

# Hong Leong Islamic Income Management Fund

**Semi-Annual Report**  
Financial Period Ended 30 April 2025

**2024/2025**  
Unaudited



# HONG LEONG ISLAMIC INCOME MANAGEMENT FUND

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# Manager's Review and Report

## I. FUND INFORMATION

### Fund Name

Hong Leong Islamic Income Management Fund ("HLIIMF" or "the Fund")

### Fund Category

Fixed Income (Islamic)

### Fund Type

Income

### Investment Objective

To provide investors with a low risk investment portfolio offering a stable and regular stream of income\* and stability in capital\*\* while adhering to Shariah requirements.

### Duration of the Fund and its termination date, where applicable

Not Applicable

### Benchmark

Malayan Banking Berhad 1-Month General Investment Account (GIA) Rate

### Distribution Policy

The Fund aims to provide monthly income distributions on a best effort basis. The amount of the income distribution will be determined at every month end in order to bring the NAV of the Fund to the proposed range of RM0.5000 per Unit. The distribution will be subject to availability of sufficient reserves for income distribution.

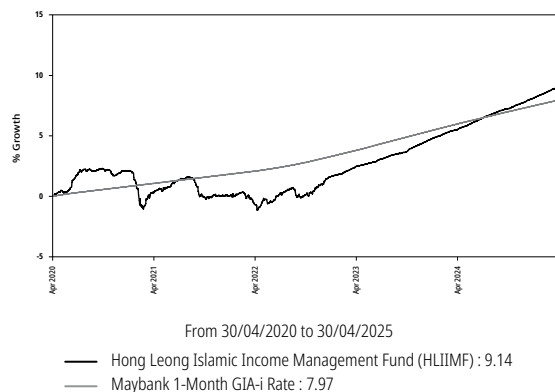
Notes:

\* Income may be distributed in the form of cash and/or Units.

\*\* Please take note that this Fund is not a capital guaranteed fund or a capital protected fund and the returns are not guaranteed.

## II. FUND PERFORMANCE

**Chart 1: Performance of the Fund versus the benchmark covering the last five-year financial periods**



Source: Lipper, in Malaysian Ringgit terms, ex-distribution, NAV Per Unit-to-NAV Per Unit basis with gross income (if any) from HLIIMF reinvested.

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

### Performance Review

This Semi-Annual Report covers the six-month financial period from 1 November 2024 to 30 April 2025.

The Fund posted a return of 1.74% (based on NAV Per Unit-to-NAV Per Unit basis with gross income (if any) from the Fund reinvested) in the past six months while its benchmark the Maybank 1-Month GIA-i Rate registered a return of 0.89%. During the financial period under review, the Fund had distributed 6 times of income distributions to its Unit holders. Unit holders should note that income distributions have the effect of reducing the Net Asset Value (NAV) per unit of the Fund after distributions. For a full description of the income distributions, cum-distributions and ex-distributions NAV per unit of the Fund, kindly refer to section entitled 'Performance Data' at page 41-46.

For the five-year financial periods ended 30 April 2025, the Fund has registered a return of 9.14% compared to the benchmark's return of 7.97% while distributing a total gross income of 6.1880 sen per unit (net income of 6.1880 sen per unit).

**Table 1: Performance of the Fund for the following periods as at 30 April 2025 (Source: Lipper)**

	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years	Since Launch
<b>HLIIMF Return (%)</b>	0.90	1.74	3.40	9.89	9.14	28.48	60.62
<b>Benchmark (%)</b>	0.44	0.89	1.86	5.76	7.97	26.64	55.88

**Table 2: Return of the Fund based on NAV Per Unit-to-NAV Per Unit basis for the period 31 October 2024 to 30 April 2025 (Source: Lipper)**

	30-Apr-25	31-Oct-24	Return (%)
NAV Per Unit	RM0.4989	RM0.4984	1.74#
Benchmark	1.70%	1.80%	0.89
<b>vs Benchmark (%)</b>	-	-	0.85

# Return is calculated after adjusting for income distributions during the financial period under review.

**Table 3: Financial Highlights**

The Net Asset Value attributable to Unit holders is represented by:

	30-Apr-25 (RM)	31-Oct-24 (RM)	Change (%)
Unit Holders' Capital	<b>1,323,620,825</b>	880,755,607	50.28
Retained Earnings	<b>2,411,615</b>	1,497,168	61.08
<b>Net Asset Value</b>	<b>1,326,032,440</b>	882,252,775	50.30
<b>Units in Circulation</b>	<b>2,657,909,559</b>	1,770,017,746	50.16

**Table 4: The Highest and Lowest NAV Per Unit, Total Return of the Fund and the breakdown into Capital Growth and Income Distribution for the financial period ended 30 April and financial years ended 31 October**

	Financial Period 2025	Financial Year 2024	Financial Year 2023	Financial Year 2022
Highest NAV Per Unit (RM)	0.5000	0.5001	0.4997	0.5003
Lowest NAV Per Unit (RM)	0.4982	0.4977	0.4925	0.4914
Capital Growth (%)	0.10	0.14	0.89	-1.10
Income Distribution (%)	1.64	3.24	2.70	1.32
<b>Total Return (%)</b>	<b>1.74</b>	<b>3.38</b>	<b>3.59</b>	<b>0.22</b>

Source: Lipper, in Malaysian Ringgit terms, ex-distribution, NAV Per Unit-to-NAV Per Unit basis with gross income (if any) from HLIIMF reinvested.

**Table 5: Average Total Return of the Fund for the financial period ended 30 April 2025**

	1 Year	3 Years	5 Years
Average Total Return (%)	3.40	3.30	1.83

Source: Lipper, in Malaysian Ringgit terms, ex-distribution, NAV Per Unit-to-NAV Per Unit basis with gross income (if any) from HLIIMF reinvested.

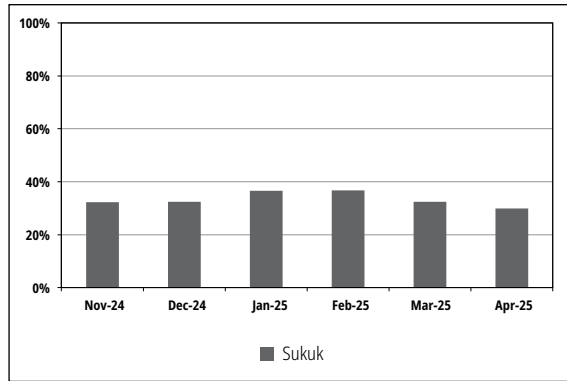
**Table 6: Annual Total Return of the Fund for the financial years ended 31 October**

Financial Year	2024	2023	2022	2021	2020
Annual Total Return (%)	3.38	3.59	0.22	-2.24	5.20

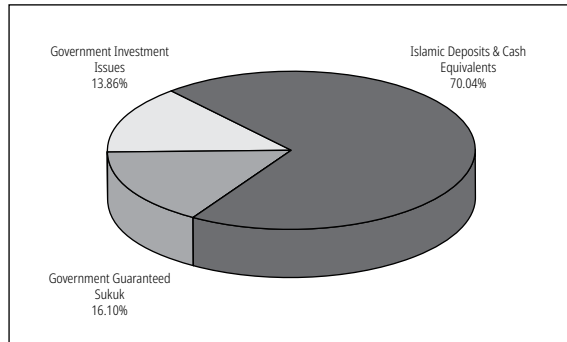
Source: Lipper, in Malaysian Ringgit terms, ex-distribution, NAV Per Unit-to-NAV Per Unit basis with gross income (if any) from HLIIMF reinvested.

### III. INVESTMENT PORTFOLIO

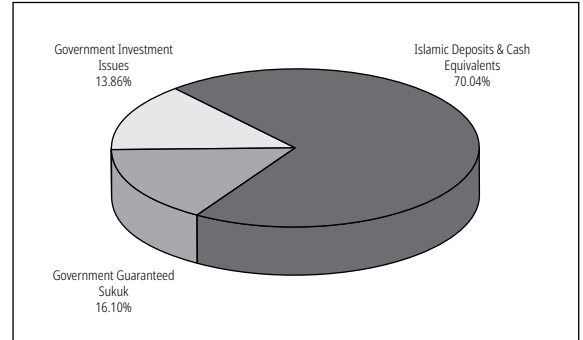
**Chart 2: Asset Allocation – November 2024 to April 2025**



**Chart 3: Sector Allocation as at 30 April 2025**



**Chart 4: Portfolio Composition by Ratings as at 30 April 2025**



#### **Strategies employed by the Fund during the period under review**

During the financial period under review, the Fund continued to maintain its sukuk asset allocation at 30% while the remaining asset allocation was invested into short-term Islamic deposits. The Fund's investment strategy continued to be conservative to minimise market volatility and maintain high liquidity.

#### **An explanation on the differences in portfolio composition**

During the financial period under review, we maintained our asset allocation for Islamic deposits and cash equivalents (70%) and sukuk (30%).

#### **Operational review of the Fund**

For the financial period under review, there were no significant changes in the state of affairs of the Fund or circumstances that would materially affect the interest of Unit holders up to the date of this Manager's report.

#### **IV. MARKET REVIEW**

During the financial period under review, the United States (US) Federal Reserve (Fed) cut interest rates further by 50 basis points (bps) to 4.25%-4.50% in 4Q 2024, bringing the total rate cuts to 100 bps in 2024. Slower inflation (US Consumer Price Index - January: 3.0%, February: 2.8%, March: 2.4%) and healthy job data were seen in 1Q 2025. In both January and March Federal Open Market Committee (FOMC), interest rates were kept steady at 4.50%. Post Trump's Liberation Day reciprocal tariffs could reignite inflation pressures. Market sentiments also shifted from inflationary concerns to recessionary fears to having doubts over the safe haven status of US Treasuries (UST). UST 2Y and 10Y yields were volatile and ended the financial period under review at 3.60% (end-October 2024: 4.18%) and 4.16% (end-October 2024: 4.28%) respectively.

The Ringgit sukuk market saw a sell-off in 4Q 2024 (high: 3.93%), dragged by weak UST and foreign outflows. The sukuk market subsequently recovered in December. In 1Q 2025, the domestic sukuk market was also spooked by the outsized US tariff on Malaysia, causing sharp moves in yields during April whereby we saw an aggressive rally as market swiftly priced in Overnight Policy Rate (OPR) cut by Bank Negara Malaysia (BNM) in response to tariff escalation and global economic uncertainties. The market then unwound some rates cut positions following BNM's comments that the policy rate is not the right tool to mitigate tariffs. However, subsequent release of a lower-than-expected Malaysia 1Q 2025 Gross Domestic Product (GDP) print at 4.4% year-on-year (YoY) (vs 4.8% consensus) and softer inflation at 1.4% (vs 1.6% consensus), again raised market conviction for a potential rate cut by BNM this year. 10Y Government Investment Issues (GII) yield ended the financial period under review at 3.64% (-31 bps) (end-October 2024: 3.95%).

#### **V. FUTURE PROSPECTS AND PROPOSED STRATEGIES**

Looking ahead, UST market would remain volatile with uncertainties around Trump's policies and responses from its trading partners. Domestically, the sukuk market is expected to be well supported given the lingering downside risk to growth.

#### **VI. SOFT COMMISSIONS**

The Manager may receive soft commissions from brokers/dealers in the form of goods and services such as research materials, data and quotation services incidental to investment management of the Fund and investment related publications. Such soft commissions received are utilised in the investment management of the Fund and are of demonstrable benefit to the Fund and Unit holders and there was no churning of trades.

During the financial period under review, the Fund has not received goods or services by way of soft commissions.

#### **VII. SECURITIES LENDING OR REPURCHASE TRANSACTIONS**

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

#### **VIII. CROSS TRADE TRANSACTIONS**

No cross trade transactions have been carried out during the financial period under review.

Notes: Q = Quarter  
Y = Year

## STATEMENT BY THE MANAGER

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I, Chue Kwok Yan, as the Director of Hong Leong Asset Management Bhd, do hereby state that, in the opinion of the Manager, the accompanying unaudited condensed financial statements set out on pages 12 to 40 are drawn up in accordance with the provision of the Deeds and give a true and fair view of the financial position of the Fund as at 30 April 2025 and of its financial performance, changes in equity and cash flows for the financial period ended 30 April 2025 in accordance with the Malaysian Financial Reporting Standard 134 “Interim Financial Reporting” and International Accounting Standard 34 “Interim Financial Reporting”.

For and on behalf of the Manager,  
**Hong Leong Asset Management Bhd**  
**(Company No.: 199401033034 (318717-M))**

### **CHUE KWOK YAN**

Chief Executive Officer/Executive Director

Kuala Lumpur  
16 June 2025

## TRUSTEE’S REPORT

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### **TO THE UNIT HOLDERS OF HONG LEONG ISLAMIC INCOME MANAGEMENT FUND (“Fund”)**

We have acted as Trustee of the Fund for the financial period ended 30 April 2025 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, **Hong Leong Asset Management Bhd** has operated and managed the Fund during the period 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 distributions of income by the Fund are appropriate and reflect the investment objective of the Fund.

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

### **Tok Puan Datin Ezreen Eliza binti Zulkiplee**

Chief Executive Officer

Kuala Lumpur, Malaysia  
16 June 2025

## SHARIAH ADVISER'S REPORT

### TO THE UNIT HOLDERS OF HONG LEONG ISLAMIC INCOME MANAGEMENT FUND ("Fund")

We hereby confirm the following:

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

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

### MUHAMMAD SHAHIER SA'MIN

Designated Shariah Person

Kuala Lumpur  
16 June 2025

## CONDENSED STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

### FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2025

	Note	2025 RM	2024 RM
<b>INVESTMENT INCOME</b>			
Profit income from financial assets measured at fair value through profit or loss ("FVTPL")		7,079,507	2,780,425
Profit income from financial assets measured at amortised cost	4	14,058,636	6,501,773
Net gain on financial assets at FVTPL	11	1,309,882	223,027
		<u>22,448,025</u>	<u>9,505,225</u>
<b>EXPENDITURE</b>			
Management fee	5	(1,191,502)	(564,632)
Trustee's fee	6	(476,601)	(213,138)
Auditors' remuneration		(3,323)	(3,333)
Tax agent's fee		(1,488)	(1,492)
Other expenses		(13,061)	(10,984)
		<u>(1,685,975)</u>	<u>(793,579)</u>
<b>PROFIT BEFORE TAXATION</b>		20,762,050	8,711,646
Taxation	7	-	-
<b>PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD</b>		<u>20,762,050</u>	<u>8,711,646</u>
Profit after taxation is made up as follows:			
Realised amount		19,530,497	8,456,838
Unrealised amount		1,231,553	254,808
		<u>20,762,050</u>	<u>8,711,646</u>
Distributions for the financial period:			
Net distributions	8	<u>19,847,603</u>	<u>8,488,780</u>
Net distributions per unit (sen)	8	<u>0.8130</u>	<u>0.7860</u>
Gross distributions per unit (sen)	8	<u>0.8130</u>	<u>0.7860</u>

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

## CONDENSED STATEMENT OF FINANCIAL POSITION *(Unaudited)*

AS AT 30 APRIL 2025

	Note	30.04.2025 RM	31.10.2024 RM
<b>ASSETS</b>			
Cash and cash equivalents	9	858,815,881	482,178,240
Islamic term deposits	10	70,223,000	47,447,000
Amount due from the Manager			
-creation of units		-	2,001,000
Financial assets at FVTPL	11	397,302,917	355,999,371
Prepayment		1,296	-
<b>TOTAL ASSETS</b>		<u>1,326,343,094</u>	<u>887,625,611</u>
<b>LIABILITIES</b>			
Amount due to brokers/dealers		-	5,154,681
Amount due to the Manager			
-management fee		216,145	148,244
Amount due to the Trustee		86,458	59,297
Other payables and accruals		8,051	10,614
<b>TOTAL LIABILITIES</b>		<u>310,654</u>	<u>5,372,836</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>1,326,032,440</u>	<u>882,252,775</u>
<b>EQUITY</b>			
Unit holders' capital		1,323,620,825	880,755,607
Retained earnings		2,411,615	1,497,168
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>1,326,032,440</u>	<u>882,252,775</u>
<b>UNITS IN CIRCULATION (UNITS)</b>	13	<u>2,657,909,559</u>	<u>1,770,017,746</u>
<b>NET ASSET VALUE PER UNIT (RM)</b>		<u>0.4989</u>	<u>0.4984</u>

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

## CONDENSED STATEMENT OF CHANGES IN EQUITY *(Unaudited)*

FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2025

	Note	Unit holders' capital RM	Retained earnings RM	Total RM
Balance as at 1 November 2024		880,755,607	1,497,168	882,252,775
Movement in net asset value:				
Creation of units from applications		617,961,678	-	617,961,678
Creation of units from distributions		14,468,175	-	14,468,175
Cancellation of units		(189,564,635)	-	(189,564,635)
Total comprehensive income for the financial period		-	20,762,050	20,762,050
Distributions for the financial period	8	-	(19,847,603)	(19,847,603)
Balance as at 30 April 2025		<u>1,323,620,825</u>	<u>2,411,615</u>	<u>1,326,032,440</u>
Balance as at 1 November 2023		390,902,534	1,455,949	392,358,483
Movement in net asset value:				
Creation of units from applications		595,135,520	-	595,135,520
Creation of units from distributions		6,911,050	-	6,911,050
Cancellation of units		(163,011,551)	-	(163,011,551)
Total comprehensive income for the financial period		-	8,711,646	8,711,646
Distributions for the financial period	8	-	(8,488,780)	(8,488,780)
Balance as at 30 April 2024		<u>829,937,553</u>	<u>1,678,815</u>	<u>831,616,368</u>

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

## CONDENSED STATEMENT OF CASH FLOWS

(Unaudited)

FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2025

	2025 RM	2024 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from sales of financial assets at FVTPL	116,705,378	62,803,906
Purchase of financial assets at FVTPL	(161,450,156)	(192,206,435)
Profit income received from financial assets measured at FVTPL and amortised cost	20,734,576	9,443,340
Management fee paid	(1,123,601)	(547,027)
Trustee's fee paid	(449,440)	(191,322)
Payment for other fees and expenses	(21,731)	(16,485)
Net cash used in operating activities	(25,604,974)	(120,714,023)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	619,962,678	595,135,520
Payments for cancellation of units	(189,564,635)	(196,891,942)
Payments for distributions	(5,379,428)	(1,577,730)
Net cash generated from financing activities	425,018,615	396,665,848
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	399,413,641	275,951,825
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	529,625,240	482,178,240
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	929,038,881	758,130,065

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

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (Unaudited)

FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2025

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

Hong Leong Islamic Income Management Fund (“the Fund”) was constituted pursuant to the execution of a Deed dated 16 March 2007 and Supplemental Deeds dated 11 April 2007, 30 April 2010, 9 May 2013, 25 March 2015, 4 August 2017, 24 June 2022 and 28 February 2023 (collectively referred to as “the Deeds”) between Hong Leong Asset Management Bhd (“the Manager”) and CIMB Commerce Trustee Berhad (“the Trustee”) for the unit holders of the Fund.

The primary objective of the Fund is to provide investors with a low risk investment portfolio offering a stable and regular stream of income and stability in capital while adhering to Shariah requirements.

The Fund intends to invest mainly in Islamic money market instruments and short to medium-term sukuk. Islamic money market instruments include Islamic deposits, and other short-term Islamic money market instruments such as Islamic negotiable instruments. The Fund commenced operations on 26 April 2007 and will continue its operations until terminated as provided under Part 12 of the Deeds.

The Manager of the Fund is Hong Leong Asset Management Bhd, a company incorporated in Malaysia. The principal activity of the Manager is the management of unit trust funds, private retirement schemes and private investment mandates. Its holding company is Hong Leong Capital Berhad, a company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

Hong Leong Islamic Asset Management Sdn Bhd (“HLISAM”) is the external fund manager appointed for the Fund. The effective date for the appointment is at 17 April 2020. HLISAM is a wholly own subsidiary of the Manager. On November 2019, HLISAM was issued with an Islamic fund management license by the Securities Commission Malaysia to undertake the regulated activity of Islamic fund management.

The financial statements were authorised for issue by the Manager on 16 June 2025.

## 2. MATERIAL ACCOUNTING POLICY INFORMATION

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

### (a) Basis of preparation

The condensed financial statements are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standard 134 "Interim Financial Reporting" and International Accounting Standard 34 "Interim Financial Reporting".

The condensed financial statements should be read in conjunction with the audited financial statements of the Fund for the financial year ended 31 October 2024 which have been prepared in accordance with the provisions of the Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards.

### (b) Financial assets and financial liabilities

#### Classification

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

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

The Fund classifies its Shariah-compliant investments based on both the Fund's business model for managing those financial assets and the contractual cash flows characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities<sup>1</sup> as fair value through other comprehensive income. The contractual cash flows of the Fund's debt securities<sup>2</sup> are solely principal and profit, however, these Shariah-compliant securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all Shariah-compliant investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, Islamic term deposits, amount due from the Manager and prepayment as financial asset measured at amortised cost as this financial asset is held to collect contractual cash flows consisting of the amount outstanding.

The Fund classifies amount due to brokers/dealers, amount due to the Manager, amount due to the Trustee and other payables and accruals as financial liabilities measured at amortised cost.

#### 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.

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

<sup>1</sup> For the purposes of the investments made by the Fund, equity securities refer to Shariah-compliant equity securities.

<sup>2</sup> For the purposes of the investments made by the Fund, debt securities refer to sukuk.

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

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

Unrealised gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss are presented in the statement of comprehensive income within net gain or loss on financial assets at fair value through profit or loss in the period which they arise.

Unquoted sukuk are revalued on a daily basis based on fair value prices quoted by a bond pricing agency ("BPA") registered with the Securities Commission Malaysia as per the Securities Commission Malaysia's Guidelines on Unit Trust Funds. Where such quotation are not available or where the Manager is of the view that the price quoted by the BPA for a specific unquoted sukuk differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager:

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

Islamic deposits with licensed financial institutions, Islamic money market instruments and Islamic term deposits are stated at cost plus accrued profit calculated on the effective profit rate method over the period from the date of placement to the date of maturity of the respective Islamic deposits, Islamic money market instruments and Islamic term deposits, which is a close estimate of their fair value due to the short term nature of the Islamic deposits, Islamic money market instruments and Islamic term deposits. Financial assets at amortised cost and other financial liabilities are subsequently carried at amortised cost using the effective profit rate method.

### Impairment

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

### Significant increase in credit risk

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

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

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

### Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of obligor's sources of income or assets to generate sufficient future cash flows to 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 period.

**(c) 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.

**(d) Income recognition**

Profit income from cash at bank, Islamic deposits with licensed financial institutions, Islamic money market instruments and unquoted sukuk are recognised on the effective profit rate method on an accrual basis.

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

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

**(e) Cash and cash equivalents**

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

**(f) Amount due from/to brokers/dealers**

Amount due from/to brokers/dealers represents receivables/payables for Shariah-compliant investments sold/purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective profit rate method, less provision for impairment of amount due from brokers/dealers. A provision for impairment of amount due from a broker/dealer is established when there is objective evidence that the Fund will not be able to collect all amounts due from the relevant broker/dealer. Significant financial difficulties of the broker/dealer, probability that the broker/dealer will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the amount due from brokers/dealers is impaired. Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, profit income is recognised using the rate of profit used to discount the future cash flows for the purpose of measuring the impairment loss.

**(g) Taxation**

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

**(h) Distributions**

A distribution to the Fund’s unit holders is accounted for as a deduction from realised reserve. A proposed distribution is recognised as a liability in the financial period in which it is approved by the Board of Directors of the Manager.

**(i) 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 unit 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 is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase the units; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss and change in the net asset value of the Fund.

The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position 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 and cancellation. The Fund's net asset value per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.

#### (j) Fair value of financial instruments

Financial instruments comprise financial assets and financial liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The information presented herein represents the estimates of fair values as at the date of the statement of financial position.

The Fund's financial assets and financial liabilities are measured on an ongoing basis at either fair value or at amortised cost based on the respective classification.

The following table analyses the financial assets and financial liabilities of the Fund in the statement of financial position as at the reporting date:

	Financial assets at FVTPL RM	Financial assets/liabilities at amortised cost RM	Total RM
<b>30.04.2025</b>			
<u>Financial assets</u>			
Cash and cash equivalents (Note 9)	-	858,815,881	858,815,881
Islamic term deposits (Note 10)	-	70,223,000	70,223,000
Financial assets at FVTPL (Note 11)	397,302,917	-	397,302,917
Prepayment	-	1,296	1,296
	<u>397,302,917</u>	<u>929,040,177</u>	<u>1,326,343,094</u>
<u>Financial liabilities</u>			
Amount due to the Manager -management fee	-	216,145	216,145
Amount due to the Trustee	-	86,458	86,458
Other payables and accruals	-	8,051	8,051
	<u>-</u>	<u>310,654</u>	<u>310,654</u>

	Financial assets at FVTPL RM	Financial assets/liabilities at amortised cost RM	Total RM
<b>31.10.2024</b>			
<u>Financial assets</u>			
Cash and cash equivalents (Note 9)	-	482,178,240	482,178,240
Islamic term deposits (Note 10)	-	47,447,000	47,447,000
Amount due from the Manager -creation of units	-	2,001,000	2,001,000
Financial assets at FVTPL (Note 11)	355,999,371	-	355,999,371
	<u>355,999,371</u>	<u>531,626,240</u>	<u>887,625,611</u>
<u>Financial liabilities</u>			
Amount due to the brokers/dealers	-	5,154,681	5,154,681
Amount due to the Manager -management fee	-	148,244	148,244
Amount due to the Trustee	-	59,297	59,297
Other payables and accruals	-	10,614	10,614
	<u>-</u>	<u>5,372,836</u>	<u>5,372,836</u>

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

#### (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 the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgements are continually evaluated by the 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 investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the Securities Commission Malaysia's Guidelines on Unit Trust Funds.

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

### 3. FAIR VALUE ESTIMATION

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

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

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

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

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

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

#### (i) Fair value hierarchy

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

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

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

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

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

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>30.04.2025</b>				
<u>Financial assets at FVTPL:</u>				
- Unquoted sukuk	-	397,302,917	-	397,302,917
<b>31.10.2024</b>				
<u>Financial assets at FVTPL:</u>				
- Unquoted sukuk	-	355,999,371	-	355,999,371

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

- (ii) The carrying values of financial assets (other than financial assets at FVTPL) and financial liabilities are a reasonable approximation of their fair values due to their short term nature.

#### 4. PROFIT INCOME FROM FINANCIAL ASSETS MEASURED AT AMORTISED COST

	2025 RM	2024 RM
Profit income from:		
- Islamic deposits with licensed financial institutions	13,865,176	6,440,042
- Auto-sweep facility bank account	193,460	61,731
	14,058,636	6,501,773

#### 5. MANAGEMENT FEE

In accordance with Division 13.1 of the Deeds, the Manager is entitled to a management fee of up to 2.00% per annum calculated daily based on the net asset value of the Fund.

For the financial period ended 30 April 2025, the management fee is recognised at a rate of 0.20% (01.11.2023 to 30.11.2023: 0.30%, 01.12.2023 to 30.04.2024: 0.20%) per annum.

There is no further liability to the Manager in respect of management fee other than the amount recognised above.

#### 6. TRUSTEE'S FEE

In accordance with Division 13.2 of the Deeds, the Trustee is entitled to a fee not exceeding 0.20% per annum subject to a minimum of RM18,000 per annum calculated daily based on the net asset value of the Fund.

For the financial period ended 30 April 2025, the Trustee's fee is recognised at a rate of 0.08% (2024: 0.08%) per annum.

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

#### 7. TAXATION

	2025 RM	2024 RM
Tax charge for the financial period:		
Current taxation	-	-

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

	2025 RM	2024 RM
Profit before taxation	20,762,050	8,711,646
Taxation at Malaysian statutory rate of 24% (2024: 24%)	4,982,892	2,090,795
Tax effects of:		
Shariah-compliant investment income not subject to tax	(5,387,526)	(2,281,254)
Expenses not deductible for tax purposes	115,690	52,639
Restriction on tax deductible expenses for unit trust fund	288,944	137,820
Taxation	-	-

## 8. DISTRIBUTIONS

	2025 RM	2024 RM
Distribution to unit holders are derived from the following sources:		
Prior financial years' realised income	448,594	131,296
Profit income from financial assets at FVTPL and amortised cost	20,987,741	9,204,095
Less: Expenses	(1,588,732)	(846,611)
Net distributions amount	19,847,603	8,488,780
Gross/net distributions per unit (sen)	0.8130	0.7860
<b>Date of Declaration</b>		
<b>25 November 2024 / 27 November 2023</b>		
Gross/net distribution per unit (sen)	0.1340	0.1290
<b>26 December 2024 / 26 December 2023</b>		
Gross/net distribution per unit (sen)	0.1350	0.1240
<b>27 January 2025 / 26 January 2024</b>		
Gross/net distribution per unit (sen)	0.1490	0.1360

	2025 RM	2024 RM
<b>25 February 2025 / 26 February 2024</b>		
Gross/net distribution per unit (sen)	0.1320	0.1380
<b>25 March 2025 / 25 March 2024</b>		
Gross/net distribution per unit (sen)	0.1270	0.1230
<b>25 April 2025 / 25 April 2024</b>		
Gross/net distribution per unit (sen)	0.1360	0.1360

The composition of distribution payments sourced from income and capital are disclosed in below:

	Income RM	%	Capital RM	%
<b>2025</b>	19,847,603	100.00	-	-
<b>2024</b>	8,488,780	100.00	-	-

Net distributions above are sourced from prior financial years' and current financial period's realised income. Gross distributions are derived using total income less total expenses.

Gross distribution per unit is derived from net realised income less expenses divided by units in circulation, while net distribution per unit is derived from net realised income less expenses and taxation divided by 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 purpose of determining amount available for distribution, distribution equalisation is included in the computation of distribution available for unit holders.

## 9. CASH AND CASH EQUIVALENTS

	30.04.2025 RM	31.10.2024 RM
Islamic deposits with licensed financial institutions	852,815,429	466,101,504
Cash at bank	6,000,452	16,076,736
	<u>858,815,881</u>	<u>482,178,240</u>

The weighted average effective rate of return per annum are as follows:

	30.04.2025 %	31.10.2024 %
Islamic deposits with licensed financial institutions	<u>3.61</u>	<u>3.45</u>

Islamic deposits with licensed financial institutions for the financial period ended 30 April 2025 have an average remaining maturity of 28 days (31.10.2024: 19 days).

## 10. ISLAMIC TERM DEPOSITS

	30.04.2025 RM	31.10.2024 RM
Islamic deposits with licensed financial institutions	<u>70,223,000</u>	<u>47,447,000</u>

The weighted average effective rate of return per annum are as follows:

	30.04.2025 %	31.10.2024 %
Islamic deposits with licensed financial institutions	<u>3.70</u>	<u>3.68</u>

Islamic deposits with licensed financial institutions for the financial period ended 30 April 2025 have an average remaining maturity of 61 days (31.10.2024: 27 days).

## 11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (“FVTPL”)

	30.04.2025 RM	31.10.2024 RM
Financial assets at FVTPL:		
Unquoted sukuk	<u>397,302,917</u>	<u>355,999,371</u>

	2025 RM	2024 RM
Net gain on financial assets at FVTPL:		
Realised gain on disposals	79,489	2,824
Changes in unrealised fair values	<u>1,230,393</u>	<u>220,203</u>
	<u>1,309,882</u>	<u>223,027</u>

Financial assets at FVTPL as at 30 April 2025 are as detailed below:

	Nominal value RM	Aggregate cost RM	Fair value RM	Percentage of net asset value %
<b>UNQUOTED SUKUK</b>				
<u>Government Investment Issues</u>				
3.422% Government of Malaysia 30/09/2027	9,000,000	9,019,245	9,063,976	0.68
3.899% Government of Malaysia 15/06/2027	16,200,000	16,600,581	16,648,170	1.26
4.258% Government of Malaysia 26/07/2027	<u>153,000,000</u>	<u>157,503,349</u>	<u>158,026,709</u>	<u>11.92</u>
	178,200,000	183,123,175	183,738,855	13.86
<u>Sukuk Guaranteed by Government of Malaysia</u>				
4.030% DanaInfra Nasional Berhad 01/04/2026 - IMTN Tranche No 85	5,000,000	5,037,342	5,047,510	0.38
4.040% DanaInfra Nasional Berhad 20/07/2027 - IMTN Tranche No 4	20,000,000	20,470,106	20,473,384	1.54
4.150% DanaInfra Nasional Berhad 12/02/2026 - IMTN Tranche No 5	5,000,000	5,076,148	5,076,392	0.38
4.290% DanaInfra Nasional Berhad 30/04/2026 - IMTN Tranche No 44	23,500,000	24,193,765	24,212,311	1.83
4.500% DanaInfra Nasional Berhad 16/11/2027 - IMTN Tranche No 69	10,000,000	10,457,339	10,452,392	0.79

	Nominal value RM	Aggregate cost RM	Fair value RM	Percentage of net asset value %
4.530% DanaInfra Nasional Berhad 12/11/2025 - IMTN Tranche No 38	19,000,000	19,512,947	19,527,034	1.47
4.560% DanaInfra Nasional Berhad 19/03/2027 - IMTN Tranche No 57	20,000,000	20,512,470	20,516,644	1.55
4.200% Jambatan Kedua Sdn. Bhd. 28/07/2026 - IMTN	5,000,000	5,083,402	5,106,107	0.38
3.940% Lembaga Pembiayaan Perumahan Sektor Awam - 25/08/2027 IMTN Tranche No 64	10,000,000	10,171,890	10,184,064	0.77
4.000% Lembaga Pembiayaan Perumahan Sektor Awam - 10/04/2026 IMTN Tranche No 28	5,000,000	5,031,474	5,042,359	0.38
4.150% Pengurusan Air SPV Berhad 06/02/2026 - IMTN Issue No 36	18,000,000	18,267,541	18,283,086	1.38
4.560% Pengurusan Air SPV Berhad 06/06/2025 - IMTN Issue No 35	15,000,000	15,288,803	15,292,050	1.15
4.630% Pengurusan Air SPV Berhad 26/09/2025 - IMTN Issue No 21	5,000,000	5,045,585	5,048,064	0.38
4.470% Prasarana Malaysia Berhad 26/06/2026 - IMTN Series 8	15,000,000	15,237,578	15,252,867	1.15
4.530% Prasarana Malaysia Berhad 28/12/2027 - IMTN Series 2	3,000,000	3,124,552	3,127,894	0.24
4.000% Prasarana Malaysia Berhad 06/09/2027 - Murabahah Tranche 2	15,000,000	15,255,776	15,282,555	1.15
4.440% Prasarana Malaysia Berhad 03/12/2027 - Murabahah Series 9	15,000,000	15,644,865	15,639,349	1.18
	<b>208,500,000</b>	<b>213,411,583</b>	<b>213,564,062</b>	<b>16.10</b>
<b>TOTAL UNQUOTED SUKUK</b>	<b>386,700,000</b>	<b>396,534,758</b>	<b>397,302,917</b>	<b>29.96</b>
<b>UNREALISED GAIN ON FINANCIAL ASSETS AT FVTPL</b>		<b>768,159</b>		
<b>TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FVTPL</b>		<b>397,302,917</b>		

Financial assets at FVTPL as at 31 October 2024 are as detailed below:

	Nominal value RM	Aggregate cost RM	Fair value RM	Percentage of net asset value %
<b>UNQUOTED SUKUK</b>				
<u>Government Investment Issues</u>				
3.726% Government of Malaysia 31/03/2026	17,500,000	17,635,333	17,642,198	2.00
3.899% Government of Malaysia 15/06/2027	6,200,000	6,372,260	6,344,073	0.72
4.070% Government of Malaysia 30/09/2026	47,000,000	47,738,089	47,709,607	5.41
4.258% Government of Malaysia 26/07/2027	53,000,000	54,847,951	54,664,690	6.20
	<b>123,700,000</b>	<b>126,593,633</b>	<b>126,360,568</b>	<b>14.33</b>
<u>Sukuk Guaranteed by Government of Malaysia</u>				
4.03% DanaInfra Nasional Berhad 01/04/2026 - IMTN Tranche No 85	5,000,000	5,049,767	5,058,964	0.57
4.04% DanaInfra Nasional Berhad 20/07/2027 - IMTN Tranche No 4	20,000,000	20,525,083	20,472,397	2.32
4.15% DanaInfra Nasional Berhad 12/02/2026 - IMTN Tranche No 5	5,000,000	5,097,646	5,092,548	0.58
4.29% DanaInfra Nasional Berhad 30/04/2026 - IMTN Tranche No 44	23,500,000	24,303,063	24,299,029	2.75
4.50% DanaInfra Nasional Berhad 16/11/2027 - IMTN Tranche No 69	10,000,000	10,511,113	10,466,356	1.19
4.53% DanaInfra Nasional Berhad 12/11/2025 - IMTN Tranche No 38	19,000,000	19,621,591	19,625,230	2.22
4.56% DanaInfra Nasional Berhad 19/03/2027 - IMTN Tranche No 57	20,000,000	20,611,772	20,570,447	2.33
4.20% Jambatan Kedua Sdn. Bhd. 28/07/2026 - IMTN Tranche No 58	5,000,000	5,096,200	5,116,307	0.58
3.94% Lembaga Pembiayaan Perumahan Sektor Awam - 25/08/2027 IMTN Tranche No 64	10,000,000	10,194,782	10,172,523	1.15
4.00% Lembaga Pembiayaan Perumahan Sektor Awam - 10/04/2026 IMTN Tranche No 28	5,000,000	5,042,607	5,050,507	0.57

	Nominal value RM	Aggregate cost RM	Fair value RM	Percentage of net asset value %
4.150% Pengurusan Air SPV Berhad 06/02/2026 - IMTN Issue No 36	8,000,000	8,149,791	8,147,105	0.92
4.400% Pengurusan Air SPV Berhad 17/06/2026 - IMTN Issue No 26	25,000,000	25,758,178	25,767,921	2.92
4.560% Pengurusan Air SPV Berhad 06/06/2025 - IMTN Issue No 35	15,000,000	15,372,612	15,384,598	1.74
4.630% Pengurusan Air SPV Berhad 26/09/2025 - IMTN Issue No 21	5,000,000	5,074,070	5,074,946	0.58
4.470% Prasarana Malaysia Berhad 26/06/2026 - IMTN Series 8	15,000,000	15,313,974	15,325,878	1.74
4.530% Prasarana Malaysia Berhad 28/12/2027 - IMTN Series 2	3,000,000	3,140,048	3,127,943	0.36
4.000% Prasarana Malaysia Berhad 06/09/2027 - Sukuk Murabahah T2	15,000,000	15,288,889	15,254,505	1.73
4.440% Prasarana Malaysia Berhad 03/12/2027 - Sukuk Murabahah S9	15,000,000	15,716,786	15,631,599	1.77
	<u>223,500,000</u>	<u>229,867,972</u>	<u>229,638,803</u>	<u>26.02</u>
<b>TOTAL UNQUOTED SUKUK</b>	<b><u>347,200,000</u></b>	<b><u>356,461,605</u></b>	<b><u>355,999,371</u></b>	<b><u>40.35</u></b>
<b>UNREALISED LOSS ON FINANCIAL ASSETS AT FVTPL</b>		<b><u>(462,234)</u></b>		
<b>TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FVTPL</b>		<b><u>355,999,371</u></b>		

Note: Certain unquoted sukuk may have call date and it's presented as "call date | maturity date".

## 12. SHARIAH INFORMATION OF THE FUND

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

- (i) Sukuk as per the list of sukuk available at Bond Info Hub, Fully Automated System for Issuing/Tendering of Bank Negara Malaysia and The Bond and Sukuk Information Exchange; and
- (ii) Cash placements and liquid assets in local market, which have been placed in Shariah-compliant investments and/or instruments.

## 13. UNITS IN CIRCULATION

	01.11.2024 to 30.04.2025 No. of units	01.11.2023 to 31.10.2024 No. of units
At the beginning of the financial period/year	1,770,017,746	788,361,918
Add: Creation of units during the financial period/year		
- Arising from applications	1,238,887,667	2,902,107,725
- Arising from distributions	29,031,727	38,782,362
Less: Cancellation of units during the financial period/year	(380,027,581)	(1,959,234,259)
At the end of the financial period/year	<u>2,657,909,559</u>	<u>1,770,017,746</u>

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

	2025 %	2024 %
TER (annualised)	<u>0.28</u>	<u>0.30</u>

Total expense ratio includes management fee, Trustee's fee, auditors' remuneration, tax agent's fee and other expenses for the financial period divided by the Fund's average net asset value calculated on a daily basis and is calculated as follows:

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

Where;

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

The average net asset value of the Fund for the financial period calculated on a daily basis is RM1,203,813,798 (2024: RM538,181,582).

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

	2025 Times	2024 Times
PTR	0.11	0.25

PTR is derived from the following calculation:

(Total acquisitions for the financial period + total disposals for the financial period) / 2

Average net asset value of the Fund for the financial period calculated on a daily basis

Where;

total acquisitions for the financial period  
= RM154,007,350 (2024: RM205,218,600)  
total disposals for the financial period  
= RM113,482,812 (2024: RM62,977,417)

## 16. UNITS HELD BY THE MANAGER AND RELATED PARTIES TRANSACTIONS AND BALANCES

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

<u>Related parties</u>	<u>Relationships</u>
Hong Leong Asset Management Bhd	The Manager
Hong Leong Islamic Asset Management Sdn Bhd	Subsidiary of the Manager
Hong Leong Capital Berhad	Holding company of the Manager
Hong Leong Financial Group Berhad ("HLFG")	Ultimate holding company of the Manager
HLB Nominees (Tempatan) Sdn Bhd	Subsidiary of the ultimate holding company of the Manager
Subsidiaries and associates of HLFG as disclosed in its financial statements	Subsidiaries and associate companies of the ultimate holding company of the Manager

## Units held by related parties of the Manager

	30.04.2025		31.10.2024	
	Units	RM	Units	RM
Hong Leong Capital Berhad	60,204,696	30,036,154	60,204,696	30,006,020
Hong Leong Financial Group Berhad	763,364,796	380,843,088	450,682,398	224,620,107
Hong Leong MSIG Takaful Berhad	71,814,284	35,828,183	20,950,915	10,441,936
HLB Nominees (Tempatan) Sdn Bhd	2,500,821	1,247,661	-	-
	<u>897,884,597</u>	<u>447,955,086</u>	<u>531,838,009</u>	<u>265,068,063</u>

The above units were transacted at the prevailing market price.

The units held by HLB Nominees (Tempatan) Sdn Bhd, a subsidiary of ultimate holding company of the Manager, is under the nominee structure.

No units were held by the Manager as at 30 April 2025 and 31 October 2024.

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other related party transactions and balances. The Manager is of the opinion that all transactions with the related companies have been entered into at agreed terms between the related parties.

	30.04.2025 RM	31.10.2024 RM
<u>Related party balances</u>		
Short term Islamic deposits with licensed financial institutions:		
- Hong Leong Islamic Bank Berhad	221,294,837	59,471,055
Cash at bank:		
- Hong Leong Islamic Bank Berhad	6,000,384	16,076,678
Amount due to broker/dealer:		
- Hong Leong Bank Berhad	-	(5,154,681)
	<u>227,295,221</u>	<u>70,393,052</u>

	2025 RM	2024 RM
<u>Related party transactions</u>		
Profit income from Islamic deposits with licensed financial institutions:		
- Hong Leong Islamic Bank Berhad	2,164,990	1,252,274
Profit income from auto-sweep facility bank account:		
- Hong Leong Islamic Bank Berhad	193,460	61,731
	2,358,450	1,314,005
Purchase of unquoted sukuk:		
- Hong Leong Bank Berhad	5,101,969	24,708,098
- Hong Leong Islamic Bank Berhad	36,045,510	22,535,505
	41,147,479	47,243,603
Disposal of unquoted sukuk:		
- Hong Leong Bank Berhad	-	41,274,284
- Hong Leong Islamic Bank Berhad	40,885,472	-
	40,885,472	41,274,284

## 17. TRANSACTIONS WITH BROKERS/DEALERS

Detail of transactions with brokers/dealers are as follows:

	Values of trade RM	Percentage of total trade %
<b>2025</b>		
Hong Leong Islamic Bank Berhad*	76,930,982	28.40
CIMB Islamic Bank Berhad	69,205,799	25.54
CIMB Bank Berhad	51,853,821	19.14
AmBank Islamic Berhad	43,539,072	16.07
J.P. Morgan Chase Bank Berhad	24,300,789	8.97
Hong Leong Islamic Bank Berhad*	5,101,969	1.88
	270,932,432	100.00

	Values of trade RM	Percentage of total trade %
<b>2024</b>		
Hong Leong Bank Berhad*	65,982,382	24.33
CIMB Islamic Bank Berhad	44,140,983	16.27
AmBank (M) Berhad	31,692,955	11.69
CIMB Bank Berhad	24,570,610	9.06
Hong Leong Islamic Bank Berhad*	22,535,505	8.31
Bank Islam Malaysia Berhad	20,462,052	7.54
J.P. Morgan Chase Bank Berhad	17,268,868	6.37
Standard Chartered Bank Malaysia Berhad	15,332,291	5.65
Malayan Banking Berhad	11,752,434	4.33
Affin Islamic Bank Berhad	11,308,589	4.17
Others	6,189,213	2.28
	271,235,882	100.00

\* Transactions with brokers/dealers related to the Manager.

The Manager is of the opinion that all transactions with the related companies have been entered into at agreed terms between the related parties.

# Performance Data

for the Financial Period Ended 30 April and Financial Years Ended 31 October

		Financial Period 2025 %	Financial Year 2024 %	Financial Year 2023 %	Financial Year 2022 %
<b>A. (i) Portfolio Compositions:</b>					
Corporate Sukuk		16.10	26.02	12.06	20.35
Government Investment Issues		13.86	14.33	22.42	53.87
<b>Islamic Deposits &amp; Cash Equivalents</b>		<b>70.04</b>	<b>59.65</b>	<b>65.52</b>	<b>25.78</b>
<b>(ii) Total Net Asset Value</b>	(ex-distribution)	<b>RM1,326,032,440</b>	RM882,252,775	RM392,358,483	RM7,397,017
<b>(iii) Net Asset Value Per Unit Units in Circulation</b>	(ex-distribution) (ex-distribution)	<b>RM0.4989</b> <b>2,657,909,559</b>	RM0.4984 1,770,017,746	RM0.4977 788,361,918	RM0.4933 14,994,179
<b>(iv) Highest/Lowest NAV Per Unit</b>	Highest NAV Per Unit	<b>RM0.5000</b>	RM0.5001	RM0.4997	RM0.5003
(ex-distribution)	Lowest NAV Per Unit	<b>RM0.4982</b>	RM0.4977	RM0.4925	RM0.4914
<b>(v) Total Return of the Fund*</b>		<b>1.74%</b>	3.38%	3.59%	0.22%
- Capital Growth		<b>0.10%</b>	0.14%	0.89%	-1.10%
- Income Distribution		<b>1.64%</b>	3.24%	2.70%	1.32%
<b>(vi) The distribution (gross) is made out of:-</b>					
- The Fund's Capital		<b>0.0000 sen/unit</b>	0.0000 sen/unit	0.0000 sen/unit	0.5500 sen/unit
- The Fund's Income		<b>0.8130 sen/unit</b>	1.5910 sen/unit	1.3140 sen/unit	0.1100 sen/unit
- Total Distribution Amount		<b>0.8130 sen/unit</b>	1.5910 sen/unit	1.3140 sen/unit	0.6600 sen/unit
- The Fund's Capital (% of Total Distribution Amount)		<b>0%</b>	0%	0%	83%
- The Fund's Income (% of Total Distribution Amount)		<b>100%</b>	100%	100%	17%
<b>(vii) Distribution Per Unit</b>					
	Additional Units	-	-	-	-
	Distribution (Gross)	<b>0.1340 sen/unit</b>	0.1290 sen/unit	0.0440 sen/unit	0.0600 sen/unit
	Distribution (Net)	<b>0.1340 sen/unit</b>	0.1290 sen/unit	0.0440 sen/unit	0.0600 sen/unit
	Distribution Date	<b>25/11/2024</b>	27/11/2023	25/11/2022	25/02/2022
	Cum-Distribution NAV/Unit	<b>RM0.4996</b>	RM0.4994	RM0.4945	RM0.4999
	Ex-Distribution NAV/Unit	<b>RM0.4983</b>	RM0.4981	RM0.4941	RM0.4993
	Additional Units	-	-	-	-
	Distribution (Gross)	<b>0.1350 sen/unit</b>	0.1240 sen/unit	0.0930 sen/unit	0.0720 sen/unit
	Distribution (Net)	<b>0.1350 sen/unit</b>	0.1240 sen/unit	0.0930 sen/unit	0.0720 sen/unit
	Distribution Date	<b>26/12/2024</b>	26/12/2023	27/12/2022	25/03/2022
	Cum-Distribution NAV/Unit	<b>RM0.4995</b>	RM0.4996	RM0.4969	RM0.4990
	Ex-Distribution NAV/Unit	<b>RM0.4982</b>	RM0.4983	RM0.4960	RM0.4983
	Additional Units	-	-	-	-
	Distribution (Gross)	<b>0.1490 sen/unit</b>	0.1360 sen/unit	0.0940 sen/unit	0.0780 sen/unit
	Distribution (Net)	<b>0.1490 sen/unit</b>	0.1360 sen/unit	0.0940 sen/unit	0.0780 sen/unit
	Distribution Date	<b>27/01/2025</b>	26/01/2024	25/01/2023	25/04/2022
	Cum-Distribution NAV/Unit	<b>RM0.4997</b>	RM0.4999	RM0.4991	RM0.4951
	Ex-Distribution NAV/Unit	<b>RM0.4982</b>	RM0.4986	RM0.4981	RM0.4944
	Additional Units	-	-	-	-
	Distribution (Gross)	<b>0.1320 sen/unit</b>	0.1380 sen/unit	0.1280 sen/unit	0.0790 sen/unit
	Distribution (Net)	<b>0.1320 sen/unit</b>	0.1380 sen/unit	0.1280 sen/unit	0.0790 sen/unit
	Distribution Date	<b>25/02/2025</b>	26/02/2024	27/02/2023	25/05/2022
	Cum-Distribution NAV/Unit	<b>RM0.4996</b>	RM0.4998	RM0.4993	RM0.4949
	Ex-Distribution NAV/Unit	<b>RM0.4982</b>	RM0.4984	RM0.4980	RM0.4941

## Performance Data

for the Financial Period Ended 30 April and Financial Years Ended 31 October

	Financial Period 2025 %	Financial Year 2024 %	Financial Year 2023 %	Financial Year 2022 %
Additional Units	-	-	-	-
Distribution (Gross)	<b>0.1270 sen/unit</b>	0.1230 sen/unit	0.1110 sen/unit	0.0900 sen/unit
Distribution (Net)	<b>0.1270 sen/unit</b>	0.1230 sen/unit	0.1110 sen/unit	0.0900 sen/unit
Distribution Date	<b>25/03/2025</b>	25/03/2024	27/03/2023	27/06/2022
Cum-Distribution NAV/Unit	<b>RM0.4996</b>	RM0.4998	RM0.4993	RM0.4937
Ex-Distribution NAV/Unit	<b>RM0.4983</b>	RM0.4986	RM0.4982	RM0.4928
Additional Units	-	-	-	-
Distribution (Gross)	<b>0.1360 sen/unit</b>	0.1360 sen/unit	0.1180 sen/unit	0.0800 sen/unit
Distribution (Net)	<b>0.1360 sen/unit</b>	0.1360 sen/unit	0.1180 sen/unit	0.0800 sen/unit
Distribution Date	<b>25/04/2025</b>	25/04/2024	25/04/2023	25/07/2022
Cum-Distribution NAV/Unit	<b>RM0.5000</b>	RM0.4995	RM0.4997	RM0.4960
Ex-Distribution NAV/Unit	<b>RM0.4987</b>	RM0.4981	RM0.4985	RM0.4952
Additional Units	-	-	-	-
Distribution (Gross)	-	0.1380 sen/unit	0.1200 sen/unit	0.0640 sen/unit
Distribution (Net)	-	0.1380 sen/unit	0.1200 sen/unit	0.0640 sen/unit
Distribution Date	-	27/05/2024	25/05/2023	25/08/2022
Cum-Distribution NAV/Unit	-	RM0.4997	RM0.4994	RM0.4973
Ex-Distribution NAV/Unit	-	RM0.4983	RM0.4982	RM0.4967
Additional Units	-	-	-	-
Distribution (Gross)	-	0.1280 sen/unit	0.1200 sen/unit	0.0910 sen/unit
Distribution (Net)	-	0.1280 sen/unit	0.1200 sen/unit	0.0910 sen/unit
Distribution Date	-	25/06/2024	26/06/2023	26/09/2022
Cum-Distribution NAV/Unit	-	RM0.4997	RM0.4992	RM0.4938
Ex-Distribution NAV/Unit	-	RM0.4985	RM0.4980	RM0.4929
Additional Units	-	-	-	-
Distribution (Gross)	-	0.1320 sen/unit	0.1140 sen/unit	0.0460 sen/unit
Distribution (Net)	-	0.1320 sen/unit	0.1140 sen/unit	0.0460 sen/unit
Distribution Date	-	25/07/2024	25/07/2023	25/10/2022
Cum-Distribution NAV/Unit	-	RM0.4999	RM0.4994	RM0.4934
Ex-Distribution NAV/Unit	-	RM0.4986	RM0.4982	RM0.4929
Additional Units	-	-	-	-
Distribution (Gross)	-	0.1410 sen/unit	0.1240 sen/unit	-
Distribution (Net)	-	0.1410 sen/unit	0.1240 sen/unit	-
Distribution Date	-	26/08/2024	25/08/2023	-
Cum-Distribution NAV/Unit	-	RM0.5001	RM0.4993	-
Ex-Distribution NAV/Unit	-	RM0.4987	RM0.4981	-
Additional Units	-	-	-	-
Distribution (Gross)	-	0.1310 sen/unit	0.1200 sen/unit	-
Distribution (Net)	-	0.1310 sen/unit	0.1200 sen/unit	-
Distribution Date	-	25/09/2024	25/09/2023	-
Cum-Distribution NAV/Unit	-	RM0.5000	RM0.4990	-
Ex-Distribution NAV/Unit	-	RM0.4987	RM0.4978	-
Additional Units	-	-	-	-
Distribution (Gross)	-	0.1350 sen/unit	0.1280 sen/unit	-
Distribution (Net)	-	0.1350 sen/unit	0.1280 sen/unit	-
Distribution Date	-	25/10/2024	25/10/2023	-
Cum-Distribution NAV/Unit	-	RM0.4996	RM0.4986	-
Ex-Distribution NAV/Unit	-	RM0.4983	RM0.4973	-

## Performance Data

for the Financial Period Ended 30 April and Financial Years Ended 31 October

	Financial Period 2025 %	Financial Year 2024 %	Financial Year 2023 %	Financial Year 2022 %
(viii) Total Expense Ratio (TER)	0.28%	0.29%	0.39%	0.86%
(ix) Portfolio Turnover Ratio (PTR) (times)	0.11#	0.48	0.55	–
<b>B. Average Total Return, NAV Per Unit-to-NAV Per Unit basis (as at 30/04/2025)*</b>				
(i) One year	3.40%			
(ii) Three years	3.30%			
(iii) Five years	1.83%			

\* Source: Lipper  
(Returns are calculated after adjusting for distributions and/or additional units, if any)

# The PTR decreased by 0.37 times (77.08%) to 0.11 times for the financial period from 1 November 2024 to 30 April 2025 versus 0.48 times for the financial year ended 31 October 2024 mainly due to lower level of rebalancing activities undertaken by the Fund and 0.14 times (56.00%) as compared to 0.25 times for the financial period from 1 November 2023 to 30 April 2024 mainly due to higher average net asset value of the Fund.

## Corporate Information

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### Manager

Hong Leong Asset Management Bhd [199401033034 (318717-M)]

### Registered Office

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### Board of Directors

Ms. Lee Jim Leng  
Mr. Chue Kwok Yan  
YBhg Dato' Abdul Majit bin Ahmad Khan  
YM Tunku Dato' Mahmood Fawzy bin Tunku Muhiyiddin

### Executive Director/Chief Executive Officer

Mr. Chue Kwok Yan

### External Fund Manager

Hong Leong Islamic Asset Management Sdn Bhd [198501008000 (140445-U)]

### Trustee

CIMB Commerce Trustee Berhad

### Shariah Adviser

BIMB Securities Sdn Bhd

### Auditor

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146)

### Distributors

Hong Leong Bank Berhad  
Hong Leong Islamic Bank Berhad  
Affin Bank Berhad  
Areca Capital Sdn Bhd  
iFAST Capital Sdn Bhd  
Malayan Banking Berhad  
OCBC Al-Amin Bank Berhad  
Phillip Mutual Berhad  
Standard Chartered Bank Malaysia Berhad  
United Overseas Bank (Malaysia) Berhad  
UOB Kay Hian Securities (M) Sdn Bhd  
Registered Independent Tied Agents with FIMM

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