

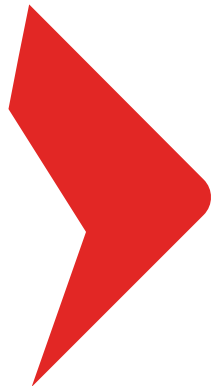


A Prudential plc company 

EASTSPRING INVESTMENTS DANA AL-ISLAH

ANNUAL REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024



Dear Valued Investor,

Greetings from Eastspring Investments Berhad!

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

We are pleased to enclose a copy of the Annual/Semi-annual/Quarterly Fund Reports of Eastspring Investments Berhad's fund(s) for the reporting period ended 31 March 2024.

You may also download these reports from our website at www.eastspring.com/my

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

Yours sincerely,

A handwritten signature in black ink, appearing to be 'YSH' or similar initials, written in a cursive style.

Yap Siok Hoon

Non-Independent, Executive Director and Chief Executive Officer

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FUND INFORMATION

Name of Fund	Eastspring Investments Dana al-Islah (the “Fund”)
Fund Category/ Type	Sukuk/income
Fund Objective	<p>The Fund seeks to provide investors with a stable income* stream and an opportunity for capital appreciation from Shariah-compliant fixed income and equity securities.</p> <p>ANY MATERIAL CHANGES TO THE FUND’S OBJECTIVE WOULD REQUIRE UNIT HOLDERS’ APPROVAL.</p> <p>* Income distributed to a Unit Holder will be reinvested into additional Units unless Unit Holder opts for the distribution to be paid out.</p>
Performance Benchmark	<p>The performance benchmark of the Fund is 78% Quant Shop MGS Short Index + 22% FTSE Bursa Malaysia EMAS Shariah Index (“FBMS”).</p> <p>The composite benchmark index is a reflection of the Fund’s average asset allocation over the long-term of 78% of the Fund’s NAV in sukuk and Islamic liquid assets, and 22% of the Fund’s NAV in Shariah-compliant equities and Shariah-compliant equity-related securities.</p> <p>Source: Quant Shop MGS Short Index (www.quantshop.com) FTSE Bursa Malaysia EMAS Shariah Index (“FBMS”) (www.bursamalaysia.com)</p> <p>The performance of the Fund against the benchmark is published in the Manager’s monthly factsheet and is available from the Manager’s website at www.eastspringinvestments.com.my.</p> <p>Note: The risk profile of the Fund is different from the risk profile of the performance benchmark.</p>

FUND INFORMATION (CONTINUED)

**Fund Income
Distribution Policy**

At least once a year, subject to the availability of income.

KEY PERFORMANCE DATA

FOR THE FINANCIAL YEAR ENDED

Category	2024	2023	2022
	(%)	(%)	(%)
Quoted Shariah-compliant securities			
Construction	0.63	-	-
Consumer Products & Services	1.12	2.80	4.94
Energy	0.56	0.61	2.03
Financial Services	0.50	0.80	0.65
Health Care	3.06	1.58	1.07
Industrial Products & Services	2.70	3.69	1.63
Plantation	1.94	1.34	1.07
Property	1.39	0.46	0.92
Technology	2.15	3.14	4.14
Telecommunications & Media	0.87	2.00	0.94
Transportation & Logistics	-	0.42	-
Utilities	3.38	0.45	1.31
	18.30	17.29	18.70
Unquoted sukuk	75.99	77.53	75.72
Cash and other assets	5.71	5.18	5.58
Total	100.00	100.00	100.00

KEY PERFORMANCE DATA (CONTINUED)

Category	2024	2023	2022
Net Asset Value (NAV) (RM'000)	36,782	43,645	44,486
Units In Circulation (Units '000)	50,721	60,282	59,408
Net Asset Value Per Unit (RM)	0.7252	0.7240	0.7488
Highest Net Asset Value Per Unit (RM) [#]	0.7251	0.7241	0.7527
Lowest Net Asset Value Per Unit (RM) [#]	0.7220	0.7228	0.7470
Total Return (%)			
- Capital Growth	0.15	(3.31)	(3.57)
- Income Distribution	3.82	3.66	2.60
Total Return (%)	3.98	0.23	(1.06)
Gross Distribution Per Unit (RM)	0.0276	0.0265	0.0194
Net Distribution Per Unit (RM)	0.0276	0.0265	0.0194
Total Expense Ratio (TER) (%) [*]	1.39	1.38	1.40
Portfolio Turnover Ratio (PTR) (times) [^]	0.17	0.36	0.42

[#] Figure shown as ex-distribution.

^{*} There were no significant changes to the TER during the period under review.

[^] There were no significant changes to the PTR during the period under review.

KEY PERFORMANCE DATA (CONTINUED)

	1 year 1.4.2023 to 31.3.2024	3 years 1.4.2021 to 31.3.2024	5 years 1.4.2019 to 31.3.2024
	(%)	(%)	(%)
Average total return	3.98	1.02	3.68

Year ended	1.4.2023 to 31.3.2024	1.4.2022 to 31.3.2023	1.4.2021 to 31.3.2022	1.4.2020 to 31.3.2021	1.4.2019 to 31.3.2020
	(%)	(%)	(%)	(%)	(%)
Annual total return	3.98	0.23	(1.06)	16.29	(0.04)

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

Bases of calculation and assumptions made in calculating returns:

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

NAV_t = NAV at the end of the period

NAV₀ = NAV at the beginning of the period

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

Adjusted for unit split and distribution paid out for the period

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

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

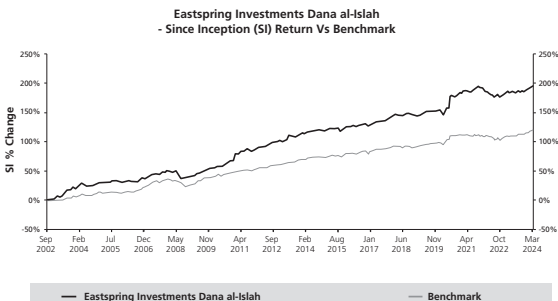
MANAGER'S REPORT

Fund Performance

Over the 5-year period, the Fund recorded a return of 19.85%, outperforming the benchmark return of 13.48% by 6.37%.

For the period under review, the Fund registered a return of 3.98%, underperforming the benchmark return of 4.37% by 0.39%.

The longer-term outperformance was mainly attributable to the positive portfolio selection in both sukuk and Shariah-compliant equities. Rising yields in the domestic sukuk market, coupled with underweight position in selected sectors within the equity holdings have contributed to the underperformance during the period under review.



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

Benchmark: 78% Quant Shop MGS Short Index + 22% FBMS

Source: Lipper for Investment Management, www.quantshop.com and www.bursamalaysia.com, as at 31 March 2024.

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

MANAGER'S REPORT (CONTINUED)

Analysis of Fund Performance

For the financial year ended 31 March 2024:

Income Return	Capital Return*	Total Return	Total Return of Benchmark
(%)	(%)	(%)	(%)
3.82	0.15	3.98	4.37

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

Distribution/ Unit Split

Ex-Date	15-Mar-24
Distribution Per Unit	(RM)
Gross	0.0276
Net	0.0276
Unit Split	Nil

Impact on NAV arising from distribution for the financial year ended 31 March 2024.

Ex-Date	15-Mar-24
	(RM per Unit)
Net Asset Value before distribution	0.7501
Less: distribution	(0.0276)
Net Asset Value after distribution	0.7225

Investment Strategy During the Period Under Review

The Fund overweight in corporate sukuk for yield pick-up and traded on market volatility has contributed positively to the Fund.

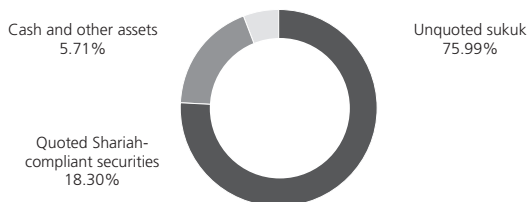
For Shariah-compliant equity, the Fund underweighted Shariah-compliant equities over the period under review as we turned defensive after strong equity market performance.

MANAGER'S REPORT (CONTINUED)

Asset Allocation

Asset Allocation	31-Mar 2024	31-Mar 2023	Changes
	(%)	(%)	(%)
Quoted Shariah-compliant securities	18.30	17.29	1.01
Unquoted sukuk	75.99	77.53	(1.54)
Cash and other assets	5.71	5.18	0.53

Asset Allocation as at 31 March 2024



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

MANAGER'S REPORT (CONTINUED)

State of Affairs of the Fund

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

We have issued the Eighth Supplementary Master Prospectus dated 2 February 2024 with the following changes:

- a. We, as the Manager reserves the right to change the minimum amounts and number of units in relation to investments into the Fund. We will notify unit holders by way letter should we decide to increase the minimum amounts and number of units;
- b. To lower minimum initial and/or additional investments amount, minimum redemption and minimum holding units for investments via our digital platform as well as on our distributor's digital platform;
- c. To only allow income distribution payments via electronic bank transfer (e-payment);
- d. To implement auto-reinvestment of the income distributions in the absence of a registered bank account; and
- e. To implement auto-reinvestment enhancement for income distributions paid to unit holders should there be unclaimed income distribution payment for the last three (3) consecutive distributions.

With above, unit holders may refer to **Appendix 1** for the detailed list of changes.

MARKET REVIEW

Equity

Malaysian equity markets continued its correction into the 2Q2023. News was fairly light during the month with some focus on OPEC+ and crude oil prices initially spiking to USD85/bbl, post the announcement by OPEC+ to indicate continued production cuts in coming months. However, the International Energy Agency (“IEA”) came out with a statement that the surprise cut (by OPEC+) risked exacerbating global supply deficits in oil and could impact global economic growth. Brent crude oil prices subsequently ended the month below USD80/bbl. Domestically, PM Anwar made an official visit to China, and secured RM170b in investment pledges. Focus for the month of May was around corporate earnings, with most reporting earnings below consensus expectations. News flow was light during the month, with some focus on interest rates in Malaysia as BNM raised OPR by 25bps. Malaysian Ringgit also saw a lot of pressure versus the US dollar, weakening to above RM4.60/USD. Foreign investors continued to be net sellers of equities for the 2Q2023 and have been for the tenth consecutive months. In June, Bank Negara Malaysia announced that the Yang di-Pertuan Agong has consented to the appointment of Datuk Shaik Abdul Rasheed bin Abdul Ghaffour as Governor for a five-year term effective 1 July 2023 to 30 June 2028.

Malaysian equity markets performed well in the beginning of 3Q2023, after 6 months of consecutive monthly declines, outperforming regional markets, especially on USD basis, as the MYR appreciated by 3.54% against the USD. In the second half of July, we saw foreign inflows into Malaysian equities, and we ended the month with net foreign buying of RM1.4b, after 10 consecutive months of foreign outflows since September 2022. Towards the end July, PM Dato Seri Anwar Ibrahim unveiled his plans for an economic reset via the MADANI Economy Framework, and then announced the National Energy Transition Roadmap (Phase 1) the same day. Malaysian equity markets continued to outperform regional markets for the second consecutive month in August. Malaysia had an eventful month where the State Elections were held in 6 states, which resulted in a status quo outcome: PH/BN won 3 states and PN won 3 states as well. The government launched Phase 2 of NETR end of August, providing some details on the energy exchange hub to enable cross border RE trading, with the Prime Minister hinting that the Energy Exchange will hopefully be expedited to ready by end 2023. The surprise for July was the M&As announced. KLK announced that they will be acquiring a 33% +1 share in Boustead Plantations (with intention to acquire the remaining shares not owned, acting in concert with LTAT), and Sime Darby is proposing to take over UMW. The Malaysian Ringgit depreciated 3.1%, after hitting a low of RM4.507/USD on 31 July 2023. By the end of the 3Q2023, Malaysian equity markets managed to eke out a positive return for the period and maintain their outperformance over other regional markets. The government

announced the New Industrial Master Plan (“NIMP”) 2030, which is targeting a 6.5% increase in manufacturing value-added by 2030 to RM587.8b, expecting to require a total investment of RM95b over seven years. News that the Malaysian prosecution was withdrawing all 47 charges of criminal breach of trust, graft, and money laundering faced by Deputy Prime Minister Datuk Seri Dr Ahmad Zahid Hamidi, after applying to discharge all the charges, came as a surprise. Corporate earnings reported in September were overall weaker than expected, resulting in downgrades to consensus earnings. Foreign investors continued to be net buyers of equity in September 2023, for the third consecutive month, after previously being net sellers for 10 consecutive months.

Malaysian equities performed relatively well in the 4Q2023. October was a fairly eventful month, with the announcement of Budget 2024 which investors took to be fairly neutral. Within the Budget, subsidies are lower for 2024 at 10% of operating expenditures (versus 14% in 2023), and the announcement of additional infrastructure goodies were announced such as the restoration of LRT3 stations and extension of LRT to mainland. Not long after this, a slew of economic data released in the US, continued to highlight the strength of the US economy, withstanding the surge in interest rates thus far. Investors speculated that this would be a risk for the US Federal Reserve to remain hawkish on their interest rate policy, providing strength to the US Dollar. The MYR traded at Asian Financial Crisis lows at RM4.79/USD on the 24 October 2023, lowest level in more than 25 years. November was the results reporting month for 3Q2023. Generally, the results reported were weaker and missed expectations more than meet or beat. Those that had exposure to external demand for example tech, came in below, whilst many companies across a broad range of sectors continued to be impacted by cost pressures. Foreign investors turned net buyers of Malaysian equities in November of RM1.6b. December was a quiet month for Malaysian equities, with few events and announcements. However, during the month, the media reported on the proposal of the Johor-Singapore Special Economic Zone, with the MoU to be signed in January 2024. The Prime Minister announced the cabinet reshuffle mid-December, adding 5 new ministers appointed to his cabinet. The cabinet which had 28 ministers previously has been expanded to 31, with two ministerial portfolios split up and the appointment of a second Finance Minister. For December, we saw net foreign buying of RM0.3m for the second month in a row. However, Malaysia ended the year with net foreign outflows of RM2.4b. YTL Corp and YTL Power replaced Westports and Dialog as KLCI constituents effective 18 December 2023.

Malaysian equities started 2024 well, outperforming regional markets as one of the best performing markets. During January, the Johor-Singapore Special Economic Zone (“JS-SEZ”) MoU was signed between Malaysia and Singapore. The agreement with details to develop the economic zone will be signed at the Malaysia-Singapore Leader’s Retreat taking place end of 2024. The key initiatives mentioned as part of this SEZ include the formation of a

one-stop business/investment services centre in Johor to facilitate the application process of various approvals and licences necessary for Singapore businesses to set up in Johor; an adoption/ implementation of a passport-free QR code clearance system on both sides; adoption of digitized processed for cargo clearance at land checkpoints; and facilitate the cooperation for renewable energy. On the 31 January 2024, Malaysia saw the installation of a new King, the Sultan of Johor, Sultan Ibrahim, with Sultan Nazrin (the ruler of the state of Perak) was re-elected as deputy King. The Malaysian equity markets continued its uptrend, reporting a gain for the second month in 2024, and has been reporting monthly gains for the last 5 consecutive months. The Lunar New Year holidays were in February, making a short month even shorter. February also saw corporate earnings reported which were a bit mixed, with weak earnings from plantations and petrochemicals companies. The changes to the MSCI indices as a result of their quarterly index rebalance saw YTL Corp and YTL Power added to the MSCI Asia Pacific Index, whilst Dialog was deleted. The Malaysian Ringgit hit a 26-year low versus the US dollar during the month, at levels last seen during the Asian Financial Crisis. Taking a breather in March, the Malaysian equity markets, saw foreign investors become net sellers in March of RM2.8b, reversing 4 consecutive months net equity inflows.

The FBM KLCI closed the period under review at 1,536.07 points, up 8%. The broader FTSE Bursa Malaysia EMAS Shariah Index ("FBMS") closed the period under review higher by 11.1%. The MSCI Asia Pacific ex-Japan Index rose by 2.5% in USD terms.¹

Bond

The one-year period ended 31 March 2024 was a year of transition for the global economy and financial markets. As extreme inflation subsided, investors' attention shifted to slowing growth and prospects for rate cuts. The first half of the period under review saw the Federal Reserve ("Fed") raised its federal funds rate by 50bps to 5.25%-5.50% citing that the U.S. economy has been expanding at a moderate pace while inflation remains elevated. However, in the September Federal Open Market Committee ("FOMC") meeting, the Fed left the federal funds rate unchanged as its indicators suggested that "growth of economic activity has slowed" from its strong pace in the 3Q2023, and has remained unchanged since. Towards year-end, the revised dot plot – a chart plotting FOMC projections for the federal funds rate - indicated that three rate cuts are now anticipated for 2024, up from the previously expected two, and this remained going into 1Q2024. The shift towards a more dovish tone had led to a bond market rally towards the end of 2023, as markets began to price in 6 cuts for 2024.

¹ Source: Bloomberg: World indices

However, as U.S. economic and inflation data continued to exceed expectations, this trend reversed. Headline U.S. Personal Consumption Expenditure (“PCE”) price index increased 2.5% year-on-year (“y-o-y”) in February (January: 2.4%), the University of Michigan Consumer Sentiment index for March recording an increase to 79.4 from the downward revised 76.9 in the prior month, and the Non-Farm Payroll data showed that the U.S. economy added 275,000 jobs in February compared to the revised 229,000 jobs in the prior month although the unemployment rate increased to 3.9% in February compared to 3.7% in the previous month. Strong data releases continued in April 2024, with the core CPI and retail sales rising 3.8% and 4.0% y-o-y in March, respectively – both above consensus estimates, resulted in earlier expectations of rate cuts getting pushed out, resulting in less than 3 cuts being priced in for 2024 as at end-March 2024, from 6 cuts as at end-2023. This resulted in UST yields surging 31-37bps across the curve in 1Q2024.

Of note, the U.S. debt ceiling issue came to an end in June with the final agreement to suspend the debt limit until 2025 (after the next presidential election). Initially, there was some investor caution around U.S. debt ceiling concerns, but legislation that suspended the debt ceiling was approved by the U.S. Congress in the first days of June in a deal that included concessions on spendings. Separately, the U.S. also had avoided the shutdown of Federal agencies as the Congress approves temporary funding and pushes the fight over the federal budget into the new year 2024. Nevertheless, there was downwards sovereign rating pressure, with Moody’s Investors Service changing its ratings outlook on the U.S. to “negative” from “stable” while affirming the AAA credit rating, after Fitch downgraded its credit rating for the U.S. from AAA to AA+ in August.

In Malaysia, Bank Negara Malaysia (“BNM”) increased its Overnight Policy Rate (“OPR”) to 3.00% in its May 2023 Monetary Policy Committee (“MPC”) meeting, noting that the decision remains supportive of the economy and is consistent with the current assessment of the inflation and growth prospects. It has since maintained the OPR, with any decisions going forward to be data dependent as the central bank assesses the sustainability of the domestic growth momentum, upside risks to inflation with potential subsidy rationalisation, global economic growth in developed economies and China, as well as the performance of the Ringgit. With the roll out of the targeted subsidy programme for RON95 petrol expected in the second half of 2024, inflation is expected to come in higher in 2024. Malaysia’s growth momentum in the next few years will depend on the execution of the policy blueprints such as MADANI Economy, National Energy Transition Roadmap (“NETR”) and New Industrial Master Plan (“NIMP”). BNM in its Economic and

Monetary Review 2023, projected the Malaysian economy to expand by between 4% to 5% in 2024, driven by resilient domestic demand and an improvement in external demand fuelled by the rebound in global trade and the tech upcycle, among others. Meanwhile, headline and core inflation are expected to average between 2% and 3.5%, amid stable demand conditions and contained price pressures.

During the period, the 10-year MADANI economy roadmap was unveiled by the Malaysian government. Among the key initiatives include taking Malaysia into one of the top 30 economies in the world over the next decade, improving Malaysia's standing in the Global Competitiveness Index to 12th and Human Development Index to 25th, growing GDP by 5.5% to 6.0% and reducing fiscal deficit to 3.0% or lower. Also, Malaysian PM Anwar Ibrahim tabled Budget 2024 in October, targeting a fiscal deficit of 4.3% of GDP with an expenditure allocation of RM393.8bn and a revenue projection of RM307.6bn. Among key measures announced include the hike in sales and service tax ("SST") from 6% to 8%, the introduction of capital gains tax on sale of unlisted shares in March 2024, and a Luxury Goods Tax which will be set at 5-10%. Fuel subsidies will also be rationalized, however, logistic companies would be exempted, while the ceiling price for chicken and eggs would be removed. In line with the subsidy rationalization, the government has pushed on with the implementation of the Central Database Hub ("PADU"), a database aimed at centralizing individual and household profiles to better enable targeted policy implementation and data-driven decision-making.

In Malaysia, the headline CPI and core CPI both halted the easing trend, both standing at 1.8% y-o-y in February 2024 (December 2023: 1.5%; 1.8%), while the unemployment rate remained stable at 3.3% in January. BNM international reserves decreased to US\$113.4bn as of mid-March (mid-February: US\$115.4bn). The reserves position was sufficient to finance 5.4 months of imports and is 1.0x of the total short-term external debt.

REBATES AND SOFT COMMISSIONS

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

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

SECURITIES LENDING OR REPURCHASE TRANSACTIONS

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

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EASTSPRING INVESTMENTS DANA AL-ISLAH

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

STATEMENT BY THE MANAGER

We, Yap Siok Hoon and John Campbell Tupling, being two of the Directors of Eastspring Investments Berhad, do hereby state that, in the opinion of the Manager, the accompanying financial statements set out on pages 25 to 75 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 March 2024 and of its financial performance, changes in equity and cash flows for the financial year ended on that date in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,
EASTSPRING INVESTMENTS BERHAD

YAP SIOK HOON
Executive Director/Chief Executive Officer

JOHN CAMPBELL TUPLING
Independent, Non-Executive Director

Kuala Lumpur
Date: 27 May 2024

TRUSTEE'S REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS DANA AL-ISLAH ("Fund")

We have acted as Trustee of the Fund for the financial year ended 31 March 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Eastspring Investments Berhad has operated and managed the Fund during the year covered by these financial statements in accordance with the following:-

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

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

For Deutsche Trustees Malaysia Berhad

Ng Hon Leong
Head, Fund Operations

Sylvia Beh
Chief Executive Officer

Kuala Lumpur
Date: 27 May 2024

SHARIAH ADVISER'S REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS DANA AL-ISLAH ("FUND")

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Eastspring Investments Berhad has operated and managed the Fund for the period covered by these financial statements namely, the year ended 31 March 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

NURUL AQILA SUFIYAH LOKMAN
Designated Shariah Officer

Kuala Lumpur
Date: 27 May 2024

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS DANA AL-ISLAH

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Eastspring Investments Dana al-Islah ("the Fund") give a true and fair view of the financial position of the Fund as at 31 March 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 March 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 25 to 75.

Basis for opinion

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

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

Independence and other ethical responsibilities

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

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the Manager for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

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

OTHER MATTERS

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

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
Date: 27 May 2024

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	2024	2023
		RM	RM
INVESTMENT INCOME			
Gross dividend income		254,115	211,221
Profit income from Islamic deposits with licensed financial institutions		69,407	66,732
Profit income from unquoted sukuk		1,131,754	1,137,729
Net gain/(loss) on financial assets at fair value through profit or loss	7	631,309	(646,934)
		<u>2,086,585</u>	<u>768,748</u>
EXPENSES			
Management fee	3	(509,594)	(569,600)
Trustee fee	4	(28,537)	(31,898)
Audit fee		(7,000)	(7,000)
Tax agent fee		(4,000)	(3,700)
Other expenses		(16,440)	(15,430)
Transaction costs		(26,046)	(42,945)
		<u>(591,617)</u>	<u>(670,573)</u>
PROFIT BEFORE TAXATION		1,494,968	98,175
TAXATION	5	-	-
PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME		<u>1,494,968</u>	<u>98,175</u>
Profit after taxation is made up of the following:			
Realised amount		129,696	866,954
Unrealised amount		1,365,272	(768,779)
		<u>1,494,968</u>	<u>98,175</u>

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

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2024

	Note	2024	2023
		RM	RM
ASSETS			
Cash and cash equivalents	8	2,113,041	2,992,179
Financial assets at fair value through profit or loss	7	34,680,524	41,381,280
Amount due from Manager		129,932	142,911
Dividends receivable		71,183	13,515
TOTAL ASSETS		<u>36,994,680</u>	<u>44,529,885</u>
LIABILITIES			
Accrued management fee		39,018	47,715
Amount due to Manager		154,766	629,678
Amount due to Trustee		2,185	2,672
Amount due to brokers		-	184,009
Other payables and accruals		16,397	20,490
TOTAL LIABILITIES		<u>212,366</u>	<u>884,564</u>
NET ASSET VALUE OF THE FUND		<u>36,782,314</u>	<u>43,645,321</u>
EQUITY			
Unit holders' capital		32,225,735	39,351,724
Retained earnings		4,556,579	4,293,597
NET ASSET ATTRIBUTABLE TO UNIT HOLDERS		<u>36,782,314</u>	<u>43,645,321</u>
NUMBER OF UNITS IN CIRCULATION	10	<u>50,721,361</u>	<u>60,282,497</u>
NET ASSET VALUE PER UNIT (EX-DISTRIBUTION) (RM)		<u>0.7252</u>	<u>0.7240</u>

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

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	Unit holders' capital	Retained earnings	Total
		RM	RM	RM
Balance as at 1 April 2023		39,351,724	4,293,597	43,645,321
Movement in unit holders' contribution:				
Creation of units from applications		9,004,700	-	9,004,700
Creation of units from distribution		1,302,744	-	1,302,744
Cancellation of units		(17,289,414)	-	(17,289,414)
Distribution (Gross/Net: 2.76 sen)	6	(144,019)	(1,231,986)	(1,376,005)
Total comprehensive income for the financial year		-	1,494,968	1,494,968
Balance as at 31 March 2024		<u>32,225,735</u>	<u>4,556,579</u>	<u>36,782,314</u>
Balance as at 1 April 2022		39,105,414	5,380,977	44,486,391
Movement in unit holders' contribution:				
Creation of units from applications		16,614,543	-	16,614,543
Creation of units from distribution		1,566,419	-	1,566,419
Cancellation of units		(17,525,170)	-	(17,525,170)
Distribution (Gross/Net: 2.65 sen)	6	(409,482)	(1,185,555)	(1,595,037)
Total comprehensive income for the financial year		-	98,175	98,175
Balance as at 31 March 2023		<u>39,351,724</u>	<u>4,293,597</u>	<u>43,645,321</u>

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

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	2024	2023
		RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of Shariah-compliant investments		10,386,639	19,773,604
Purchase of Shariah-compliant investments		(3,475,930)	(19,130,197)
Dividends received		196,447	225,389
Profit income received from Islamic deposits with licensed financial institutions		69,407	66,732
Profit income received from unquoted sukuk		1,343,054	1,343,854
Management fee paid		(518,291)	(569,955)
Trustee fee paid		(29,024)	(31,918)
Payment for other fees and expenses		(31,532)	(29,890)
Net cash generated from operating activities		<u>7,940,770</u>	<u>1,647,619</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		9,017,679	17,001,338
Payments for cancellation of units		(17,764,326)	(17,068,820)
Distribution paid		(73,261)	(28,618)
Net cash used in financing activities		<u>(8,819,908)</u>	<u>(96,100)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			
		(879,138)	1,551,519
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR			
		<u>2,992,179</u>	<u>1,440,660</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR			
	8	<u>2,113,041</u>	<u>2,992,179</u>

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

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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

A. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

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

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

a. Standards and amendments to existing standards effective 1 January 2023:

There are no other standards, amendments to standards or interpretations that are effective for financial year beginning on 1 April 2023 that have a material effect on the financial statements of the Fund.

b. New standards, amendments and interpretations effective after 1 January 2023 and have not been early adopted:

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2023 and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

B. INCOME RECOGNITION

Profit income earned from short-term Islamic deposits with licensed financial institutions and unquoted sukuk are recognised on an accrual basis using the effective profit rate method.

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

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

Realised gain or loss on disposal of Shariah-compliant investments are accounted for as the difference between the net disposal proceeds and the carrying amount of Shariah-compliant securities, which is determined on a weighted average cost basis and on cost adjusted for accretion of discount and amortisation of premium on investments for unquoted sukuk.

C. TAXATION

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

D. FUNCTIONAL AND PRESENTATION CURRENCY

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

E. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

i. Classification

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

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

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity¹ securities as fair value through other comprehensive income. The contractual cash flows of the Fund's debt instruments² are solely principal and interest³, however, these instruments are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

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

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

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

² For the purposes of the investments made by the Fund, debt instruments refer to unquoted sukuk.

³ For the purposes of this Fund, interest refers to profits earned from Shariah-compliant investments.

ii. Recognition and measurement

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

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

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

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

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

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

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

Unquoted sukuk are carried at cost and adjusted for any amortisation of premium or accretion of discount from acquisition date to maturity date. The carrying cost is revalued to reflect its fair value on a daily basis using the net present value method based on fair value prices quoted by a bond pricing agency (“BPA”) registered with the Securities Commission (“SC”) as per the SC Guidelines on Unit Trust Funds.

Where such quotations are not available or where the Manager is of the view that the price quoted by the BPA for a specific unquoted sukuk differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager:

- (i) records its basis for using non-BPA price;
- (ii) obtains necessary internal approvals to use the non-BPA price; and
- (iii) keeps an audit trail of all decisions and basis for adopting the market yield.

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

iii. Impairment for assets carried at amortised costs

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

iv. Significant increase in credit risk

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

v. Definition of default and credit-impaired financial assets

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

vi. Write-off

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

F. CASH AND CASH EQUIVALENTS

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

G. UNIT HOLDERS' CAPITAL

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

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

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

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

H. DISTRIBUTION

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

I. AMOUNT DUE FROM/(TO) BROKERS

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

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

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

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

J. TRANSACTION COSTS

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

K. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

1. INFORMATION ON THE FUND

Eastspring Investments Dana al-Islah (the "Fund") was constituted pursuant to the execution of Master Deed dated 25 July 2002 as amended by Supplemental Master Deed dated 22 June 2004 and Second Supplemental Master Deed dated 25 January 2005, followed by Master Supplemental Deed dated 12 July 2007 and Second Supplemental Master Deed dated 30 November 2009 between HSBC (Malaysia) Trustee Berhad ("HSBC Trustee") and Eastspring Investments Berhad (the "Manager"). The Fund replaced HSBC Trustee with Deutsche Trustees Malaysia Berhad (the "Trustee") effective 1 October 2010. A Supplemental Master Deed was entered into between the Manager and the Trustee on 30 July 2010 to effect the change of trustee from HSBC Trustee to the Trustee, followed by Second Supplemental Master Deed dated 28 January 2011, Third Supplemental Master Deed dated 9 March 2011, Fourth Supplemental Master Deed dated 20 January 2012, Fifth Supplemental Master Deed dated 26 March 2014, Sixth Supplemental Master Deed dated 2 January 2015, Seventh Supplemental Master Deed dated 11 July 2016, Eighth Supplemental Master Deed dated 25 January 2017, Ninth Supplemental Master Deed dated 11 December 2017, Tenth Supplemental Master Deed dated 4 June 2018, Eleventh Supplemental Master Deed dated 30 September 2021, Twelfth Supplemental Master Deed dated 29 June 2022 and Thirteenth Supplemental Master Deed dated 29 November 2022 (collectively referred to as the "Deeds").

The Fund was launched on 14 August 2002 and will continue its operations until terminated as provided under Part 12 of the Deed.

The Fund invests in a portfolio comprising primarily sukuk and partially Shariah-compliant equities and Shariah-compliant equity-related securities.

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

The Fund seeks to provide investors with a stable income stream, and an opportunity for capital appreciation from Shariah-compliant fixed income and equity securities.

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

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

Financial instruments of the Fund are as follows:

	Note	Financial assets at amortised cost RM	Financial assets at fair value through profit or loss RM	Total RM
2024				
Cash and cash equivalents	8	2,113,041	-	2,113,041
Quoted Shariah-compliant securities	7	-	6,733,039	6,733,039
Unquoted sukuk	7	-	27,947,485	27,947,485
Amount due from Manager		129,932	-	129,932
Dividends receivable		71,183	-	71,183
		<u>2,314,156</u>	<u>34,680,524</u>	<u>36,994,680</u>
2023				
Cash and cash equivalents	8	2,992,179	-	2,992,179
Quoted Shariah-compliant securities	7	-	7,541,433	7,541,433
Unquoted sukuk	7	-	33,839,847	33,839,847
Amount due from Manager		142,911	-	142,911
Dividends receivable		13,515	-	13,515
		<u>3,148,605</u>	<u>41,381,280</u>	<u>44,529,885</u>

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

Market risk

i. Price risk

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

The table below shows assets of the Fund as at 31 March which are exposed to price risk.

	2024	2023
	RM	RM
Financial assets at fair value through profit or loss:		
Quoted Shariah-compliant securities	6,733,039	7,541,433
Unquoted sukuk*	27,947,485	33,839,847

* Includes profit receivables of RM342,449 (2023: RM442,485).

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

% Change in price	Market value	Impact on profit after tax and net asset value
	RM	RM
<u>2024</u>		
+5%	36,054,979	1,716,904
-5%	32,621,171	(1,716,904)
<u>2023</u>		
+5%	42,985,735	2,046,940
-5%	38,891,855	(2,046,940)

ii. Exposure to interest rate risk

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

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

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

Investors should note that the movement in valuation of unquoted sukuk and Islamic money market instruments are benchmarked against interest rates. As such, the investments are exposed to the movement of the interest rates.

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

Such investments may be subject to unanticipated rise in interest rates which may impair the ability of the issuers to make payments of profit income and principal, especially if the issuers are highly leveraged. An increase in interest rates may therefore increase the potential for default by an issuer.

The table below summarises the sensitivity of the Fund's profit after tax and net asset value to movements in pricing of unquoted sukuk at the end of each reporting financial year as a result of movement in interest rate. The analysis is based on the assumptions that the interest rate changed by 1% (2023: 1%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the interest rate, having regard to the historical volatility of the interest rate.

% Movement in interest rate	Impact on profit after tax and net asset value	
	2024	2023
	RM	RM
<u>Unquoted sukuk</u>		
+1% (2023: +1%)	(40,882)	(54,549)
-1% (2023: -1%)	40,987	54,702

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

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

Stock/Issuer risk

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

Liquidity risk

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

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

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

	Less than 1 month	Between 1 month to 1 year	Total
	RM	RM	RM
<u>2024</u>			
Accrued management fee	39,018	-	39,018
Amount due to Manager	154,766	-	154,766
Amount due to Trustee	2,185	-	2,185
Other payables and accruals	-	16,397	16,397
Contractual undiscounted cash outflows	<u>195,969</u>	<u>16,397</u>	<u>212,366</u>
<u>2023</u>			
Accrued management fee	47,715	-	47,715
Amount due to Manager	629,678	-	629,678
Amount due to Trustee	2,672	-	2,672
Amount due to brokers	184,009	-	184,009
Other payables and accruals	-	20,490	20,490
Contractual undiscounted cash outflows	<u>864,074</u>	<u>20,490</u>	<u>884,564</u>

Credit/Default risk

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

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

The credit risk arising from placements of Islamic deposits with licensed financial institutions is managed by ensuring that the Fund will only place Islamic deposits in reputable licensed financial institutions. For amount due from broker, the settlement terms are governed by the relevant rules and regulations as prescribed by Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC's Guidelines on Unit Trust Funds.

The credit/default risk is minimal as all transactions in quoted Shariah-compliant securities are settled/paid upon delivery using approved brokers.

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

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

	Unquoted	Cash	Amount	Dividends	Total
	sukuk	and cash	due from	receivable	
	RM	equivalents	Manager	RM	RM
<u>2024</u>					
Financial Services					
- AAA	-	2,060,500	-	-	2,060,500
- AA1	-	52,541	-	-	52,541
- AA2	3,567,596	-	-	-	3,567,596
- AA3	5,203,335	-	-	3,064	5,206,399
Construction					
- NR	-	-	-	2,588	2,588
Consumer Discretionary					
- AA2 (S)	521,915	-	-	-	521,915
Consumer Products					
& Services					
- NR	-	-	-	20,050	20,050
Energy					
- AAA	327,233	-	-	-	327,233
- NR	-	-	-	1,600	1,600
Health Care					
- NR	-	-	-	6,550	6,550
Industrial Products					
& Services					
- AAA IS	1,540,976	-	-	-	1,540,976
- NR	-	-	-	4,893	4,893

	Unquoted sukuk		Cash and cash equivalents		Amount due from Manager		Dividends receivable		Total	
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
2024 (continued)										
Public Administration										
- NR	12,247,916	-	-	-	-	-	-	-	12,247,916	
Technology										
- NR	-	-	-	-	-	-	1,806	-	1,806	
Transportation & Storage										
- AAA	2,052,744	-	-	-	-	-	-	-	2,052,744	
- AA IS	2,485,770	-	-	-	-	-	-	-	2,485,770	
Utilities										
- NR	-	-	-	-	-	-	30,632	-	30,632	
Other										
- NR	-	-	-	-	129,932	-	-	-	129,932	
	<u>27,947,485</u>	<u>2,113,041</u>	<u>2,113,041</u>	<u>129,932</u>	<u>129,932</u>	<u>71,183</u>	<u>30,261,641</u>			

	Unquoted sukuk		Cash and cash equivalents		Amount due from Manager		Dividends receivable		Total	
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
2023										
Financial Services										
- AAA	-	2,930,217	-	-	-	-	-	-	2,930,217	
- AA1	-	61,962	-	-	-	-	-	-	61,962	
- AA2	3,525,981	-	-	-	-	-	-	-	3,525,981	
- AA3	5,172,512	-	-	-	-	-	-	-	5,172,512	
Consumer Discretionary										
- AA3 (S)	518,529	-	-	-	-	-	-	-	518,529	
Energy										
- AAA	322,613	-	-	-	-	-	-	-	322,613	
Health Care										
- NR	-	-	-	-	-	-	3,640	-	3,640	
Industrial Products & Services										
- AAA IS	1,541,618	-	-	-	-	-	-	-	1,541,618	
- NR	-	-	-	-	-	-	2,331	-	2,331	

	Unquoted sukuk		Cash and cash equivalents		Amount due from Manager		Dividends receivable		Total	
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
2023 (continued)										
Public Administration										
- NR	18,311,385	-	-	-	-	-	-	-	18,311,385	
Technology										
- NR	-	-	-	-	-	-	2,006	-	2,006	
Transportation & Storage										
- AAA	1,998,030	-	-	-	-	-	-	-	1,998,030	
- AA- IS	2,449,179	-	-	-	-	-	-	-	2,449,179	
Utilities										
- NR	-	-	-	-	-	-	5,538	-	5,538	
Other										
- NR	-	-	-	-	142,911	-	-	-	142,911	
	<u>33,839,847</u>	<u>2,992,179</u>	<u>2,992,179</u>	<u>142,911</u>	<u>142,911</u>	<u>13,515</u>	<u>13,515</u>	<u>36,988,452</u>		

None of these financial assets are past due or impaired.

Fund management risk

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

Non-compliance risk

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

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

Capital risk

The capital of the Fund is represented by equity consisting of unit holders' capital of RM32,225,735 (2023: RM39,351,724) and retained earnings of RM4,556,579 (2023: RM4,293,597). The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the Shariah-compliant investment activities of the Fund.

Shariah status reclassification risk

a. Shariah-compliant equity securities

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

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

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

b. Sukuk or Islamic money market instruments or Islamic deposits

This risk refers to the risk of a possibility that the currently held sukuk 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 bond or money market instruments or deposits.

Fair value estimation

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

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

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

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

i. Fair value hierarchy

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

The different levels have been defined as follows:

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

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

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

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

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

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
<u>2024</u>				
Financial assets at fair value through profit or loss:				
Quoted Shariah-compliant securities	6,733,039	-	-	6,733,039
Unquoted sukuk	-	27,947,485	-	27,947,485
<u>2023</u>				
Financial assets at fair value through profit or loss:				
Quoted Shariah-compliant securities	7,541,433	-	-	7,541,433
Unquoted sukuk	-	33,839,847	-	33,839,847

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

Financial instruments that trade in markets that are considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include unquoted sukuk. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. The Fund's policies on valuation of these financial assets are stated in Note E to the financial statements.

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

3. MANAGEMENT FEE

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

For the financial year ended 31 March 2024, the management fee is recognised at a rate of 1.25% (2023: 1.25%) per annum on the net asset value of the Fund, calculated on daily basis.

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

4. TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to an annual trustee fee at a rate not exceeding 0.20% per annum, inclusive of custodian fee, of the net asset value of the Fund, calculated on daily basis subject to a minimum fee of RM18,000 per annum.

For the financial year ended 31 March 2024, the Trustee fee is recognised at a rate of 0.07% (2023: 0.07%) subject to a minimum fee of RM18,000 per annum on the net asset value of the Fund, inclusive of local custodian fee, calculated on daily basis.

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

5. TAXATION

	2024	2023
	RM	RM

Tax charged for the financial year:

Current taxation

-

-

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

	2024	2023
	RM	RM
Profit before taxation	1,494,968	98,175
Tax at Malaysian statutory rate of 24% (2023: 24%)	358,792	23,562
Tax effects of:		
Shariah-compliant investment income not subject to tax	(500,780)	(184,500)
Expenses not deductible for tax purposes	18,005	22,554
Restriction on tax deductible expenses for Unit Trust Funds	123,983	138,384
Taxation	-	-

6. DISTRIBUTION

	2024	2023
	RM	RM
Distribution to unit holders are from the following sources:		
Prior financial year's realised income	533,523	-
Dividend income	167,599	161,229
Profit income earned from Shariah-compliant investments	1,141,428	1,434,908
Net amortisation of premiums	(29,376)	(28,847)
Net realised gain on sale of Shariah-compliant investments	-	121,845
Distribution equalisation (Memorandum account)	144,019	409,482
Gross realised income	1,957,193	2,098,617
Less: Expenses	(581,188)	(503,580)
	<u>1,376,005</u>	<u>1,595,037</u>
Gross distribution per unit (sen)	<u>2.76</u>	<u>2.65</u>
Net distribution per unit (sen)	<u>2.76</u>	<u>2.65</u>
Ex-Date	<u>15 March 2024</u>	<u>17 March 2023</u>

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

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

Distribution equalisation represents the average amount of distributable income included in the creation and cancellation prices of units. It is computed as at each date of creation and cancellation of units. For the purposes of determining amount available for distribution, distribution equalisation is included in the computation of realised gain or income available for distribution.

During the financial year ended 31 March 2024, the Fund incurred unrealised losses of Nil (2023: RM768,779).

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024	2023
	RM	RM
Financial assets at fair value through profit or loss:		
Quoted Shariah-compliant securities (Note 7(i))	6,733,039	7,541,433
Unquoted sukuk (Note 7 (ii))	27,947,485	33,839,847
	<u>34,680,524</u>	<u>41,381,280</u>
Net gain/(loss) on financial assets at fair value through profit or loss:		
Realised (loss)/gain on disposals	(733,963)	121,845
Change in unrealised fair value gain/(loss)	1,365,272	(768,779)
	<u>631,309</u>	<u>(646,934)</u>

i. Quoted Shariah-compliant securities

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Construction</u>				
Kerjaya Prospek Group Berhad	129,400	190,718	231,626	0.63
<u>Consumer Products & Services</u>				
Hong Leong Industries Berhad	40,100	367,892	411,426	1.12
<u>Energy</u>				
Hibiscus Petroleum Berhad	80,000	220,000	207,200	0.56
<u>Financial Services</u>				
Bank Islam Malaysia Berhad	72,600	201,238	182,226	0.50
<u>Health Care</u>				
Duopharma Biotech Berhad	252,522	406,825	303,026	0.82
IHH Healthcare Berhad	74,000	410,821	447,700	1.22
Kossan Rubber Industries Berhad	191,500	393,725	373,425	1.02
	518,022	1,211,371	1,124,151	3.06
<u>Industrial Products & Services</u>				
BP Plastics Holding Berhad	155,400	236,084	202,020	0.55
Press Metal Aluminium Holdings Berhad	64,900	385,506	301,785	0.82
Solarvest Holdings Berhad	150,000	210,000	232,500	0.63
Sunway Berhad	73,200	168,360	256,200	0.70
	443,500	999,950	992,505	2.70

i. Quoted Shariah-compliant securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Plantation</u>				
Hap Seng Plantations Holdings Berhad	210,600	568,866	389,610	1.06
Kuala Lumpur Kepong Berhad	14,500	325,397	325,380	0.88
	225,100	894,263	714,990	1.94
<u>Property</u>				
Sime Darby Property Berhad	560,200	362,685	512,583	1.39
<u>Technology</u>				
CTOS Digital Berhad	220,900	372,192	291,588	0.79
Genetec Technology Berhad	56,100	147,870	115,005	0.31
Inari Amertron Berhad	82,100	233,940	265,183	0.72
ITMAX System Berhad	52,600	56,282	120,980	0.33
	411,700	810,284	792,756	2.15
<u>Telecommunications & Media</u>				
Telekom Malaysia Berhad	52,749	283,518	318,604	0.87

i. Quoted Shariah-compliant securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at	Percentage of net asset value of the Fund
			31.3.2024	
	Units	RM	RM	%
<u>Utilities</u>				
Tenaga Nasional Berhad	109,400	1,092,309	1,244,972	3.38
TOTAL QUOTED SHARIAH-COMPLIANT SECURITIES	<u>2,642,771</u>	6,634,228	<u>6,733,039</u>	18.30
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>98,811</u>		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>6,733,039</u>		

i. Quoted Shariah-compliant securities

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Consumer Products & Services</u>				
AEON Co. (M) Berhad	237,500	221,058	308,750	0.71
Focus Point Holdings Berhad	100,000	100,000	121,000	0.28
Hong Leong Industries Berhad	45,500	417,434	409,500	0.94
Kawan Food Berhad	178,200	304,218	377,784	0.87
	561,200	1,042,710	1,217,034	2.80
<u>Energy</u>				
Dayang Enterprise Holdings Berhad	199,200	229,119	266,928	0.61
<u>Financial Services</u>				
Bank Islam Malaysia Berhad	162,600	450,706	349,590	0.80
Syarikat Takaful Malaysia Keluarga Berhad	56	227	186	-
	162,656	450,933	349,776	0.80
<u>Health Care</u>				
Duopharma Biotech Berhad	249,200	402,339	388,752	0.89
IHH Healthcare Berhad	52,000	275,725	299,000	0.69
	301,200	678,064	687,752	1.58
<u>Industrial Products & Services</u>				
BP Plastics Holding Berhad	155,400	236,084	183,372	0.42
Press Metal Aluminium Holdings Berhad	96,900	575,586	471,903	1.08
SKP Resources Berhad	281,300	471,755	351,625	0.81
United U-Li Corporation Berhad	349,800	457,225	377,784	0.87
V.S. Industry Berhad	275,900	373,588	222,100	0.51
	1,159,300	2,114,238	1,606,784	3.69

i. Quoted Shariah-compliant securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Plantation</u>				
Genting Plantations Berhad	55,500	471,954	328,005	0.75
Hap Seng Plantations Holdings Berhad	146,600	440,226	258,016	0.59
	202,100	912,180	586,021	1.34
<u>Property</u>				
Sime Darby Property Berhad	417,100	259,653	202,294	0.46
<u>Technology</u>				
CTOS Digital Berhad	220,900	372,192	289,379	0.66
D&O Green Technologies Berhad	106,700	457,961	460,944	1.06
Genetec Technology Berhad	85,100	230,463	229,770	0.53
Inari Amertron Berhad	91,200	240,974	224,352	0.51
ITMAX System Berhad	122,600	131,182	165,510	0.38
	626,500	1,432,772	1,369,955	3.14
<u>Telecommunications & Media</u>				
CelcomDigi Berhad	93,500	360,856	405,790	0.93
Telekom Malaysia Berhad	95,749	522,938	469,170	1.07
	189,249	883,794	874,960	2.00
<u>Transportation & Logistics</u>				
Malaysia Airports Holdings Berhad	27,000	183,330	183,330	0.42

i. Quoted Shariah-compliant securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at	Percentage of net asset value of the Fund
			31.3.2023	
	Units	RM	RM	%
<u>Utilities</u>				
Tenaga Nasional Berhad	21,300	234,320	196,599	0.45
TOTAL QUOTED SHARIAH-COMPLIANT SECURITIES	<u>3,866,805</u>	8,421,113	<u>7,541,433</u>	17.29
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>(879,680)</u>		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
			<u>7,541,433</u>	

ii. Unquoted sukuk

Name of counter	Nominal value	Aggregate cost	Fair value as at 31.3.2024	Percentage of net asset value of the Fund
	RM	RM	RM	%
4.75% Affin Islamic Bank Berhad 16.12.2027 (AA3)	5,000,000	5,068,135	5,203,335	14.15
4.47% Aman Sukuk Berhad 8.5.2025 (AAA IS)	1,500,000	1,536,404	1,540,976	4.19
4.40% CIMB Group Holdings Berhad 8.9.2032 (AA2)	3,500,000	3,510,126	3,567,596	9.70
3.25% Danainfra Nasional Berhad 5.5.2028 (NR)	5,000,000	5,065,445	5,003,195	13.60
4.53% Danainfra Nasional Berhad 1.4.2037 (NR)	1,000,000	1,022,588	1,076,738	2.93
4.14% Malaysia Airports Holdings Berhad 29.12.2028 (AAA)	2,000,000	2,021,324	2,052,744	5.58
4.193% Malaysia Government 7.10.2032 (NR)	2,000,000	2,048,687	2,092,555	5.69
3.655% Malaysia Government 15.10.2024 (NR)	4,000,000	4,095,250	4,075,428	11.08
3.15% Pelabuhan Tanjung Pelepas Sdn Berhad 28.8.2025 (AA IS)	2,500,000	2,507,120	2,485,770	6.76
4.99% PONSIB Capital Berhad 30.6.2027 (AA2 (S))	500,000	506,425	521,915	1.42

ii. Unquoted sukuk (continued)

Name of counter	Nominal value	Aggregate cost	Fair value as at 31.3.2024	Percentage of net asset value of the Fund
	RM	RM	RM	%
5.04% Sarawak Energy Berhad 25.4.2031 (AAA)	300,000	323,751	327,233	0.89
TOTAL UNQUOTED SUKUK	<u>27,300,000</u>	<u>27,705,255</u>	<u>27,947,485</u>	<u>75.99</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>242,230</u>		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			<u>27,947,485</u>	

ii. Unquoted sukuk

Name of counter	Nominal value	Aggregate cost	Fair value as at 31.3.2023	Percentage of net asset value of the Fund
	RM	RM	RM	%
4.75% Affin Islamic Bank Berhad 16.12.2027 (AA3)	5,000,000	5,069,162	5,172,512	11.85
4.47% Aman Sukuk Berhad 8.5.2025 (AAA IS)	1,500,000	1,544,786	1,541,618	3.53
4.40% CIMB Group Holdings Berhad 8.9.2032 (AA2)	3,500,000	3,510,126	3,525,981	8.08
3.25% Danainfra Nasional Berhad 5.5.2028 (NR)	5,000,000	5,064,555	4,941,605	11.32
4.53% Danainfra Nasional Berhad 1.4.2037 (NR)	1,000,000	1,022,340	1,051,540	2.41
4.14% Malaysia Airports Holdings Berhad 29.12.2028 (AAA)	2,000,000	2,020,870	1,998,030	4.58
4.193% Malaysia Government 7.10.2032 (NR)	2,000,000	2,049,463	2,076,948	4.76
3.655% Malaysia Government 15.10.2024 (NR)	10,000,000	10,364,133	10,241,292	23.46
3.15% Pelabuhan Tanjung Pelepas Sdn Berhad 28.8.2025 (AA- IS)	2,500,000	2,506,904	2,449,179	5.61
4.99% PONS B Capital Berhad 30.6.2027 (AA3 (S))	500,000	506,289	518,529	1.19

ii. Unquoted sukuk (continued)

Name of counter	Nominal value	Aggregate cost	Fair value as at 31.3.2023	Percentage of net asset value of the Fund
	RM	RM	RM	%
5.04% Sarawak Energy Berhad 25.4.2031 (AAA)	300,000	325,770	322,613	0.74
TOTAL UNQUOTED SUKUK	<u>33,300,000</u>	<u>33,984,398</u>	<u>33,839,847</u>	<u>77.53</u>
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>(144,551)</u>		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>33,839,847</u>		

The effective weighted average rate of return of unquoted sukuk per annum as at the date of the statement of financial position are as follows:

	2024	2023
	%	%
Unquoted sukuk	<u>3.89</u>	<u>4.05</u>

8. CASH AND CASH EQUIVALENTS

	2024	2023
	RM	RM
Bank balance with a licensed bank	52,541	61,962
Islamic deposits with licensed financial institution	2,060,500	2,930,217
	<u>2,113,041</u>	<u>2,992,179</u>

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

	2024	2023
	%	%
Islamic deposits with licensed financial institution	<u>2.95</u>	<u>2.70</u>

The Islamic deposits have an average maturity of 1 day (2023: 3 day).

9. SHARIAH INFORMATION OF THE FUND

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

- Equity securities listed on Bursa Malaysia Securities Berhad which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission Malaysia;
- Unquoted sukuk as per the list of unquoted sukuk available at Bond Info Hub, Fully Automated System for Issuing/Tendering of Bank Negara Malaysia, and The Bond and Sukuk Information Exchange; and
- Cash placements and liquid assets in local market which are placed in Shariah-compliant instruments.

10. UNITS IN CIRCULATION

	2024	2023
	No. of units	No. of units
At the beginning of the financial year	60,282,497	59,407,804
Creation of units during the financial year:		
Arising from applications	12,290,526	22,484,444
Arising from distribution	1,803,105	2,164,160
Cancellation of units during the financial year	<u>(23,654,767)</u>	<u>(23,773,911)</u>
At the end of the financial year	<u>50,721,361</u>	<u>60,282,497</u>

11. TRANSACTIONS WITH BROKERS/DEALERS

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

Name of brokers/dealers	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage fees
	RM	%	RM	%
<u>2024</u>				
CIMB Islamic Bank Berhad	5,018,250	36.69	-	-
Affin Investment Berhad	1,461,048	10.68	2,776	19.01
CLSA Securities Malaysia Sdn Bhd	1,220,269	8.92	2,319	15.88
Citibank (M) Berhad	1,001,950	7.33	-	-
Kenanga Investment Bank Berhad	929,493	6.80	1,766	12.10
RHB Investment Bank Berhad	891,502	6.52	1,694	11.60
J.P. Morgan Securities (Malaysia) Sdn Bhd	760,303	5.56	1,450	9.93
KAF Equities Sdn Bhd	514,033	3.76	1,016	6.96
UBS Securities Malaysia Sdn Bhd	429,834	3.14	817	5.60
Maybank Investment Bank Berhad	408,427	2.99	782	5.36
Others	1,041,888	7.61	1,980	13.56
	<u>13,676,997</u>	<u>100.00</u>	<u>14,600</u>	<u>100.00</u>

Name of brokers/dealers	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage fees
	RM	%	RM	%
<u>2023</u>				
CIMB Bank Berhad	10,010,800	30.68	-	-
Affin Hwang Investment Bank Berhad	7,355,250	22.54	-	-
RHB Investment Bank Berhad	2,625,119	8.05	1,789	6.94
Citibank (M) Berhad	2,009,000	6.16	-	-
CLSA Securities Malaysia Sdn Bhd	1,380,628	4.23	3,062	11.87
CGS – CIMB Securities Sdn Bhd	1,245,818	3.82	4,465	17.31
Kenanga Investment Bank Berhad	1,069,030	3.28	2,115	8.20
AmBank (M) Berhad	1,002,150	3.07	-	-
UOB Kay Hian Securities (M) Sdn Bhd	924,348	2.83	1,794	6.96
Hong Leong Investment Bank Berhad	717,151	2.20	3,728	14.45
Others	4,288,937	13.14	8,841	34.27
	<u>32,628,231</u>	<u>100.00</u>	<u>25,794</u>	<u>100.00</u>

All brokers and dealers highlighted above are not related to the Manager.

12. TOTAL EXPENSE RATIO ("TER")

	2024	2023
	%	%
TER	1.39	1.38

TER is derived from the following calculation:

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

A = Management fee

B = Trustee fee

C = Audit fee

D = Tax agent fee

E = Other expenses (excluding sales and service tax on transaction cost and withholding tax)

F = Average net asset value of the Fund calculated on a daily basis

The average net asset value of the Fund for the financial year calculated on a daily basis is RM40,764,001 (2023: RM45,553,142).

13. PORTFOLIO TURNOVER RATIO (“PTR”)

	2024	2023
PTR (times)	0.17	0.36

PTR is derived from the following calculation:

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

where:

total acquisitions for the financial year = RM3,280,886 (2023: RM19,291,211)

total disposals for the financial year = RM10,401,651 (2023: RM13,518,865)

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

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

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

Units held by Manager:

	2024		2023	
	No. of units	RM	No. of units	RM
Eastspring Investments Berhad	1,578	1,144	1,519	1,100

The above units were transacted at the prevailing market price.

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

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

15. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 27 May 2024.

CORPORATE DIRECTORY

THE MANAGER

NAME

EASTSPRING INVESTMENTS BERHAD

COMPANY NO.

200001028634 (531241-U)

REGISTERED OFFICE

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TRUSTEE

NAME

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SHARIAH ADVISER

NAME

BIMB SECURITIES SDN BHD

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SALE & PURCHASE OF UNITS

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6088-238 613

ENQUIRIES

CLIENT SERVICES
603-2778 1000

APPENDIX 1 – LIST OF CHANGES FOR EASTSPRING INVESTMENTS DANA AL-ISLAH

Unless otherwise stated, the following changes are affected via the Eight Supplementary Master Prospectus dated 2 February 2024.

Section	Current disclosure in the Master Prospectus dated 15 July 2017, the First Supplementary Master Prospectus dated 2 February 2018, the Second Supplementary Master Prospectus dated 31 October 2018, the Third Supplementary Master Prospectus dated 2 January 2019, the Fourth Supplementary Master Prospectus dated 1 August 2019, the Fifth Supplementary Master Prospectus dated 1 October 2020, the Sixth Supplementary Master Prospectus dated 15 December 2021 and the Seventh Supplementary Master Prospectus dated 30 December 2022	Revised disclosure in the Eighth Supplementary Master Prospectus dated 2 February 2024
Transaction Information – Transaction Details	<u>7th paragraph:</u> The Manager reserves the right to change the minimum amounts and number of Units stipulated above from time to time.	<u>7th paragraph:</u> The Manager reserves the right to change the minimum amounts and number of Units stipulated above from time to time. <u>Should the Manager decide to increase the minimum amounts and number of units as stipulated under the transaction details section, the Manager shall notify the Unit Holders by way of a letter at least fourteen (14) days prior to the effective date of such change. Investment made via digital platforms may have a lower minimum initial investment, minimum additional investment amount, minimum redemption and/or minimum holding of Units of the Fund, subject to the respective digital platforms' terms and conditions, which may be amended from time to time.</u>

Section	Current disclosure in the Master Prospectus dated 15 July 2017, the First Supplementary Master Prospectus dated 2 February 2018, the Second Supplementary Master Prospectus dated 31 October 2018, the Third Supplementary Master Prospectus dated 2 January 2019, the Fourth Supplementary Master Prospectus dated 1 August 2019, the Fifth Supplementary Master Prospectus dated 1 October 2020, the Sixth Supplementary Master Prospectus dated 15 December 2021 and the Seventh Supplementary Master Prospectus dated 30 December 2022	Revised disclosure in the Eighth Supplementary Master Prospectus dated 2 February 2024
Transaction Information – Income Reinvestment Policy	<p>Income distributed to a Unit Holder will automatically be reinvested into additional Units in the Fund at the NAV per Unit at the end of the Business Day of the income distribution date at no cost if the Unit Holder did not elect the mode of distribution in the master account opening form or provide any written instruction to the Manager.</p> <p>Should a Unit Holder elect the mode of distribution in the master account opening form or provide any written instruction to the Manager for the income distribution to be paid out, the income distribution proceeds will either be paid by cheque or credited to a Malaysian domiciled bank account via telegraphic or online transfer. Any fees or charges imposed by the bank will be borne by the Unit Holder.</p>	<p>Income distribution to a Unit Holder will automatically be reinvested into additional Units in the Fund at the NAV per Unit at the end of the Business Day of the income distribution date at no cost if the Unit Holder did not elect the mode of distribution in the master account opening form or provide any written instruction to the Manager.</p> <p>Should a Unit Holder elect the mode of distribution in the master account opening form or provide any written instruction to the Manager for the income distribution to be paid out, the income distribution proceeds <u>will be paid via e-payment ONLY (i.e. income distribution proceeds will be credited to a Malaysian domiciled bank account via telegraphic or online transfer)</u>. Any fees or charges imposed by the bank will be borne by the Unit Holder.</p>

Section	<p>Current disclosure in the Master Prospectus dated 15 July 2017, the First Supplementary Master Prospectus dated 2 February 2018, the Second Supplementary Master Prospectus dated 31 October 2018, the Third Supplementary Master Prospectus dated 2 January 2019, the Fourth Supplementary Master Prospectus dated 1 August 2019, the Fifth Supplementary Master Prospectus dated 1 October 2020, the Sixth Supplementary Master Prospectus dated 15 December 2021 and the Seventh Supplementary Master Prospectus dated 30 December 2022</p>	<p>Revised disclosure in the Eighth Supplementary Master Prospectus dated 2 February 2024</p>
<p>Transaction Information – Income Reinvestment Policy (continued)</p>	<p>The Manager reserves the right to reinvest income distribution without providing any reason if the instruction in the master account opening form or written instruction is incomplete.</p> <p><u>Applicable only to Eastspring Global Target Income Fund</u></p> <p>Distribution payment which is less than or equal to the amount of RM300* or such other amount which will be determined by the Manager will be reinvested into additional Units in the Fund at the NAV per Unit at the end of the Business Day of the income distribution date at no cost.</p> <p>* should this amount be increased in the future, Unit Holder will be informed via post mail or email at least fourteen (14) calendar days prior to the implementation of such increase.</p>	<p>The Manager reserves the right to reinvest income distribution without providing any reason if the instruction in the master account opening form or written instruction is incomplete. <u>In the absence of a registered bank account, the distribution (if any) will be reinvested.</u></p> <p>Distribution payment which is less than or equal to the amount of RM300* or such other amount which will be determined by the Manager will be reinvested into additional Units in the Fund at the NAV per Unit at the end of the Business Day of the income distribution date at no cost.</p> <p>* should this amount be increased in the future, Unit Holder will be informed via post mail or email at least fourteen (14) calendar days prior to the implementation of such increase.</p>

Section	Current disclosure in the Master Prospectus dated 15 July 2017, the First Supplementary Master Prospectus dated 2 February 2018, the Second Supplementary Master Prospectus dated 31 October 2018, the Third Supplementary Master Prospectus dated 2 January 2019, the Fourth Supplementary Master Prospectus dated 1 August 2019, the Fifth Supplementary Master Prospectus dated 1 October 2020, the Sixth Supplementary Master Prospectus dated 15 December 2021 and the Seventh Supplementary Master Prospectus dated 30 December 2022	Revised disclosure in the Eighth Supplementary Master Prospectus dated 2 February 2024
Transaction Information – Auto Reinvestment Policy	Not applicable.	<p data-bbox="601 632 664 654"><i>(added)</i></p> <p data-bbox="601 679 721 701"><u>2nd Paragraph:</u></p> <p data-bbox="601 726 956 839">The Manager reserves the right to change the income distribution instruction to “reinvestment” if the Unit Holder did not claim the income distribution payment for the last three (3) consecutive distributions.</p>

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