	5,000,000	5,063,361	5,073,975	0.60
4.88% RHB Islamic Bank Bhd Call: 27.04.2022 (AA3)	9,000,000	9,171,047	9,203,961	1.09
5.00% Sarawak Energy Bhd 04.07.2024 (AA1)	1,000,000	1,038,719	1,030,071	0.12
5.18% Sarawak Energy Bhd 25.04.2036 (AA1)	7,000,000	7,051,932	6,951,235	0.82
5.32% Sarawak Energy Bhd 03.12.2032 (AA1)	10,000,000	10,180,609	10,196,748	1.20
4.85% Southern Power Generation Sdn Bhd 31.10.2024 (AA-)	4,500,000	4,572,351	4,598,046	0.54
4.94% Southern Power Generation Sdn Bhd 30.04.2026 (AA-)	5,000,000	5,097,195	5,125,382	0.60
5.17% Southern Power Generation Sdn Bhd 30.04.2030 (AA-)	5,000,000	5,085,694	5,145,744	0.61
5.25% Southern Power Generation Sdn Bhd 30.04.2031 (AA-)	5,000,000	5,087,021	5,156,021	0.61
5.33% Southern Power Generation Sdn Bhd 30.04.2032 (AA-)	5,000,000	5,088,347	5,164,597	0.61
5.49% Southern Power Generation Sdn Bhd 28.04.2034 (AA-)	4,500,000	4,581,899	4,656,464	0.55
5.30% Tadau Energy Sdn Bhd 29.07.2024(AA3)	5,000,000	5,068,543	5,073,407	0.60
5.40% Tadau Energy Sdn Bhd 28.07.2025 (AA3)	1,500,000	1,515,902	1,523,874	0.18
5.50% Tadau Energy Sdn Bhd 27.07.2026 (AA3)	5,000,000	5,056,540	5,086,856	0.60
5.55% Tanjung Bin Energy Issuer Bhd 15.09.2025 (AA3)	7,000,000	7,404,516	7,539,959	0.89

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Unquoted sukuk (continued)

(ii) Unquoted sukuk as at 28 February 2018 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Sukuk</u> (continued)				
5.70% Tanjung Bin Energy Issuer Bhd 16.03.2027 (AA3)	1,500,000	1,592,344	1,637,746	0.19
5.75% Tanjung Bin Energy Issuer Bhd 15.09.2027 (AA3)	5,000,000	5,482,966	5,482,966	0.65
6.00% Tanjung Bin Energy Issuer Bhd 15.03.2030 (AA3)	2,500,000	2,796,407	2,796,447	0.33
4.54% Tanjung Bin Power Sdn Bhd 16.08.2019 (AA2)	5,000,000	5,030,030	5,021,919	0.59
4.66% Tanjung Bin Power Sdn Bhd 14.08.2020 (AA2)	12,000,000	12,127,564	12,098,961	1.43
5.01% Tanjung Bin Power Sdn Bhd 16.08.2024 (AA2)	5,000,000	5,126,786	5,109,613	0.60
5.28% Tanjung Bin Power Sdn Bhd 16.08.2027 (AA2)	4,000,000	4,144,472	4,147,906	0.49
4.63% Teknologi Tenaga Perlis Consor 30.07.2021 (AA1)	2,000,000	2,038,498	2,021,671	0.24
4.55% Telekom Malaysia Bhd 07.10.2024 (AAA)	3,000,000	3,124,042	3,073,938	0.36
4.105% TNB Northern Energy Bhd 29.11.2024 (AAA)	5,000,000	4,946,925	4,927,384	0.58
4.28% TNB Northern Energy Bhd 29.05.2028 (AAA)	2,500,000	2,456,167	2,435,295	0.29
4.455% TNB Northern Energy Bhd 29.11.2030 (AAA)	4,000,000	3,899,693	3,895,356	0.46
5.10% TNB Western Energy Bhd 30.01.2025 (AAA)	9,000,000	9,366,720	9,318,616	1.10
5.14% TNB Western Energy Bhd 30.07.2025 (AAA)	13,500,000	14,095,717	14,009,418	1.65
5.00% TRIpIc Medical Sdn Bhd 23.10.2026 (AA1)	5,000,000	5,123,551	5,144,356	0.61
5.05% TRIpIc Medical Sdn Bhd 22.10.2027 (AA1)	5,000,000	5,145,974	5,138,740	0.61
5.15% TRIpIc Medical Sdn Bhd 23.10.2028 (AA1)	5,000,000	5,127,359	5,168,957	0.61
4.85% UEM Edgenta Bhd 26.04.2022 (AA-)	9,500,000	9,692,816	9,718,808	1.14
4.8% UEM Sunrise Bhd 08.04.2022 (AA-)	8,000,000	8,149,789	8,148,752	0.96
5.00% UEM Sunrise Bhd 19.05.2023 (AA-)	2,500,000	2,557,141	2,545,922	0.30
5.06% UEM Sunrise Bhd 09.12.2022 (AA-)	3,500,000	3,553,364	3,566,571	0.42

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Unquoted sukuk (continued)

(ii) Unquoted sukuk as at 28 February 2018 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Sukuk</u> (continued)				
5.32% UEM Sunrise Bhd 11.12.2024 (AA-)	4,000,000	4,062,273	4,109,521	0.48
4.83% UMW Holdings Bhd 22.06.2022 (AA2)	4,500,000	4,570,649	4,574,388	0.54
5.12% UMW Holdings Bhd 04.10.2023 (AA2)	6,000,000	6,239,763	6,240,783	0.74
5.22% UMW Holdings Bhd 02.10.2026 (AA2)	4,000,000	4,162,548	4,171,104	0.49
5.39% UniTapah Sdn Bhd 12.12.2022 (AA2)	5,000,000	5,214,547	5,260,880	0.62
5.59% UniTapah Sdn Bhd 12.12.2024 (AA2)	2,000,000	2,126,618	2,141,298	0.25
5.69% UniTapah Sdn Bhd 12.12.2025 (AA2)	5,000,000	5,384,429	5,398,227	0.64
5.16% West Coast Expressway Sdn Bhd 27.08.2032 (AAA)	5,000,000	5,057,445	5,087,157	0.60
4.43% Westports Holdings Bhd 01.04.2025 (AA+)	1,750,000	1,760,619	1,751,428	0.21
4.58% Westports Holdings Bhd 23.10.2024 (AA+)	3,000,000	3,073,041	3,028,881	0.36
4.68% Westports Holdings Bhd 01.04.2022 (AA+)	4,000,000	4,118,473	4,095,069	0.48
4.75% Westports Holdings Bhd 03.04.2023 (AA+)	2,500,000	2,558,834	2,565,359	0.30
4.84% Westports Holdings Bhd 22.10.2027 (AA+)	4,000,000	4,139,791	4,053,863	0.48
5.25% Westports Holdings Bhd 03.05.2024 (AA+)	5,000,000	5,276,832	5,240,163	0.62
5.38% Westports Malaysia Sdn Bhd 30.04.2026 (AA+)	3,000,000	3,202,129	3,171,381	0.37
5.05% YTL Power International Bhd 03.05.2027 (AA1)	25,000,000	25,521,535	25,701,151	3.03
Total unquoted sukuk	<u>740,300,000</u>	<u>760,935,017</u>	<u>758,590,708</u>	<u>89.44</u>
Accumulated unrealised loss on unquoted sukuk		<u>(2,344,309)</u>		
Total unquoted sukuk		<u>758,590,708</u>		

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

10 CASH AND CASH EQUIVALENTS

	<u>2019</u> RM	<u>2018</u> RM
Cash and bank balances	175,879	89,848
Short term Shariah-based deposits with licensed financial institution	80,643,094	73,649,501
	<u>80,818,973</u>	<u>73,739,349</u>

Weighted average effective profit rates per annum and weighted average maturity of Shariah-based deposits with licensed financial institution are as follows:

	<u>2019</u> %	<u>2018</u> %
Shariah-based deposits with licensed financial institution	3.20	3.22

Shariah-based deposits with licensed financial institutions have an average maturity of 13 days (2018: 15 days).

11 NUMBER OF UNITS IN CIRCULATION

	<u>2019</u> No. of units	<u>2018</u> No. of units
At the beginning of the financial period	1,397,154,000	1,390,896,000
Created of units arising from application	312,034,591	179,259,415
Created of units arising from distribution	21,265,830	25,658,585
Cancellations of units	(143,358,421)	(106,999,000)
At the end of the financial period	<u>1,587,096,000</u>	<u>1,488,815,000</u>

12 SHARIAH INFORMATION OF THE FUND

The Shariah Adviser confirmed that the investments portfolio of the Fund is Shariah-compliant, which comprises:

- (a) Sukuk as per the list of approved sukuk issued by the Securities Commission; and
- (b) Cash placements and liquid assets in local market, which are placed in Shariah-compliant investments and/or instruments.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

13 TRANSACTIONS WITH DEALERS

- (i) Details of sale and purchase transactions with the top 10 dealers for the 6 months financial period ended 28 February 2019 are as follows:

<u>Name of dealers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %
Affin Hwang Investment Bank Bhd#	117,231,500	28.60
CIMB Bank Bhd	68,326,500	16.67
RHB Investment Bank Bhd#	57,715,140	14.08
Malayan Banking Bhd (Maybank)	44,718,150	10.91
Asian Finance Bank Bhd	34,817,350	8.49
Standard Chartered Bank Malaysia Bhd	30,410,250	7.42
Ambank (M) Bhd	21,812,000	5.32
Hong Leong Bank Bhd	17,398,075	4.24
Amlslamic Bank (M) Bhd	7,596,750	1.85
HSBC Nom (Tempatan) Sdn Bhd	5,473,750	1.34
Others#	4,471,550	1.08
	<u>409,971,015</u>	<u>100.00</u>

- (ii) Details of sale and purchase transactions with the top 10 dealers for the 6 months financial period ended 28 February 2018 are as follows:

<u>Name of dealers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %
Affin Hwang Investment Bank Bhd#	174,719,335	31.62
Hong Leong Bank Bhd	112,402,630	20.34
Bank Muamalat Malaysia Bhd#	67,732,775	12.26
Standard Chartered Bank Malaysia Bhd	36,544,850	6.61
Malayan Banking Bhd#	35,042,100	6.34
RHB Investment Bank Bhd#	24,301,030	4.40
Hong Leong Investment Bank Bhd	20,182,550	3.65
Ambank (M) Bhd	19,104,300	3.46
Bank Islam Malaysia Bhd	17,199,900	3.11
CIMB Bank Bhd	14,135,600	2.56
Others*	31,209,200	5.65
	<u>552,574,270</u>	<u>100.00</u>

*Included in transactions with dealers are trades in the stockbroking industry with Affin Group, a group of companies related to the Manager amounting to RM117,231,500 (2018: RM174,719,335). The Manager is of the opinion that all transactions with the related company have been entered into in the normal course of business at agreed terms between the related parties.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

13. TRANSACTIONS WITH DEALERS (CONTINUED)

Included in the transactions with dealers are cross trades conducted between the Fund and other funds; and private mandates managed by the Manager amounting to:

<u>2019</u> RM	<u>2018</u> RM	
<u>Name of dealers</u>		
Affin Hwang Investment Bank Bhd	9,533,750	37,571,850
Bank Muamalat Malaysia Bhd	5,512,700	21,087,625
Bank Islam Malaysia Bhd	-	15,690,000
RHB Investment Bank Bhd	11,108,590	15,278,050
	<u>26,155,040</u>	<u>89,627,525</u>

The cross trades are conducted between the Funds and other funds and a private mandate managed by the Manager as follows:

	<u>2019</u> RM	<u>2018</u> RM
Affin Hwang Aiiman Balanced Fund	1,987,550	3,516,050
Affin Hwang Aiiman Global Sukuk Fund	-	2,003,850
Affin Hwang Aiiman Select Income Fund	3,516,400	3,760,950
Affin Hwang Enhanced Deposit Fund	3,004,400	1,002,600
Affin Hwang Select Income Fund	-	17,963,350
Affin Hwang Select Asia Pacific (ex Japan) Balanced Fund	-	1,486,800
AffinHwang Tactical Fund	-	2,506,000
Affin Hwang Select Cash Fund	-	10,054,000
Affin Hwang Select Bond Fund	-	21,295,500
Private mandates managed by the Manager	17,646,690	26,038,425
	<u>26,155,040</u>	<u>89,627,525</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

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

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

<u>Related parties</u>	<u>Relationships</u>
Affin Hwang Asset Management Berhad	The Manager
Affin Hwang Investment Bank Berhad	Holdings company of the Manager
Affin Bank Berhad (“ABB”)	Ultimate holding company of the Manager
Subsidiaries and associates of ABB as disclosed in its financial statements	Subsidiary and associated companies of the ultimate holding company of the Manager

	<u>2019</u>		<u>2018</u>	
	<u>No. of Units</u>	<u>RM</u>	<u>No. of. Unit</u>	<u>RM</u>
<u>The Manager:</u>				
Affin Hwang Asset Management Berhad (The unit are held legally for booking purpose)	160,808	93,365	22,261	12,682
<u>Party related to the Manager:</u>				
- Affin Hwang Investment Bank Berhad (the unit are held beneficially)	172,534,694	100,172,924	-	-
- AXA Affin Life Insurance Berhad (the unit are held beneficially)	4,608,190	2,675,496	-	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

15 MANAGEMENT EXPENSE RATIO (“MER”)

	6 months financial period ended <u>28.2.2019</u> %	6 months financial period ended <u>28.2.2018</u> %
MER	<u>0.53</u>	<u>0.56</u>

MER is derived from the following calculation:

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

A	=	Management fee
B	=	Trustee fee
C	=	Auditors' remuneration
D	=	Tax agent's fee
E	=	Other expenses
F	=	Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis is RM823,502,401 (2018: RM828,477,397)

16 PORTFOLIO TURNOVER RATIO (“PTR”)

	6 months financial period ended <u>28.2.2019</u>	6 months financial period ended <u>28.2.2018</u>
PTR (times)	<u>0.25</u>	<u>0.33</u>

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisition for the financial period} + \text{total disposal for the financial period}) \div 2}{\text{Average NAV of the Fund for the financial period calculated on a daily basis}}$$

where: total acquisition for the financial period = RM245,699,790 (2018: RM281,823,080)
total disposal for the financial period = RM166,268,257 (2018: RM270,064,614)

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)

17 SEGMENT INFORMATION

The strategic asset allocation committee of the Investment Manager makes the strategic resource allocations on behalf of the fund. The Fund has determined the operating segments based on the reports reviewed by this committee that are used to make strategic decisions.

The committee is responsible for the Fund's entire portfolio and considers the business to have a single operating segment. The committee's asset allocation decisions are based on a single, integrated investment strategy and the Fund's performance is evaluated on an overall basis.

The reportable operating segments derive their income by seeking investments to achieve targeted returns commensurate with an acceptable level of risk within each portfolio. These returns consist of profit and gains on the appreciation in the value of investments, and is derived from unquoted sukuk in Malaysia.

There were no changes in the reportable segments during the financial period.

The internal reporting provided to the committee for the fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of MFRS and IFRS.

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)

18 MFRS 9 FINANCIAL INSTRUMENTS

As disclosed in Note A, the Fund have adopted MFRS 9, which resulted in changes in accounting policies and adjustments to the financial position. The main changes are as follows.

(a) Classification and measurement of financial assets

Until 31 August 2018, financial assets were classified in the following categories: financial assets at fair value through profit or loss ('FVTPL'), loans and receivables. Note F set out the details of accounting policies for classification and measurement of financial instruments under MFRS 139.

From 1 September 2018, the Fund apply the following MFRS 9's classification approach to all types of financial assets, including those that contain embedded derivative features:

- Investments in debt instruments: There are 3 subsequent measurement categories: amortised cost, fair value with changes either recognised through other comprehensive income ('FVOCI') or through profit or loss ('FVTPL').
- Investments in equity instruments: These instruments are always measured at fair value with changes in fair value presented in profit or loss unless the Fund has made an irrevocable choice to present changes in fair value in other comprehensive income ('OCI') for investments that are not held for trading.
- Embedded derivatives in financial asset host contracts: The Fund apply the classification and measurement of financial assets to the entire hybrid instrument for financial assets with embedded derivatives.

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)

18. MFRS 9 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Impairment

From 1 September 2018 onwards, the Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward looking information in determining any expected credit loss. Management consider the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12 month expected credit losses as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2019 (CONTINUED)**

18. MFRS 9 FINANCIAL INSTRUMENTS (CONTINUED)

As disclosed above, the adoption of MFRS 9 in 2018 resulted in reclassification and change in measurement of certain financial assets and financial liabilities.

The measurement category and the carrying amount of financial assets and financial liabilities in accordance with MFRS 139 and MFRS 9 at 1 September 2018 are compared as follows:

	Measurement category		Carrying amount			
	Original (MFRS 139)	New (MFRS 9)	Original (MFRS 139)	Reclassifi- -cations	Remeasu- -rements	New (MFRS 9)
			RM	RM	RM	RM
Assets						
Cash and cash equivalents	Loans and receivables	Amortised cost	53,245,299	-	-	53,245,299
Investment in debt securities	FVTPL	FVTPL	754,535,646	-	-	754,535,646
Liabilities						
Amount due to manager						
- Management fee	Amortised cost	Amortised cost	680,848	-	-	680,848
- Cancellation of units	Amortised cost	Amortised cost	130,366	-	-	130,366
Amount due to trustee	Amortised cost	Amortised cost	47,659	-	-	47,659
Amount due to dealers	Amortised cost	Amortised cost	3,538,279	-	-	3,538,279
Auditors' remuneration	Amortised cost	Amortised cost	8,000	-	-	8,000
Tax agent fee	Amortised cost	Amortised cost	6,500	-	-	6,500
Other payables and accruals	Amortised cost	Amortised cost	10,594	-	-	10,594

AFFIN HWANG AIIMAN INCOME PLUS FUND

STATEMENT BY THE MANAGER

I, Teng Chee Wai as the Director of **Affin Hwang Asset Management Berhad**, do hereby state that in my opinion as the Manager, the financial statements set out on pages 10 to 60 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 28 February 2019 and of its financial performance, changes in equity and cash flows for the financial period ended 28 February 2019 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,

AFFIN HWANG ASSET MANAGEMENT BERHAD

TENG CHEE WAI
EXECUTIVE DIRECTOR

Kuala Lumpur
16 April 2019

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