

Principal Islamic Lifetime Sukuk Fund

Interim Report

For The Six Months Financial Period Ended 28 February 2022

PRINCIPAL ISLAMIC LIFETIME SUKUK FUND

INTERIM REPORT

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2022

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INVESTORS' LETTER

Dear Valued Investor,

Greetings from Principal Asset Management Berhad and thank you for investing with us!

We are pleased to bring you a copy of the Interim Fund Report of the Principal Islamic Lifetime Sukuk Fund for the financial period ended 28 February 2022. You may also download this report from our website at www.principal.com.my.

We are pleased to share that we continue to win accolades – the most recent recognition coming from the Refinitiv Lipper Fund Awards 2022 with four awards where Principal Asia Titans Fund won the Best Equity Asia Pacific ex-Japan fund award over 10 years (Malaysia Pension Funds Awards) and Principal Islamic Asia Pacific Dynamic Equity Fund won the Best Equity Asia Pacific ex-Japan fund award in the 3-year, 5-year, and 10-year categories (Malaysia Islamic Funds Awards). Principal also won two awards for Best Asset Manager Malaysia and Best Equity Fund Manager Malaysia at the International Business Magazine Awards 2022.

Digital innovation is central to our strategy, as we use data and technology to develop the right solutions for you. We will continue to advance our digital capabilities to provide easy access to your investment portfolio and enable you to carry out transactions seamlessly. Please continue to check out our website (www.principal.com.my), like our Facebook page (@PrincipalAssetMY), follow us on our Instagram account (@principalassetmanagement_my), and LinkedIn page (Principal Asset Management Berhad) for the latest updates, market insights and investment articles.

We appreciate your continuous support and the trust you place in us.

Yours faithfully,
for **Principal Asset Management Berhad**



Munirah Khairuddin
Chief Executive Officer

MANAGER'S REPORT

FUND OBJECTIVE AND POLICY

What is the investment objective of the Fund?

The investment objective of the Fund is to gain higher than average income over the medium to long-term by investing in a diversified portfolio consisting principally of Sukuk, certificates of deposit, short-term money market instruments and other permissible investments under the Shariah principles.

Has the Fund achieved its objective?

For the financial period under review, the Fund is in line with its stated objectives as stated under the fund performance review.

What are the Fund investment policy and principal investment strategy?

In line with its objective, the investment strategy and policy of the Fund is to invest in a diversified portfolio of Islamic fixed income securities consisting principally of Sukuk, which aim to provide a steady stream of income from the profit of Sukuk. A minimum of 70% and up to a maximum of 98% of the Fund's Net Asset Value ("NAV") may be invested in Sukuk carrying at least a "BBB3" or "P2" rating by RAM ratings ("RAM") or equivalent rating by Malaysian Rating Corporation Berhad ("MARC") or by local rating agency(ies) of the country of issuance; or "BBB-" by Standard & Poor's ("S&P") or equivalent rating by any other international rating agencies. The Fund may invest up to 40% of its NAV in Unrated Sukuk and up to 28% of its NAV in other permissible Shariah-compliant investments. The Fund may also opt to seek investment exposure via Islamic collective investment scheme that is in line with the Fund's objective, subject to the requirement of the Guidelines of Unit Trust Funds ("GUTF"). The rest of the Fund is maintained in the form of Islamic liquid assets to meet any withdrawal payments to Unit holders.

The asset allocation strategy for this Fund is as follows:

- between 70% to 98% (both inclusive) of the Fund's NAV in Sukuk;
- up to 28% of the Fund's NAV in other permissible Shariah-compliant investments;
- up to 40% of the Fund's NAV in Unrated Sukuk; and
- at least 2% of the Fund's NAV in Islamic liquid assets.

Fund category/type

Sukuk/Income

When was the Fund launched?

8 October 2004

What was the size of the Fund as at 28 February 2022?

RM661.15 million (515.04 million units)

What is the Fund's benchmark?

Quantshop Government Investment Issues ("GII") Medium Index

Note: The Fund's benchmark is for performance comparison purpose only. Investors are cautioned that the risk profile of the Fund is higher than the benchmark.

What is the Fund distribution policy?

Distribution (if any) is expected to be distributed annually, depending on the performance of the Fund and at the Manager's discretion.

What was the net income distribution for the six months financial period ended 28 February 2022?

The Fund distributed a total net income of RM13.05 million to unit holders for the financial period ended 28 February 2022.

FUND OBJECTIVE AND POLICY (CONTINUED)

Date	NAV per unit	NAV per unit
	(Before distribution) RM	(After distribution) RM
12.10.2021	1.2925	1.2927
12.01.2022	1.2794	1.2798

PERFORMANCE DATA

Details of portfolio composition of the Fund for the last three unaudited financial periods were as follows:

	28.02.2022	28.02.2021	29.02.2020
	%	%	%
Unquoted Sukuk	93.19	97.78	86.69
Cash and other assets	7.18	2.99	14.05
Liabilities	(0.37)	(0.77)	(0.74)
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

Performance details of the Fund for the last three unaudited financial periods were as follows:

	28.02.2022	28.02.2021	29.02.2020
NAV (RM Million)	661.15	743.45	566.97
Units in circulation (Million)	515.04	548.80	414.99
NAV per unit (RM)	1.2836	1.3546	1.3662
	01.09.2021	01.09.2020	01.09.2019
	to 28.02.2022	to 28.02.2021	to 29.02.2020
Highest NAV per unit (RM)	1.3110	1.3655	1.3663
Lowest NAV per unit (RM)	1.2773	1.3544	1.3149
Total return (%)	0.07	(0.29)	3.59
- Capital growth (%)	(1.93)	(0.29)	3.59
- Income distribution (%)	2.04	-	-
Management Expense Ratio ("MER") (%) ^	0.51	0.50	0.51
Portfolio Turnover Ratio ("PTR") (times) #	0.12	0.24	0.31

^ The Fund's MER increased from 0.50% to 0.51% due to decrease in expenses during the financial period under review.

The PTR for the financial period under review was 0.12 times which reflected the number of transactions.

	28.02.2022	28.02.2021	29.02.2020	28.02.2019	28.02.2018
	%	%	%	%	%
Annual total return	1.23	1.76	10.34	4.88	4.12

(Launch date: 8 October 2004)

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up. All performance figures for the financial period have been extracted from Lipper.

MARKET REVIEW (1 SEPTEMBER 2021 TO 28 FEBRUARY 2022)

Bank Negara Malaysia (“BNM”) kept the Overnight Policy Rate (“OPR”) unchanged at 1.75% in the September meeting with its assessment of the growth trajectory, current policy stance and outlook for policy broadly the same as the previous meeting in July 2021.

Budget 2022 which was announced in October 2021 features the largest expenditure ever at RM332.1 billion (+3.6% year-on-year (“y-o-y”) with higher allocations to operating expenditure (+6.3% to RM233.5 billion) and record high development expenditure (+21.9% to RM75.6 billion) but lower Coronavirus Disease 2019 (“COVID-19”) expenditure (-41% to RM23 billion) with consumers and Small Medium Enterprise (“SME”) being the standout beneficiaries from the expansionary budget. The higher expenditure will be offset by higher projected revenues of RM234 billion (+6% y-o-y) leading to a slightly lower deficit of RM97.5 billion in 2022 (2021: RM98.8 billion). The deficit ratio is expected to decline to 6% of Gross Domestic Product (“GDP”) (from 6.5%), largely relying on the rebound in nominal GDP between +7.7% to 8.7% in 2022.

In November 2021, investors sought flight to safe havens with fear and uncertainty being the key factors following the news of the heavily mutated Omicron variant. Experts believe it will take a few more weeks before the impact of the new variant as well as economic implications will be known which leaves investors continuing to remain uncertain.

The GII curve bear flattened in December 2021 with the short to mid tenure of the curve rose by 4 to 20 basis points (“bps”) while the longer end of the curve traded lower by 1 bps to 9 bps. Overall, risk sentiment improved as fears of the Omicron variant has somewhat subsided. The rapid spread of the Omicron coronavirus variant has raised concerns on fears of delaying reopening. However, markets believe that the new variant would not shift the stance of Central Banks. Preliminary reports suggest that the Omicron symptoms to be mild and hospitalizations rate are comparatively low. In addition, vaccine producers’ quick responses in announcing adaptation of shots for Omicron have also help to stabilize the sentiment. Hence, most countries are likely to push on with varied “living with COVID-19” approaches.

Year 2022 started with the sovereign yield curve bear steepened in January 2022 as external factors, mainly the volatility in US Treasuries amid a more hawkish US Federal Reserve (the “Fed”) has caused yields to rise especially on the long duration Malaysian Government Securities (“MGS”).

In January 2022, we saw BNM held the OPR at 1.75% at its first monetary policy meeting of the year, its lowest since July 2020. In its statement, BNM said it considers current policy to be appropriate and accommodative. Additionally, BNM also said that the stance of monetary policy will continue to be determined by new data and their implications on the overall outlook.

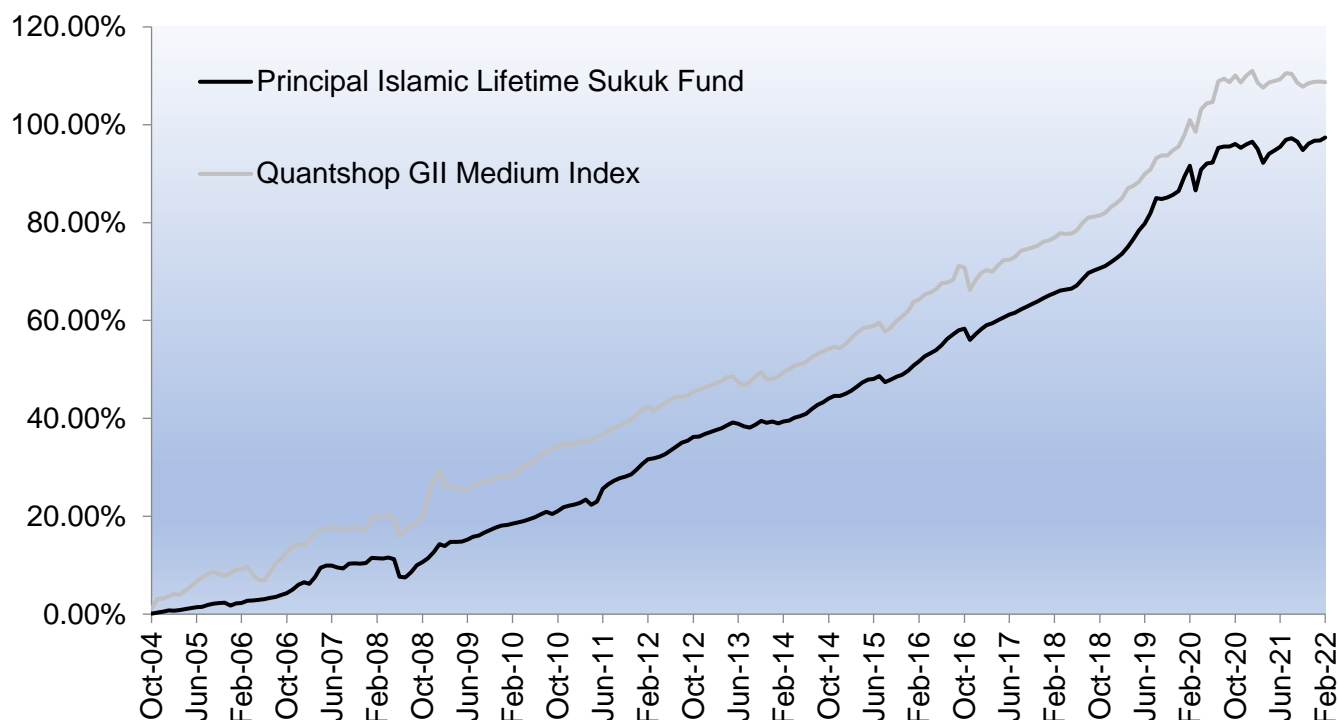
The period under review ended with the 3-year, 5-year, 7-year, 10-year, 15-year, 20-year and 30-year GII yields closed at 2.92%, 3.31%, 3.66%, 3.80%, 4.06%, 4.30% and 4.51% respectively at the end of February 2022.

FUND PERFORMANCE

	6 months to 28.02.2022	1 year to 28.02.2022	3 years to 28.02.2022	5 years to 28.02.2022	Since inception to 28.02.2022
	%	%	%	%	%
Income Distribution	2.04	6.80	15.71	28.25	50.76
Capital Growth	(1.93)	(5.22)	(1.78)	(3.22)	30.94
Total Return	0.07	1.23	13.66	24.12	97.40
Benchmark	(0.82)	(0.05)	12.84	22.51	108.67
Average Total Return	0.14	1.23	4.36	4.42	3.98

For the six month period under review ended 28 February 2022, the Fund delivered a total return of 0.07% versus the benchmark return of negative 0.82%.

FUND PERFORMANCE (CONTINUED)



Changes in NAV

	28.02.2022	31.08.2021 Audited	Changes %
NAV (RM Million)	661.15	684.15	(3.36)
NAV/Unit (RM)	1.2836	1.3092	(1.96)

The Fund's NAV dropped by 3.36% to RM661.15 million as at 28th February 2022 largely due to redemptions. Meanwhile NAV per unit decreased slightly by 1.96% to close at 1.2836.

Performance data represents the combined income and capital return as a result of holding units in the Fund for the specified length of time, based on NAV to NAV price. The performance data assumes that all earnings from the Fund are reinvested and are net of management and trustee fees. Past performance is not reflective of future performance and income distributions are not guaranteed. Unit prices and income distributions, if any, may fall and rise. All performance figures for the financial period have been extracted from Lipper.

PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	28.02.2022	31.08.2021 Audited
Unquoted Sukuk	93.19	96.30
Cash and other assets	7.18	3.97
Liabilities	(0.37)	(0.27)
Total	100.00	100.00

The Fund is 93.19% invested with 7.18% cash holding as liquidity for trading and redemption purposes.

MARKET OUTLOOK*

BNM maintained the overnight policy rate (“OPR”) at 1.75% as widely expected in its first Monetary Policy Committee meeting in 2022. We continue to maintain our view that we are expecting at least one rate hike in 2022, most likely in the second half of the year when the economic recovery is more entrenched and the slack of the labour market has improved to close the output gap.

With the fiscal deficit target of 6% for 2022 and the sizeable maturity of MGS/GII in 2022 totaling RM78.9 billion, we estimate the gross MGS/GII funding for 2022 is to be around RM165 billion (2021: RM160 billion and 2020: RM148.8 billion) given the proactive management of maturities via debt switches and some flexibility in government’s funding strategy.

Demand for corporate sukuk remains strong as credit spreads continue to tighten across most tenors and rating segments. Potential new issuance pipeline is expected to remain healthy as corporates try to tap the market in anticipation of BNM rate hikes and also driven by their refinancing and higher capex requirements as economy reopens; hence, we will be watchful for curve re-pricing.

* This market outlook does not constitute an offer, invitation, commitment, advice or recommendation to make a purchase of any investment. The information given in this article represents the views of Principal Asset Management Berhad (“Principal Malaysia”) or based on data obtained from sources believed to be reliable by Principal Malaysia. Whilst every care has been taken in preparing this, Principal Malaysia makes no guarantee, representation or warranty and is under no circumstances liable for any loss or damage caused by reliance on, any opinion, advice or statement made in this market outlook.

INVESTMENT STRATEGY

Our strategy going into 2022 is to opportunistically participate in sovereign securities when we see value. We continue to maintain our preference on the credit segment for a more stable and higher yield pick up with preference on the primary issuances offering yields reflective of forthcoming interest rate normalisation and weaker market sentiment.

UNIT HOLDINGS STATISTICS

Breakdown of unit holdings by size as at 28 February 2022 are as follows:

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	1,586	4.78	0.93
5,001-10,000	1,224	8.95	1.74
10,001-50,000	2,129	49.11	9.54
50,001-500,000	646	69.66	13.53
500,001 and above	47	382.54	74.26
Total	5,632	515.04	100.00

SOFT COMMISSIONS AND REBATES

Principal Asset Management Berhad (the “Manager”) and the Trustees will not retain any form of rebate or soft commission from, or otherwise share in any commission with, any broker in consideration for directing dealings in the investments of the Funds unless the soft commission received is retained in the form of goods and services such as research and advisory services that assist in the decision-making process relating to the Fund’s investments. All dealings with brokers are executed on most favourable terms available for the Fund. Any rebates will be directed to the account of the Fund.

During the financial period under review, the Manager and the Trustee did not receive any rebates from the brokers or dealers, but the Manager has retained soft commission in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Funds.

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF
PRINCIPAL ISLAMIC LIFETIME SUKUK FUND**

We, being the Directors of Principal Asset Management Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying unaudited financial statements set out on pages 10 to 42 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 28 February 2022 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial period then ended in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134 - Interim Financial Reporting and International Accounting Standards (“IAS”) 34 - Interim Financial Reporting.

For and on behalf of the Manager

Principal Asset Management Berhad (Company No.: 199401018399 (304078-K))

MUNIRAH KHAIRUDDIN
Chief Executive Officer/Executive Director

JUAN IGNACIO EYZAGUIRRE BARAONA
Director

Kuala Lumpur
18 April 2022

Trustee's Report

To the Unit Holders of **PRINCIPAL ISLAMIC LIFETIME SUKUK FUND ("Fund")**,

We have acted as Trustee of the Fund for the financial period ended 28 February 2022 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, **PRINCIPAL ASSET MANAGEMENT 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 **AMANAHRAYA TRUSTEES BERHAD**

ZAINUDIN BIN SUHAIMI
Chief Executive Officer
6 April 2022

SHARIAH ADVISER'S REPORT

To the Unit Holders of Principal Islamic Lifetime Sukuk Fund ("Fund")

For the Six Months Financial Period ended 28 February 2022

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Principal Asset Management Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia ("SC") pertaining to Shariah matters; and
2. The asset of the Fund comprises of instruments that have been classified as Shariah compliant.

For Amanie Advisors Sdn Bhd

Tan Sri Dr Mohd Daud Bakar
Executive Chairman

Kuala Lumpur
18 April 2022

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2022**

	Note	01.09.2021 to 28.02.2022 RM	01.09.2020 to 28.02.2021 RM
INCOME			
Profit income from unquoted Sukuk		13,154,248	16,211,037
Profit income from Shariah-compliant deposits with licensed Islamic financial institutions and Hibah earned		232,241	358,126
Net loss on financial assets at fair value through profit or loss	8	<u>(9,975,506)</u>	<u>(14,133,308)</u>
		<u>3,410,983</u>	<u>2,435,855</u>
EXPENSES			
Management fee	4	3,106,945	4,092,670
Trustee fee	5	196,228	258,484
Audit fee		12,600	4,200
Tax agent's fee		2,950	2,950
Other expenses		<u>12,963</u>	<u>11,617</u>
		<u>3,331,686</u>	<u>4,369,921</u>
PROFIT/(LOSS) BEFORE TAXATION		79,297	(1,934,066)
Taxation	7	<u>-</u>	<u>-</u>
PROFIT/(LOSS) AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL PERIOD		<u>79,297</u>	<u>(1,934,066)</u>
Profit/(Loss) after taxation is made up as follows:			
Realised amount		11,194,576	17,978,010
Unrealised amount		<u>(11,115,279)</u>	<u>(19,912,076)</u>
		<u>79,297</u>	<u>(1,934,066)</u>

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

UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2022

		28.02.2022	31.08.2021
	Note	RM	Audited RM
ASSETS			
Cash and cash equivalents	9	41,324,035	21,921,402
Financial assets at fair value through profit or loss	8	616,106,291	658,814,031
Amount due from dealer		-	3,513,453
Amount due from Manager		6,160,988	1,715,564
TOTAL ASSETS		<u>663,591,314</u>	<u>685,964,450</u>
LIABILITIES			
Amount due to Manager		1,914,136	1,205,715
Accrued management fee		480,038	553,002
Amount due to Trustee		30,318	34,926
Other payables and accruals		21,451	19,900
TOTAL LIABILITIES		<u>2,445,943</u>	<u>1,813,543</u>
NET ASSET VALUE OF THE FUND		<u>661,145,371</u>	<u>684,150,907</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	11	<u>661,145,371</u>	<u>684,150,907</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)	10	<u>515,035,698</u>	<u>522,564,489</u>
NET ASSET VALUE PER UNIT (RM)		<u>1.2836</u>	<u>1.3092</u>

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

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2022**

	01.09.2021 to 28.02.2022 RM	01.09.2020 to 28.02.2021 RM
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD	684,150,907	885,250,954
Movement due to units created and cancelled during the financial period:		
- Creation of units from applications	94,805,229	201,918,869
- Creation of units from distribution	12,822,339	-
- Cancellation of units	(117,657,562)	(341,789,009)
	(10,029,994)	(139,870,140)
Total comprehensive income/(loss) for the financial period	79,297	(1,934,066)
Distribution	(13,054,839)	-
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL PERIOD	661,145,371	743,446,748

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

**UNAUDITED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2022**

	01.09.2021 to 28.02.2022 RM	01.09.2020 to 28.02.2021 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from disposal of unquoted Sukuk	100,014,657	245,647,121
Purchase of unquoted Sukuk	(64,395,930)	(181,069,802)
Proceeds from redemption of unquoted Sukuk	-	15,000,000
Profit income received from Shariah-compliant deposits with licensed Islamic financial institutions and Hibah earned	232,241	358,125
Profit income received from unquoted Sukuk	13,781,209	17,019,217
Management fee paid	(3,179,909)	(4,231,363)
Trustee fee paid	(200,836)	(267,244)
Payments for other fees and expenses	(26,963)	(15,717)
Net cash generated from operating activities	46,224,469	92,440,337
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash proceeds from units created	90,359,805	204,805,916
Payments for cancellation of units	(116,949,141)	(340,987,377)
Distribution paid	(232,500)	-
Net cash used in from financing activities	(26,821,836)	(136,181,461)
Net increase/(decrease) in cash and cash equivalents	19,402,633	(43,741,124)
Cash and cash equivalents at the beginning of the financial period	21,921,402	61,999,893
Cash and cash equivalents at the end of the financial period	41,324,035	18,258,769
<u>Cash and cash equivalents comprised of:</u>		
Bank balance	38,999	64,135
Shariah-compliant deposits with islamic licensed financial institutions	41,285,036	18,194,634
Cash and cash equivalents at the end of the financial period	41,324,035	18,258,769

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2022**

1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES

Principal Islamic Lifetime Sukuk Fund (the “Fund”) is governed by a Principal Master Deed dated 15 May 2008, a Third Supplemental Master Deed dated 25 June 2008, a Fourth Supplemental Master Deed dated 25 June 2008, a Fifth Supplemental Master Deed dated 25 June 2008, a Sixth Supplemental Master Deed dated 14 July 2008, a Seventh Supplemental Master Deed dated 19 November 2008, a Twelfth Supplemental Master Deed dated 14 June 2010, a Fourteenth Supplemental Master Deed dated 26 June 2012, a Seventeenth Supplemental Master Deed dated 25 March 2015 and a Nineteenth Supplemental Master Deed dated 18 June 2019 (collectively referred to as the “Deeds”), made between Principal Asset Management Berhad (the “Manager”) and AmanahRaya Trustees Berhad (the “Trustee”).

In line with its objective, the investment strategy and policy of the Fund is to invest in a diversified portfolio of Islamic fixed income securities consisting principally of Sukuk, which aim to provide a steady stream of income from the profit of Sukuk. A minimum of 70% and up to a maximum of 98% of the Fund’s NAV may be invested in Sukuk carrying at least a “BBB3” or “P2” rating by RAM or equivalent rating by MARC or by local rating agency(ies) of the country of issuance; or “BBB-” by S&P or equivalent rating by any other international rating agencies. The Fund may invest up to 40% of its NAV in Unrated Sukuk and up to 28% of its NAV in other permissible Shariah-compliant investments. The Fund may also opt to seek investment exposure via Islamic collective investment scheme that is in line with the Fund’s objective, subject to the requirement of the GUTF. The rest of the Fund is maintained in the form of Islamic liquid assets to meet any withdrawal payments to Unit holders.

The asset allocation strategy for this Fund is as follows:

- between 70% to 98% (both inclusive) of the Fund’s NAV in Sukuk;
- up to 28% of the Fund’s NAV in other permissible Shariah-compliant investments;
- up to 40% of the Fund’s NAV in Unrated Sukuk; and
- at least 2% of the Fund’s NAV in Islamic liquid assets.

All investments are subjected to the GUTF, SC requirements, the Deeds, except where exemptions or variations have been approved by the SC, internal policies and procedures and the Fund’s objective.

The Manager is a joint venture between Principal Financial Group®, a member of the FORTUNE 500® and a Nasdaq-listed global financial services and CIMB Group Holdings Berhad, one of Southeast Asia’s leading universal banking groups. The principal activities of the Manager are the establishment and management of unit trust funds and fund management activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements have been prepared in accordance with the provisions of the MFRS as issued by the Malaysian Accounting Standards Board ("MASB") and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The financial statements have been prepared under the historical cost convention, as modified by financial assets at fair value through profit or loss.

The preparation of financial statements in conformity with MFRS and IFRS 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 period.

It also requires the Manager to exercise their judgement in the process of applying the Fund's accounting policies. Although these estimates and assumptions 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 2(j).

There are no other standards, amendments to standards or interpretations that are effective for interim periods beginning on 1 September 2021 that have a material effect on the financial statements of the Fund.

None of the standards, amendments to standards or interpretations that are effective for the financial period beginning on/after 1 March 2022 are applicable to the Fund.

(b) Financial assets and financial liabilities

Classification

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

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

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed, and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income ("OCI").

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(b) Financial assets and financial liabilities (continued)**Classification (continued)

The contractual cash flows of the Fund's debt securities are solely principal and interest¹ ("SPPI"). However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

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

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

Financial assets are derecognised when the rights to receive cash flows from the 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 financial period which they arise.

Unquoted Sukuk denominated in Malaysian Ringgit ("MYR") are revalued on a daily basis based on fair value prices quoted by a Bond Pricing Agency ("BPA") registered with the SC as per the SC Guidelines on Unit Trust Funds. Refer to Note 2(j) for further explanation.

Shariah-compliant deposits with licensed Islamic financial institutions are stated at cost plus accrued interest¹ calculated on the effective profit method over the period from the date of placement to the date of maturity of the respective deposits.

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

¹ For the purposes of this Fund, interest refers to profits earned from Shariah-compliant investments.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(b) Financial assets and financial liabilities (continued)**Impairment for assets carried at amortised costs

The Fund measures credit risk and expected credit losses (“ECL”) using probability of default, exposure at default and loss given default. The Manager considers both historical analysis and forward looking information in determining any ECL. The Manager 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-month ECL 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 the Manager 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 debtor’s sources of income or assets to generate sufficient future cash flows to repay the amount. The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial period.

(c) Income recognition

Profit income from Shariah-compliant deposits with licensed Islamic financial institutions and unquoted Sukuk are recognised on a time proportionate basis using the effective profit 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 Shariah-compliant investments, determined on cost adjusted for accretion of discount or amortisation of premium.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(d) Functional and presentation currencies**

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 MYR, which is the Fund’s functional and presentation currency.

(e) Cash and cash equivalents

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

(f) Taxation

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

(g) Distribution

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 Trustee.

(h) Unit holder’s contributions

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

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Realised and unrealised portions of profit or loss after tax

The analysis of realised and unrealised portions of profit or loss after tax as presented on the statement of comprehensive income is prepared in accordance with GUTF.

(j) 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 judgement 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.

Estimate of fair value of unquoted Sukuk

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 GUTF.

MYR-denominated unquoted Sukuk are valued using fair value prices quoted by a BPA. Where the Manager is of the view that the price quoted by BPA for a specific unquoted Sukuk differs from the market price by more than 20 bps the Manager may use market price, provided that the Manager records its basis for using a non-BPA price, obtains necessary internal approvals to use the non-BPA price, and keeps an audit trail of all decisions and basis for adopting the use of non-BPA price.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund aims to gain higher than average income over the medium to long-term by investing in a diversified portfolio consisting principally of Sukuk, certificates of deposit, short-term money market instruments and other permissible investments under the Shariah principles.

The Fund is exposed to a variety of risks which include market risk (inclusive of price risk and interest rate risk), credit risk and liquidity risk.

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

(a) Market risk

(i) Price risk

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

The Fund is exposed to price risk arising from profit rate fluctuation in relation to its investments in unquoted Sukuk. The Fund's exposure to price risk arising from profit rate fluctuation and the related sensitivity analysis are disclosed in "interest rate risk" below.

(ii) Interest rate risk

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

Although unquoted Sukuk is a non-interest bearing instrument, investors should note that the movement in prices of unquoted Sukuk are correlated to the movement in interest rates. As such, the investments in unquoted Sukuk are exposed to the movement of the interest rates. Even though the Fund does not invest in interest bearing instruments, the interest rate referred herein is to the general interest rate of the country, which may affect the value of the investment of the Fund. However, it does not in any way suggest that this Fund will invest in conventional financial instruments. All investments carried out for the Fund including placement and deposits are in accordance with Shariah.

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

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

Such investments may be subject to unanticipated rise in interest rates which may impair the ability of the issuers to meet the obligation under the instrument, especially if the issuers are highly leveraged. An increase in interest rates may therefore increase the potential for default by an issuer.

The Fund's exposure to interest rate risk associated with Shariah-compliant deposits with licensed Islamic financial institutions is not material as the Shariah-compliant deposits are held on short-term basis.

(b) Credit risk

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

Investment in unquoted Sukuk may involve a certain degree of credit/default risk with regards to the issuers. Generally, credit risk or default risk is the risk of loss due to the issuer's non-payment or untimely payment of the investment amount as well as the returns on investment. This will cause a decline in value of the defaulted unquoted Sukuk and subsequently depress the NAV of the Fund. Usually credit risk is more apparent for an investment with a longer tenure, i.e. the longer the duration, the higher the credit risk.

Credit risk can be managed by performing continuous fundamental credit research and analysis to ascertain the creditworthiness of its issuer. In addition, the Manager imposes a minimum rating requirement as rated by either local and/or foreign rating agencies and manages the duration of the investment in accordance with the objective of the Fund. For this Fund, the unquoted Sukuk investments must satisfy a minimum rating requirement of at least "BBB3" or "P2" rating by RAM or equivalent rating by MARC or by local rating agency(ies) of the country of issuance; "BBB-" by S&P or equivalent rating by any other international rating agencies.

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

For amount due from Manager, the settlement terms of the proceeds from the creation of units' receivable from the Manager are governed by the GUTF.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations.

The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unit holders. Liquid assets comprise bank balance and Shariah-compliant deposits with licensed Islamic financial institutions, which are capable of being converted into cash within 7 business days. 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.

(d) Capital risk management

The capital of the Fund is represented by equity consisting of unit holders' contributions and retained earnings. The amount of capital can change significantly on a daily basis as the Fund is subjected 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 to unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

(e) 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 markets (such as trading securities) are based on quoted market prices at the close of trading on the financial period end date. The Fund utilises the last traded market price for financial assets where the last traded market 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.

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 ongoing basis.

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

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

(i) Fair value hierarchy

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

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

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety.

If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

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

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

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
28.02.2022				
Financial assets at fair value through profit or loss:				
- Unquoted Sukuk	-	616,106,291	-	616,106,291
31.08.2021				
Audited				
Financial assets at fair value through profit or loss:				
- Unquoted Sukuk	-	658,814,031	-	658,814,031

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

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 includes 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 cash and cash equivalents, amount due from Manager and all current liabilities are a reasonable approximation of their fair values due to their short-term nature.

4. MANAGEMENT FEE

In accordance with the Deeds, the Manager is entitled to a maximum management fee of 3.00% per annum, calculated daily based on the NAV of the Fund.

For the six months financial period ended 28 February 2022, the management fee was recognised at a rate of 0.95% per annum (28.02.2021: 0.95% per annum).

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

5. TRUSTEE FEE

In accordance with the Deeds, the Trustee is entitled to a maximum fee of up to 0.06% per annum, calculated daily based on the NAV of the Fund.

For the six months financial period ended 28 February 2022, the Trustee fee was recognised at a rate of 0.06% per annum (28.02.2021: 0.06% per annum).

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

6. DISTRIBUTION

Distribution to unit holders was derived from the following sources:

	01.09.2021 to 28.02.2022 RM	01.09.2020 to 28.02.2021 RM
Realised gain from unquoted Sukuk	718,250	-
Profit income from unquoted Sukuk	6,049,860	-
Profit income from Shariah-compliant deposits with licensed Islamic financial institutions and Hibah earned	89,827	-
Prior financial period realised income	7,671,951	-
	<u>14,529,888</u>	<u>-</u>

6. DISTRIBUTION (CONTINUED)

Distribution to unit holders was derived from the following sources (continued):

	01.09.2021 to 28.02.2022 RM	01.09.2020 to 28.02.2021 RM
Less:		
Expenses	(1,475,049)	-
Net distribution amount	<u>13,054,839</u>	<u>-</u>
Distribution on 12 October 2021		
Gross/Net distribution per unit (sen)	1.31	-
Distribution on 12 January 2022		
Gross/Net distribution per unit (sen)	<u>1.29</u>	<u>-</u>

Gross distribution was derived using total income less total expenses. Net distribution above was sourced from current and prior financial period realised income.

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

There were unrealised losses of RM11,115,279 during the financial period ended 28 February 2022 (28.02.2021: RM19,912,076).

7. TAXATION

	01.09.2021 to 28.02.2022 RM	01.09.2020 to 28.02.2021 RM
Tax charged for the financial period:		
- Current taxation	<u>-</u>	<u>-</u>

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

	01.09.2021 to 28.02.2022 RM	01.09.2020 to 28.02.2021 RM
Profit/(loss) before taxation	<u>79,297</u>	<u>(1,934,066)</u>
Taxation at Malaysian statutory rate of 24% (28.02.2021: 24%)	19,031	(464,176)
Tax effects of:		
- Investment income not subject to tax	(818,636)	(584,605)
- Expenses not deductible for tax purposes	50,641	65,532
- Restriction on tax deductible expenses for Unit Trust Funds	<u>748,964</u>	<u>983,249</u>
Taxation	<u>-</u>	<u>-</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	28.02.2022	31.08.2021
	RM	Audited RM
At fair value through profit or loss:		
- Unquoted Sukuk	616,106,291	658,814,031
	01.09.2021 to 28.02.2022	01.09.2020 to 29.02.2021
	RM	RM
Net loss on financial assets at fair value through profit or loss:		
- Realised gain on disposals	1,153,645	5,765,998
- Unrealised fair value loss	(11,129,151)	(19,899,306)
	(9,975,506)	(14,133,308)

Name of issuer	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
28.02.2022				
UNQUOTED SUKUK				
Aeon Credit Service (M) Bhd 3.80% 10/02/2027 (AA3)	2,900,000	2,905,736	2,867,079	0.43
Aeon Credit Service (M) Bhd 3.85% 10/02/2028 (AA3)	2,150,000	2,154,309	2,111,029	0.32
Aeon Credit Service (M) Bhd 3.95% 12/03/2030 (A1)	5,600,000	5,710,285	5,677,667	0.86
AmBank Islamic Bhd 4.10% 27/03/2025 (AA3)	4,000,000	4,069,644	4,114,964	0.62
AmBank Islamic Bhd 4.88% 18/10/2028 (A1)	5,000,000	5,166,987	5,192,778	0.79
AZRB Capital Sdn Bhd 4.85% 26/12/2024 (AA3)	4,600,000	4,639,119	4,699,287	0.71
Bank Islam Malaysia Bhd 4.10% 12/11/2031 (A1)	3,750,000	3,795,914	3,819,502	0.58
Bank Pembangunan Malaysia Bhd 3.00% 12/10/2027 (AAA)	5,000,000	5,057,534	4,861,934	0.74
Bank Pembangunan Malaysia Bhd 4.05% 06/06/2031 (AAA)	1,160,000	1,170,683	1,169,024	0.18
Bank Pembangunan Malaysia Bhd 4.75% 4/11/2031 (AAA)	384,000	417,196	409,204	0.06
Bank Pembangunan Malaysia Bhd 4.62% 02/03/2027 (AAA)	10,000,000	11,050,536	10,642,624	1.61
Bank Pembangunan Malaysia Bhd 4.98% 02/03/2032 (AAA)	5,536,000	6,369,675	6,046,599	0.91
Bank Simpanan Nasional Bhd 3.47% 21/10/2026 (AAA)	1,140,000	1,154,198	1,145,910	0.17

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

Name of issuer	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
28.02.2022 (CONTINUED) UNQUOTED SUKUK (CONTINUED)				
Bank Simpanan Nasional Bhd 3.89% 20/10/2028 (AAA)	1,170,000	1,186,335	1,185,481	0.18
Batu Kawan Bhd 4.12% 09/02/2029 (AA1)	830,000	831,874	835,244	0.13
Bermaz Auto Berhad 3.26% 18/12/2023 (AA3)	2,920,000	2,939,299	2,933,780	0.44
Cenergi Sea Bhd 5.30% 23/12/2026 (A1)	1,250,000	1,267,528	1,272,217	0.19
Danum Capital Bhd 3.42% 21/02/2035 (AAA)	1,900,000	1,901,424	1,732,362	0.26
Dialog Group Bhd 4.53% 28/01/2032 (AA2)	2,030,000	2,038,062	2,057,225	0.31
DRB-Hicom Bhd 4.43% 29/08/2025 (A1)	5,000,000	5,119,591	5,123,340	0.77
DRB-Hicom Bhd 4.55% 12/12/2024 (A1)	1,000,000	1,009,848	1,020,908	0.15
DRB-Hicom Bhd 4.85% 04/08/2028 (A1)	1,670,000	1,679,345	1,656,228	0.25
DRB-Hicom Bhd 4.85% 11/12/2026 (A1)	34,050,000	34,740,286	34,657,699	5.24
DRB-Hicom Bhd 5.05% 06/08/2031 (A1)	5,000,000	5,033,708	4,949,769	0.75
DRB-Hicom Bhd 5.08% 30/08/2030 (A1)	5,000,000	5,146,624	5,086,806	0.77
DRB-Hicom Bhd 5.10% 12/12/2029 (A1)	10,650,000	10,874,835	10,731,562	1.62
Eco World Capital Services Bhd 5.85% 24/03/2026 (NR(LT))	8,000,000	8,202,586	8,200,186	1.24
Edra Energy Sdn Bhd 5.88% 03/07/2026 (AA3)	1,500,000	1,571,526	1,630,335	0.25
Edra Energy Sdn Bhd 5.97% 05/01/2028 (AA3)	5,000,000	5,619,929	5,526,329	0.84
Edra Energy Sdn Bhd 6.35% 05/07/2033 (AA3)	5,000,000	5,483,425	5,847,592	0.88
Edra Energy Sdn Bhd 6.67% 03/07/2037 (AA3)	5,000,000	6,093,794	6,048,453	0.91
Edra Solar Sdn Bhd 4.40% 09/10/2026 (AA2)	650,000	661,047	672,800	0.10
Edra Solar Sdn Bhd 4.85% 11/10/2034 (AA2)	850,000	865,699	867,484	0.13
Exsim Capital Resources 4.50% 09/07/2025 (AA3)	4,710,000	4,751,681	4,715,343	0.71

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

Name of issuer	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
28.02.2022 (CONTINUED) UNQUOTED SUKUK (CONTINUED)				
Fortune Premiere Sdn Bhd 5.05% 31/10/2025 AA1	3,000,000	3,050,203	3,134,744	0.47
Gamuda Land Sdn Bhd 3.75% 12/08/2027 AA3	8,000,000	8,012,328	7,861,289	1.19
Gamuda Land Sdn Bhd 4.40% 11/10/2028 AA3	1,300,000	1,322,096	1,327,816	0.20
GII Murabahah 3.465% 15/10/2030 #	10,000,000	10,802,260	9,940,413	1.50
GII Murabahah 4.724% 15/06/2033 #	10,000,000	11,840,013	10,815,533	1.64
Govt Investment Issues Murabahah 4.755% 04/08/2037 #	15,000,000	17,606,203	16,052,008	2.43
IJM Corporation Bhd 4.76% 10/04/2029 (AA3)	2,000,000	2,039,495	2,089,477	0.32
IJM Land Bhd 4.73% 17/03/2119 (A2)	3,850,000	3,933,862	3,866,384	0.58
IJM Land Bhd 5.65% 17/03/2119 (A2)	2,300,000	2,392,865	2,425,882	0.37
IJM Land Bhd 5.73% 17/03/2119 (A2)	5,000,000	5,166,921	5,293,044	0.80
Infracap Resources Sdn Bhd 4.12% 14/04/2028 (AAA)	3,340,000	3,391,650	3,406,079	0.52
Infracap Resources Sdn Bhd 4.40% 15/04/2031 (AAA)	5,000,000	5,082,575	5,119,025	0.77
Jimah East Power Sdn Bhd 5.77% 04/12/2029 (AA3)	3,000,000	3,376,241	3,280,359	0.50
Kedah Cement Sdn Bhd 4.55% 07/07/2023 (AA3)	5,000,000	5,034,893	5,115,864	0.77
Kimanis Power Sdn Bhd 5.50% 08/08/2028 (AA1)	10,000,000	11,143,452	10,871,744	1.64
Konsortium KAJV Sdn Bhd 5.05% 12/05/2023 (AA3)	12,500,000	12,723,136	12,782,135	1.93
Konsortium KAJV Sdn Bhd 5.10% 13/05/2024 (AA3)	8,000,000	8,161,998	8,154,961	1.23
Konsortium KAJV Sdn Bhd 5.25% 13/05/2022 (AA3)	2,500,000	2,542,198	2,545,020	0.38
Kuala Lumpur Kepong Bhd 3.75% 27/09/2029 (AA1)	1,000,000	1,015,925	994,325	0.15
Lafarge Cement Sdn Bhd 4.40% 11/12/2023 (AA3)	10,000,000	10,105,780	10,249,144	1.55
LBS Bina Group Bhd 6.85% 29/03/2120 (NR(LT))	3,000,000	3,016,327	2,992,567	0.45
Mah Sing Group Bhd 4.35% 13/03/2025 (NR(LT))	31,000,000	31,624,374	31,421,945	4.75
Malayan Banking Bhd 3.10% 08/10/2032 (AA1)	5,000,000	5,059,877	4,894,877	0.74

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

Name of issuer	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
28.02.2022 (CONTINUED) UNQUOTED SUKUK (CONTINUED)				
Malayan Banking Bhd 3.41% 05/08/2031 (AA1)	2,500,000	2,505,138	2,489,838	0.38
Malayan Banking Bhd 4.63% 31.01.2029 (AA1)	350,000	351,765	361,942	0.05
Malaysia Airports Holdings Bhd 3.30% 05/11/2027 (AAA)	10,000,000	10,104,877	9,749,877	1.47
Malaysia Airports Holdings Bhd 3.87% 30/12/2026 (AAA)	3,330,000	3,351,537	3,349,806	0.51
Malaysian Resources Corporation Bhd 3.85% 14/08/2023 (AA3)	2,500,000	2,507,418	2,508,380	0.38
Malaysian Resources Corporation Bhd 4.25% 13/08/2027 (AA3)	2,700,000	2,717,690	2,630,844	0.40
Malaysian Resources Corporation Bhd 4.45% 14/08/2030 (AA3)	2,050,000	2,068,020	1,958,321	0.30
Malaysian Resources Corporation Bhd 5.09% 18/10/2028 (AA3)	8,530,000	8,712,186	8,721,213	1.32
Manjung Island Energy Bhd 4.90% 25/11/2031 (AAA)	5,000,000	5,731,151	5,380,138	0.81
MBSB Bank Berhad 5.25% 19/12/2031 (A3)	860,000	868,659	909,079	0.14
NORTHPORT 5.78% 19/12/2024 (AA3)	5,000,000	5,273,786	5,359,766	0.81
NORTHPORT 5.00% 02/12/2022 (AA3)	11,000,000	11,176,806	11,324,412	1.71
OSK Rated Bond Sdn Bhd 4.39% 28/04/2028 (AA1)	2,000,000	2,029,587	2,031,627	0.31
OSK Rated Bond Sdn Bhd 4.52% 30/04/2031 (AA1)	5,000,000	5,076,159	5,082,559	0.77
Pelabuhan Tanjung Pelepas Sdn Bhd 3.15% 28/08/2025 (AA3)	2,500,000	2,500,216	2,454,766	0.37
Pelabuhan Tanjung Pelepas Sdn Bhd 3.30% 27/08/2027 (AA3)	2,750,000	2,750,249	2,635,656	0.40
Pelabuhan Tanjung Pelepas Sdn Bhd 3.74% 18/06/2025 (AA3)	3,000,000	3,022,747	3,030,937	0.46
Pelabuhan Tanjung Pelepas Sdn Bhd 3.74% 21/04/2026 (AA3)	1,580,000	1,601,208	1,594,193	0.24
Penang Port Sdn Bhd 4.30% 24/12/2026 (AA3)	3,300,000	3,379,213	3,371,444	0.51

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

Name of issuer	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
28.02.2022 (CONTINUED) UNQUOTED SUKUK (CONTINUED)				
Penang Port Sdn Bhd 4.48% 27/12/2029 (AA3)	3,500,000	3,579,438	3,569,250	0.54
Pengerang LNG (Two) Sdn Bhd 2.67% 21/10/2026 (AAA)	1,200,000	1,211,499	1,166,799	0.18
Pengerang LNG (Two) Sdn Bhd 2.76% 21/10/2027 (AAA)	5,000,000	5,049,529	4,816,479	0.73
Pengerang LNG (Two) Sdn Bhd 2.86% 20/10/2028 (AAA)	830,000	838,520	793,567	0.12
Pengurusan Air SPV Bhd 3.73% 02/06/2028 (AAA)	3,200,000	3,232,886	3,206,132	0.48
Perbadanan Kemajuan Pertanian Negeri Pahang 3.96% 30/10/2024 (AA3)	3,000,000	3,043,595	3,009,554	0.46
Perbadanan Kemajuan Pertanian Negeri Pahang 4.21% 30/10/2026 (AA3)	5,000,000	5,081,071	4,929,736	0.75
Perbadanan Kemajuan Negeri Selangor 5.013% 31/10/2023 (AA3)	3,000,000	3,070,483	3,115,109	0.47
Ponsb Capital Bhd 4.96% 28/12/2028 (AA3)	2,860,000	2,884,485	2,948,749	0.45
Prasarana 3.44% 24/02/2040 #	2,750,000	2,751,037	2,414,987	0.37
Press Metal Aluminium Holdings Bhd 4.10% 17/10/2024 (AA3)	9,400,000	9,541,489	9,637,369	1.46
Press Metal Aluminium Holdings Bhd 4.69% 07/12/2027 (AA3)	2,860,000	2,899,183	2,907,486	0.44
Quantum Solar Park Green SRI Sukuk 5.40% 06/10/2025 (AA3)	5,000,000	5,189,704	5,372,700	0.81
Quantum Solar Park Green SRI Sukuk 5.68% 6/4/2029 (AA3)	6,000,000	6,276,424	6,619,380	1.00
Quantum Solar Park Green Sri Sukuk 5.80% 04/10/2030 (AA3)	5,000,000	5,200,815	5,573,350	0.84
Quantum Solar Park Green Sri Sukuk 5.84% 04/04/2031 (AA3)	5,000,000	5,201,681	5,593,750	0.85
Quantum Solar Park Green Sri Sukuk 5.88% 06/10/2031 (AA3)	7,500,000	7,600,743	8,421,001	1.27

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

Name of issuer	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
28.02.2022 (CONTINUED) UNQUOTED SUKUK (CONTINUED)				
UEM Sunrise Bhd 5.15% 31/10/2025 (AA3)	2,500,000	2,587,019	2,580,387	0.39
UMW Holdings Bhd 3.88% 24/11/2026 (AA1)	3,000,000	3,035,871	3,051,994	0.46
UMW Holdings Bhd 6.35% 20/04/2118 (AA3)	7,000,000	7,387,477	7,835,201	1.20
WCT Holdings Bhd 5.17% 23/10/2023 (AA3)	5,000,000	5,050,851	5,172,744	0.79
WCT Holdings Bhd 5.55% 21/02/2025 (AA3)	500,000	501,129	512,676	0.09
WCT Holdings Bhd 5.65% 20/04/2026 (AA3)	1,000,000	1,022,618	1,045,743	0.17
YTL Power International Bhd 5.05% 03/05/2027 (AA1)	14,500,000	15,042,970	14,981,198	2.28
TOTAL UNQUOTED SUKUK	<u>602,120,000</u>	<u>624,701,633</u>	<u>616,106,291</u>	<u>93.19</u>
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>(8,595,342)</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>616,106,291</u>		

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

Name of issuer	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
31.08.2021				
Audited				
UNQUOTED SUKUK				
Aeon Credit Service (M) Bhd 3.80% 10/02/2027 (AA3)	2,900,000	2,906,340	2,921,449	0.43
Aeon Credit Service (M) Bhd 3.85% 10/02/2028 (AA3)	2,150,000	2,154,762	2,157,278	0.32
Aeon Credit Service (M) Bhd 3.95% 12/03/2030 (A1)	5,600,000	5,713,926	5,717,387	0.84
AmBank Islamic Bhd 4.10% 27/03/2025 (AA3)	4,000,000	4,070,992	4,171,952	0.61
AmBank Islamic Bhd 4.88% 18/10/2028 (A1)	5,000,000	5,190,269	5,215,565	0.76
AZRB Capital Sdn Bhd 4.85% 26/12/2024 (AA3)	4,600,000	4,639,730	4,761,078	0.70
Bank Pembangunan Malaysia Bhd 3.00% 12/10/2027 (AAA)	5,000,000	5,058,356	4,960,356	0.73
Bank Pembangunan Malaysia Bhd 4.05% 06/06/2031 (AAA)	3,080,000	3,109,049	3,160,885	0.46
Bank Pembangunan Malaysia Bhd 4.62% 2/3/2027 (AAA)	10,000,000	11,126,383	10,922,245	1.60
Bank Pembangunan Malaysia Bhd 4.98% 2/3/2032 (AAA)	4,000,000	4,679,938	4,460,499	0.65
Bermaz Auto Bhd 3.26% 18/12/2023 (AA3)	2,920,000	2,939,560	2,941,896	0.43
Danum Capital Bhd 3.42% 21/02/2035 (AAA)	1,900,000	1,901,602	1,760,489	0.26
DRB-Hicom Bhd 4.43% 29/08/2025 (A1)	5,000,000	5,122,688	5,164,560	0.75
DRB-Hicom Bhd 4.55% 12/12/2024 (A1)	6,000,000	6,060,584	6,164,744	0.90
DRB-Hicom Bhd 4.85% 04/08/2028 (A1)	1,670,000	1,680,501	1,681,448	0.25
DRB-Hicom Bhd 4.85% 11/12/2026 (A1)	34,050,000	34,780,301	35,109,398	5.13
DRB-Hicom Bhd 5.05% 06/08/2031 (A1)	7,000,000	7,052,026	7,056,401	1.03
DRB-Hicom Bhd 5.08% 30/08/2030 (A1)	5,000,000	5,149,682	5,182,394	0.76
DRB-Hicom Bhd 5.10% 12/12/2029 (A1)	15,650,000	15,992,072	16,054,988	2.35
Eco World Capital Services Bhd 5.85% 24/03/2026 #	8,000,000	8,206,433	8,381,313	1.23
Edra Energy Sdn Bhd 5.70% 05/07/2023 (AA3)	4,000,000	4,071,382	4,222,590	0.62
Edra Energy Sdn Bhd 5.76% 05/07/2024 (AA3)	5,000,000	5,339,421	5,386,314	0.79
Edra Energy Sdn Bhd 5.88% 03/07/2026 (AA3)	1,500,000	1,578,162	1,669,940	0.24

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

Name of issuer	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
31.08.2021 (CONTINUED)				
Audited (Continued)				
UNQUOTED SUKUK (CONTINUED)				
Edra Energy Sdn Bhd 5.91% 05/01/2027 (AA3)	5,000,000	5,146,771	5,603,356	0.82
Edra Energy Sdn Bhd 6.35% 05/07/2033 (AA3)	5,000,000	5,499,785	5,937,902	0.87
Edra Energy Sdn Bhd 6.71% 05/01/2038 (AA3)	5,000,000	5,853,607	6,133,012	0.90
Edra Solar Sdn Bhd 4.40% 09/10/2026 (AA2)	650,000	661,127	686,132	0.10
Edra Solar Sdn Bhd 4.85% 11/10/2034 (AA2)	850,000	865,925	886,801	0.13
Edra Energy Sdn Bhd 5.88% 03/07/2026 (AA3)	1,500,000	1,578,162	1,669,940	0.24
Edra Energy Sdn Bhd 5.91% 05/01/2027 (AA3)	5,000,000	5,146,771	5,603,356	0.82
Edra Energy Sdn Bhd 6.35% 05/07/2033 (AA3)	5,000,000	5,499,785	5,937,902	0.87
Exsim Capital Resources Bhd 4.50% 09/07/2025 (AA3)	4,710,000	4,755,632	4,765,708	0.70
Fortune Premiere Sdn Bhd 5.05% 31/10/2025 (AA)	3,000,000	3,051,157	3,231,453	0.47
Gamuda Bhd 4.82% 23/11/2022 (AA3)	2,500,000	2,534,639	2,593,398	0.38
Gamuda Land (T12) Sdn Bhd 3.75% 12/08/2027 (AA3)	8,000,000	8,016,438	7,940,998	1.16
GII Murabahah 3.465% 15/10/2030 #	10,000,000	10,837,789	10,256,594	1.50
GII Murabahah 4.72% 15/06/2033 #	10,000,000	11,906,287	11,002,175	1.61
Govt Investment Issues Murabahah 4.755% 04/08/2037 #	15,000,000	17,673,370	16,095,719	2.35
IJM Corp Bhd 4.76% 10/04/2029 (AA3)	2,000,000	2,039,899	2,144,758	0.31
IJM Land Bhd 4.73% 17/03/2119 (A2)	3,850,000	3,935,780	3,906,842	0.57
IJM Land Bhd 5.65% 17/03/2119 (A2)	2,300,000	2,397,365	2,450,963	0.36
IJM Land Bhd 5.73% 17/03/2119 (A2)	5,000,000	5,171,376	5,361,649	0.78
Imtiaz Sukuk II Bhd 2.97% 07/10/2025 (AA2)	3,750,000	3,794,855	3,756,080	0.55
Imtiaz Sukuk II Bhd 3.20% 07/10/2027 (AA2)	2,200,000	2,228,353	2,190,689	0.32
Imtiaz Sukuk II Bhd 3.90% 19/04/2028 (AA2)	3,530,000	3,580,919	3,644,847	0.53
Infracap Resources Sdn Bhd 4.12% 14/04/2028 (AAA)	3,340,000	3,392,404	3,516,452	0.51

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

Name of issuer	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
31.08.2021 (CONTINUED)				
Audited (Continued)				
UNQUOTED SUKUK (CONTINUED)				
Infracap Resources Sdn Bhd 4.40% 15/04/2031 (AAA)	5,000,000	5,083,781	5,295,581	0.77
Jimah East Power Sdn Bhd - 5.770% 04/12/2029 (AA3)	3,000,000	3,394,810	3,394,798	0.50
Kedah Cement Sdn Bhd 4.55% 07/07/2023 (AA3)	5,000,000	5,037,214	5,146,808	0.75
Konsortium KAJV Sdn Bhd 5.05% 12/05/2023 (AA3)	12,500,000	12,742,427	12,828,324	1.88
Konsortium KAJV Sdn Bhd 5.10% 13/05/2024 (AA3)	8,000,000	8,173,936	8,217,595	1.20
Konsortium KAJV Sdn Bhd 5.25% 13/05/2022 (AA3)	2,500,000	2,551,015	2,559,924	0.37
Konsortium KAJV Sdn Bhd 5.25% 13/05/2022 (AA3)	5,000,000	5,125,576	5,119,848	0.75
Kuala Lumpur Kepong Bhd 3.75% 27/09/2029 (AA1)	1,000,000	1,016,027	1,026,987	0.15
Lafarge Cement Sdn Bhd 4.40% 11/12/2023 (AA3)	23,000,000	23,251,402	23,754,283	3.47
LBS Bina Group Bhd 6.85% 29/03/2120 #	3,000,000	3,018,579	3,064,659	0.45
Mah Sing Group Bhd 4.35% 13/03/2025 #	31,000,000	31,628,068	32,215,518	4.71
Malayan Banking Bhd 3.10% 08/10/2032 (AA1)	5,000,000	5,061,575	4,929,675	0.72
Malayan Banking Bhd 3.41% 05/08/2031 (AA1)	2,500,000	2,506,306	2,504,006	0.37
Malayan Banking Bhd 4.63% 31/01/2029 (AA1)	350,000	352,060	365,259	0.05
Malaysia Airports Holding Bhd 3.30% 05/11/2027 (AAA)	10,000,000	10,106,685	9,809,285	1.43
Malaysian Resources Corporation Bhd 3.85% 14/08/2023 (AA3)	2,500,000	2,508,828	2,506,844	0.37
Malaysian Resources Corporation Bhd 4.25% 13/08/2027 (AA3)	2,700,000	2,719,048	2,673,548	0.39
Malaysian Resources Corporation Bhd 4.45% 14/08/2030 (AA3)	2,050,000	2,068,957	1,996,148	0.29
Manjung Island Energy Bhd 4.90% 25/11/2031 (AAA)	5,000,000	5,761,766	5,560,302	0.81
MBSB Bank Bhd 5.25% 19/12/2031 (A3)	860,000	868,906	917,746	0.13
Northport 5.78% 19/12/2024 (AA3)	5,000,000	5,310,572	5,397,158	0.79
Northport 5.00% 02/12/2022 (AA3)	11,000,000	11,206,815	11,379,797	1.66

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

Name of issuer	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
31.08.2021 (CONTINUED)				
Audited (Continued)				
UNQUOTED SUKUK (CONTINUED)				
OSK Rated Bond Sdn Bhd 4.39% 28/04/2028 (AA3)	2,000,000	2,029,828	2,077,508	0.30
OSK Rated Bond Sdn Bhd 4.52% 30/04/2031 (AA3)	5,000,000	5,076,778	5,239,428	0.77
Pelabuhan Tanjung Pelepas Sdn Bhd 3.15% 28/08/2025 (AA3)	2,500,000	2,500,432	2,490,032	0.36
Pelabuhan Tanjung Pelepas Sdn Bhd 3.30% 27/08/2027 (AA3)	2,750,000	2,750,497	2,708,010	0.40
Pelabuhan Tanjung Pelepas Sdn Bhd 3.74% 18/06/2025 (AA3)	3,000,000	3,023,055	3,079,755	0.45
Pelabuhan Tanjung Pelepas Sdn Bhd 3.74% 21/04/2026 (AA3)	1,580,000	1,601,532	1,626,781	0.24
Penang Port Sdn Bhd 4.30% 24/12/2026 (AA3)	3,300,000	3,384,695	3,460,999	0.51
Penang Port Sdn Bhd 4.48% 27/12/2029 (AA3)	3,500,000	3,582,641	3,697,918	0.54
Pengerang LNG (Two) Sdn Bhd 2.67% 21/10/2026 (AAA)	1,200,000	1,211,675	1,193,663	0.17
Pengerang LNG (Two) Sdn Bhd 2.76% 21/10/2027 (AAA)	5,000,000	5,050,285	4,941,085	0.72
Pengerang LNG (Two) Sdn Bhd 2.86% 20/10/2028 (AAA)	830,000	838,650	814,248	0.12
Pengurusan Air SPV Bhd 3.73% 02/06/2028 (AAA)	3,200,000	3,234,508	3,250,640	0.48
Perbadanan Kemajuan Pertanian Negeri Pahang 3.96% 30/10/2024 (AA3)	3,000,000	3,044,569	3,037,239	0.44
Perbadanan Kemajuan Pertanian Negeri Pahang 4.21% 30/10/2026 (AA3)	5,000,000	5,082,644	5,030,812	0.74
Perbadanan Kemajuan Pertanian Negeri Selangor 5.01% 31.10.2023 (AA3)	3,000,000	3,076,598	3,158,182	0.46
Prasarana # 3.44% 24/02/2040	2,750,000	2,751,814	2,456,272	0.36
Press Metal Aluminium Holding Bhd 4.10% 17/10/2024 (AA3)	9,400,000	9,542,545	9,687,775	1.42
Quantum Solar Park Green 5.40% 6/10/25 (AA3)	5,000,000	5,201,395	5,432,629	0.79

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

Name of issuer	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
31.08.2021 (CONTINUED)				
Audited (Continued)				
UNQUOTED SUKUK (CONTINUED)				
Quantum Solar Park Green 5.68% 6/4/2029 (AA3)	6,000,000	6,286,518	6,736,867	0.98
Quantum Solar Park Green 5.80% 04/10/30 (AA3)	5,000,000	5,206,205	5,677,889	0.83
Quantum Solar Park Green 5.84% 4/4/2031 (AA3)	5,000,000	5,206,815	5,688,500	0.83
Quantum Solar Park Green 5.88% 6/10/31 (AA3)	7,500,000	7,600,338	8,546,191	1.25
Quantum Solar Park Green 6.04% 06/10/33 (AA3)	5,000,000	5,524,259	5,741,855	0.84
RHB Islamic Bank Bhd 4.32% 21/05/2029 (AA3)	1,500,000	1,518,286	1,564,231	0.23
Sarawak Energy Bhd 5.28% 17/08/2035 (AAA)	5,000,000	6,033,216	5,591,726	0.82
Sarawak Energy Bhd 4.95% 25/11/2033 (AAA)	2,500,000	2,532,887	2,774,887	0.41
SME Bank Bhd 3.10% 31/07/2026 (AAA)	1,060,000	1,062,701	1,060,814	0.16
SP Setia Bhd 3.85% 25/06/2026 (AA)	8,400,000	8,486,279	8,533,078	1.25
SP Setia Bhd 4.30% 23/06/2028 (AA)	5,840,000	5,887,010	5,977,479	0.87
Tadau Energy Sdn Bhd 5.4% 28/7/2025 (AA3)	2,500,000	2,523,300	2,668,640	0.39
Tanjung Bin Power Sdn Bhd 5.23% 14/08/2026 (AA2)	5,000,000	5,492,089	5,428,163	0.79
Tenaga Nasional Bhd 2.90% 12/08/2030 (AAA)	10,400,000	10,416,526	9,929,078	1.45
Tenaga Nasional Bhd 3.25% 10/08/2035 (AAA)	7,900,000	7,914,068	7,226,768	1.06
Tenaga Nasional Bhd 3.55% 10/08/2040 (AAA)	15,650,000	15,680,442	14,083,360	2.06
TG Excellence Bhd 3.95% 27/02/2120 (AA3)	9,700,000	9,705,249	9,874,417	1.44
The Holstein Milk Company Sdn Bhd 3.72% 28/05/2026 (AA3)	6,430,000	6,492,912	6,532,135	0.95
TNB Northern Energy Bhd 4.42% 29/05/2030 (AAA)	5,000,000	5,584,308	5,359,126	0.78
TNB Northern Energy Bhd 4.455% 29/11/2030 (AAA)	5,000,000	5,604,005	5,369,986	0.78
UEM Sunrise Bhd 3.90% 21/09/2023 (AA3)	7,800,000	7,950,930	7,959,248	1.16
UEM Sunrise Bhd 4.30% 16/02/2026 (AA3)	5,000,000	5,028,471	5,006,747	0.73
UEM Sunrise Bhd 4.60% 20/05/2026 (AA3)	5,000,000	5,075,495	5,115,684	0.75

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

Name of issuer	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
31.08.2021 (CONTINUED)				
Audited (Continued)				
UNQUOTED SUKUK (CONTINUED)				
UEM Sunrise Bhd 5.06% 09/12/2022 (AA3)	5,000,000	5,060,078	5,148,138	0.75
UEM Sunrise Bhd 4.98% 31/10/2023 (AA3)	1,500,000	1,547,446	1,562,338	0.23
UEM Sunrise Bhd 5.15% 31/10/2025 (AA3)	5,000,000	5,185,640	5,258,680	0.77
UMW Holding Bhd 6.35% 20/04/2118 (A1)	7,000,000	7,404,457	8,016,696	1.17
WCT Holdings Bhd 5.17% 23/10/2023 (AA3)	5,000,000	5,042,720	5,200,477	0.76
WCT Holdings Bhd 5.55% 21/2/2025 (AA3)	500,000	501,457	519,629	0.08
WCT Holdings Bhd 5.65% 20/04/2026 (AA3)	1,000,000	1,023,166	1,068,123	0.16
West Coast Expressway Sdn Bhd 5.29% 28/08/2035 (AAA)	1,000,000	1,004,321	1,099,780	0.16
YTL Power International Bhd 5.05% 03/05/2027 (AA1)	21,500,000	22,352,497	23,115,535	3.37
TOTAL UNQUOTED SUKUK	<u>633,350,000</u>	<u>656,280,222</u>	<u>658,814,031</u>	<u>96.30</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>2,533,809</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>658,814,031</u>		

The unquoted fixed income securities which are not rated as at the end of each financial period/year are issued, backed or guaranteed by government or government agencies.

9. CASH AND CASH EQUIVALENTS

	28.02.2022 RM	31.08.2021 Audited RM
Shariah-compliant deposits with licensed Islamic financial institutions	41,285,036	21,900,100
Bank balance	<u>38,999</u>	<u>21,302</u>
	<u>41,324,035</u>	<u>21,921,402</u>

10. NUMBER OF UNITS IN CIRCULATION (UNITS)

	01.09.2021 to 28.02.2022	01.09.2020 to 31.08.2021 Audited
	No. of units	No. of units
At the beginning of the financial period/year	522,564,489	651,490,220
Add : Creation of units from applications	73,645,308	203,891,677
Add : Creation of units from distribution	10,020,633	24,149,494
Less : Cancellation of units	<u>(91,194,732)</u>	<u>(356,966,902)</u>
At the end of the financial period/year	<u>515,035,698</u>	<u>522,564,489</u>

11. NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

Net assets attributable to unit holders as at the reporting date comprise:

	28.02.2022	31.08.2021 Audited
	RM	RM
Unit holders' contributions	657,050,434	667,080,428
Retained earnings	<u>4,094,937</u>	<u>17,070,479</u>
	<u>661,145,371</u>	<u>684,150,907</u>

The movement in the components of net assets attributable to unit holders for the period are as follows:

	Unit holders' capital RM	Retained earnings RM	Total RM
Balance as at 1 September 2021	667,080,428	17,070,479	684,150,907
Movement in unit holders' contributions:			
- Creation of units from applications	94,805,229	-	94,805,229
- Creation of units from distribution	12,822,339	-	12,822,339
- Cancellation of units	(117,657,562)	-	(117,657,562)
Total comprehensive loss for the financial period	-	79,297	79,297
Distribution	-	(13,054,839)	(13,054,839)
Balance as at 28 February 2022	<u>657,050,434</u>	<u>4,094,937</u>	<u>661,145,371</u>
Balance as at 1 September 2020	842,286,296	42,964,658	885,250,954
Movement in unit holders' contributions:			
- Creation of units from applications	201,918,869	-	201,918,869
- Cancellation of units	(341,789,009)	-	(341,789,009)
Total comprehensive income for the financial period	-	(1,934,066)	(1,934,066)
Balance as at 28 February 2021	<u>702,416,156</u>	<u>41,030,592</u>	<u>743,446,748</u>

12. MANAGEMENT EXPENSE RATIO (“MER”)

	01.09.2021 to 28.02.2022	01.09.2020 to 28.02.2021
	%	%
MER	0.51	0.50

MER is derived based on the following calculation:

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

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

The average NAV of the Fund for the financial period calculated on a daily basis is RM659,315,500 (28.02.2021: RM869,552,236).

13. PORTFOLIO TURNOVER RATIO (“PTR”)

	01.09.2021 to 28.02.2022	01.09.2020 to 28.02.2021
PTR (times)	0.12	0.24

PTR is derived from the following calculation:

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

where:

total acquisition for the financial period	= RM64,151,320 (28.02.2021: RM170,247,165)
total disposal for the financial period	= RM95,447,197 (28.02.2021 RM243,517,550)

14. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER, AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

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

<u>Related parties</u>	<u>Relationship</u>
Principal Asset Management Berhad	The Manager
Principal Financial Group, Inc.	Ultimate holding company of shareholder of the Manager
Principal International (Asia) Ltd	Shareholder of the Manager
Subsidiaries and associates of Principal Financial Group Inc., other than above, as disclosed in its financial statements	Fellow subsidiary and associated companies of the ultimate holding company of shareholder of the Manager

14. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER, AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

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

<u>Related parties</u>	<u>Relationship</u>
CIMB Group Holdings Bhd	Ultimate holding company of shareholder of the Manager
	Shareholder of the Manager
CIMB Group Sdn Bhd	
Subsidiaries and associates of CIMB Group Holdings Berhad, other than above, as disclosed in its financial statements	Fellow subsidiary and associated companies of the ultimate holding company of shareholder of the Manager
CIMB Islamic Bank Bhd	Fellow related party to Manager
CIMB Bank Bhd	Fellow related party to Manager

Units held by the Manager and parties related to the Manager

	28.02.2022		31.08.2021	
	<u>No. of units</u>	<u>RM</u>	<u>No. of units</u>	<u>Audited RM</u>
Manager				
Principal Asset Management Berhad	54,212	69,587	50,503	66,118

In the opinion of the Manager, the above units were transacted at the prevailing market price.

The units are held beneficially by the Manager for booking purposes. Other than the above, there were no units held by the Directors or parties related to the Manager.

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

	01.09.2021 to 28.02.2022	01.09.2020 to 28.02.2021
	RM	RM
<u>Significant related party transactions</u>		
Profit income from Shariah-compliant deposits with licensed Islamic financial institution:		
- CIMB Islamic Bank Bhd	1,033	110,099
	28.02.2022	31.08.2021
	RM	Audited RM
<u>Significant related party balances</u>		
Shariah-compliant deposits with licensed Islamic financial institution:		
- CIMB Islamic Bank Bhd	-	2,192,306

15. TRANSACTIONS WITH DEALERS

Details of transactions with the dealers for the six months financial period ended 28 February 2022 are as follows:

Dealers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
RHB Investment Bank Bhd	56,208,083	35.22	-	-
Affin Hwang Investment Bank Bhd	33,415,361	20.94	-	-
RHB Bank Berhad	30,782,323	19.29	-	-
CIMB Bank Bhd #	12,122,434	7.60	-	-
Malayan Banking Bhd	6,145,400	3.85	-	-
Hong Leong Bank Bhd	5,275,000	3.31	-	-
Bank Islam Malaysia Bhd	3,750,000	2.35	-	-
Standard Chartered Bank Malaysia Bhd	3,689,450	2.31	-	-
HSBC Bank Malaysia Bhd	3,330,000	2.09	-	-
AmBank Bhd	2,868,866	1.79	-	-
Others #	2,011,600	1.25	-	-
	<u>159,598,517</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

Details of transactions with the dealers for the six months financial period ended 28 February 2021 are as follows:

Dealers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
RHB Investment Bank Bhd	56,259,300	13.60	-	-
AmBank (M) Bhd	47,529,877	11.49	-	-
CIMB Bank Bhd #	44,992,700	10.87	-	-
Malayan Banking Bhd	43,544,688	10.52	-	-
Affin Hwang Investment Bank Bhd	34,243,250	8.28	-	-
RHB Bank Bhd	29,100,050	7.03	-	-
Citi Bank Bhd	27,887,500	6.74	-	-
JP Morgan Chase Bank Bhd	23,811,600	5.75	-	-
HSBC Bank Malaysia Bhd	22,573,750	5.46	-	-
CIMB Islamic Bank Bhd #	21,242,000	5.13	-	-
Others	62,580,000	15.13	-	-
	<u>413,764,715</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

Included in the transactions are trades conducted with CIMB Bank Bhd and CIMB Islamic Bank Bhd, fellow related parties to the Manager amounting to RM12,122,434 (28.02.2021: RM44,992,700) and RM2,011,600 (28.02.2021: RM21,242,000) respectively. The Manager is of the opinion that all transactions with the related companies have been entered into in the normal course of business at agreed terms between the related parties.

16. SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD

The COVID-19 pandemic and related lockdowns and movement restrictions have had, and will continue to have, a significant impact on global economic conditions and the environment in which the Fund operates.

The Manager continues to closely monitor the macro-economic outlook as a result of COVID-19 pandemic and its impact to the Fund's performance and will be managing the risks to achieve the Fund's objective.

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