

PMB SUKUK FUND

**ANNUAL REPORT FOR THE
FINANCIAL YEAR ENDED
30 NOVEMBER 2024**

Dear Unitholder,

MOVING TOWARDS ELECTRONIC COMMUNICATION.

We wish to inform that you have been automatically enrolled to receive funds' reports via electronic medium effective 31 March 2018. You will receive a notification by SMS/email when the funds' report is ready for download on our website at www.pmbinvestment.com.my. Please note that the report will be available to view and download from our website until next financial report. Please inform us in writing if you do not wish to receive the documents electronically.

Should you have any queries or need further clarification, please do not hesitate to contact our Customer Service Units at 03-4145 3900 or email at clients@pelaburanmara.com.my.

Thank you.

CORPORATE INFORMATION

MANAGER

PMB INVESTMENT BERHAD

(A member of Pelaburan MARA Berhad)

HEAD OFFICE

2nd Floor, Wisma PMB,
No.1A, Jalan Lumut,
50400 Kuala Lumpur.
Tel: (03) 4145 3800 Fax: (03) 4145 3901
E-mail: clients@pelaburanmara.com.my
Website: www.pmbinvestment.com.my

BOARD OF DIRECTORS

Datuk Mohd Idzwan Izuddin bin Ab Rahman (*Appointed on 30 September 2024*)
Mansoor Bin Ahmad
Mohd Sabri bin Ramly
Mahani binti Ibrahim (*Effective until 16 August 2024*)
Mahdzir bin Othman
YM Tengku Umizar binti YM Tengku Ubaidillah
Nik Mohamed Zaki bin Nik Yusoff
Mohd Halmishahril bin Ahmad Jamir

CHIEF EXECUTIVE OFFICER

Mahani binti Ibrahim (*Effective until 1 October 2024*)

COMPANY SECRETARIES

Mohd Shah Bin Hashim (BC/M/148)

INVESTMENT COMMITTEE MEMBERS

Mansoor bin Ahmad
Nik Mohamed Zaki bin Nik Yusoff
Prof. Dr. Mohamed Aslam bin Mohamed Haneef
Mahdzir bin Othman
Rahimi bin Ramli

TRUSTEE

AMANAHRAYA TRUSTEES BERHAD

SHARIAH ADVISER

BIMB SECURITIES SDN BHD

AUDITORS

MESSRS AL JAFREE SALIHIN KUZAIMI PLT (ASK)

TABLE OF CONTENTS

1.	FUND INFORMATION	4
2.	FUND PERFORMANCE DATA	5
3.	MANAGER'S REPORT	7
4.	LAPORAN PENGURUS	13
5.	TRUSTEE'S REPORT	19
6.	SHARIAH ADVISER'S REPORT	20
7.	STATEMENT BY MANAGER	21
8.	AUDITOR'S REPORT	22
9.	FINANCIAL STATEMENT	26
10.	BUSINESS INFORMATION NETWORK	51
11.	INFORMATION OF CUSTOMER SERVICE	54
12.	INVESTOR PROFILE UPDATE FORM	55

1. FUND INFORMATION

1.1 FUND NAME

PMB SUKUK FUND – PMB SF (“FUND”).

1.2 FUND CATEGORY/TYPE

Sukuk (Shariah-compliant) / Growth & Income.

1.3 FUND INVESTMENT OBJECTIVE

To provide investors with consistent income stream and a steady capital appreciation in the medium to long term through investments in sukuk.

1.4 FUND PERFORMANCE BENCHMARK

FTSE Bond Pricing Agency Malaysia (BPAM) 3Y-7Y Sukuk Index.

1.5 FUND DISTRIBUTION POLICY

The distribution (if any) is annual, subject to the availability of income for the financial period and will be made in the form of cash or additional units.

2. FUND PERFORMANCE DATA

2.1 PORTFOLIO COMPOSITION

Sector	30 NOVEMBER		
	2024	2023	2022
	%	%	%
Unquoted Sukuk	78.71	80.06	-
Islamic Deposits/Cash/Others	21.29	19.94	100.00
Total	100.00	100.00	100.00

2.2 PERFORMANCE DETAILS

		30 NOVEMBER		
		2024	2023	2022
Net Asset Value (NAV)	(RM'000)	1,313	1,287	1,423
Unit in circulation	('000)	1,709	1,723	1,924
NAV per unit - xD	(RM)	0.7681	0.7471	0.7394
NAV per unit - xD: <i>Highest</i>	(RM)	0.7709	0.7432	0.7394
: <i>Lowest</i>	(RM)	0.7478	0.7478	0.7377
Total Return*	(%)	2.81	1.04	0.19
Capital Growth*	(%)	2.81	1.04	0.19
Income Return	(%)	-	-	-
Gross Distribution per unit	(sen)	-	-	-
Net Distribution per unit	(sen)	-	-	-
Total Expense Ratio (TER) ¹	(%)	1.39	1.41	1.42
Portfolio Turnover Ratio	(times)	1.75	3.94	2.13
(PTR) ²				

*Source: Lipper

¹ The TER for the financial year ended 30 November 2024 dropped to 1.39% as compared to 1.41% in the previous year corresponding period mainly due to decrease in expenses.

² The PTR for the financial year ended 30 November 2024 dropped to 1.75 times from 3.94 times in the same period last year due to lower trading activity during the financial year under review.

Past performance is not necessarily indicative of future performance, unit prices and investment returns may fluctuate.

2.2 PERFORMANCE DETAILS (CONTD.)

* AVERAGE TOTAL RETURN (30 NOVEMBER)			
	1-year	3-year	5-year
PMB SF	2.81%	1.34%	1.01%
BENCHMARK	4.71%	3.94%	3.79%

* ANNUAL TOTAL RETURN (30 NOVEMBER)					
	2024	2023	2022	2021	2020
PMB SF	2.81%	1.04%	0.19%	0.15%	0.89%
BENCHMARK	4.71%	6.20%	0.99%	0.04%	7.22%

* Source: Lipper

Past performance is not necessarily indicative of future performance, unit prices and investment returns may fluctuate.

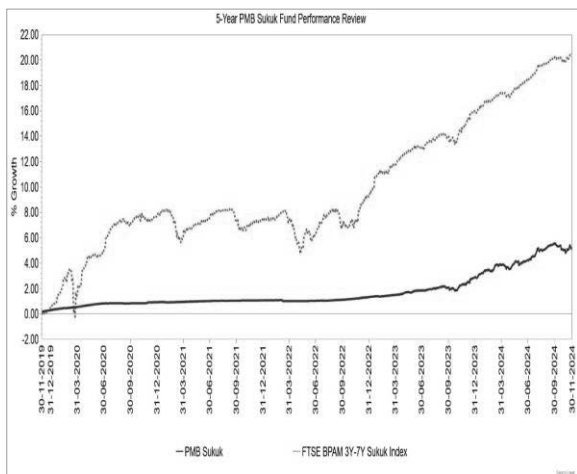
3. MANAGER'S REPORT

We are pleased to present the Manager's report of PMB SF for the financial year ended 30 November 2024 (1 December 2023 until 30 November 2024).

3.1 FUND PERFORMANCE

PMB SF has met its objectives, which is to achieve capital growth in the medium to long term. Based on data from Lipper, the Fund's return for the 5 and 3-year period registered a total return of 5.16%, and 4.08% respectively. For the 1-year financial period, the Fund's return appreciated by 2.81%.

Fund's performance measured against benchmark for 5-year financial period ended 30 November 2024 is as follows:-



For the 5-year period ended 30 November 2024, the Fund's registered a gain of 5.16%. In comparison, its benchmark increased 20.47%.

For the financial period ended 30 November 2024, NAV/unit increased by RM0.0210 or 2.81% to RM0.7681 from RM0.7471 as at 30 November 2023.

3.2 INCOME DISTRIBUTION/UNIT SPLIT

No income distribution and unit split were declared during the financial year ended 30 November 2024.

3.3 POLICY AND INVESTMENT STRATEGY

The Fund shall invest between 70% and 99.5% of its NAV in RM-denominated sukuk issued by the Government, BNM, quasi-government institutions or Malaysian private corporations with long-term rating of minimum of A2 (RAM) or A (MARC) and short-term rating of minimum of P2 (RAM) or MARC-2 (MARC) or an equivalent rating by any other recognized credit rating agencies.

3.3 POLICY & INVESTMENT STRATEGY (CONTD.)

During the financial year ended 30 November 2024, The Fund was invested in a diversified portfolio consisting of Islamic deposit and fixed income securities with medium-term quasi-government sukuk while providing liquidity and consistent income for investors.

3.4 CROSS TRADE

No cross-trade transactions have been carried out during the reported year.

3.5 SECURITIES FINANCING TRANSACTIONS

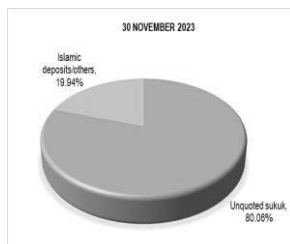
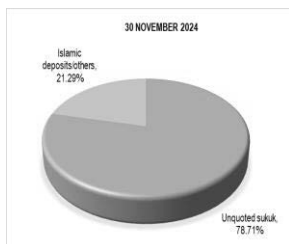
PMB SF has not undertaken any securities lending or repurchase transactions during the financial year under review.

3.6 ASSET ALLOCATION OF THE FUND

Comparison of investment components based on NAV is as follows: -

ASSET ALLOCATION				
	30 Nov 2024 (%)	30 Nov 2023 (%)	Change (%)	Investment Exposure Average (%)
Unquoted Sukuk	78.71	80.06	(1.35)	79.39
Islamic Deposits/ cash/ others	21.29	19.94	1.35	20.61

As at 30 November 2024, 78.71% of the Fund's NAV was invested in sukuk. The balance of 21.29% was held in Islamic deposits and/or other permitted investments.



3.7 FIXED INCOME REVIEW

For the financial year ended 30 November 2024, the benchmark for Fund, FTSE BPAM 3Y-7Y Sukuk Index increased by 9.65 points or 4.71% to 214.39.

During the financial year under review, the US Treasury (“UST”) market experienced a strong rally, with yields declining by 87 basis points (“bps”), from 4.50% at the end of May 2024 to 3.63% in mid-September 2024. The decline was driven by softer conditions in the US manufacturing sector and labour market. In July 2024, US nonfarm payrolls dropped from 179,000 in June 2024 to 114,000, causing the unemployment rate to rise from 4.1% to 4.3%. As a result, the US Federal Reserve (Fed) cut its Federal Funds Rate by a total of 75 bps, with 50 bps in September and 25 bps in November, bringing the rate to a range of 4.50% to 4.75%, down from 5.25% to 5.50%. This action was taken amid signs that inflation was moderating and the labour market was weakening.

The Fed’s 50 bps rate cut was larger than expected, as it had never before cut by more than 25 bps outside of emergency situations, such as during the COVID-19 pandemic or the Global Financial Crisis. Fed Chair Jerome Powell also commented that the Fed had gained greater confidence that inflation was moving sustainably toward its target of 2.00%. The decision to cut rates was aimed at neutralizing monetary policy rather than responding to a recession.

UST yields began an uptrend in October, supported by strong US economic data, including improved consumer confidence and jobless claims reaching a five-month low. However, UST yields fell in November, with the longer end of the curve outperforming. Yields initially rose following to a Trump election victory, which sparked expectations of an expansionary fiscal policy and its potential inflationary impact. The 10-year UST traded as high as 4.45% before retracing lower to 4.17% at end of November 2024.

On the latest economic releases in Malaysia, key highlight was the final reading of Malaysia’s third quarter of year 2024 Gross Domestic Product (“GDP”) grew by 5.3% YoY driven by strong activity and continued improvement in exports, despite a moderation from 5.9% YoY the previous quarter. Moving towards the Consumer Price Index (“CPI”), both headline and core inflation remained steady at 1.9% level (2Q2024: 1.9%) during the 3Q2024. In term of Year-to-Date (“YTD”), both headline inflation and core inflation averaged 1.8%. The stagnant CPI reading illustrated that the impact of diesel price adjustments on broader prices has been contained due to effective mitigation measures. Future inflation will depend on domestic policies on subsidies and price controls, as well as global commodity prices and financial market trends.

The 10-year Malaysian Government Securities (“MGS”) yields peaked in April before trending downwards, following broad declines in global bond yields. The 10-year MGS traded at 3.81%, remaining broadly unchanged compared to its level at the beginning of the year which at 3.79%. The yields differential between the 10-year MGS and 10-year UST narrowed to -36 bps at the end of November.

In the corporate bond, total quasi-government and corporate bond and sukuk issuances recorded RM114.4 billion (YTD2023: RM100.7 billion). By rating, 2024 issuance was mainly driven by AA (34.4%), AAA (28.1%). Meanwhile, GG, single-A or lower-rated and unrated bond and sukuk contributed 15.1%, 5.0% and 17.4% respectively. In term of rating changes, there were 6 upgrades and 5 downgrades.

3.7 FIXED INCOME REVIEW (CONTD.)

In the primary market, MGS and GII issuance stayed robust at RM9.5 billion in November (YTD: RM173.0 billion) through two offerings in the public auction. Bid to cover (“btc”) ratios averaged 2.77x in 1Q2024, then eased to 2.48x in 2Q2024, 2.32x in 3Q2024. The issuance of MGS and GII are expected to be smaller at RM164.0 billion in 2025 (YTD2024: RM173.0 billion) with the total auctions are unchanged at 36. There will be five new issues compared with only two new issues in 2024 and are the most since 2018 after the shift to having more re-opening to improve secondary liquidity.

Total foreign holdings of Malaysia debt securities comprise of MGS, GII, discount instrument (BNM notes and Treasury bills) and corporate bond in November slightly decreased to RM276.6 billion (October: RM277.7 billion). Foreign investors reduced holdings of Malaysia debt securities in November, with the total net foreign outflows slowed significantly to -RM1.1 billion in November (October: -RM11.4 billion), despite heightened macro uncertainty following Trump’s re-election. The annual cumulative foreign flows for the eleven months in 2024 remained positive at RM6.2 billion (YTD2023: RM23.6 billion).

3.8 MARKET OUTLOOK AND STRATEGY

The global economy is expected to be sustain a moderate level in 2025. The International Monetary Fund projects global growth at 3.10% in 2024 and 3.20% in 2025. The growth outlook remains subject to downside risks mainly from the escalation of geopolitical tensions, higher-than-expected inflation, and a sharp tightening in financial market conditions. However, upside risk to global growth may arise from stronger-than expected domestic demand, particularly in advanced economies.

The new Fed dot plot released in September 2024 shows a total of 50 bps in interest rate cuts by end of 2025 and 25 bps by end of 2026. This would reduce the Fed funds rate target range from 5.25% to 5.50% to 4.75% to 5.00% in year 2025. The market is also assessing the US fiscal outlook post November election. Concerns are focused on a widening fiscal deficit under Trump presidency and potentially inflationary for the economy due to his tariff proposal.

The local bond market is expected to remain resilient in 2025. While policies introduced by the Malaysian government may lead to higher inflation, the Overnight Policy Rate (OPR) is anticipated to remain steady at 3.00% throughout 2025. This is due to the expected moderate rise in inflation, which does not necessitate further rate hikes. Additionally, with the government’s efforts to reduce the fiscal deficit and debt-to-GDP ratio, MGS issuances are expected to decline, which will likely lowering the yield premium.

We expect higher volatility especially during first half year 2025 due to policy uncertainties induced by Donald Trump. However, we anticipated that supportive domestic policies and undemanding valuations will provide some buffer against downside risk.

With BNM expected to maintain the OPR throughout 2025 and inflation pressures remaining benign, we anticipate the bond market to stay resilient.

The Fund Manager will continue its strategy with buying higher yielding sukuk, with focus on highly rated and more liquid sukuk. In terms of duration, we will be overweight duration slightly relative to the benchmark.

3.8 MARKET OUTLOOK AND STRATEGY (CONTD.)

On asset allocation, we will overweight corporate sukuk over government and government guaranteed due to the higher credit spread.

In this volatile market sentiment, the NAV/unit increased by 2.81% within a 1-year period ended 30 November 2024.

3.9 MONEY MARKET REVIEW

The Monetary Policy Committee (MPC) of BNM decided to maintain the OPR at 3.00% during its last meeting held on 6 November 2024.

The global economy continues to expand amid resilient labour markets and continued recovery in global trade. Looking ahead, global growth is expected to be sustained by positive labour market conditions, moderating inflation and less restrictive monetary policy. Global trade recovery is expected to continue, supported by both electrical and electronics (E&E) as well as non-E&E products. The growth outlook remains subject to downside risks, mainly from further escalation of geopolitical tensions, heightened volatility in global financial markets and slower growth momentum in major economies.

For the Malaysian economy, the latest indicators point towards sustained strength in economic activity driven by resilient domestic expenditure and higher export activity. Going forward, exports are expected to be supported by the global tech upcycle, continued strength in non-E&E goods and higher tourist spending. Employment and wage growth, as well as policy measures, remain supportive of household spending. The robust expansion in investment activity would be sustained by the progress of multi-year projects in both the private and public sectors, the higher realisation of approved investments, as well as the implementation of catalytic initiatives under the national master plans. These investments, supported by higher capital imports, will raise exports and expand the productive capacity of the economy. Budget 2025 measures will provide additional support to growth. The growth outlook is subject to downside risks from lower-than-expected external demand and commodity production. Meanwhile, upside risks to growth mainly emanate from greater spillover from the tech upcycle, more robust tourism activity, and faster implementation of investment projects.

Headline and core inflation remain modest, averaging 1.8% year-to-date. Going into 2025, inflation is expected to remain manageable, amid the easing global cost conditions and the absence of excessive domestic demand pressures. Nevertheless, the inflation outlook remains subject to the details of the implementation of announced domestic policy measures. Upside risk to inflation would be dependent on the extent of spillover effects of domestic policy measures, as well as global commodity prices and financial market developments.

Ringgit performance continues to be primarily driven by external factors. The outcome of the US elections could heighten volatility in the near term. Looking ahead, the narrowing interest rate differentials between Malaysia and the advanced economies is positive for the ringgit. Malaysia's favourable economic prospects and domestic structural reforms, complemented by ongoing initiatives to encourage flows, will continue to provide enduring support to the ringgit, supported by ongoing multi-year infrastructure projects as well as the implementation of catalytic initiatives under several national master plans.

(Source: Bank Negara Malaysia's website)

3.10 INTEREST OF UNIT HOLDERS

Throughout the financial year ended 30 November 2024, there is no circumstances that materially affect any interest of the unit holders other than business transaction in accordance with the limitations imposed under the Deeds, Securities Commission's Guidelines, the Capital Markets and Services Act 2007 and other applicable laws during the financial year then ended.

3.11 SOFT COMMISSIONS AND REBATES

Throughout the financial year ended 30 November 2024, the Fund Manager received soft commission from brokers that indirectly assists in the decision-making process pertaining to the Fund's investment. The soft commission received include research, software and computer hardware related to Fund's investment and advisory services on Shariah matters. The soft commissions received were for the benefit of the Fund and there was no churning of trades.

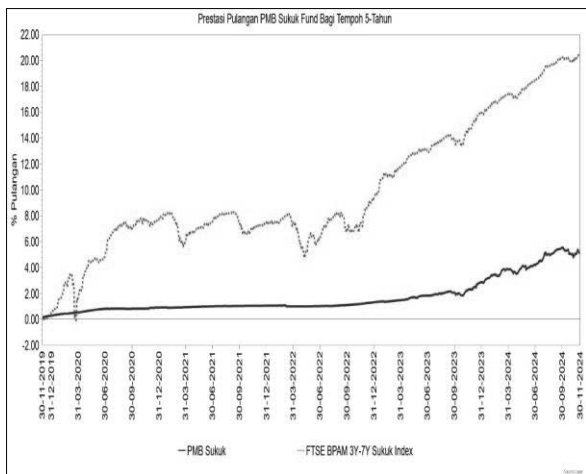
4. LAPORAN PENGURUS

Bagi tahun kewangan berakhir 30 November 2024 (1 Disember 2023 hingga 30 November 2024).

4.1 PRESTASI DANA

PMB SF telah mencapai objektifnya iaitu untuk memperoleh pendapatan stabil dan mencapai pertumbuhan modal jangka sederhana hingga panjang. Berdasarkan data daripada sumber Lipper, pulangan Dana untuk jangka masa 5 dan 3-tahun masing-masing mencatat pulangan sebanyak 5.16%, dan 4.08%. Bagi tempoh setahun kewangan berakhir 30 November 2024, pulangan Dana naik sebanyak 2.81%.

Prestasi Dana berbanding tanda aras bagi tempoh 5-tahun berakhir 30 November 2024 adalah seperti berikut:-



Untuk jangka masa 5-tahun berakhir 30 November 2024, Dana naik sebanyak 5.16% berbanding peningkatan sebanyak 20.47% pada penanda aras.

Bagi tahun kewangan berakhir 30 November 2024, NAB/unit Dana meningkat sebanyak RM0.0210 atau 2.81% kepada RM0.7681 daripada RM0.7471 pada 30 November 2023.

4.2 PENGAGIHAN PENDAPATAN/TERBITAN UNIT PECAHAN

Tiada sebarang pengagihan pendapatan dan unit pecahan dicadangkan bagi tempoh kewangan berakhir 30 November 2024.

4.3 POLISI DAN STRATEGI PELABURAN

Dana hendaklah melabur antara 70% dan 99.5% daripada NAB dalam sukuk berdenominasi RM yang diterbitkan oleh Kerajaan, BNM, institusi separa kerajaan atau syarikat swasta Malaysia dengan penarafan jangka panjang minimum A2 (RAM) atau A (MARC) dan penarafan jangka pendek minimum P2 (RAM) atau MARC-2 (MARC) atau penarafan yang setara oleh mana-mana agensi penarafan kredit lain yang diiktiraf.

4.3 POLISI DAN STRATEGI PELABURAN

Sepanjang tahun kewangan berakhir 30 November 2024, Dana telah dilaburkan dalam portfolio yang pelbagai iaitu terdiri daripada deposit Islam dan sukuk dengan sukuk separa kerajaan jangka masa sederhana disamping mengekalkan kecairan dan pendapatan yang konsisten kepada pelabur.

4.4 DAGANGAN SILANG

Tiada urusan dagangan silang yang dilaporkan di dalam tahun kewangan.

4.5 TRANSAKSI PEMBIAYAAN SEKURITI

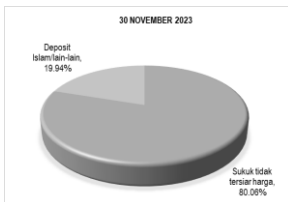
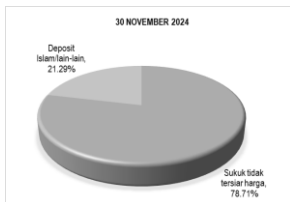
PMB SF tidak menjalankan sebarang pinjaman sekuriti atau transaksi pembelian semula sepanjang tahun kewangan dalam tinjauan.

4.6 PERUMPUKAN ASET DANA

Pecahan seunit mengikut kelas aset adalah seperti berikut: -

PECAHAN SEUNIT MENGIKUT KELAS ASET				
	30 Nov 2024 (%)	30 Nov 2023 (%)	Perubahan Peratus Mata	Purata Pendedahan Pelaburan (%)
Sukuk tidak tersiar harga	78.71	80.06	(1.35)	79.39
Deposit Islam dan lain-lain	21.29	19.94	1.35	20.61

Pada 30 November 2024, 78.71% daripada NAB Dana dilabur dalam pasaran sukuk Tidak Tersiarharga manakala baki 21.29% berada dalam deposit Islam dan pelaburan-pelaburan lain yang dibenarkan.



4.7 SUASANA PASARAN SEKURITI BERPENDAPATAN TETAP

Bagi tahun kewangan berakhir 30 November 2024, penanda aras bagi Dana iaitu Indeks FTSE BPAM 3Y-7Y Sukuk meningkat 9.65 mata atau 4.71% kepada 214.39.

Sepanjang tahun kewangan, pasaran Perbendaharaan AS ("UST") mengalami lonjakan yang kukuh, dengan penurunan hasil sebanyak 87 mata asas, daripada 4.50% pada akhir Mei 2024 kepada 3.63% pada pertengahan September 2024. Penurunan ini dipacu oleh peningkatan data dalam sektor pengeluaran pembuatan dan pasaran buruh AS. Pada Julai 2024, jumlah pekerjaan bukan pertanian di AS turun daripada 179,000 pada Jun 2024 kepada 114,000, menyebabkan kadar pengangguran meningkat daripada 4.1% kepada 4.3%.

4.7 SUASANA PASARAN SEKURITI BERPENDAPATAN TETAP (SAMB.)

Akibatnya, Rizab Persekutuan AS (Fed) mengurangkan Kadar Dana Persekutuan sebanyak 75 mata asas, dengan 50 mata asas pada September dan 25 mata asas pada November, menurunkan kepada julat 4.50% hingga 4.75%, berkurang daripada 5.25% hingga 5.50%. Pengurangan ini didorong oleh tanda-tanda inflasi yang menyederhana dan pasaran buruh yang semakin lemah.

Pemotongan kadar sebanyak 50 mata asas oleh Fed adalah lebih besar dari jangkaan, kerana Fed tidak pernah menurunkan kadar lebih daripada 25 mata asas selain daripada keadaan kecemasan, seperti semasa pandemik COVID-19 atau Krisis Kewangan Global. Pengerusi Fed, Jerome Powell juga mengulas bahawa Fed kini lebih yakin bahawa inflasi bergerak ke arah sasaran 2.00% dengan lebih mampan. Keputusan untuk memotong kadar ini bertujuan untuk menstabilkan dasar kewangan, bukan untuk bertindak balas terhadap kemelesetan.

Pulangan UST mula meningkat pada bulan Oktober, disokong oleh data ekonomi AS yang kukuh, termasuk peningkatan keyakinan pengguna dan tuntutan pengangguran mencapai paras terendah lima bulan. Walau bagaimanapun, pulangan UST jatuh menjelang bulan November, dengan penghujung keluk mencatatkan pulangan prestasi yang lebih baik. Pulangan mula meningkat selepas kemenangan pilihan raya Trump, yang mencetuskan jangkaan dasar fiskal mengembang dan kesan inflasi yang berpotensi. Pulangan 10-tahun UST diniagakan setinggi 4.45% sebelum turun semula kepada 4.17% menjelang akhir November 2024.

Mengenai pelepasan data ekonomi terbaru di Malaysia, sorotan utama ialah bacaan akhir Keluaran Dalam Negara Kasar ("KDNK") suku ketiga tahun 2024 Malaysia yang berkembang sebanyak 5.3% tahun ke tahun (YoY) didorong oleh aktiviti yang kukuh dan peningkatan berterusan dalam eksport, walaupun terdapat penurunan berbanding 5.9% YoY pada suku sebelumnya. Beralih kepada Indeks Harga Pengguna ("IHP"), kedua-dua inflasi utama dan teras kekal stabil pada paras 1.9% (2Q2024: 1.9%) sepanjang 3Q2024. Dari segi tempoh tahunan semasa ("YTD"), kedua-dua inflasi utama dan teras purata 1.8%. Bacaan IHP yang stagnan menggambarkan bahawa kesan penyesuaian harga diesel ke atas harga yang lebih luas telah dapat dikawal berikutan langkah-langkah mitigasi yang berkesan. Inflasi masa depan akan bergantung kepada dasar domestik mengenai subsidi dan kawalan harga, serta harga komoditi global dan trend pasaran kewangan.

Pulangan Sekuriti Kerajaan Malaysia (MGS) 10-tahun mencapai kemuncak pada bulan April sebelum menurun, mengikuti penurunan secara meluas dalam pulangan bon global. MGS 10-tahun diniagakan pada 3.81%, kekal hampir tidak berubah berbanding parasnya pada awal tahun yang berada pada 3.79%. Perbezaan pulangan antara MGS 10-tahun dan UST 10-tahun menyempit kepada -36 mata asas pada akhir November.

Dalam bon korporat, jumlah penerbitan bon quasi-kerajaan dan korporat serta sukuk mencatat RM114.4 bilion (YTD2023: RM100.7 bilion). Berdasarkan penarafan, penerbitan 2024 didorong terutamanya oleh terbitan penarafan AA (34.4%), AAA (28.1%). Sementara itu, bon dan sukuk jaminan Kerajaan (GG) bon dan sukuk bertaraf tunggal-A atau lebih rendah serta yang tidak dinilai menyumbang 15.1%, 5.0% dan 17.4% masing-masing. Dari segi perubahan penarafan, terdapat 6 penarafan dinaikkan dan 5 diturunkan.

4.7 SUASANA PASARAN SEKURITI BERPENDAPATAN TETAP (SAMB.)

Di pasaran utama, penerbitan MGS dan Pelaburan Kerajaan Malaysia (GII) kekal kukuh pada RM9.5 bilion pada November (YTD: RM173.0 bilion) melalui dua tawaran dalam lelongan awam. Nisbah bidaan untuk setiap tawaran ("btc") merekodkan purata 2.77x pada 1Q2024, kemudian menurun kepada 2.48x pada 2Q2024 dan 2.32x pada 3Q2024. Penerbitan MGS dan GII dijangka lebih kecil pada RM164.0 bilion pada 2025 (YTD2024: RM173.0 bilion) dengan jumlah lelongan tidak berubah sebanyak 36. Terdapat lima terbitan baharu berbanding hanya dua terbitan baharu pada 2024, dan ini merupakan yang terbanyak sejak 2018 selepas beralih kepada lebih banyak pembukaan semula untuk meningkatkan kecairan sekunder.

Jumlah pegangan asing dalam sekuriti hutang Malaysia yang merangkumi MGS, GII, instrumen diskaun (nota BNM dan bil Perbendaharaan) serta bon korporat pada bulan November menurun sedikit kepada RM276.6 bilion (Oktober: RM277.7 bilion). Pelabur asing mengurangkan pegangan mereka dalam sekuriti hutang Malaysia pada bulan November, dengan aliran keluar asing bersih menurun secara signifikan kepada -RM1.1 bilion pada bulan November (Oktober: -RM11.4 bilion), walaupun terdapat ketidaktentuan makroekonomi yang meningkat berikutan pemilihan semula Trump. Aliran asing kumulatif tahunan untuk sebelas bulan pada 2024 kekal positif pada RM6.2 bilion (YTD2023: RM23.6 bilion).

4.8 TINJAUAN DAN STRATEGI PASARAN

Pertumbuhan ekonomi global dijangka mengekalkan tahap sederhana pada tahun 2025. Tabung Kewangan Antarabangsa (IMF) mengunjurkan pertumbuhan global pada 3.10% pada tahun 2024 dan 3.20% pada tahun 2025. Prospek pertumbuhan masih terdedah kepada risiko negatif terutamanya akibat peningkatan ketegangan geopolitik, inflasi yang lebih tinggi daripada jangkaan, dan penyempitan ketat dalam keadaan pasaran kewangan. Namun, risiko positif terhadap pertumbuhan global mungkin timbul daripada permintaan domestik yang lebih kukuh daripada jangkaan, terutamanya dalam ekonomi maju.

Carta dot plot Fed yang baru dikeluarkan pada September 2024 menunjukkan pemotongan kadar faedah sebanyak 25 mata asas menjelang akhir 2025, termasuk pemotongan kadar sebanyak 25 mata asas menjelang akhir 2026. Ini akan mengurangkan julat sasaran kadar dana Fed daripada 5.25% hingga 5.50% sebelum pemotongan kepada 4.75% hingga 5.00% pada tahun 2026. Pasaran juga sedang menilai prospek fiskal AS selepas pilihan raya November. Kebimbangan tertumpu kepada defisit fiskal yang semakin melebar di bawah pentadbiran Trump dan berpotensi menyebabkan inflasi dalam ekonomi akibat cadangannya mengenai tarif.

Pasaran bon tempatan dijangka kekal mengukuh pada tahun 2025. Walaupun dasar-dasar yang diperkenalkan oleh kerajaan Malaysia mungkin menyebabkan inflasi yang lebih tinggi, Kadar Dasar Semalaman (OPR) dijangka kekal stabil pada 3.00% sepanjang tahun 2025. Ini disebabkan oleh jangkaan kenaikan inflasi yang sederhana, yang tidak memerlukan kenaikan kadar selanjutnya. Selain itu, dengan usaha kerajaan untuk mengurangkan defisit fiskal dan nisbah hutang terhadap KDNK, penerbitan MGS dijangka menurun, yang akan mengurangkan premium hasil.

4.8 TINJAUAN DAN STRATEGI PASARAN (SAMB.)

Ketidaktentuan yang lebih tinggi adalah dijangka terutamanya sepanjang separuh pertama tahun 2025 disebabkan oleh ketidakpastian dasar yang dipengaruhi oleh Trump. Namun, jangkaan bahawa dasar domestik yang menyokong dan penilaian yang tidak membebankan akan memberikan penampakan terhadap risiko negatif.

BNM dijangka mengekalkan OPR sepanjang tahun 2025 dan tekanan inflasi yang kekal terkawal, dijangkakan pasaran bon akan kekal kukuh. Pengurus Dana akan mengekalkan strategi dengan membeli sukuk dengan kadar dan kecairan yang tinggi. Dari segi tempoh, kami akan bertumpu kepada tempoh yang sedikit panjang berbanding penanda aras. Manakala dari segi peruntukan aset pula, kami akan bertumpu kepada sukuk korporat berbanding sukuk kerajaan atau sukuk dijamin kerajaan berikutan sebaran kredit (credit spread) yang lebih tinggi.

Dalam keadaan pasaran yang tidak menentu ini, nilai NAB/unit Dana meningkat sebanyak 2.81% bagi tempoh setahun kewangan berakhir 30 November 2024.

4.9 SUASANA PASARAN WANG TEMPATAN SEMASA

Jawatankuasa Dasar Monetari (MPC) BNM memutuskan untuk mengekalkan OPR pada 3.00% dalam mesyuarat yang bersidang pada 6 November 2024.

Ekonomi global terus berkembang berikutan keadaan pasaran pekerja yang berdaya tahan dan pemulihan perdagangan global yang berterusan. Pada masa hadapan, pertumbuhan global dijangka berterusan disebabkan oleh keadaan pasaran pekerja yang positif, inflasi yang terus sederhana dan dasar monetari yang kurang ketat. Perdagangan global dijangka terus pulih disokong oleh produk elektrik dan elektronik (electrical and electronics, E&E) serta produk bukan E&E. Prospek pertumbuhan terus bergantung pada risiko pertumbuhan menjadi perlahan, khususnya disebabkan oleh ketegangan geopolitik yang semakin meruncing, volatiliti dalam pasaran kewangan global yang meningkat dan momentum pertumbuhan yang lebih perlahan di ekonomi-ekonomi utama.

Bagi ekonomi Malaysia, penunjuk terkini mencatatkan kegiatan ekonomi yang terus kukuh, didorong oleh perbelanjaan dalam negeri yang berdaya tahan dan aktiviti eksport yang lebih tinggi. Pada masa hadapan, eksport dijangka terus disokong oleh peningkatan kitaran teknologi global, eksport barangan bukan E&E yang terus kukuh dan perbelanjaan pelancong yang lebih tinggi. Pertumbuhan guna tenaga dan upah berserta langkah-langkah dasar terus menyokong perbelanjaan isi rumah. Aktiviti pelaburan yang mantap akan terus berkembang disebabkan oleh projek berbilang tahun yang dilaksanakan dalam sektor swasta dan awam, lebih banyak pelaksanaan pelaburan yang telah diluluskan serta pelaksanaan inisiatif pemangkin di bawah beberapa pelan induk nasional. Pelaburan ini yang disokong oleh modal import yang lebih tinggi akan meningkatkan eksport dan mengembangkan keupayaan pengeluaran ekonomi. Langkah-langkah Belanjawan 2025 akan memberikan sokongan tambahan kepada pertumbuhan ekonomi. Prospek pertumbuhan bergantung pada risiko pertumbuhan menjadi perlahan yang berpunca daripada permintaan luaran dan pengeluaran komoditi yang lebih rendah daripada jangkaan.

4.9 SUASANA PASARAN WANG TEMPATAN SEMASA (SAMB.)

Sementara itu, pertumbuhan mungkin menjadi lebih tinggi berpunca terutamanya daripada limpahan peningkatan kitaran teknologi yang lebih besar, aktiviti pelancongan yang lebih giat serta pelaksanaan projek pelaburan yang lebih pantas.

Inflasi keseluruhan dan inflasi teras kekal sederhana dengan purata 1.8% sejak awal tahun sehingga kini. Menuju tahun 2025, inflasi dijangka kekal terkawal berikutan keadaan kos global yang semakin reda dan ketiadaan tekanan permintaan dalam negeri yang berlebihan. Walau bagaimanapun, prospek inflasi terus bergantung pada perincian pelaksanaan langkah-langkah dasar dalam negeri yang telah diumumkan. Risiko kenaikan inflasi akan bergantung pada tahap kesan limpahan langkah-langkah dasar dalam negeri serta harga komoditi global dan perkembangan pasaran kewangan.

Prestasi ringgit terus didorong terutamanya oleh faktor luaran. Keputusan pilihanraya Amerika Syarikat mungkin meningkatkan volatiliti dalam jangka masa terdekat. Pada masa hadapan, perbezaan kadar faedah yang semakin kecil antara Malaysia dengan ekonomi-ekonomi maju adalah positif untuk ringgit. Prospek ekonomi Malaysia dan pembaharuan struktur dalam negeri yang menggalakkan, bersama-sama dengan inisiatif yang sedang dilaksanakan untuk menggalakkan aliran dana, akan terus memberikan sokongan yang berterusan kepada ringgit.

(Sumber: Laman sesawang Bank Negara Malaysia)

4.10 KEPENTINGAN PEMEGANG-PEMEGANG UNIT

Sepanjang tempoh setahun kewangan berakhir 30 November 2024, tiada sebarang kejadian yang menjejaskan kepentingan Pemegang-Pemegang Unit selain daripada urusan urusniaga-urusniaga yang dijalankan selaras dengan Surat Ikatan Amanah, Garispanduan Tabung Unit Amanah, Akta Pasaran Modal dan Perkhidmatan 2007 dan undang-undang lain yang berkuatkuasa.

4.11 REBAT DAN KOMISEN RINGAN

Sepanjang tempoh setahun kewangan berakhir 30 November 2024, Pengurus Dana menerima komisen ringan daripada broker yang secara tidak langsung membantu dalam proses membuat keputusan berkaitan pelaburan Dana. Komisen ringan yang diterima termasuklah penyelidikan, perisian dan perkakasan komputer yang berkaitan dengan pelaburan Dana dan khidmat nasihat mengenai perkara Syariah. Komisen ringan yang diterima adalah untuk manfaat Dana dan tiada pergolakan perdagangan.

Nota: Laporan ini telah diterjemahkan daripada laporan asal (dalam Bahasa Inggeris). Jika terdapat perbezaan, sila rujuk kepada laporan Bahasa Inggeris.

5. TRUSTEE’S REPORT

TO THE UNIT HOLDERS OF PMB SUKUK FUND (“FUND”)

We have acted as Trustee of the Fund for the financial year ended 30 November 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, **PMB INVESTMENT BERHAD** has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

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

For and on behalf of

AMANAH RAYA TRUSTEES BERHAD

ZAINUDIN BIN SUHAIMI

Chief Executive Officer

KUALA LUMPUR

21 January 2025

6. SHARIAH ADVISER'S REPORT

TO THE UNIT HOLDERS OF PMB SUKUK FUND ("FUND")

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, PMB Investment Berhad has operated and managed the Fund for the period covered by these financial statements namely, the year ended 30 November 2024, 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

24 January 2025

7. STATEMENT BY MANAGER

To the Unit Holders of PMB SUKUK FUND

We, **Mahdzir Bin Othman** and **Datuk Mohd Idzwan Izuddin Bin Ab Rahman**, being two of the Directors of PMB Investment Berhad, do hereby state that in the opinion of the Manager, the audited financial statements give a true and fair view on the financial position of the Fund as at 30 November 2024 and of its statement of comprehensive income, changes in equity and cash flows for the financial year ended 30 November 2024 in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and in accordance with the requirement of Guidelines on Unit Trust Funds by the Securities Commission Malaysia.

For and on behalf of
PMB INVESTMENT BERHAD
As Manager of PMB SUKUK FUND

MAHDZIR BIN OTHMAN
Director

DATUK MOHD IDZWAN IZUDDIN BIN AB RAHMAN
Director

KUALA LUMPUR

17 January 2025

8. AUDITOR'S REPORT

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF PMB SUKUK FUND (INCORPORATED IN MALAYSIA)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of PMB Sukuk Fund ("the Fund"), which comprise the statement of financial position as at 30 November 2024 statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 November 2024 and of its financial performance and cash flows for the financial year then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and in accordance with the Guidelines on Unit Trust Funds, issued by the Securities Commission Malaysia.

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' Code of Ethics for Professional Accountants (including International Independence Standards), ("IESBA Code") as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF PMB SUKUK FUND (INCORPORATED IN MALAYSIA) (CONTD.)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Managers for the Financial Statements

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF PMB SUKUK FUND (INCORPORATED IN MALAYSIA) (CONTD.)

Auditors' Responsibility 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:

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

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

**INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF PMB SUKUK FUND
(INCORPORATED IN MALAYSIA) (CONTD.)**

Other Matters

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

AL JAFREE SALIHIN KUZAIMI PLT
201506002872 (LLP0006652-LCA)
& AF1522
Chartered Accountants

ALIFF IKHWAN BIN MOHAMAD
NO. 03741/05/2025 J
Chartered Accountant

Dated: 17 January 2025

Selangor, Malaysia

9. FINANCIAL STATEMENT

STATEMENT OF FINANCIAL POSITION
As At 30 November 2024

		<u>2024</u>	<u>2023</u>
ASSETS	NOTE	RM	RM
INVESTMENTS	4		
Unquoted sukuk at fair value		1,016,928	1,023,532
Cash and cash equivalents	5	287,919	678,468
		<u>1,304,847</u>	<u>1,702,000</u>
OTHER ASSETS			
Accrued profit receivable from:			
- Unquoted sukuk		16,536	7,193
- Islamic deposits		88	1,370
		<u>16,624</u>	<u>8,563</u>
TOTAL ASSETS		<u>1,321,471</u>	<u>1,710,563</u>
LIABILITIES			
Amount owing to the Manager	6	1,688	804
Amount owing to the Trustee		43	43
Amount owing to the dealer		-	415,629
Other payables and accruals		6,639	6,639
TOTAL LIABILITIES		<u>8,370</u>	<u>423,115</u>
NET ASSET VALUE		<u>1,313,101</u>	<u>1,287,448</u>
EQUITY			
Unitholders' capital	7	1,679,824	1,690,560
Accumulated losses		(366,723)	(403,112)
TOTAL NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>1,313,101</u>	<u>1,287,448</u>
UNITS IN CIRCULATION	7	<u>1,709,592</u>	<u>1,723,248</u>
NET ASSET VALUE PER UNIT (RM) - XD	8	<u>0.7681</u>	<u>0.7471</u>

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

	NOTE	<u>2024</u> RM	<u>2023</u> RM
INVESTMENTS INCOME			
Profit from unquoted sukuk		42,672	8,433
Profit from Islamic deposits		7,168	28,000
Hibah from Al-Wadiah savings		59	162
Net profit from sale of unquoted sukuk		2,060	-
Net profit/(loss) on changes in fair value of investments	9	2,816	(3,068)
		<u>54,775</u>	<u>33,527</u>
EXPENSES			
Management fee	10	9,938	10,302
Trustee fee	11	530	549
Audit fee		5,000	5,000
Tax agent fee		1,500	1,500
Administrative expenses		1,418	1,955
		<u>18,386</u>	<u>19,306</u>
PROFIT BEFORE TAXATION		36,389	14,221
Taxation	13	-	-
PROFIT AFTER TAXATION		36,389	14,221
PROFIT AFTER TAXATION IS MADE UP AS FOLLOWS:			
NET REALISED PROFIT		33,573	17,289
NET UNREALISED PROFIT/(LOSS)		2,816	(3,068)
		<u>36,389</u>	<u>14,221</u>

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

	NOTE	Unitholders' <u>Capital</u> RM	Accumulated <u>Losses</u> RM	<u>Total Equity</u> RM
As at 1 December 2022		1,840,016	(417,333)	1,422,683
Net realised profit		-	17,289	17,289
Net unrealised loss		-	(3,068)	(3,068)
Creation of units	7	1,903,007	-	1,903,007
Cancellation of units	7	(2,052,463)	-	(2,052,463)
As at 30 November 2023		1,690,560	(403,112)	1,287,448
As at 1 December 2023		1,690,560	(403,112)	1,287,448
Net realised profit		-	33,573	33,573
Net unrealised profit		-	2,816	2,816
Creation of units	7	1,221,938	-	1,221,938
Cancellation of units	7	(1,232,674)	-	(1,232,674)
As at 30 November 2024		1,679,824	(366,723)	1,313,101

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

	<u>2024</u> RM	<u>2023</u> RM
CASH FLOWS FROM INVESTING AND OPERATING ACTIVITIES		
Proceeds from sale of sukuk	626,027	-
Purchase of sukuk	(1,027,176)	(618,116)
Profit from unquoted sukuk	30,329	8,385
Profit from Islamic deposits	8,450	28,516
Hibah from Al-Wadiah savings	59	162
Management fee paid	(9,934)	(10,359)
Trustee fee paid	(530)	(552)
Payment of audit fee	(5,000)	(5,000)
Payment of tax agent fee	(1,500)	(1,500)
Payment of other expenses	(1,418)	(1,955)
Net cash used in from investing and operating activities	<u>(380,693)</u>	<u>(600,419)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	1,221,938	1,952,661
Payment of cancellation of units	(1,231,794)	(2,067,394)
Net cash used in financing activities	<u>(9,856)</u>	<u>(114,733)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(390,549)	(715,152)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	678,468	1,393,620
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>287,919</u>	<u>678,468</u>
CASH AND CASH EQUIVALENTS COMPRISE OF:		
Al-Wadiah Savings	25,071	34,381
Islamic deposits with licensed financial institutions in Malaysia	262,848	644,087
	<u>287,919</u>	<u>678,468</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

1. THE FUND, THE MANAGER AND PRINCIPAL ACTIVITY

PMB Sukuk Fund is managed by PMB Investment Berhad was launched on 20 October 1977 under the name of Kumpulan Modal Bumiputera Yang Kesembilan and was relaunch as ASM Tanjung Piai Balanced Fund on 6 December 1997. On 26 June 2001, the Fund changed its name to ASM Balanced Fund. This Fund change its name again to ASM Shariah Balanced Fund as stated in the Ninth Supplemental Deed dated 9 October 2012 and has been registered with Security Commission Malaysia on 12 November 2012. Pursuant to the Master Prospectus dated 28 April 2014, this Fund once again changed its name from ASM Shariah Balanced Fund to PMB Shariah Balanced Fund in line with the change of Manager's name from ASM Investment Services Berhad to PMB Investment Berhad.

PMB Shariah Balanced Fund was renamed to PMB Sukuk Fund as stated in the Fourteenth Supplemental Deed dated 6 September 2016 which was registered with the Securities Commission Malaysia on 14 October 2016.

The main activity of the Fund is to invest its Net Asset Value (NAV) in RM-denominated sukuk in Malaysia issued by Government of Malaysia, Bank Negara Malaysia (BNM) and quasi-government institutions and companies in Malaysia. The Fund will continue to operate until it is terminated or dissolved in accordance with the provision of the Deed of Trust and the Capital Markets and Services Act 2007.

The Manager is a company incorporated in Malaysia and is wholly owned by Pelaburan MARA Berhad. The principal activity of the Manager is the establishment and management of Unit Trust Funds and Corporate Funds.

2. OBJECTIVES AND POLICIES OF FINANCIAL RISK MANAGEMENT

This Unit Trust Fund operations are exposed to several risks including market risk (inclusive of price risk and interest rate risk), Shariah status reclassification risk, credit risk, liquidity risk, capital risk management and fair value estimation. Financial risk management is carried out through the system of internal control and investment restrictions outline in the Guidelines on Unit Trust Fund by the Securities Commission Malaysia and based on Shariah principles.

(a) Market Risk

(i) Price Risk

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

2. OBJECTIVES AND POLICIES OF FINANCIAL RISK MANAGEMENT (CONTD.)

(a) Market Risk (Contd.)

(i) Price Risk (Contd.)

The price risk is managed through diversification and selection of unquoted sukuk and other financial instruments within specified limits according to the Deeds.

(ii) Interest Rate Risk

Movements in interest rate will have an impact on a management of the Fund. This risk refers to the effect of interest rate changes on the market value of Islamic money market instruments, Islamic deposit placements and sukuk. Any downward movement of the interest rate may result in a loss of the expected return from the Fund's investments in Islamic money market instrument and Islamic deposit placement. The value of the sukuk has a tendency to move inversely with the movement of the interest rate whereby the prices of the sukuk may fall when interest rates rise, and vice versa.

The interest rate is a general indicator. Although the Fund does not invest in interest bearing instruments, the movement of the interest rate will have an impact on the profit rate of the Islamic money market instruments and Islamic deposit placement, and consequently affect the expected return of the Fund's investments.

The table below shows the sensitivity of changes in the interest rate on the NAV of the Fund at the reporting date assuming all other variables held constant.

	Change in basis points	Effect on Islamic profit Increase/ (Decrease)	Effect on NAV Increase/ (Decrease)
		RM	RM
2024	+50/-50	1,183/(1,183)	1,183/(1,183)
2023	+50/-50	4,965/(4,965)	4,965/(4,965)

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

2. OBJECTIVES AND POLICIES OF FINANCIAL RISK MANAGEMENT (CONTD.)

(b) Shariah Status Reclassification Risk

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

(c) Credit Risk

Credit risk relates to the creditworthiness of the issuers of the sukuk and their expected ability to make timely payment of profit and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the sukuk. In the case of rated sukuk, this may lead to a credit downgrade. Default risk relates to the risk that an issuer of a sukuk either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the sukuk. This could adversely affect the value of the Fund.

The maximum exposure to credit risk before any credit enhancements is carrying amount of the financial assets as set out below:

	<u>2024</u>	<u>2023</u>
	RM	RM
Unquoted sukuk at fair value	1,016,928	1,023,532

(d) Liquidity Risk

Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the Fund holds assets that are illiquid, or are difficult to dispose of, the value of the Fund will be negatively affected when it has to sell such assets at unfavourable prices.

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

2. OBJECTIVES AND POLICIES OF FINANCIAL RISK MANAGEMENT (CONTD.)

(d) Liquidity Risk (Contd.)

	Less than 1 month RM	2024 Between 1 month to 1 year RM	Total RM
Amount owing to the Manager	1,688	-	1,688
Amount owing to the Trustee	43	-	43
Other payables and accruals	-	6,639	6,639
Contractual cash outflows	1,731	6,639	8,370

	Less than 1 month RM	2023 Between 1 month to 1 year RM	Total RM
Amount owing to the Manager	804	-	804
Amount owing to the Trustee	43	-	43
Amount owing to the Dealer	415,629	-	415,629
Other payables and accruals	-	6,639	6,639
Contractual cash outflows	416,476	6,639	423,115

(e) Capital Risk Management

The Fund's capital represented by equity consisting of unitholders' capital and retained earnings. The amount of capital can fluctuate according to the daily subscription and redemption of units at the discretion of unitholders. The Fund's capital is managed in accordance with the objective of the Fund while maintaining sufficient liquidity to meet redemption of units.

3. MATERIAL ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements of the Fund are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and Guidelines on Unit Trust Funds by the Securities Commission Malaysia.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONTD.)

(a) Basis of Preparation (Contd.)

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB"):

(i) Applications towards MFRS and amendments to MFRS

Adoption of new and amended standards

During the financial year, the Fund has adopted the following amended MFRSs that are mandatory for annual financial periods beginning on or after 1 January 2024:

- Amendments to MFRS 101 – Presentation of Financial Statements and MFRS Practice Statement - Disclosure of accounting policies
- Amendments to MFRS 16 – Lease Liability in a Sale and Leaseback
- Amendments to MFRS 107 and MFRS 7 – Supplier Financial Arrangements

Standards issued but not yet effective

Effective for financial year beginning on or after 1 January 2025:

- Amendments to MFRS 121 – Lack of Exchangeability
- Amendments to MFRS 9 and MFRS 7 – Classification and Measurement of Financial Instruments
- Amendments to MFRS 1 – Hedge Accountability by a First Time Adopter
- Amendments to MFRS 7 – Gain or Loss on Derecognition
- Amendments to MFRS 9 – Derecognition of Lease Liabilities and Transaction Price
- Amendments to MFRS 10 – Determination of De'Facto Agent
- Amendments to MFRS 107 – Cost Method
- MFRS 18 – Presentation and Disclosure in Financial Statements
- MFRS 18 – Subsidiaries without Public Accountability: Disclosures

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024**

3. MATERIAL ACCOUNTING POLICIES (CONTD.)

(a) Basis of Preparation (Contd.)

(i) Applications towards MFRS and amendments to MFRS (Contd.)

Standards issued but not yet effective

Effective date of these Amendments to Standards has been deferred and yet to be announced:

- Amendments to MFRS 10 and MFRS 128 - Investments in Associates and Joint Venture (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)

The adoption of the above standards and interpretations will have no material impact on the financial statements of the Fund.

(b) Accounting Estimates and Judgements

The preparation of the Fund's financial statements in conformity with MFRS and IFRS requires the Manager to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities at the reporting date. Actual results may differ from these estimates.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in these financial statements.

(c) Income Recognition

Profit from unquoted sukuk and Islamic deposits savings are recognised on the accrual basis using the effective profit method. The profit from Islamic deposit received by the Fund was derived from Malaysia and credited by any bank or financial institution licensed under the Financial Services Act 2013 or Islamic Financial and Services Act 2013 which are exempt from tax according to Income Tax 1967 (ITA 1967).

(d) Creation and Cancellation of Units

Proceeds from creation of units and payment of cancellation of units are based on the market value of the units comprising the share of capital and the portion of income at the date of the invention or disposition.

(e) Distribution Equalisation

Distribution equalisation is accounted for on the date of issue and depreciation based on the average amount of distributable income included in the unit price and disposals.

(f) Cash and Cash Equivalents

Cash and cash equivalents comprise of Islamic deposits and Al-Wadiah savings with banks and licensed financial institutions where such savings are based on Shariah principles.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONTD.)

(g) Functional and Presentation Currency

The financial statements are presented in Ringgit Malaysia ("RM"), the currency of the primary economic environment in which the Company operates (its functional currency).

(h) Financial Instruments

(i) Recognition and Initial Measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

An embedded Islamic derivative is recognised separately from the host contract where the host contract is not a financial asset, and accounted for separately if, and only if, the Islamic derivative is not closely related to the economic characteristics and risks of the host contract and the host contract is not measured at fair value through profit or loss. The host contract, in the event an embedded Islamic derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

(ii) Financial instrument categories and subsequent measurement

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Fund changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting year following the change of the business model.

(a) Amortised cost (AC)

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective profit method. The amortised cost is reduced by impairment losses. Profit income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024**

3. MATERIAL ACCOUNTING POLICIES (CONTD.)

(h) Financial Instruments (Contd.)

- (ii) Financial instrument categories and subsequent measurement

Financial assets (Contd.)

(a) Amortised cost (AC)

Profit income is recognised by applying effective profit rate to the gross carrying amount except for credit impaired financial assets where the effective profit rate is applied to the amortised cost.

(b) Fair value through other comprehensive income (FVOCI)

(i) Sukuk investments

Fair value through other comprehensive income category comprises sukuk where it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the sukuk, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding. The sukuk is not designated as at fair value through profit or loss. Profit income calculated using the effective profit method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income.

On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Profit income is recognised by applying effective profit rate to the gross carrying amount except for credit impaired financial assets where the effective profit rate is applied to the amortised cost.

(ii) Equity investments

This category comprises investment in Shariah-compliant equity that is not held for trading, and the Fund irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of investment.

Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are not reclassified to profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024**

3. MATERIAL ACCOUNTING POLICIES (CONTD.)

(h) Financial Instruments (Contd.)

- (ii) Financial instrument categories and subsequent measurement (Contd.)

Financial assets (Contd.)

(c) Fair value through profit or loss (FVPL)

All financial assets not measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. This includes Islamic derivative financial assets (except for an Islamic derivative that is a designated and effective hedging instrument). On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair value. Net gains or losses, including any profit or dividend income, are recognised in the profit or loss.

All financial assets, except for those measured at fair value through profit or loss and equity investments measured at fair value through other comprehensive income, are subject to impairment assessment.

Financial liabilities

The categories of financial liabilities at initial recognition are as follows:

(a) Amortised cost (AC)

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective profit method.

Profit expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

(b) Provisions

Provision is recognised only when the Fund has a present obligation (legal and constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONTD.)

(h) Financial Instruments (Contd.)

- (ii) Financial instrument categories and subsequent measurement (Contd.)

Financial liabilities (Contd.)

(b) Provisions

Provision is reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

- (iii) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expired or transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss. A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expired. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

- (iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Fund currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

- (v) Unitholders' Contribution

The Unitholders' contributions to the Fund meet the definition of puttable instruments classified as equity under the MFRS 9.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONTD.)

(h) Financial Instruments (Contd.)

- (ii) Financial instrument categories and subsequent measurement (Contd.)

Financial liabilities (Contd.)

- (v) Unitholders' Contribution (Contd.)

Instruments classified as equity are measured at cost and are not remeasured subsequently.

Distribution equalisation is accounted for at the date of creation and cancellation of units of the Fund. It represents the average amount of distributable income or loss included in the creation and cancellation prices of units.

(i) Impairment of Assets

- (i) Financial assets

The Fund recognised loss allowances for expected credit losses on financial assets measured at amortised cost, sukuk measured at fair value through other comprehensive income, contract assets and lease receivables. Expected credit losses are a probability-weighted estimate of credit losses.

The Fund measures loss allowances at an amount equal to lifetime expected credit loss, except for sukuk that are determined to have low credit risk at the reporting date, cash and bank balance and other sukuk for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables, contract assets and lease receivables are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date.

The maximum year considered when estimating expected credit losses is the maximum contractual year over which the Fund are exposed to credit risk.

The Fund estimates the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONTD.)

(i) Impairment of Assets (Contd.)

(i) Financial assets (Contd.)

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of sukuk measured at fair value through other comprehensive income is recognised in profit or loss and the allowance account is recognised in other comprehensive income.

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

The gross carrying amount of a financial asset is written off (either partially or fully) to the extent that there is no realistic prospect of recovery. This is generally the case when the Fund determines that the obligor does not have assets or sources of income that could generate sufficient cash flows to pay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Fund's procedures for recovery amounts due.

(ii) Other assets

The carrying amounts of other assets (except for inventories, contract assets, lease receivables, deferred tax asset, assets arising from employee benefits, investment property measured at fair value and non-current assets (or disposal groups) classified as held for sale) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONTD.)

(i) Impairment of Assets (Contd.)

(ii) Other assets (Contd.)

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (groups of cash-generating units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

(j) Fair Value of Financial Instruments

Financial instruments comprise financial assets and financial liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. exit price).

The fair value of financial assets traded in active markets (such as trading Shariah-compliant securities) are based on quoted market prices at the close of trading on the financial year end date.

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONTD.)

(j) Fair Value of Financial Instruments (Contd.)

The carrying values of cash and cash equivalents, amount owing by Manager, profit receivable from Islamic deposits, dividend receivable and all current liabilities are reasonable approximations of their fair values due to their short-term nature.

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- 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.

4. INVESTMENTS

Details are as follows:

	Note	<u>2024</u> RM	<u>2023</u> RM
(a) Unquoted sukuk at fair value		1,016,928	1,023,532
(b) Islamic deposits	5	<u>262,848</u>	<u>644,087</u>
Total Investments		<u>1,279,776</u>	<u>1,667,619</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

4. INVESTMENTS (CONTD.)

Details of unquoted sukuk as at 30 November 2024 are set out as follows:

<u>Name of counter</u>	<u>Nominal Value</u> <u>RM</u>	<u>Placement Cost</u> <u>RM</u>	<u>Fair value as at 30/11/2024</u> <u>RM</u>	<u>Unrealised Gain/(Loss)</u> <u>RM</u>
DanaInfra Nasional Bhd 4.21% 08.06.2038 VS230199	400,000	408,640	407,780	(860)
Lembaga Pembiayaan Perumahan Sektor Awam 4.16% 23.08.2030 VL220313	200,000	203,300	203,972	672
Pengurusan Air SPV Bhd 4.34% 07.02.2029 VN190019	200,000	205,240	204,766	(474)
Prasarana Malaysia Bhd 4.06% 28.06.2039 VS240140	200,000	200,000	200,410	410
Total			1,016,928	(252)

5. CASH AND CASH EQUIVALENTS

	<u>Note</u>	<u>2024</u> <u>RM</u>	<u>2023</u> <u>RM</u>
Islamic deposits with licensed financial Institutions in Malaysia	4	262,848	644,087
Al-Wadiah savings		25,071	34,381
		287,919	678,468

Islamic deposits include fixed deposits based on Shariah principles in licensed financial institutions as follows: -

	<u>2024</u> <u>RM</u>	<u>2023</u> <u>RM</u>
Islamic Banks	262,848	644,087

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

5. CASH AND CASH EQUIVALENTS (CONTD.)

Average profit rate during the financial year and the average maturity of the Islamic deposits on the closing date are as follows: -

	Average Profit Rate %	Average Maturity Period Days
<u>2024</u>		
Islamic Banks	<u>3.03</u>	<u>17</u>
<u>2023</u>		
Islamic Banks	<u>2.82</u>	<u>29</u>

6. AMOUNT OWING TO THE MANAGER

	<u>2024</u> RM	<u>2023</u> RM
Cancellation of unit payable	(879)	-
Management fee accrued	<u>(809)</u>	<u>(804)</u>
	<u><u>(1,688)</u></u>	<u><u>(804)</u></u>

7. UNITHOLDERS' CAPITAL

	<u>2024</u>		<u>2023</u>	
	Unit	RM	Unit	RM
Balance brought forward	1,723,248	1,690,560	1,924,044	1,840,016
Creation of units during the year	1,603,751	1,221,938	2,563,230	1,903,007
	<u>3,326,999</u>	<u>2,912,498</u>	<u>4,487,274</u>	<u>3,743,023</u>
Cancellation of units during the year	<u>(1,617,407)</u>	<u>(1,232,674)</u>	<u>(2,764,026)</u>	<u>(2,052,463)</u>
Balance carried forward	<u>1,709,592</u>	<u>1,679,824</u>	<u>1,723,248</u>	<u>1,690,560</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

8. NET ASSET VALUE

Net Asset Value is derived after deducting the total liabilities of the Fund from the Fund's total assets.

	<u>2024</u>		<u>2023</u>	
	RM	RM/ Unit	RM	RM/ Unit
Net asset value per unit attributable to the unitholders as disclosed in the Financial Statements	<u>1,313,101</u>	<u>0.7681</u>	<u>1,287,448</u>	<u>0.7471</u>

9. NET UNREALISED PROFIT/(LOSS) ON CHANGES IN FAIR VALUE OF INVESTMENTS

	<u>2024</u>	<u>2023</u>
	RM	RM
Unrealised loss on unquoted sukuk	(252)	(3,068)
Total unrealised loss	(252)	(3,068)
Less: Unrealised loss of previous year	(3,068)	-
	<u>2,816</u>	<u>(3,068)</u>

10. MANAGEMENT FEE

The fee paid to the Manager, PMB Investment Berhad is computed on a daily basis at 0.75% per annum on the Net Asset Value before deducting Management fee and Trustee fee for that particular day.

11. TRUSTEE FEE

The fee paid to the Trustee, AmanahRaya Trustees Berhad is computed on a daily basis at 0.04% per annum on the Net Asset Value before deducting Management fee and Trustee fee for that particular day.

12. TRANSACTIONS WITH BROKER/DEALER (1/12/2023 – 30/11/2024)

Broker/Dealer	Transaction Value		Commission & Fee	
	RM	%	RM	%
CIMB Islamic Bank Bhd	1,488,375	32.13	-	-
Maybank Islamic Bank Bhd	1,209,638	26.11	-	-
RHB Islamic Bank Bhd	870,000	18.78	-	-
Affin Hwang Investment Bank Bhd	416,080	8.98	-	-
AmBank (M) Bhd	204,040	4.41	-	-
Hong Leong Investment Bank	222,802	4.81	-	-
Bank Muamalat Malaysia Bhd	221,316	4.78	-	-
Total Transactions	4,632,251	100.00	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

13. TAXATION

	<u>2024</u> RM	<u>2023</u> RM
Taxation for the year	-	-

The reconciliation between tax expenses and accounting profit multiplied by 24% tax rates for the financial year ended 30 November 2024 and 30 November 2023 are as follows:

	<u>2024</u> RM	<u>2023</u> RM
Profit before taxation	<u>36,389</u>	<u>14,221</u>
Taxation at the rate of 24%	8,733	3,413
Tax effect of income exempt to tax	(12,470)	(8,783)
Tax effect of income not subject to tax	(676)	-
Tax effect of expenses not deductible	<u>4,413</u>	<u>5,370</u>
Taxation for the year	-	-

14. DISTRIBUTION

No income distribution to unitholders is recommended for the financial year ended 30 November 2024 [2023: No income distribution had been declared].

15. MANAGER'S AND DIRECTOR'S INTERESTS

The details of the interests of the Managers' and the Directors' of the Company in the Fund are as follows: -

	<u>2024</u> RM	<u>2023</u> RM
(a) <u>Unit Holding</u>		
PMB Investment Berhad	Nil	Nil
Directors	Nil	Nil
(b) <u>Expenses</u>		
Management fee paid and accrued	<u>RM9,938</u>	<u>RM10,302</u>

Transactions between Fund, Manager and related parties are based on normal business transactions. The holding of the Manager's unit is based on beneficial holdings.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

16. TOTAL EXPENSE RATIO (“TER”)

TER is calculated as follows: -	<u>2024</u>	<u>2023</u>
TER = $\frac{\text{Fees of the Fund + Recovered expenses of the Fund} \times 100}{\text{Average net asset value of the Fund calculated on a daily basis}}$	1.39%	1.41%

17. PORTFOLIO TURNOVER RATIO (“PTR”)

PTR is calculated as follows:	<u>2024</u>	<u>2023</u>
PTR = $\frac{(\text{Total acquisition} + \text{Total disposals})/2}{\text{Average net asset value of the Fund calculated on a daily basis}}$	1.75 times	3.94 times

18. FINANCIAL INSTRUMENTS

a) Classification of financial instruments

The table below provides an analysis of financial instruments categories as follows:

- i) Amortised Cost (AC)
- ii) Fair Value Through Profit or Loss (FVPL)

<u>2024</u>	<u>Carrying Amount</u> RM	<u>AC</u> RM	<u>FVPL</u> RM
<u>Financial Assets</u>			
Unquoted sukuk at fair value	1,016,928	-	1,016,928
Cash and cash equivalents	287,919	287,919	-
Profit receivables from Islamic deposits	88	88	-
Profit receivables from unquoted sukuk	16,536	16,536	-
	<u>1,321,471</u>	<u>304,543</u>	<u>1,016,928</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024**

18. FINANCIAL INSTRUMENTS (CONTD.)**a) Classification of financial instruments (Contd.)****2024**

	<u>Carrying Amount</u> RM	<u>AC</u> RM
<u>Financial Liabilities</u>		
Amount owing to the Manager	1,688	1,688
Amount owing to the Trustee	43	43
Other payables and accruals	6,639	6,639
	<u>8,370</u>	<u>8,370</u>

2023

	<u>Carrying Amount</u> RM	<u>AC</u> RM	<u>FVPL</u> RM
<u>Financial Assets</u>			
Unquoted sukuk at fair value	1,023,532	-	1,023,532
Cash and cash equivalents	678,468	678,468	-
Profit receivables from Islamic deposits	1,370	1,370	-
Profit receivables from unquoted sukuk	7,193	7,193	-
	<u>1,710,563</u>	<u>687,031</u>	<u>1,023,532</u>

2023

	<u>Carrying Amount</u> RM	<u>AC</u> RM
<u>Financial Liabilities</u>		
Amount owing to the Manager	804	804
Amount owing to the Trustee	43	43
Amount owing to the dealer	415,629	415,629
Other payables and accruals	6,639	6,639
	<u>423,115</u>	<u>423,115</u>

19. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on the date of this financial statements.

SCHEDULE A

PMB SUKUK FUND
LIST OF INVESTMENTS As At 30 NOVEMBER 2024

<u>No</u>	<u>FINANCIAL INSTITUTION</u>	<u>PLACEMENT COST</u>	<u>PLACEMENT FUND VALUE</u>	<u>PERCENTAGE OF NET ASSET VALUE</u>
		RM	RM	%
A UNQUOTED SUKUK				
1	DanaInfra Nasional Bhd 4.21% 08.06.2038 VS230199	408,640	407,780	31.06
2	Lembaga Pembiayaan Perumahan Sektor Awam 4.16% 23.08.2030 VL220313	203,300	203,972	15.54
3	Pengurusan Air SPV Bhd 4.34% 07.02.2029 VN190019	205,240	204,766	15.59
4	Prasarana Malaysia Bhd 4.06% 28.06.2039 VS240140	200,000	200,410	15.26
Total Unquoted Sukuk		1,017,180	1,016,928	77.45

<u>No</u>	<u>FINANCIAL INSTITUTION</u>	<u>TYPE</u>	<u>PLACEMENT COST</u>	<u>PLACEMENT FUND VALUE</u>	<u>PERCENTAGE OF NET ASSET VALUE</u>
			RM	RM	%
B ISLAMIC DEPOSITS					
1	CIMB Islamic Bank Bhd	Commodity Murabahah	132,329	132,385	10.08
2	Maybank Islamic Bhd	Commodity Murabahah	130,519	130,550	9.94
Total Islamic Deposits			262,848	262,935	20.02
				1,279,863	97.47

10. BUSINESS INFORMATION NETWORK

HEAD OFFICES

2nd Floor, Wisma PMB,
No.1A, Jalan Lumut,
50400, Kuala Lumpur.
Tel: (03) 4145 3800 Fax: (03) 4145 3901
E-mail: clients@pelaburanmara.com.my

REGIONAL SALES OFFICES

Central Region

1st Floor, Wisma PMB,
No. 1A, Jalan Lumut
50400 Kuala Lumpur
Tel: (03) 4145 3900 Fax: (03) 4145 3901
E-mail: pmbi.central@pelaburanmara.com.my

Northern Region

No. 46 1/F Jalan Todak 2
Pusat Bandar Seberang Jaya
13700 Perai, Pulau Pinang
Tel: (04) 3909036 Fax: (04) 3909041
H/P: (013) 2710392 (Suhaila Malzuki)
E-mail: pmbi.north@pelaburanmara.com.my
suhaila@pelaburanmara.com.my

Eastern Region

Lot D103, Tingkat 1, Mahkota Square
Jalan Mahkota, 25000 Kuantan, Pahang
Tel: (09) 5158545 Fax: (09) 5134545
H/P: (017) 7710117 (Ameer Khalifa Mohd Azman)
E-mail: pmbi.east@pelaburanmara.com.my
ameer.khalifa@pelaburanmara.com.my

Southern Region

No. 17-01, Jalan Molek 1/29
Taman Molek, 81100 Johor Bahru
Tel: (07) 3522120 Fax: (07) 3512120
H/P: (016) 2232414 (Suraya Rosli)
E-mail: pmbi.south@pelaburanmara.com.my
suraya@pelaburanmara.com.my

Sarawak

No. 59, Tingkat 1, Jalan Tun Jugah
93350 Kuching, Sarawak
Tel: (082) 464402 Fax: (082) 464404
H/P: (013) 8230645 (John Nyaliaw)
E-mail: pmbi.sarawak@pelaburanmara.com.my
john@pelaburanmara.com.my

REGIONAL SALES OFFICES

Sabah

Lot 16-4, Block C, Level 4 Harbour City, Sembulan
88100 Kota Kinabalu, Sabah
Tel: (088) 244129 Fax: (088) 244419
E-mail: pmbi.sabah@pelaburanmara.com.my

STATE SALES OFFICE:

Kedah

No. 65, 1st Floor, Kompleks Sultan Abdul Hamid,
Persiaran SSAH 1A, 05050 Alor Setar, Kedah
Tel: (04) 7724000
E-mail: pmbi.kedah@pelaburanmara.com.my

Kelantan

Tingkat 1, Lot 1156, Seksyen 11,
15100 Kota Bharu, Kelantan
Tel: (09) 7421791 Fax: (09) 7421790
E-mail: pmbi.kelantan@pelaburanmara.com.my

AGENCY OFFICES

Kuala Lumpur

Abdul Samad Ashaari
Suite 8-1 & 8-2, Level 8 Menara CIMB,
No.1, Jalan Stesen Sentral 2,
Kuala Lumpur Sentral,
50470 Kuala Lumpur
H/P: (019) 2206085
E-mail: samad.ashaari@gmail.com

Zakira Ramlee

Tingkat 3A, 1st Floor, Sunway Visio Tower,
Lingkaran SV, Sunway Velocity,
55100 Kuala Lumpur
H/P: (012) 6083140
E-mail: zakira.pelaburanmara@gmail.com

Selangor

Azrin Aliman
No.2-19, Level 2, Jalan Prima SG1,
Prima Sri Gombak,
68100, Batu Caves, Selangor
H/P: (012) 9239599
E-mail: azrinaliman@gmail.com

AGENCY OFFICES

Terengganu

Mohd Nazri Othman
No. 472-C, Tingkat 1, Jalan Kamaruddin
20400 Kuala Terengganu, Terengganu
H/P: (019) 9847878
E-mail: nazri.pmbi@gmail.com

Muhamad Zikri Shamsudin,
K8813-C-2, Jalan Kemaman/Dungun,
Bangunan MPK Kerteh,
Bandar Seri Kerteh,
24300 Kemaman, Terengganu
H/P: (013) 5025050
E-mail: muhamadzikrishamsudin@gmail.com

Institutional Unit Trust Agents:

Phillip Mutual Berhad
UOB Kay Hian Securities (M) Sdn Bhd
TA Investment Management Berhad
iFast Capital Sdn Bhd
KAF Investment Funds Berhad

Financial Institutions For Autodebit Services:

Bank Simpanan Nasional
CIMB Bank Berhad
Malayan Banking Berhad/Maybank Islamic Berhad
RHB Bank Berhad/RHB Islamic Bank Berhad

Corporate Unit Trust Adviser (CUTA):

M Advisory Solutions Sdn Bhd

11. INFORMATION OF CUSTOMER SERVICES

CUSTOMER SERVICES

You may communicate with us via: -

- Customer Service Units : (03) 4145 3900
- E-mail : clients@pelaburanmara.com.my

Our Customer Service Personnel would assist your queries on our unit trust funds.

NOTES TO PROSPECTIVE INVESTORS

This report is not an offer to sell units.

Prospective investor should read and understand the contents of the Prospectus. If you are in doubt, please consult your investment adviser on this scheme.

Past performance of the Fund is not an indication of future performance and unit prices and investment returns may fluctuate.

THIS PAGE INTENTIONALLY LEFT BLANK



Know How. No Doubt.

PMB INVESTMENT BERHAD
199301001702 (256439-D)

An Islamic Fund Management Company (IFMC)

Customer Services Unit: +603 4145 3900



A member of  **PELABURANMARA**