



# AIA PRIVATE RETIREMENT SCHEME

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## ANNUAL REPORT

### AIA PAM – Islamic Moderate Fund

As at 30 April 2025



## CONTENTS

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MESSAGE FROM GENERAL MANAGER .....	1
LOCAL BOND MARKET COMMENTARY .....	2
LOCAL EQUITY MARKET COMMENTARY .....	3
FOREIGN EQUITY MARKET COMMENTARY .....	4
AIA PAM – ISLAMIC MODERATE FUND .....	6
Fund Information .....	6
Fund Performance .....	7
Fund Report .....	9
STATEMENT BY PRS PROVIDER .....	12
TRUSTEE'S REPORT .....	13
SHARIAH ADVISER'S REPORT .....	14
INDEPENDENT AUDITORS' REPORT .....	15
FINANCIAL STATEMENTS .....	18
Statement of Comprehensive Income .....	18
Statement of Financial Position .....	19
Statement of Changes in Equity .....	20
Statement of Cash Flows .....	21
Notes to the Financial Statements .....	22



## MESSAGE FROM GENERAL MANAGER

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Dear Valued Members,

Greetings from AIA Pension and Asset Management Sdn. Bhd. and thank you for investing with us.

We are pleased to present the Annual Fund Report for the financial year ended 30 April 2025. This past year marked another meaningful chapter in our journey as we continued to position the company as a well-established, leading provider of Private Retirement Scheme (“PRS”) with total assets under management of RM952 million as at end April 2025. This report is more than a summary of our financial performance; it is a reflection of the dedication and professionalism of our team in securing your financial future.

Robust trading activities and favourable investor sentiment kept the Malaysian capital market buoyant, with the average equity daily trading value rising to RM3.44 billion in 2024 from RM2.29 billion in the previous year, while Malaysia’s bond market also showed resilience. Both asset classes were well supported by the Government’s commitment to fiscal prudence and economic reforms. Fund management activities saw its AUM growth surpassing the RM1 trillion mark, and the PRS space saw net asset values growing 18% YoY to RM7.61 billion. 2024 was a year of tailwinds for the Malaysian market, after many years of being a laggard in comparison to regional peers, largely due to various government initiatives and policies, decent corporate earnings growth, rising foreign direct investments, and most importantly, a stable political landscape. Malaysia’s GDP expanded by 5.1% in 2024, exceeding the government’s lower band projection of 4.8% to 5.3%, and surpassing the 3.6% growth recorded in 2023, anchored by resilient domestic consumption demand.

That said, 2024 wasn’t exactly a smooth sailing year without turbulence. There were pockets of volatility, notably from the unwinding of the Yen carry trade in August when the Bank of Japan raised interest rates unexpectedly in late July, causing investors to hastily liquidate their assets. This panic sell-down had a ripple effect across global markets, which saw the FBM KLCI index falling 5.7% to a low of 1,537 points on 5 August 2024 in a span of 4 days. Other macro events such as the outcome of the US presidential election on November 2024, and more recently the announcement of global tariffs on the 2 April 2025, created further economic uncertainties across markets globally.

Against this volatile and challenging backdrop, we remain steadfast in achieving consistent and stable long term annualised returns across all funds, and we will continually adjust our portfolios proactively to manage risks and capture opportunities. We thank you for your continued trust and support in us and we look forward to continuing this journey with you and achieving even greater success together.

Kind regards,

**Nur Aini Ali Kasim, CFA**

General Manager

AIA Pension and Asset Management Sdn. Bhd.

# LOCAL BOND MARKET COMMENTARY

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## Market Review

2024 was a volatile year for global fixed income markets, driven by major shifts in monetary policy, escalating geopolitical tensions, and significant changes in government regimes, among others. In the United States (“US”), market participants began the year optimistic that a declining inflation trend and a softening labour market would prompt the US Federal Reserve (“Fed”) to deliver up to 150 basis points (bps) in rate cuts. The unexpected strength in the March 2024 jobs report proved short-lived, as subsequent labour market data, points to sign of softening. With inflation continue to moderate, market concerns began to shift towards rising unemployment rate. This resulted in a 50bps rate cut by the Fed in September 2024’s Federal Open Market Committee (“FOMC”) meeting, as the Fed members were determined to stay ahead of the curve. Towards year-end, concerns emerged over Trump’s eventual victory in the US Presidential election and its potential implications on inflation and monetary policy, resulted US Treasury (“UST”) yields ended the year broadly higher.

Locally, economic growth outpaced expectation, supported by strong domestic demand, sustained private investment and a recovery in external demand. Despite the ongoing subsidy rationalisation, inflation was well contained, rising just 1.8% Year-on-Year (“YoY”) in 2024. As broadly expected, Bank Negara Malaysia (“BNM”) kept the overnight policy rate (“OPR”) unchanged at 3% throughout the year. Local bond market traded mix in 2024, with the Malaysia Government Securities (“MGS”) yield curve twist flattening over the year. After being a laggard in 2023, the Malaysian Ringgit (“MYR”) outperformed its regional peers and appreciating by 2.7% against the US Dollar.

In Q1 2025, President Trump’s persistent back-and-forth tariffs has heightened global trade tensions, leaving business increasingly cautious and dampening economic growth expectations. The reciprocal tariffs unveiled by President Trump on Liberation Day (“L Day”) was significantly larger than market expectations. UST yields moved violently lower post L-Day, as investors position for downside risks to growth amid uncertainty related to fiscal policy but UST quickly corrected in a bear steepening manner after President Trump announced a 90-day tariff pause. Going forward, we expect market to be highly sensitive to further developments on tariffs and key economic data releases. Locally, BNM also acknowledged the heightened external risks stemming from trade tensions, while maintained constructive outlook, citing resilient domestic demand as a key buffer against external headwinds.

## Market Outlook

Looking ahead, heightened geopolitical risk, diverging growth and inflation trajectory and varying central bank policy paths are expected to be key drivers of volatility in global fixed income market. Several countries, including US have initiated their rate cutting cycle in 2025 amid easing inflationary pressure and moderating growth momentum. Attention will also be on the policy direction under Trump administration, particularly on tariffs and fiscal spending, both of which would have implications on the global fixed income markets.

Domestically, the macroeconomic environment is expected to remain supportive for fixed income, underpinned by resilient growth and subdued inflation. Against this backdrop, BNM is likely to maintain the OPR at current levels, barring any upside risks to inflation from subsidy reform. Should external headwinds intensify downside risks to local economy, BNM may consider aligning with global central banks by easing monetary policy. On the demand front, strong interest from onshore investors will continue to anchor local bond yields, supplemented by steady foreign inflows drawn to the relative stability of Malaysian bonds. On the currency front, USD strength is expected to persist in the near term, driven by the continued narrative of US economic exceptionalism and expectations of inflationary policies under the Trump administration. Meanwhile, China’s sluggish economic recovery and ongoing trade tensions with the US have contributed to a weaker Chinese Yuan Renminbi (“CNY”), which is likely to exert further pressure on the MYR. Nevertheless, the medium-term outlook for MYR remains positive, supported by steady foreign inflows in both portfolio and direct investments.

# LOCAL EQUITY MARKET COMMENTARY

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## Market Review

2024 was a good year for Malaysian equities, with the stock market being one of the best performers in the Asia Pacific region. The rally was supported by robust corporate earnings, rising investor confidence, and strategic reforms, particularly in the energy, infrastructure, and technology sectors. Investor sentiment was buoyed by initiatives such as the National Energy Transition Roadmap (“NETR”), the Johor-Singapore Special Economic Zone, and substantial inflows into the data center and digital infrastructure space. Malaysia’s manufacturing sector continued to see continuous investment as part of the China Plus One strategy due to ongoing trade tensions between US and China. Political stability gave rise to stronger investor and consumer confidence, which in turn resulted in Malaysia’s GDP accelerating to 5.1% in 2024 from 3.6% growth in 2023. The local bourse witnessed the highest foreign ownership at 18 months high in September 2024 with many stocks touching multi-year high particularly those in the construction and property sector.

Trading activity improved significantly, with average daily volumes increasing to 4.29 billion units and trading value rising to RM3.44 billion. Foreign investor participation also grew, accounting for 35.8% of market activity, up from 28.4% in 2023.

The MYR exhibited strength in September where it rose to a high of MYR4.12/USD, only to weaken following President Trump’s victory in November. On a year-on-year basis, the MYR strengthened to MYR4.4718/USD as at 31 December 2024 from MYR4.5940/USD as at 31 December 2023 as the Fed began slashing rates in September 2024 by 100 bps to 4.50% on the back of reduced inflation expectations.

Against the regional peers, the FBM100 and FBM Shariah Index outperformed the MSCI World Index (MYR basis) and MSCI Asia Ex Japan Index (MYR basis) which rose 14.01% and 6.95% respectively as at 31 December 2024.

However, the first four months of 2025 was marked with volatility and heightened geopolitical uncertainty, after the Trump administration unveiled sweeping tariffs across global trading partners on liberation day. This triggered a sharp global sell-off, which saw the S&P falling 12% at one point before partially rebounding. The MSCI World Index and MSCI Asia Ex Japan Index saw a year-to-date decline of 4.87% and 1.62% respectively as at 30 April 2025, while locally our FBM100 and FBM Shariah Index experienced a drop of 8.8% and 10.45% respectively.

## Market Outlook

We remain cautiously optimistic towards the Malaysian equity market heading into 2025, though we acknowledge potential headwinds stemming from macro uncertainties due to global trade tariff policies which may in turn affect future investments and spending. The eventual replacement of the Artificial Intelligence (“AI”) diffusion policy may see the pace of investments into Malaysia’s data infrastructure moderate in the short to medium term until clarity emerges, but we do not see a material reversal in the underlying investment theme.

Key structural catalysts remain intact, such as the continued rollout of the Johor-Singapore Special Economic Zone, existing committed investments into data centres, trade diversion-led investments, continued infrastructure spending, ongoing government initiatives (NETR, National Semiconductor Strategy (“NSS”), National Industrial Masterplan (“NIMP”)), rising tourism (Visit Malaysia 2026) and stronger commodity prices would continue to drive Malaysia’s GDP growth and support corporate earnings growth going into 2025. Commitment from Government Linked Funds towards the capital market and low foreign equity ownership would also help support and mitigate any strong capital outflows.

# FOREIGN EQUITY MARKET COMMENTARY

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## Market Review

Global equities delivered strong returns in 2024 despite persistent macro headwinds, as resilient earnings, disinflation momentum, and AI-driven optimism supported risk assets. The S&P 500 Index returned +23.8% for the year, marking its second consecutive year of double-digit gains. Market leadership remained heavily concentrated in the US, where the "Magnificent Seven" mega cap tech stocks once again dominated performance, contributing over 60% of total index gains. The rally was fuelled by growth expectations surrounding artificial intelligence, expected interest rate cuts from the Fed, and the likelihood of deregulation policies from the incoming Trump administration post his election victory in November.

Outside the US, Japan saw the unwinding of the yen carry trade, resulting in a sharp appreciation of the yen and a decline in the stock market. This was triggered by the Bank of Japan (BOJ) tightening monetary policy, which surprised markets, leading to a frantic rush by traders to close out their short yen positions, which pushed the yen higher and caused a 12% drop in the dollar-yen exchange rate. That said, Japan was a standout performer, with the TOPIX and Nikkei 225 indices delivering over 17% gains for the year, supported by corporate governance reforms and a domestic shift in risk appetite.

Taiwan's TAIEX rose 32.1%, driven by strong demand for chips, memory, and tech hardware given their critical position in the AI and semiconductor value chain, while Korea's KOSPI underperformed by 7.3% due to political turbulence, notably with the controversial declaration of martial law by President Yoon Suk-yeol on December 3, 2024 which led to the impeachment of both Yoon and Prime Minister Han Duck-soo.

China underperformed for much of the year, with macro drag from property sector weakness, youth unemployment, and consumer caution. However, a Q4 pivot in fiscal and monetary policy triggered a sharp rally — the strongest weekly equity gains since 2008 — helping MSCI China pare earlier losses. Meanwhile, India's Nifty 50 rose 20%, recovering from election-driven volatility on the back of robust earnings and domestic liquidity.

However, global equity markets experienced a volatile start to 2025, marked by heightened geopolitical uncertainty, policy-driven shocks, and diverging regional performances. US markets were particularly affected by the reintroduction of aggressive trade tariffs under the Trump administration, including a 145% levy on Chinese imports announced in early April. This triggered a sharp sell-off, with the S&P 500 falling 12% at one point before partially rebounding. As of end-April, the S&P 500 Index fell by 5.3% year-to-date, while the Nasdaq managed a modest 0.9% gain, driven by resilient mega cap tech stocks. Small- and mid-cap indices underperformed more significantly, reflecting concerns over domestic growth and higher funding costs. A temporary 90-day pause on most tariffs (excluding China) helped stabilize sentiment mid-April, pro alongside improving macro indicators such as decelerating inflation and solid Q1 earnings reports. Nonetheless, bond market stress resurfaced late April, with US long-term yields spiking past 5%, weighing on equity valuations again.

## **Market Outlook**

Looking ahead, global equity markets face a mixed landscape marked by cautious optimism amidst structural risks. Investors are increasingly focused on the path of monetary policy, with the US Fed expected to begin a measured rate-cutting cycle in 2H 2025, assuming inflation continues its disinflationary trend. However, this has been made complicated pending the final outcome of global trade tariffs by the Trump administration which is also being closely watched, as corporates are adopting a wait-and see approach and holding back any major capex plans pending tariff clarity. Nevertheless, rate cuts could provide a tailwind for equity valuations, particularly in interest rate-sensitive sectors such as real estate, technology, and consumer discretionary.

China remains a wild card. While fiscal and monetary stimulus has helped improved investor sentiment, coupled with the unveiling of DeepSeek in the race of AI dominance and the potential development of its own AI chips to reduce reliance on US chips; concerns over structural growth, youth unemployment, consumer sentiment and the property sector persist. Policy clarity and execution will be crucial in maintaining the positive momentum, and ultimately the de-escalation of trade tensions with its largest trading partner, the US. India's fundamentals remain attractive, but valuations appear stretched, and earnings delivery will be key to sustaining gains. Geopolitical risk, particularly post US elections, Taiwan tensions, and Middle East instability, could introduce bouts of market volatility. In this environment, investors may favour quality companies with strong balance sheets, durable cash flows, and exposure to secular growth trends like AI, energy transition, and healthcare innovation. A broader rotation into undervalued sectors and international markets could also gather pace as investors seek diversification out of US.



# AIA PAM – ISLAMIC MODERATE FUND

## Fund Information

Name:	AIA PAM – Islamic Moderate Fund (“Fund”)
Type & Category:	Non-Core (Balanced)
Investment Objective:	The Fund seeks to provide returns through a combination of income* and capital growth from a portfolio that is consistent with Shariah principles.  *Income will be reinvested in additional Units in the Fund.
Investment Strategy:	The Fund will invest in a portfolio comprising Shariah-compliant equities with potential for growth and Shariah-compliant equities that are trading below their fair value. The Fund will also invest at least 40% of its NAV in sukuk and Islamic money market instruments with a minimum credit rating of “BBB3” or “P2” by RAM or an equivalent rating by MARC, Islamic money market instruments and/or Islamic deposits with financial institutions. The Fund will only invest locally.
Benchmark:	50% FBM EMAS Shariah Index + 50% Quant Shop GII All Index
Distribution policy:	Subject to the availability of income, distribution (if any) will be distributed annually.

## Breakdown of unit holdings by size:

Size of Holdings (units)	No. of unit holders	No. of units held	% of units held
5,000 and below	7,818	18,080,199.81	18%
5,001 to 10,000	3,969	28,758,774.18	28%
10,001 to 50,000	2,614	43,091,346.04	42%
50,001 to 500,000	133	11,382,718.61	11%
500,001 and above	1	1,571,085.44	1%
<b>TOTAL</b>	<b>14,535</b>	<b>102,884,124.08</b>	<b>100%</b>



## Fund Performance

Details of the portfolio composition of the Fund are as follows:

	Year ended 30.04.2025	Year ended 30.04.2024	Year ended 30.04.2023
	%	%	%
<b>Quoted Shariah-compliant Securities</b>			
<b>Main Market</b>			
- Construction	5.74	4.33	2.35
- Consumer Products & Services	5.58	7.51	6.90
- Energy	2.83	5.53	4.22
- Financial Services	1.01	0.65	0.70
- Health Care	3.74	2.72	4.41
- Industrial Products & Services	5.32	5.90	5.45
- Plantation	4.47	4.90	3.89
- Property	2.51	4.22	-
- Islamic Real Estate Investment Trust	0.36	1.46	2.03
- Technology	3.53	10.84	9.91
- Telecommunications & Media	6.19	6.18	4.83
- Transportation & Logistics	1.51	2.50	3.61
- Utilities	2.42	1.77	1.71
<b>ACE Market</b>			
- Health Care	-	-	0.53
- Industrial Products & Services	-	-	0.86
<b>Unquoted sukuk</b>	51.37	36.37	47.74
<b>Cash and other net assets</b>	3.42	5.12	0.86
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

Performance details of the Fund are as follows:

	Year ended 30.04.2025	Year ended 30.04.2024	Year ended 30.04.2023
Net asset value (NAV) (RM million)	127.1696	131.0745	126.4720
Units in circulation (million)	102.8841	99.9215	105.2447
NAV per unit (RM)	1.2360	1.3118	1.2017
Highest NAV per unit (RM)	1.4099	1.3118	1.2256
Lowest NAV per unit (RM)	1.1730	1.1857	1.1397
Total return (%)	-2.11	9.16	-2.51
- Capital Growth (%)	-5.78	9.16	-2.51
- Income Distribution (%)	3.89	-	-
Gross distribution per unit (sen)	5.00	-	-
Net distribution per unit (sen)	5.00	-	-
NAV per unit before distribution (RM)	1.3342	-	-
NAV per unit after distribution (RM)	1.2860	-	-
Date of distribution	22 October 2024	-	-
Total expense ratio (%)	1.61	1.63	1.63
Portfolio turnover ratio (times)	0.34	0.54	0.61
Seed capital (units in million)	0.0000	0.0000	0.0000
% of total units in circulation	0.00	0.00	0.00

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

Note: Basis of calculation and assumption made in computation of the returns

$$\text{Performance return} = \frac{\text{NAV}(t) - \text{NAV}(t-1)}{\text{NAV}(t)}$$

$$\text{Annualised performance return} = \frac{(\text{Performance return}) \times (\text{no. of days per year})}{\text{total no. of days for period under review}}$$

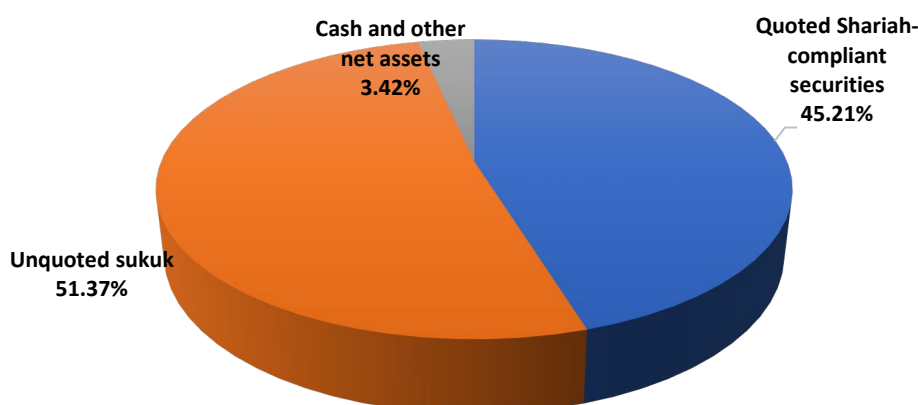
The Total Expense Ratio (“TER”) for the financial year is lower as compared to the previous financial year mainly due to the increase in average daily NAV during the financial year.

The Portfolio Turnover Ratio (“PTR”) for the financial year was lower in relation to the previous financial year mainly due to the lower trading activities during the financial year.

Asset allocation of the Fund is as follows:

	Year ended 30.04.2025	Year ended 30.04.2024	Year ended 30.04.2023
	% of NAV	% of NAV	% of NAV
Quoted Shariah-compliant securities	45.21	58.51	51.40
Unquoted sukuk	51.37	36.37	47.74
Cash and other net assets	3.42	5.12	0.86
Total	100.00	100.00	100.00

Asset allocation of the Fund as at 30 April 2025



### Securities Financing Transactions

The Fund has not undertaken any securities lending or repurchase transactions (collectively referred to as “securities financing transactions”) during the financial year.

### Cross Trading

There was no cross trade transaction carried out during the financial year.

### Soft Commission and Rebates

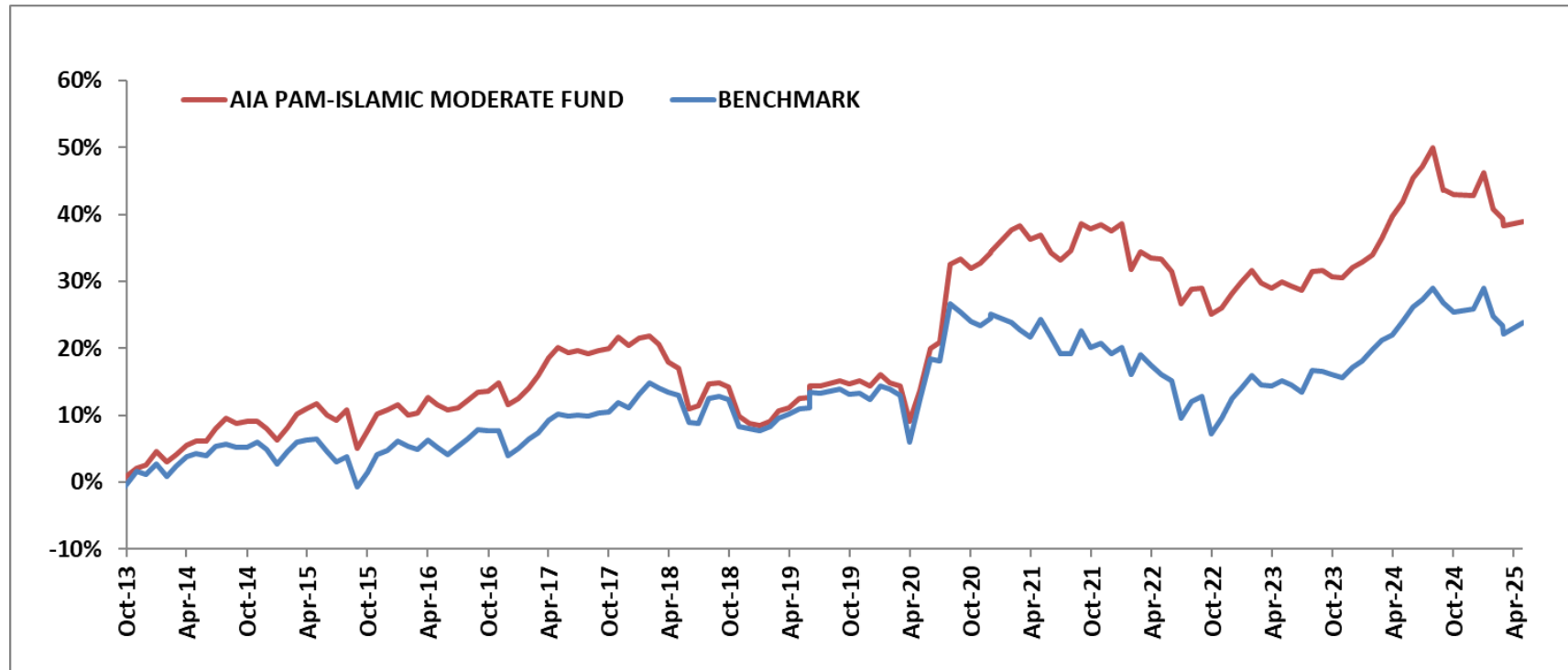
No soft commission or rebates were received from any broker during the financial year.

### Significant Change in the State of Affairs of the Fund

During the financial year and up to the date of the PRS Provider’s Report, there were no significant changes in the state of affairs of the Fund nor any circumstances arising, not otherwise disclosed in the financial statements, which materially affect any interests of the members.

## Fund Report

### AIA PAM – ISLAMIC MODERATE FUND



Source: Bloomberg, Bursa Malaysia, Quant Shop as at 30 April 2025



**Fund Performance as at 30 April 2025**

Average Total Return	1 year#	3 Years#	5 Years#	10 Years#	Since Inception#
	May'24 – Apr'25	May'22 – Apr'25	May'20 – Apr'25	May'15 – Apr'25	Jun'13 – Apr'25
AIA PAM – Islamic Moderate Fund	-2.11%	1.37%	4.07%	2.20%	2.80%
Benchmark	-0.19%	2.16%	1.97%	1.52%	1.81%

**Fund Performance as at 30 April 2025**

Annual Total Return	FYE 2025	FYE 2024	FYE 2023	FYE 2022	FYE 2021
AIA PAM – Islamic Moderate Fund	-2.11%	9.16%	-2.51%	-2.65%	20.37%
Benchmark	-0.19%	7.77%	-0.87%	-6.58%	10.67%

Source: Bloomberg as at 30 April 2025

\* 50% FTSE Bursa Malaysia EMAS Shariah Index (Source: Bursa Malaysia) + 50% Quant Shop GII All Index (Source: Quant Shop)

**How did the Fund perform during the period?**

For the financial period ending 30 April 2025, the Fund returned -2.11%, against the benchmark's return of -0.19%. The underperformance was mainly due to the funds overweight position in local technology and construction sectors which were impacted post announcement of tariffs on Liberation Day (2 April). The risk-off sell down in markets overshadowed the decent gains made in calendar year 2024. The Fund had a slightly higher asset allocation exposure to local Shariah-compliant equities than sukuk, which was subsequently reduced during the period to manage risks. For the 5-year period under review, the Fund saw an annualised return of 4.07% against the benchmark's annualised return of 1.97%.

The Fund is in line with its investment objective of seeking to provide returns through a combination of income and capital growth from a portfolio that is consistent with Shariah principles.

**What is the Fund's strategy going forward?**

For Shariah-compliant equities, we remain cautiously optimistic on the equity market despite the challenging start in 2025 following the announcement of global tariffs that threaten to de-rail global economic growth. Concerns of future investment flows into data centres following the implementation of the US Artificial Intelligence Diffusion policy (which has since been rescinded by the Trump administration in replacement of newer upcoming export controls) have also impacted sentiment on the short to medium term, but we believe the longer-term data centre investment story remains intact, and committed investments will continue to be executed. We will continue to adjust the portfolio proactively to manage risks, and capture opportunities as they arise, through a diversified Shariah-compliant portfolio, and focus on sector and companies with resilient and defensive earnings to weather market uncertainties better.

In the sukuk space, the macro environment is expected to be constructive with solid growth and subdued inflation. Bond yields continued to be supported by robust onshore demand, supplemented by sustained inflows from foreign investors seeking the stability that local bonds offer. We employ slight overweight duration stance as we continue to trade on momentum for government sukuk. Our asset allocation will continue to favour corporate sukuk over government sukuk for yield enhancements.



## STATEMENT BY PRS PROVIDER

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### STATEMENT BY PRS PROVIDER TO THE MEMBERS OF AIA PAM – ISLAMIC MODERATE FUND (“Fund”)

I, Nur Aini Ali Kasim being the Director of AIA Pension and Asset Management Sdn. Bhd. (the “PRS Provider”), do hereby state that, in the opinion of the PRS Provider, the accompanying financial statements set out on pages 18 to 54 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 April 2025 and of its financial performance, changes in equity and cash flows for the financial year ended 30 April 2025 in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the PRS Provider,  
**AIA PENSION AND ASSET MANAGEMENT SDN. BHD.**  
(Company No: 201201027147 (1011637-P))

**Nur Aini Ali Kasim**  
Director

Kuala Lumpur  
25 June 2025



# TRUSTEE’S REPORT

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## TRUSTEE’S REPORT TO THE MEMBERS OF AIA PAM – ISLAMIC MODERATE FUND (“Fund”)

We have acted as the Scheme Trustee of AIA PAM - Islamic Moderate Fund (the “Fund”) for the financial year ended 30 April 2025 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AIA Pension and Asset Management Sdn. Bhd. has operated and managed the Fund during the year covered by these financial statements in accordance with the following: -

1. Limitations imposed on the investment powers of the PRS Provider under the Deed, Securities laws and the Guidelines on Private Retirement Schemes,
2. Valuation and pricing is carried out in accordance with the Deed; and
3. Any creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirement.

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

**For Deutsche Trustees Malaysia Berhad**

**Ng Hon Leong**  
Head, Fund Operations

**Sylvia Beh**  
Chief Executive Officer

Kuala Lumpur  
25 June 2025



# SHARIAH ADVISER'S REPORT

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## SHARIAH ADVISER'S REPORT TO THE MEMBERS OF AIA PAM – ISLAMIC MODERATE FUND (“Fund”)

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, AIA Pension and Asset Management Sdn. Bhd. has operated and managed the Fund for the period covered by these financial statements namely, the year ended 30 April 2025, in accordance with Shariah principles and requirements, and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The assets of the Fund comprise instruments that have been classified as Shariah-compliant.

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

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

Kuala Lumpur  
25 June 2025



# INDEPENDENT AUDITORS' REPORT

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## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AIA PAM – ISLAMIC MODERATE FUND

### REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

#### Our Opinion

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

#### What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 April 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 18 to 54.

#### Basis for opinion

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

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

#### *Independence and other ethical responsibilities*

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

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

The PRS Provider of the Fund is responsible for the other information. The other information comprises the Private Retirement Scheme Annual Report for AIA PAM – Islamic Moderate Fund, but does not include the financial statements of the Fund and our auditors' report thereon.

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

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

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

## INDEPENDENT AUDITORS' REPORT (Continued)

### Responsibilities of the PRS Provider for the financial statements

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

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

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

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

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

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

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



## INDEPENDENT AUDITORS' REPORT (Continued)

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### OTHER MATTERS

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

PRICEWATERHOUSECOOPERS PLT  
LLP0014401-LCA & AF 1146  
Chartered Accountants

Kuala Lumpur  
25 June 2025

# FINANCIAL STATEMENTS

## Statement of Comprehensive Income

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

	Note	2025 RM	2024 RM
<b>INVESTMENT (LOSS)/ INCOME</b>			
Dividend income		2,000,740	1,830,664
Profit income from financial assets at fair value through profit or loss		2,343,503	2,524,255
Profit income from financial assets at amortised cost		212,963	171,297
Net (loss)/gain on Shariah-compliant financial assets at fair value through profit or loss	9	(5,162,858)	8,837,693
		<u>(605,652)</u>	<u>13,363,909</u>
<b>EXPENSES</b>			
Management fee	4	1,992,065	1,892,518
Trustee's fee	5	53,122	50,467
Private Pension Administrator ("PPA") administration fee	6	53,122	50,467
Transaction costs		71,293	140,509
Audit fee		12,410	11,933
Tax agent's fee		3,700	3,700
Shariah advisory fee		12,199	17,212
Custody fee		1,858	5,524
Other expenses		14,883	25,738
		<u>2,214,652</u>	<u>2,198,068</u>
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		<b>(2,820,304)</b>	<b>11,165,841</b>
Taxation	7	-	-
<b>(LOSS)/PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL YEAR</b>		<b><u>(2,820,304)</u></b>	<b><u>11,165,841</u></b>
(Loss)/profit after taxation is made up as follows:			
Realised amount		2,232,887	2,322,796
Unrealised amount		(5,053,191)	8,843,045
		<u>(2,820,304)</u>	<u>11,165,841</u>
Distribution to member for the financial year	8	<u>5,077,486</u>	-

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



## Statement of Financial Position

AS AT 30 APRIL 2025

	Note	2025 RM	2024 RM
<b>ASSETS</b>			
Cash and cash equivalents	10	4,651,729	6,588,690
Shariah-compliant financial assets at fair value through profit or loss	9	122,822,309	124,361,834
Amount due from PRS Provider – creation of units	15	62,583	394,880
Amount due from broker		22,066	-
Dividends receivable		33,420	43,943
Sundry receivables		651	1,200
<b>TOTAL ASSETS</b>		<b>127,592,758</b>	<b>131,390,547</b>
<b>LIABILITIES</b>			
Amount due to PRS Provider – cancellation of units	15	228,143	121,165
Accrued management fee	15	170,044	170,165
Amount due to Trustee		4,536	4,539
Amount due to Private Pension Administrator (“PPA”)		4,536	4,539
Other payables and accruals		15,910	15,609
<b>TOTAL LIABILITIES</b>		<b>423,169</b>	<b>316,017</b>
<b>NET ASSET VALUE OF THE FUND</b>		<b>127,169,589</b>	<b>131,074,530</b>
<b>EQUITY</b>			
Members’ capital		113,669,324	109,676,475
Retained earnings		13,500,265	21,398,055
<b>NET ASSET ATTRIBUTABLE TO MEMBERS</b>		<b>127,169,589</b>	<b>131,074,530</b>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>	12	<b>102,884,124</b>	<b>99,921,504</b>
<b>NET ASSET VALUE PER UNIT (RM)</b>		<b>1.2360</b>	<b>1.3118</b>

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



## Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

	Note	Members' capital RM	Retained earnings RM	Total RM
<b>Balance as at 1 May 2024</b>		109,676,475	21,398,055	131,074,530
Movement in members' contributions:				
- Creation of units arising from applications		9,429,086	-	9,429,086
- Creation of units arising from distribution		5,077,486	-	5,077,486
- Cancellation of units		(10,513,723)	-	(10,513,723)
Distribution	8	-	(5,077,486)	(5,077,486)
Total comprehensive loss for the financial year		-	(2,820,304)	(2,820,304)
<b>Balance as at 30 April 2025</b>		113,669,324	13,500,265	127,169,589
<b>Balance as at 1 May 2023</b>		116,239,777	10,232,214	126,471,991
Movement in members' contributions:				
- Creation of units arising from applications		3,662,337	-	3,662,337
- Cancellation of units		(10,225,639)	-	(10,225,639)
Total comprehensive Income for the financial year		-	11,165,841	11,165,841
<b>Balance as at 30 April 2024</b>		109,676,475	21,398,055	131,074,530

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

## Statement of Cash Flows

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

	Note	2025 RM	2024 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Proceeds from disposal of Shariah-compliant investments		42,971,502	73,040,742
Purchase of Shariah-compliant investments		(46,632,241)	(63,571,487)
Dividend received		2,008,207	1,852,643
Profit income received from Shariah-compliant investments		2,287,550	2,776,019
Profit income received from Islamic deposits with licensed financial institutions		212,963	171,297
Management fee paid		(1,992,186)	(1,878,523)
Trustee's fee paid		(53,125)	(50,093)
PPA administrative fee paid		(53,125)	(50,093)
Tax agent's fee paid		(3,700)	(3,700)
Shariah Adviser's fee paid		(11,650)	(12,750)
Payments for other fees and expenses		(25,795)	(35,401)
<b>Net cash (used in)/generated from operating activities</b>		<b>(1,291,600)</b>	<b>12,238,654</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash proceeds from units created		9,761,383	3,465,827
Payments for cancellation of units		(10,406,744)	(10,173,156)
<b>Net cash used in financing activities</b>		<b>(645,361)</b>	<b>(6,707,329)</b>
Net (decrease)/increase in cash and cash equivalents		(1,936,961)	5,531,325
Cash and cash equivalents at the beginning of the financial year		6,588,690	1,057,365
Cash and cash equivalents at the end of the financial year	10	4,651,729	6,588,690

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

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

### 1. THE FUND, THE PRS PROVIDER AND ITS PRINCIPAL ACTIVITY

AIA PAM - Islamic Moderate (the "Fund") is governed by a Deed dated 16 January 2013, a Supplemental Deed dated 16 August 2013, a Second Supplemental Deed dated 14 December 2015, a Third Supplemental Deed dated 8 September 2020, a Fourth Supplemental Deed dated 9 June 2023 and a Third Replacement Disclosure Document dated 31 August 2023 (collectively referred to as the "Deeds") between AIA Pension and Asset Management Sdn. Bhd. (the "PRS Provider") and Deutsche Trustees Malaysia Berhad (the "Trustee").

The principal activity of the Fund is to invest in "Permitted Investments", as defined in Clause 11.1 of the Deed, which includes sukuk and other Islamic money market instruments.

The Fund seeks to provide returns through a combination of income and capital growth from a portfolio that is consistent with Shariah principles. The Fund will be investing at least 40% and a maximum of 60% of the Fund's net asset value ("NAV") in local Shariah-compliant equities.

The Fund will invest at least 40% of its NAV in sukuk and Islamic money market instrument with a minimum credit rating of "BBB3" or "P2" by RAM or equivalent rating by MARC, Islamic money market instruments and/or Islamic deposits with financial institutions.

The Fund commenced operations on 16 May 2013 and will continue its operations until terminated by the Trustee or the PRS Provider, as the case may be as provided under Clause 16.2 of the Deed.

All investments will be subject to the Securities Commission's ("SC") Guidelines on Private Retirement Schemes, SC requirements, the Deeds, except where exemptions or variations have been approved by the SC, internal policies and procedures and the Fund's objective.

The PRS Provider, AIA Pension and Assets Management Sdn. Bhd. is incorporated in Malaysia. The principal activities of the Company are asset management and management of Private Retirement Scheme ("PRS") funds. It is a wholly-owned entity of AIA Bhd., whose ultimate holding company is AIA Group Limited, a company incorporated in Hong Kong and listed on the Stock Exchange of Hong Kong Limited.

The financial statements were authorised for issue by the PRS Provider on 25 June 2025.

### 2. MATERIAL ACCOUNTING POLICY INFORMATION

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

#### (a) Basis of preparation of the financial statements

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

The preparation of financial statements in conformity with MFRS and International Financial Reporting Standards 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 year. It also requires the PRS Provider to exercise their judgement in the process of applying the Fund's accounting policies. Although these estimates and judgement are based on the PRS Provider's best knowledge of current events and actions, actual results may differ.



The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(I) to the financial statements.

- (i) Standards, amendments to published standards and interpretations that are applicable and effective:

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

- (ii) Standards and amendments that have been issued that are applicable to the Fund but not yet effective:

- Amendments to MFRS 9 and MFRS 7 'Amendments to the Classification and Measurement of Financial Instruments' (effective 1 January 2026):
    - The amendments clarify that financial assets are derecognised when the rights to the cash flows expire or when the asset is transferred, and financial liabilities are derecognised at the settlement date (i.e. when the liability is extinguished or qualifies for derecognition).
    - There is an optional exception to derecognise a financial liability at a date earlier than the settlement date if the cash transfer takes place through an electronic payment system, provided that all the specified criteria are met;
    - The amendments also clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest ("SPPI") criterion;
    - There are additional new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
    - The amendments update the disclosures for equity instruments designated at fair value through other comprehensive income ("FVOCI").
  - MFRS 18 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027) replaces MFRS 101 'Presentation of Financial Statements'.
    - The new MFRS introduces a new structure of profit or loss statement.
- (a) Income and expenses are classified into 3 new main categories:
- i. Operating category which typically includes results from the main business activities
  - ii. Investing category that presents the results of investments in associates and joint ventures and other assets that generate a return largely independently of other resources; and
  - iii. Financing category that presents income and expenses from financing liabilities.
- (b) Entities are required to present two new specified subtotals: 'Operating profit or loss' and 'Profit or loss before financing and income taxes'.
- Management-defined performance measures are disclosed in a single note and reconciled to the most similar specified subtotal in MFRS Accounting Standards.

- Changes to the guidance on aggregation and disaggregation which focus on grouping items based on their shared characteristics.

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

**(b) Financial assets and financial liabilities**

Classification

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

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

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

The Fund has not taken the option to irrevocably designate any equity securities<sup>1</sup> as fair value through other comprehensive income. The contractual cash flows of the Fund's debt securities<sup>2</sup> are solely payment of principal and interest<sup>3</sup> ("SPPI"), 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.

Investments in quoted Shariah-compliant securities and unquoted sukuk have contractual cash flows that do not represent solely payment of principal and profit, and therefore are classified as fair value through profit or loss.

The Fund classifies cash and cash equivalents, dividends receivable and amount due from PRS Provider and amount due from broker 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 PRS Provider, accrued management fee, amount due to Trustee, amount due to PPA, and other payables and accruals as financial liabilities measured at amortised cost.

1 For the purposes of the investments made by the Fund, equity refers to Shariah-compliant equity instruments.  
2 For the purposes of the investments made by the Fund, debt securities refer to unquoted sukuk.  
3 For the purposes of this Fund, interest refers to profit earned from Shariah-compliant investments.

#### 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 Shariah-compliant assets. Shariah-compliant investments are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income.

Financial liabilities, within the scope of MFRS 9, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instruments.

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

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

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

Dividend income from Shariah-compliant financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income when the Fund’s right to receive payments is established.

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

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

Unquoted sukuk denominated in Ringgit Malaysia are revalued on a daily basis based on fair value prices quoted by a bond pricing agency (“BPA”) registered with the SC.

Islamic 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 respective Islamic deposits.

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

#### Impairment

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

#### Significant increase in credit risk

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

#### Definition of default and credit-impaired financial assets

The Fund defines a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria:

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

Qualitative criteria:

The obligor meets unlikelihood to pay criteria, which indicates the obligor is in significant financial difficulty. The Fund considers the following instances:

- the obligor is in breach of financial covenants
- concessions have been made by the lender relating to the obligor's financial difficulty
- it is becoming probable that the obligor will enter bankruptcy or other financial reorganisation
- the obligor is insolvent

Financial instruments that are credit-impaired are assessed on individual basis.

#### Write-off

The Fund writes 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 obligor'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.

### **(c) Income recognition**

#### Dividend income

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

#### Profit income

Profit income from Islamic deposits with licensed financial institutions and unquoted sukuk are recognised on a time proportionate basis using the effective profit rate method on an accrual basis.

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

#### Realised gain or loss on disposal of investments

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

Realised gain or loss on disposal of unquoted sukuk is calculated based on the difference between the net disposal proceeds and the carrying amount of unquoted sukuk, determined on cost adjusted for accretion of discount or amortisation of premium.

### **(d) Functional and presentation currency**

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

(e) **Cash and cash equivalents**

For the purpose of statement of cash flows, cash and cash equivalents comprise bank balances and Islamic deposits held in highly liquid Shariah-compliant investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(f) **Taxation**

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

(g) **Transaction costs**

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

(h) **Distribution**

A distribution to the Fund's members 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.

(i) **Amount due from/to stockbrokers**

Amounts due from and amount due to stockbrokers represent receivables for Shariah-compliant investments sold and payables for Shariah-compliant investments purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective profit method, less provision for impairment for amount due from stockbrokers. A provision for impairment of amount due from stockbrokers is established when there is objective evidence that the Fund will not be able to collect all amounts due from the relevant stockbroker.

Significant financial difficulties of the stockbroker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the amount due from stockbrokers is impaired. Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, profit income is recognised using the rate of profit used to discount the future cash flows for the purpose of measuring the impairment loss.

The effective profit method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the profit income or receivables expense over the relevant period. The effective profit rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective profit rate, the Fund estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective profit rate, transaction costs and all other premiums or discounts.

(j) **Members' capital**

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

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

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

(k) **Fair value of financial instruments**

Shariah-compliant financial instruments comprise financial assets and financial liabilities. Fair value is the amount at which a financial asset could be exchanged or a financial liability settled, between knowledgeable and willing parties in an arm's length transaction. The information presented herein represents the estimates of fair values as at the date of the statement of financial position.

Financial instruments of the Fund are as follows:

	<b>Financial assets at fair value through profit or loss RM</b>	<b>Financial assets at amortised cost RM</b>	<b>Total RM</b>
<b>2025</b>			
Cash and cash equivalents (Note 10)	-	4,651,729	4,651,729
Shariah-compliant financial assets at fair value through profit or loss (Note 9)	122,822,309	-	122,822,309
Amount due from PRS Provider – creation of units	-	62,583	62,583
Amount due from broker	-	22,066	22,066
Dividends receivable	-	33,420	33,420
	<b>122,822,309</b>	<b>4,769,798</b>	<b>127,592,107</b>
<b>2024</b>			
Cash and cash equivalents (Note 10)	-	6,588,690	6,588,690
Shariah-compliant financial assets at fair value through profit or loss (Note 9)	124,361,834	-	124,361,834
Amount due from PRS Provider – creation of units	-	394,880	394,880
Dividends receivable	-	43,943	43,943
	<b>124,361,834</b>	<b>7,027,513</b>	<b>131,389,347</b>

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

(I) Critical accounting estimates and judgements in applying accounting policies

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

Estimates and judgements are continually evaluated by the PRS Provider 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 PRS Provider will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the SC Guidelines on Private Retirement Schemes.

However, the PRS Provider is of the opinion that there are no accounting policies which require significant judgement to be exercised.

### 3. RISK MANAGEMENT OBJECTIVES AND POLICIES

The investment objective of the Fund is to provide returns through a combination of income and capital growth from a portfolio that is consistent with Shariah principles.

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

Financial risk management is carried out through internal control process adopted by the PRS Provider and adherence to the investment restrictions as stipulated in the Disclosure Document and SC Guidelines on Private Retirement Schemes.

(a) Market risk

(i) Price risk

This is the risk that the fair value of a Shariah-compliant investment in quoted Shariah-compliant securities and unquoted sukuk will fluctuate because of changes in market prices (other than those arising from interest rate risk). The price of Shariah-compliant investments may fluctuate according to the activities of individual companies, sector and overall political and economic conditions. Such fluctuation may cause the Fund's NAV and prices of units to fall as well as rise, and income produced by the Fund may also fluctuate.

The price risk is managed through diversification and selection of quoted Shariah-compliant securities and unquoted sukuk within specified limits according to the Deeds.

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

	2025 RM	2024 RM
Shariah-compliant financial assets at fair value through profit or loss:		
- Quoted Shariah-compliant securities	57,490,013	76,694,713
- Unquoted sukuk*	65,332,296	47,667,121
Total	<u>122,822,309</u>	<u>124,361,834</u>

\* Includes profit receivable of RM560,290 (2024: RM447,855).



The table below summarises the sensitivity of the Fund's (loss)/profit after tax and NAV to movements in prices of quoted Shariah-compliant securities and unquoted sukuk at the end of each reporting period. The analysis is based on the assumptions that the price of the quoted Shariah-compliant securities and unquoted sukuk fluctuates by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted Shariah-compliant securities and unquoted sukuk having regard to the historical volatility of the prices.

<b>% Change in price of financial assets at fair value through profit or loss</b>	<b>Market value RM</b>	<b>Impact on loss after tax/NAV RM</b>
<b>2025</b>		
+5%	128,375,120	6,113,101
-5%	116,148,918	(6,113,101)

<b>% Change in price of financial assets at fair value through profit or loss</b>	<b>Market value RM</b>	<b>Impact on profit after tax/NAV RM</b>
<b>2024</b>		
+5%	130,109,678	6,195,699
-5%	117,718,280	(6,195,699)

**(ii) Interest rate risk**

In general, when interest rates rise, prices for unquoted sukuk will tend to fall and vice versa. Therefore, the NAV of the Fund may also tend to fall when interest rates rise or are expected to rise. However, investors should be aware that should the Fund holds an unquoted sukuk till maturity, such fluctuations would dissipate as it approaches maturity, and thus the growth of the NAV shall not be affected at maturity.

In order to mitigate interest rates exposure of the Fund, the PRS Provider will manage the duration of the portfolio via shorter or longer tenured assets depending on the view of the future interest rate trend of the PRS Provider, which is based on its continuous fundamental research and analysis.

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

Investors should note that the movement in prices of unquoted sukuk and Islamic money market instruments are benchmark against interest rates. Such Shariah-compliant investments may be subject to unanticipated rise in interest rates which may impair the ability of the issuers to meet obligation under the instrument, especially if the issuers are highly leveraged. An increase in interest rates may therefore increase the potential for default by an issuer.

The table below summarises the sensitivity of the Fund's (loss)/profit after tax and NAV to movements in prices of unquoted sukuk held by the Fund as a result of movement in interest rate. The analysis is based on the assumptions that the interest rate changed by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the interest rate, having regard to the historical volatility of the interest rate.



% Change in interest rate	Impact on loss after taxation/NAV	Impact on profit after taxation/NAV
	2025 RM	2024 RM
+5%	(1,100,642)	(893,370)
-5%	1,141,096	928,258

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Fund's exposure to fair value interest rate risk arising from its investment in Islamic money market instruments is expected to be minimal as the Fund's Shariah-compliant investments comprise mainly short-term Islamic deposits with approved licensed financial institutions. The Fund is not exposed to cash flow interest rate risk as the Fund does not hold any financial instruments at variable profit rate.

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

(b) **Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligation resulting in financial loss to the Fund.

Investment in unquoted sukuk may involve a certain degree of credit/default risk with regards to the issuers. Generally, credit risk or default risk is the risk of loss due to the issuer's non-payment or untimely payment of the investment amount as well as the returns on investment. This will cause a decline in value of the defaulted unquoted sukuk and subsequently depress the NAV of the Fund. Usually, credit risk is more apparent for a Shariah-compliant investment with a longer tenure, i.e. the longer the duration, the higher the credit risk. Credit risk can be managed by performing continuous fundamental credit research and analysis to ascertain the creditworthiness of its issuer. In addition, the PRS Provider imposes a minimum rating requirement as rated by either local and/or foreign rating agencies and manages the duration of the Shariah-compliant investment in accordance with the objective of the Fund.

For this Fund, the unquoted sukuk investment must satisfy a minimum rating requirement of at least "BBB3" or "P2" by RAM or equivalent rating by MARC.

The credit risk arising from placements of Islamic deposits in licensed financial institutions is managed by ensuring that the Fund will only place Islamic deposits in reputable licensed financial institutions.

The settlement terms of the proceeds from the creation of units' receivable from the PRS Provider are governed by the SC Guidelines on Private Retirement Schemes.

For amount due from stockbrokers, the settlement terms are governed by the relevant rules and regulations as prescribed by respective stock exchange. The credit risk is minimal as all transactions in quoted Shariah-compliant equities are settled/paid upon delivery using approved stockbrokers.



The following table sets out the credit risk concentration of the Fund:

	Unquoted sukuk at fair value through profit or loss RM	Cash and cash equivalents RM	Amount due from PRS Provider RM	Amount due from broker RM	Dividends receivable RM	Total RM
<b>2025</b>						
Commercial Bank						
- AAA	-	4,651,729	-	22,066	-	4,673,795
Consumer						
Discretionary						
- AA- IS	2,137,163	-	-	-	-	2,137,163
Energy and Utilities						
- AAA	4,346,319	-	-	-	-	4,346,319
- AAA IS	1,103,054	-	-	-	-	1,103,054
- A-IS	530,552	-	-	-	-	530,552
- Not Rated	-	-	-	-	18,711	18,711
Financial Services						
- AAA	8,160,067	-	-	-	-	8,160,067
- AAA (S)	1,054,783	-	-	-	-	1,054,783
- AA1	305,756	-	-	-	-	305,756
- AA2	2,375,919	-	-	-	-	2,375,919
- AA3	1,021,075	-	-	-	-	1,021,075
- A1	2,763,480	-	-	-	-	2,763,480
Industrials						
- AA- IS	1,017,183	-	-	-	-	1,017,183
Public Administration						
- AAA	4,429,886	-	-	-	-	4,429,886
- AAA (S)	511,287	-	-	-	-	511,287
- Not Rated	23,280,073	-	-	-	-	23,280,073
Real Estate						
- AA+ IS	1,000,213	-	-	-	-	1,000,213
- Not Rated	-	-	-	-	14,709	14,709
Transportation and Storage						
- AAA	5,524,382	-	-	-	-	5,524,382
- AA IS	1,056,518	-	-	-	-	1,056,518
- AA- IS	3,614,449	-	-	-	-	3,614,449
- Not Rated	1,100,137	-	-	-	-	1,100,137
Others						
- Not Rated	-	-	62,583	-	-	62,583
	65,332,296	4,651,729	62,583	22,066	33,420	70,102,094



The following table sets out the credit risk concentration of the Fund (continued):

	Unquoted sukuk at fair value through profit or loss RM	Cash and cash equivalents RM	Amount due from PRS Provider RM	Dividends receivable RM	Total RM
<b>2024</b>					
Commercial Bank					
- AAA	-	6,521,036	-	-	6,521,036
- AA1	-	67,654	-	-	67,654
Communication Services					
- AAA	1,031,958	-	-	-	1,031,958
- AA IS	1,999,328	-	-	-	1,999,328
Consumer Discretionary					
- A+ IS	2,078,563	-	-	-	2,078,563
Energy and Utilities					
- AAA	506,774	-	-	-	506,774
- AAA (S)	4,571,415	-	-	-	4,571,415
- AAA IS	1,066,454	-	-	-	1,066,454
- A3	515,573	-	-	-	515,573
- Not Rated	-	-	-	10,678	10,678
Financial Services					
- AAA	1,017,696	-	-	-	1,017,696
- AAA (S)	1,050,979	-	-	-	1,050,979
- AAA IS	2,225,593	-	-	-	2,225,593
- AA1	303,167	-	-	-	303,167
- A1	1,222,273	-	-	-	1,222,273
Property					
- Not Rated	-	-	-	22,694	22,694
Public Administration					
- AAA	4,928,762	-	-	-	4,928,762
- AAA (S)	508,187	-	-	-	508,187
- Not Rated	14,282,022	-	-	-	14,282,022
Real Estate					
- AA2	1,477,336	-	-	-	1,477,336
Technology					
- Not Rated	-	-	-	10,571	10,571
Transportation and Storage					
- AAA	2,045,373	-	-	-	2,045,373
- AAA IS	2,169,301	-	-	-	2,169,301
- AA- IS	3,606,367	-	-	-	3,606,367
- Not Rated	1,060,000	-	-	-	1,060,000
Others					
- Not Rated	-	-	394,880	-	394,880
	47,667,121	6,588,690	394,880	43,943	54,694,634

(c) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. If a Shariah-compliant security encounters a liquidity crunch, the Shariah-compliant security may need to be sold at a discount to the market fair value of the Shariah-compliant security. This in turn would depress the NAV and/or growth of the Fund. Generally, all Shariah-compliant investments are subject to a certain degree of liquidity risk depending on the nature of the Shariah-compliant investment instruments, market, sector and other factors. For the purpose of the Fund, the PRS Provider will attempt to balance the entire portfolio by investing in a mix of Shariah-compliant assets with satisfactory trading volume and those that occasionally could encounter poor liquidity. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

The PRS Provider manages this risk by maintaining sufficient level of Islamic liquid assets to meet anticipated payments and cancellations of the units by members. Islamic liquid assets comprise bank balances, Islamic deposits with licensed financial institutions and other Shariah-compliant instruments, which are capable of being converted into cash within 7 business days.

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

	Less than 1 month	Between 1 month to 1 year	Total
	RM	RM	RM
<b>2025</b>			
Amount due to PRS Providers	228,143	-	228,143
Accrued management fee	170,044	-	170,044
Amount due to Trustee	4,536	-	4,536
Amount due to PPA	4,536	-	4,536
Other payables and accruals	-	15,910	15,910
<b>Total</b>	<b>407,259</b>	<b>15,910</b>	<b>423,169</b>

	Less than 1 month	Between 1 month to 1 year	Total
	RM	RM	RM
<b>2024</b>			
Amount due to PRS Providers	121,165	-	121,165
Accrued management fee	170,165	-	170,165
Amount due to Trustee	4,539	-	4,539
Amount due to PPA	4,539	-	4,539
Other payables and accruals	-	15,609	15,609
<b>Total</b>	<b>300,408</b>	<b>15,609</b>	<b>316,017</b>

(d) **Shariah status reclassification risk**

The risk refers to the risk that the currently held Shariah-compliant equity securities in the portfolio of the Fund may be reclassified as Shariah non-compliant in the periodic review of the securities by the Shariah Advisory Council (“SAC”) of the SC, the Shariah Adviser or the Shariah authorities of the relevant Islamic indices. If this occurs, the PRS Provider will take the necessary steps to dispose of such securities.

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

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

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

(e) **Non-compliance risk**

Non-compliance risk arises when the PRS Provider and others associated with the Fund do not follow the rules set out in the Fund’s constitution, or the law that govern the Fund, or act fraudulently or dishonestly. It also includes the risk of the PRS Provider not complying with internal control procedures.

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

(f) **Capital risk management**

The capital of the Fund is represented by equity consisting of members’ 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 members. 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 members and benefits for other stakeholders and to maintain a strong capital base to support the development of the Shariah-compliant investment activities of the Fund.

(g) **Fair value estimation**

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

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

A Shariah-compliant financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of Shariah-compliant financial assets and financial liabilities that are not traded in an active market is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each year end date. Valuation techniques used for non-standardised Shariah-compliant financial instruments such as Islamic options, Islamic currency swaps and other over-the-counter Islamic derivatives, include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

For Shariah-compliant instruments for which there is no active market, the Fund may use internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. Valuation models are used primarily to value unlisted Shariah-compliant equity and sukuk for which market were or have been inactive during the financial year. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Fund holds. Valuations are therefore adjusted where appropriate, to allow for additional factors including model risk, liquidity risk and counterparty risk.

The fair value is based on the following methodology and assumptions:

- (i) Bank balance and Islamic deposits and placements with financial institutions with maturities less than 1 year, the carrying value is a reasonable estimate of fair value.
- (ii) The carrying value less impairment provision of receivables and payables are assumed to approximate their fair values. The carrying value of the financial assets and financial liabilities approximate their fair value due to their short-term nature.

**Fair value hierarchy**

The table below analyses Shariah-compliant financial instruments carried at fair value, by valuation method. 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)

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

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

The determination of what constitutes 'observable' requires significant judgement by the Fund. The Fund considers observable data to be 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.

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
<b>2025</b>				
Shariah-compliant financial assets at fair value through profit or loss:				
- Quoted Shariah-compliant securities	57,490,013	-	-	57,490,013
- Unquoted sukuk	-	65,332,296	-	65,332,296
	<u>57,490,013</u>	<u>65,332,296</u>	<u>-</u>	<u>122,822,309</u>

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
<b>2024</b>				
Shariah-compliant financial assets at fair value through profit or loss:				
- Quoted Shariah-compliant securities	76,694,713	-	-	76,694,713
- Unquoted sukuk	-	47,667,121	-	47,667,121
	<u>76,694,713</u>	<u>47,667,121</u>	<u>-</u>	<u>124,361,834</u>

Shariah-compliant investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed Shariah-compliant equities. The Fund does not adjust the quoted prices for these Shariah-compliant instruments.

Shariah-compliant financial instruments that trade in markets that are not 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. These 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. The Fund's policies on valuation of these financial assets are stated in Note 2(b).



#### 4. MANAGEMENT FEE

In accordance with Eight Schedule of the Master Deed dated 16 January 2013, the PRS Provider is entitled to a maximum management fee of 2.00% per annum, calculated daily based on the NAV of the Fund.

For the current financial year, the management fee is recognised at a rate of 1.50% per annum (2024: 1.50% per annum).

There will be no further liability to the PRS Provider in respect of management fee other than the amount recognised above.

#### 5. TRUSTEE'S FEE

In accordance with Ninth Schedule of the Master Deed dated 16 January 2013, the Trustee is entitled to a maximum Trustee fee of 0.04% per annum, calculated daily based on the NAV of the Fund.

For the current financial year, the Trustee's fee is recognised at a rate of 0.04% per annum (2024: 0.04% per annum).

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

#### 6. PRIVATE PENSION ADMINISTRATOR ("PPA") ADMINISTRATION FEE

For the current financial year, the PPA administration fee is recognised at a rate of 0.04% per annum, calculated daily based on the NAV of the Fund (2024: 0.04% per annum).

There will be no further liability to the PPA in respect of PPA administration fee other than the amount recognised above.

#### 7. TAXATION

	2025 RM	2024 RM
Current taxation	-	-

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

	2025 RM	2024 RM
(Loss)/profit before taxation	(2,820,304)	11,165,841
Taxation at Malaysian statutory rate of 24% (2024: 24%)	(676,873)	2,679,802
Tax effects of:		
Shariah-compliant investment loss not deductible for tax purpose/(Shariah-compliant investment income not subject to tax)	145,357	(3,207,338)
Expenses not deductible for tax purposes	50,442	70,474
Restriction on tax deductible expenses for PRS Funds	481,074	457,062
Taxation	-	-



## 8. DISTRIBUTION

Distribution to PRS members are from the following sources:

	2025 RM	2024 RM
Undistributed net income brought forward	3,149,225	-
Dividend income	949,573	-
Profit income from financial assets at fair value through profit or loss and amortised cost	1,150,568	-
Net gain on financial assets at fair value through profit or loss	903,871	-
Gross realised income	6,153,237	-
Less: expenses	(1,075,751)	-
Gross/net distribution amount	5,077,486	-
Gross/net distribution per unit (sen)	5.00	-
Ex-date	22 October 2024	-

Net distribution above is sourced from prior and current financial years' realised income less expenses and taxation.

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

During the financial year ended 30 April 2025, the Fund has unrealised loss of RM5,053,191 (2024: unrealised gain of RM8,843,045).

There was no distribution declared for the financial year ended 30 April 2024.

9. SHARIAH-COMPLIANT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 RM	2024 RM
Financial assets at fair value through profit or loss:		
- Quoted Shariah-compliant securities	57,490,013	76,694,713
- Unquoted sukuk	65,332,296	47,667,121
	<u>122,822,309</u>	<u>124,361,834</u>
	2025 RM	2024 RM
Net (loss)/gain on Shariah-compliant financial assets at fair value through profit or loss:		
- realised loss on disposals	(109,667)	(5,352)
- unrealised (loss)/gain on changes in fair value	(5,053,191)	8,843,045
	<u>(5,162,858)</u>	<u>8,837,693</u>

Name of counter	Quantity units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>2025</b>				
<b>QUOTED SHARIAH-COMPLIANT SECURITIES</b>				
<b>MAIN MARKET</b>				
<b>Construction</b>				
AME Elite Consortium Berhad	98,000	178,125	156,800	0.12
AME Elite Consortium Berhad - Warrant	24,066	-	3,008	0.00
Gamuda Berhad	699,800	2,013,210	2,967,152	2.33
IJM Corporation Berhad	677,000	1,470,874	1,536,790	1.21
Kerjaya Prospek Group Berhad	358,900	615,821	717,800	0.56
Sunway Construction Group Berhad	434,100	818,173	1,931,745	1.52
	<u>2,291,866</u>	<u>5,096,203</u>	<u>7,313,295</u>	<u>5.74</u>
<b>Consumer Products &amp; Services</b>				
Farm Fresh Berhad	303,000	457,118	554,490	0.44
MR D.I.Y. Group (M) Berhad	900,000	2,020,377	1,512,000	1.19
PPB Group Berhad	69,300	1,218,539	862,092	0.68
QL Resources Berhad	583,350	2,277,982	2,800,080	2.20
Sime Darby Berhad	653,579	1,449,371	1,359,444	1.07
	<u>2,509,229</u>	<u>7,423,387</u>	<u>7,088,106</u>	<u>5.58</u>

9. **SHARIAH-COMPLIANT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS  
(CONTINUED)**

Name of counter	Quantity units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>2025 (CONTINUED)</b>				
<b>QUOTED SHARIAH-COMPLIANT SECURITIES (CONTINUED)</b>				
<b>MAIN MARKET (CONTINUED)</b>				
<b>Energy</b>				
Dayang Enterprise Holdings Berhad	487,000	877,592	837,640	0.66
Dialog Group Berhad	1,400,000	3,417,205	2,044,000	1.61
Perdana Petroleum Berhad	2,299,200	607,449	425,352	0.33
Veleso Energy Berhad	1,871,100	449,064	290,020	0.23
	6,057,300	5,351,310	3,597,012	2.83
<b>Financial Services</b>				
Bursa Malaysia Berhad	174,600	1,552,582	1,288,548	1.01
	174,600	1,552,582	1,288,548	1.01
<b>Health Care</b>				
Hartalega Holdings Berhad	233,000	599,160	519,590	0.41
IHH Healthcare Berhad	421,800	2,402,933	2,918,856	2.30
Kossan Rubber Industries Berhad	181,000	380,498	331,230	0.26
Top Glove Corporation Bhd.	1,100,000	1,283,480	968,000	0.76
Top Glove Corporation Bhd. - Warrant	55,000	-	12,100	0.01
	1,990,800	4,666,071	4,749,776	3.74
<b>Industrial Products &amp; Services</b>				
Aurelius Technologies Berhad	125,900	338,315	396,585	0.31
HSS Engineers Berhad	274,000	292,002	234,270	0.18
Malayan Cement Berhad	51,700	244,236	258,500	0.20
PETRONAS Chemicals Group Berhad	100,000	688,710	367,000	0.29
Press Metal Aluminium Holdings Berhad	500,800	2,276,222	2,453,920	1.93
Sunway Berhad	490,000	1,165,570	2,229,500	1.75
V.S. Industry Berhad	1,056,300	1,307,029	829,196	0.65
V.S. Industry Berhad - Warrant	105,630	-	7,394	0.01
	2,704,330	6,312,084	6,776,365	5.32
<b>Islamic Real Estate Investment Trust</b>				
Axis Real Estate Investment Trust	240,000	423,967	458,400	0.36
	240,000	423,967	458,400	0.36
<b>Plantation</b>				
IOI Corporation Berhad	470,000	1,990,900	1,720,200	1.35
Kuala Lumpur Kepong Berhad	80,000	1,845,983	1,569,600	1.23
SD Guthrie Berhad	505,700	2,225,734	2,402,075	1.89
	1,055,700	6,062,617	5,691,875	4.47

9. **SHARIAH-COMPLIANT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS  
(CONTINUED)**

Name of counter	Quantity units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>2025 (CONTINUED)</b>				
<b>QUOTED SHARIAH-COMPLIANT SECURITIES (CONTINUED)</b>				
<b>MAIN MARKET (CONTINUED)</b>				
<b>Property</b>				
Eastern & Oriental Berhad	252,000	222,243	199,080	0.16
Mah Sing Group Berhad	348,000	369,820	407,160	0.32
Malaysian Resources Corporation Berhad	360,000	209,808	165,600	0.13
S P Setia Berhad	808,000	792,843	888,800	0.70
Sime Darby Property Berhad	705,000	546,969	874,200	0.69
UEM Sunrise Berhad	895,900	824,355	645,048	0.51
	<b>3,368,900</b>	<b>2,966,038</b>	<b>3,179,888</b>	<b>2.51</b>
<b>Technology</b>				
Frontken Corporation Berhad	131,500	345,764	460,250	0.36
Greatech Technology Berhad	137,400	296,235	199,230	0.16
Inari Amertron Berhad	400,000	1,272,730	768,000	0.60
ITMAX System Berhad	202,000	466,126	745,380	0.59
Malaysian Pacific Industries Bhd	17,400	502,188	326,076	0.26
MY E.G. Services Berhad	1,715,000	1,352,087	1,534,925	1.21
Pentamaster Corporation Berhad	50,100	232,008	126,753	0.10
ViTrox Corporation Berhad	102,000	370,734	319,260	0.25
	<b>2,755,400</b>	<b>4,837,872</b>	<b>4,479,874</b>	<b>3.53</b>
<b>Telecommunications &amp; Media</b>				
Axiata Group Berhad	730,000	1,961,182	1,533,000	1.21
CelcomDigi Berhad	200,000	852,147	764,000	0.60
Telekom Malaysia Berhad	600,000	3,543,149	4,080,000	3.21
TIME dotCom Berhad	289,400	1,101,884	1,490,410	1.17
	<b>1,819,400</b>	<b>7,458,362</b>	<b>7,867,410</b>	<b>6.19</b>



9. **SHARIAH-COMPLIANT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS  
(CONTINUED)**

Name of counter	Quantity units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>2025 (CONTINUED)</b>				
<b>QUOTED SHARIAH-COMPLIANT SECURITIES (CONTINUED)</b>				
<b>MAIN MARKET (CONTINUED)</b>				
<b>Transportation &amp; Logistics</b>				
MISC Berhad	256,300	1,818,954	1,924,813	1.51
	256,300	1,818,954	1,924,813	1.51
<b>Utilities</b>				
Gas Malaysia Berhad	178,700	586,494	755,901	0.59
PETRONAS Gas Berhad	92,900	1,579,902	1,625,750	1.28
Tenaga Nasional Berhad	50,000	702,795	693,000	0.55
	321,600	2,869,191	3,074,651	2.42
<b>TOTAL QUOTED SHARIAH- COMPLIANT SECURITIES</b>	<u>25,545,425</u>	56,838,638	<u>57,490,013</u>	45.21
<b>ACCUMULATED UNREALISED GAIN ON QUOTED SHARIAH-COMPLIANT SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>				
		<u>651,375</u>		
<b>TOTAL QUOTED SHARIAH COMPLIANT SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>				
		<u>57,490,013</u>		

9. **SHARIAH-COMPLIANT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS  
(CONTINUED)**

Name of issuer	Nominal value RM	Adjusted cost RM	Market value RM	Percentage of NAV %
<b>2025 (CONTINUED)</b>				
<b>UNQUOTED SUKUK</b>				
AEON Credit Service (M) Berhad 06.03.2031	1,000,000	1,010,047	1,021,075	0.80
Amanat Lebuhraya Rakyat Berhad 13.10.2037 (Early call date: 13.10.2033)	2,000,000	2,005,207	2,209,807	1.74
AmBank Islamic Berhad 09.05.2031	2,300,000	2,344,179	2,375,919	1.87
Berapit Mobility Sdn. Bhd. 11.11.2039	1,000,000	1,026,888	1,056,518	0.83
Cagamas Berhad 24.03.2028	4,000,000	4,015,741	4,039,381	3.18
Cagamas Berhad 07.03.2030	500,000	502,878	506,628	0.40
Cagamas Berhad 27.10.2033	1,500,000	1,515,687	1,560,981	1.23
CIMB Group Holdings Berhad 29.12.2121 (Early call date: 23.10.2028)	2,700,000	2,735,059	2,763,480	2.17
CIMB Islamic Bank Berhad 27.03.2034	1,200,000	1,204,752	1,230,840	0.97
CIMB Islamic Bank Berhad 30.07.2035	800,000	808,029	822,237	0.65
DanaInfra Nasional Berhad 16.08.2052	2,000,000	2,019,134	2,271,834	1.79
DanaInfra Nasional Berhad 16.07.2054	1,200,000	1,214,775	1,250,259	0.98
Danum Capital Berhad 29.06.2029	1,000,000	1,015,643	1,054,783	0.83
DRB-Hicom Berhad 12.12.2029	2,000,000	2,039,123	2,137,163	1.68
Infracap Resources Sdn. Bhd. 13.04.2029	500,000	508,867	511,287	0.40
Johor Corporation 11.06.2027	3,200,000	3,279,425	3,323,823	2.61
Johor Corporation 06.07.2038	1,000,000	1,015,123	1,106,063	0.87
Malayan Banking Berhad 31.01.2034 (Early call date: 31.01.2029)	300,000	302,981	305,756	0.24
Malaysia Airports Holdings Berhad 29.12.2028	1,000,000	1,013,838	1,030,138	0.81
Malaysia Airports Holdings Berhad 30.12.2031	1,000,000	1,014,205	1,042,155	0.82
Malaysia Airports Holdings Berhad 22.11.2034	1,200,000	1,221,462	1,242,282	0.98
MMC Port Holdings Sdn. Bhd. 08.04.2032	1,000,000	1,003,044	1,056,684	0.83
Penang Port Sdn. Bhd. 24.12.2026	2,500,000	2,561,357	2,557,765	2.01
Pengurusan Air Selangor Sdn. Bhd. 29.10.2036	1,200,000	1,290,788	1,299,084	1.02
Pengurusan Air SPV Berhad 30.04.2032	1,000,000	1,000,106	1,008,106	0.79
Pengurusan Air SPV Berhad 07.02.2034	500,000	504,707	517,977	0.41
Pengurusan Air SPV Berhad 29.04.2039	1,500,000	1,500,167	1,521,152	1.20
Prasarana Malaysia Berhad 30.01.2048	1,000,000	1,011,367	1,100,137	0.86
Sime Darby Property Berhad 27.04.2040	1,000,000	1,000,223	1,000,213	0.79
TG Treasury Berhad 20.02.2030	1,000,000	1,008,093	1,017,183	0.80
TNB Power Generation Sdn. Bhd. 29.03.2038	500,000	502,175	543,340	0.43
TNB Power Generation Sdn. Bhd. 27.03.2043	500,000	502,254	559,714	0.44

9. **SHARIAH-COMPLIANT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS  
(CONTINUED)**

Name of issuer	Nominal value RM	Adjusted cost RM	Market value RM	Percentage of NAV %
<b>2025 (CONTINUED)</b>				
<b>UNQUOTED SUKUK (CONTINUED)</b>				
Yinson Holdings Berhad. 02.11.2122 (Early call date: 08.03.2029)	500,000	505,342	530,552	0.42
	43,600,000	44,202,666	45,574,316	35.85
<b>GOVERNMENT INVESTMENT ISSUES</b>				
Government of Malaysia 08.10.2031	2,000,000	2,014,849	2,036,581	1.60
Government of Malaysia 30.08.2033	700,000	739,800	752,193	0.59
Government of Malaysia 30.11.2034	2,400,000	2,504,988	2,530,561	1.99
Government of Malaysia 31.03.2038	3,000,000	3,118,593	3,284,846	2.58
Government of Malaysia 15.09.2039	2,600,000	2,742,677	2,804,659	2.20
Government of Malaysia 16.07.2040	4,300,000	4,455,792	4,444,630	3.49
Government of Malaysia 14.08.2043	2,700,000	2,797,074	2,863,374	2.25
Government of Malaysia 23.03.2054	1,000,000	1,017,815	1,041,136	0.82
	18,700,000	19,391,588	19,757,980	15.52
<b>TOTAL UNQUOTED SUKUK</b>	<b>62,300,000</b>	<b>63,594,254</b>	<b>65,332,296</b>	<b>51.37</b>
<b>ACCUMULATED UNREALISED GAIN ON UNQUOTED SUKUK AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b>1,738,042</b>		
<b>TOTAL UNQUOTED SUKUK AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b>65,332,296</b>		



9. **SHARIAH-COMPLIANT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS  
(CONTINUED)**

Name of counter	Quantity	Aggregate cost	Market value	Percentage of NAV
	units	RM	RM	%
<b>2024</b>				
<b>QUOTED SHARIAH-COMPLIANT SECURITIES</b>				
<b>MAIN MARKET</b>				
<b>Construction</b>				
AME Elite Consortium Berhad - Warrant	24,066	-	4,813	0.00
Gamuda Berhad	282,000	1,398,202	1,497,420	1.14
IJM Corporation Berhad	650,000	1,373,515	1,573,000	1.20
Kerjaya Prospek Group Berhad	586,800	1,006,865	1,056,240	0.81
Sunway Construction Group Berhad	508,500	958,399	1,540,755	1.18
	<u>2,051,366</u>	<u>4,736,981</u>	<u>5,672,228</u>	<u>4.33</u>
<b>Consumer Products &amp; Services</b>				
Farm Fresh Berhad	603,000	909,710	886,410	0.68
MR D.I.Y. Group (M) Berhad	900,000	2,020,377	1,404,000	1.07
PPB Group Berhad	69,300	1,218,539	1,090,782	0.83
QL Resources Berhad	438,900	2,570,857	2,817,738	2.15
Sime Darby Berhad	1,303,579	2,890,804	3,650,021	2.78
	<u>3,314,779</u>	<u>9,610,287</u>	<u>9,848,951</u>	<u>7.51</u>



9. **SHARIAH-COMPLIANT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS  
(CONTINUED)**

Name of counter	Quantity units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>2024 (CONTINUED)</b>				
<b>QUOTED SHARIAH-COMPLIANT SECURITIES (CONTINUED)</b>				
<b>MAIN MARKET (CONTINUED)</b>				
<b>Energy</b>				
Dayang Enterprise Holdings Berhad	487,000	877,592	1,271,070	0.97
Dialog Group Berhad	1,700,000	4,149,463	4,097,000	3.13
Perdana Petroleum Berhad	2,299,200	607,449	724,248	0.55
Velesto Energy Berhad	4,271,100	1,025,064	1,153,197	0.88
	8,757,300	6,659,568	7,245,515	5.53
<b>Financial Services</b>				
Bursa Malaysia Berhad	74,600	552,152	556,516	0.42
Syarikat Takaful Malaysia Keluarga Berhad	78,700	289,852	291,190	0.22
	153,300	842,004	847,706	0.64
<b>Health Care</b>				
Hartalega Holdings Berhad	178,000	434,160	498,400	0.38
IHH Healthcare Berhad	421,800	2,402,933	2,669,994	2.04
Kossan Rubber Industries Berhad	181,000	380,498	398,200	0.30
	780,800	3,217,591	3,566,594	2.72
<b>Industrial Products &amp; Services</b>				
Aurelius Technologies Berhad	125,900	338,315	347,484	0.27
HSS Engineers Berhad	274,000	292,002	269,890	0.21
Malayan Cement Berhad	51,700	244,236	258,500	0.20
PETRONAS Chemicals Group Berhad	100,000	688,710	678,000	0.52
Press Metal Aluminium Holdings Berhad	650,800	2,957,997	3,494,796	2.67
Sunway Berhad	490,000	1,165,570	1,724,800	1.32
V.S. Industry Berhad	1,056,300	1,307,029	961,233	0.73
	2,748,700	6,993,859	7,734,703	5.92
<b>Islamic Real Estate Investment Trust</b>				
Axis Real Estate Investment Trust	1,000,000	1,766,527	1,920,000	1.47
<b>Plantation</b>				
IOI Corporation Berhad	470,000	1,990,900	1,912,900	1.46
Kuala Lumpur Kepong Berhad	97,000	2,238,255	2,244,580	1.71
Sime Darby Plantation Berhad	505,700	2,225,734	2,260,479	1.72
	1,072,700	6,454,889	6,417,959	4.89

**9. SHARIAH-COMPLIANT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS  
(CONTINUED)**

Name of counter	Quantity	Aggregate cost	Market value	Percentage of NAV
	units	RM	RM	%
<b>2024 (CONTINUED)</b>				
<b>QUOTED SHARIAH-COMPLIANT SECURITIES (CONTINUED)</b>				
<b>MAIN MARKET (CONTINUED)</b>				
<b>Property</b>				
Eastern & Oriental Berhad	1,443,000	1,272,608	1,471,860	1.12
Lagenda Properties Berhad	250,000	368,225	370,000	0.28
Mah Sing Group Berhad	348,000	369,820	435,000	0.33
S P Setia Berhad	690,000	627,726	1,007,400	0.77
Sime Darby Property Berhad	855,000	663,345	837,900	0.64
UEM Sunrise Berhad	1,315,900	1,139,098	1,408,013	1.07
	4,901,900	4,440,822	5,530,173	4.21
<b>Technology</b>				
CTOS Digital Berhad	347,100	491,872	489,411	0.37
D & O Green Technologies Berhad	423,500	2,043,853	1,406,020	1.07
Frontken Corporation Berhad	480,500	1,263,421	1,893,170	1.44
Greatech Technology Berhad	258,700	1,115,517	1,164,150	0.89
Inari Amertron Berhad	533,000	1,695,912	1,646,970	1.26
ITMAX System Berhad	162,000	331,022	364,500	0.28
Malaysian Pacific Industries Berhad	33,400	963,971	1,012,020	0.77
MY E.G. Services Berhad	3,500,000	2,759,361	3,272,500	2.50
Pentamaster Corporation Berhad	353,100	1,635,173	1,507,737	1.15
Unisem (M) Berhad	295,400	937,826	1,078,210	0.82
ViTrox Corporation Berhad	51,000	370,734	379,950	0.29
	6,437,700	13,608,662	14,214,638	10.84
<b>Telecommunications &amp; Media</b>				
Axiata Group Berhad	730,000	1,961,182	2,065,900	1.58
CelcomDigi Berhad	200,000	852,147	830,000	0.63
Telekom Malaysia Berhad	600,000	3,543,149	3,714,000	2.83
TIME dotCom Berhad	289,400	1,101,884	1,493,304	1.14
	1,819,400	7,458,362	8,103,204	6.18



9. **SHARIAH-COMPLIANT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS  
(CONTINUED)**

Name of counter	Quantity	Aggregate cost	Market value	Percentage of NAV
	units	RM	RM	%
<b>2024 (CONTINUED)</b>				
<b>QUOTED SHARIAH-COMPLIANT SECURITIES (CONTINUED)</b>				
<b>MAIN MARKET (CONTINUED)</b>				
<b>Transportation &amp; Logistics</b>				
MISC Berhad	411,300	2,918,984	3,273,948	2.50
	411,300	2,918,984	3,273,948	2.50
<b>Utilities</b>				
Gas Malaysia Berhad	178,700	586,494	646,894	0.49
PETRONAS Gas Berhad	92,900	1,579,902	1,672,200	1.28
	271,600	2,166,396	2,319,094	1.77
<b>TOTAL QUOTED SHARIAH-COMPLIANT SECURITIES</b>	<b>33,720,845</b>	<b>70,874,932</b>	<b>76,694,713</b>	<b>58.51</b>
<b>ACCUMULATED UNREALISED GAIN ON QUOTED SHARIAH-COMPLIANT SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>				
		<b>5,819,781</b>		
<b>TOTAL QUOTED SHARIAH-COMPLIANT SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>				
		<b>76,694,713</b>		

9. **SHARIAH-COMPLIANT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS  
(CONTINUED)**

Name of issuer	Nominal value RM	Adjusted cost RM	Market value RM	Percentage of NAV %
<b>2024 (CONTINUED)</b>				
<b>UNQUOTED SUKUK</b>				
Amanat Lebuhraya Rakyat Berhad 13.10.2037 (Early call date: 13.10.2033)	2,000,000	2,004,901	2,169,301	1.65
Cagamas Berhad 27.10.2033	1,000,000	1,000,236	1,017,696	0.78
Cellco Capital Berhad 28.03.2025	2,000,000	2,007,088	1,999,328	1.53
CIMB Group Holdings Berhad 29.12.2121 (Early call date: 23.10.2028)	1,200,000	1,201,249	1,222,273	0.93
CIMB Islamic Bank Berhad 29.11.2030	1,000,000	1,018,067	1,029,457	0.79
CIMB Islamic Bank Berhad 27.03.2034	1,200,000	1,204,752	1,196,136	0.91
DanaInfra Nasional Berhad 16.08.2052	6,000,000	6,057,403	6,545,623	4.99
Danum Capital Berhad 29.06.2029	1,000,000	1,015,899	1,050,979	0.80
DRB-Hicom Berhad 12.12.2029	2,000,000	2,039,403	2,078,563	1.59
Infracap Resources Sdn. Bhd. 13.04.2029	500,000	510,695	508,187	0.39
Johor Corporation 11.06.2027	2,700,000	2,770,202	2,800,640	2.14
Johor Corporation 06.07.2033	1,000,000	1,014,180	1,050,450	0.80
Johor Corporation 06.07.2038	1,000,000	1,014,992	1,077,672	0.82
Konsortium Prohawk Sdn. Bhd. 20.12.2024	1,440,000	1,469,761	1,477,336	1.13
Malayan Banking Berhad 31.01.2034 (Early call date: 31.01.2029)	300,000	303,014	303,167	0.23
Malaysia Airports Holdings Berhad 29.12.2028	1,000,000	1,014,065	1,021,735	0.78
Malaysia Airports Holdings Berhad 30.12.2031	1,000,000	1,014,438	1,023,638	0.78
MMC Port Holdings Sdn. Bhd. 08.04.2032	1,000,000	1,003,043	1,043,783	0.80
Penang Port Sdn. Bhd. 24.12.2026	2,500,000	2,575,861	2,562,584	1.96
Pengurusan Air SPV Berhad 07.02.2034	500,000	504,764	506,774	0.39
Prasarana Malaysia Berhad 30.01.2048	1,000,000	1,011,620	1,060,000	0.81
Sarawak Petchem Sdn. Bhd. 27.07.2037	4,000,000	4,056,055	4,571,415	3.49
TM Technology Services Sdn. Bhd. 31.10.2028	1,000,000	1,029,573	1,031,958	0.79
TNB Power Generation Sdn. Bhd. 29.03.2038	500,000	502,111	528,381	0.40
TNB Power Generation Sdn. Bhd. 27.03.2043	500,000	502,188	538,073	0.41
Yinson Holdings Berhad. 2.11.2122 (Early call date: 08.03.2029)	500,000	505,548	515,573	0.39
	37,840,000	38,351,108	39,930,722	30.48

**9. SHARIAH-COMPLIANT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)**

Name of issuer	Nominal value RM	Adjusted cost RM	Market value RM	Percentage of NAV %
<b>2024 (CONTINUED)</b>				
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>GOVERNMENT INVESTMENT ISSUES</b>				
Government of Malaysia 30.08.2033	700,000	743,286	738,041	0.56
Government of Malaysia 31.03.2038	3,000,000	3,124,749	3,206,906	2.45
Government of Malaysia 15.09.2039	1,500,000	1,590,388	1,573,508	1.20
Government of Malaysia 14.08.2043	700,000	717,348	714,054	0.53
Government of Malaysia 23.03.2054	1,500,000	1,517,415	1,503,890	1.15
	<u>7,400,000</u>	<u>7,693,186</u>	<u>7,736,399</u>	<u>5.89</u>
<b>TOTAL UNQUOTED SUKUK</b>	<u>45,240,000</u>	46,044,294	<u>47,667,121</u>	<u>36.37</u>
<b>ACCUMULATED UNREALISED GAIN ON UNQUOTED SUKUK AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u>1,622,827</u>		
<b>TOTAL UNQUOTED SUKUK AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u>47,667,121</u>		

**10. CASH AND CASH EQUIVALENTS**

	<b>2025 RM</b>	<b>2024 RM</b>
Islamic deposits with licensed Islamic financial institutions	4,590,365	6,521,036
Bank balances	<u>61,364</u>	<u>67,654</u>
	<u>4,651,729</u>	<u>6,588,690</u>

The effective weighted average profit rate per annum is as follows:

	<b>2025 %</b>	<b>2024 %</b>
Islamic deposits with licensed Islamic financial institutions	<u>2.90</u>	<u>2.90</u>

Islamic deposits with licensed Islamic financial institutions of the Fund have an average maturity of 2 days (2024: 2 days).

Islamic deposits with licensed Islamic financial institutions include profit receivable of RM365 (2024: RM1,036).

## 11. SHARIAH INFORMATION OF THE FUND

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

- (a) Equity securities listed on Bursa Malaysia Securities Berhad which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission;
- (b) Collective investment schemes listed on Bursa Malaysia Securities Berhad which have been verified as Shariah-compliant by the Shariah Adviser;
- (c) Sukuk as per the list of sukuk available at Bond Info Hub, Fully Automated System for Issuing/Tendering of Bank Negara Malaysia and The Bond and Sukuk Information Exchange; and
- (d) Cash placement and liquid assets that are placed in Shariah-compliant investments and/or instruments.

## 12. NUMBER OF UNITS IN CIRCULATION

	2025 Units	2024 Units
At beginning of the financial year	99,921,504	105,244,668
Add: Creation arising from applications	7,197,686	2,978,464
Add: Creation arising from distribution	3,948,279	-
Less: Cancellation of units	(8,183,345)	(8,301,628)
At end of the financial year	<u>102,884,124</u>	<u>99,921,504</u>

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

	2025	2024
TER (%)	<u>1.61</u>	<u>1.63</u>

TER is derived based on the following calculation:

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

A = Management fee

B = Trustee's fee

C = PPA administration fee

D = Audit fee

E = Tax agent's fee

F = Shariah advisory fee

G = Custody fee

H = Other expenses excluding withholding tax

I = Average NAV of the Fund calculation on a daily basis

The average NAV of the Fund for the financial year calculated on daily basis is RM132,793,032 (2024: RM126,157,252).



#### 14. PORTFOLIO TURNOVER RATIO (“PTR”)

	2025	2024
PTR (times)	0.34	0.54

PTR is derived based on the following calculation:

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

where:

total acquisition for the financial year = RM46,940,759 (2024: RM63,949,912)

total disposal for the financial year = RM43,186,797 (2024: RM73,489,870)

#### 15. UNITS HELD BY THE PRS PROVIDER AND SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES

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

Related parties	Relationship
AIA Pension and Asset Management Sdn. Bhd.	The PRS Provider
AIA Bhd.	Holding Company of the PRS Provider
AIA Group Limited	Ultimate holding company of the PRS Provider
Director(s)	Director(s) of the PRS Provider

There were no units held by the PRS Provider or parties related to the PRS Provider at the end of each financial year.

The significant related party transactions during the financial year are as follows:

	2025 RM	2024 RM
<u>AIA Pension and Asset Management Sdn. Bhd.</u>		
Management fee expense	1,992,065	1,892,518

The significant related party balances as at the end of the financial year are as follows:

	2025 RM	2024 RM
<u>AIA Pension and Asset Management Sdn. Bhd.</u>		
Amount due from PRS Provider – creation of units	62,583	394,880
Amount due to PRS Provider – cancellation of units	(228,143)	(121,165)
Accrued management fee	(170,044)	(170,165)

## 16. TRANSACTIONS WITH BROKERS/ DEALERS

Details of transactions with the top 10 brokers/dealers for the financial year ended 30 April 2025 are as follows:

Brokers/dealers	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage fees
	RM	%	RM	%
RHB Investment Bank Berhad	20,025,553	23.10	12,299	25.35
CIMB Bank Berhad	13,531,678	15.61	-	-
Citibank (M) Bhd	10,491,283	12.10	-	-
United Overseas Bank (Malaysia) Bhd	7,698,984	8.88	-	-
J.P. Morgan Securities (Malaysia) Sdn Bhd	5,906,748	6.81	11,846	24.41
Hong Leong Bank Berhad	5,816,501	6.71	-	-
CIMB Islamic Bank Berhad	5,001,664	5.77	-	-
CGS International Securities Malaysia Sdn. Bhd.	4,582,839	5.29	9,172	18.91
AmBank (M) Berhad	4,503,700	5.20	-	-
Affin Investment Berhad	2,234,880	2.58	4,483	9.24
Others	6,893,726	7.95	10,720	22.09
	86,687,556	100.00	48,520	100.00

Details of transactions with the top 10 brokers/dealers for the financial year ended 30 April 2024 are as follows:

Brokers/dealers	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage fees
	RM	%	RM	%
Hong Leong Bank Berhad	28,564,038	21.15	-	-
Citibank (M) Bhd	28,083,266	20.80	-	-
RHB Investment Bank Berhad	16,663,342	12.34	16,074	17.04
Maybank Investment Bank Berhad	15,560,745	11.52	31,207	33.08
CIMB Bank Berhad	12,044,226	8.92	920	0.98
CGS-CIMB Securities Sdn. Bhd.	8,675,586	6.42	17,451	18.50
CIMB Islamic Bank Berhad	7,383,160	5.47	-	-
J.P. Morgan Securities (Malaysia) Sdn Bhd	5,707,188	4.23	11,530	12.22
Public Investment Bank Berhad	5,157,753	3.82	10,366	10.99
AmBank (M) Berhad	2,000,000	1.48	-	-
Others	5,200,478	3.85	6,782	7.19
	135,039,782	100.00	94,330	100.00

## 17. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the PRS Provider on 25 June 2025.