

**CIMB ISLAMIC PRS PLUS MODERATE**

**INTERIM REPORT**

**FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 29 FEBRUARY 2020**

<b>CONTENTS</b>	<b>PAGE(S)</b>
MEMBERS' LETTER	1 - 2
SHARIAH ADVISER'S REPORT	3
STATEMENT BY PRS PROVIDER	4
TRUSTEE'S REPORT	5
PRS PROVIDER'S REPORT	6 - 15
Fund Objective and Policy	
Performance Data	
Market Review	
Fund Performance	
Portfolio Structure	
Market Outlook	
Investment Strategy	
Members Statistics	
Soft Commissions and Rebates	
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME	16
UNAUDITED STATEMENT OF FINANCIAL POSITION	17
UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS	18
UNAUDITED STATEMENT OF CASH FLOWS	19
NOTES TO THE FINANCIAL STATEMENTS	20 - 49
DIRECTORY	50

## MEMBERS' LETTER

Dear Valued Member,

These are trying times for all of us – not just in Malaysia, but around the world. With a 24/7 news cycle, the world is watching just how fluid the Coronavirus Disease 2019 (“COVID-19”) situation remains. In major markets, measures are being put in place to help flatten the curve, revive economies and help markets confidently put the COVID-19 virus behind us. It's believed the impact on economies may last until September 2020 with recovery beginning in the 4<sup>th</sup> quarter.

- **More and more countries put in place unprecedented protective orders** (e.g. non-essential business closures, stay-at-home regulations, etc.).
- **Governments around the world are unveiling or are planning very large fiscal stimulus to cushion the economic shock**, e.g. US [10% of Gross Domestic Product (“GDP”)], Japan (11.5%), Singapore (11%), Malaysia (15.7%).
- **Central banks have cut interest rates and unveiled a list of measures to help alleviate financial market stress.**

Here in Malaysia, we must all do our part to help reinforce our government's efforts and stay home to help flatten the curve of COVID-19. At Principal, we've asked all our staff that can work from home to do so. Those that come to the office are helping manage key functions and allow us to continue meeting our customers' expectations and retaining your trust. We ensure our staff coming into the office are well equipped and protected to help minimise their risk.

With all the news and information and impact on markets, we realise you'll likely have plenty of questions right now. And while each person's situation can be a little different, we wanted to help by answering some of the most common questions we've heard:

**1. *Should I take money out of the market now and stop contributing (even to my retirement savings)?***

During volatile times, it can be tempting to change how you invest in hopes of a better return. In the long run, you're generally better off staying the course rather than trying to jump out of, then back into, the market. It's typically not about timing the market, but time in market.

**2. *What must I do if the market continues to be volatile, should I move to cash, fixed income assets or “safer” options?***

What's best for you really depends on your goals, risk tolerance, and how long it will be before you need the money. If you're exiting your investments when the market is falling—financially, this is the worst time to sell. It's important to remain calm and stay focused on the long term. This may be a good time for you to revisit your investment portfolio and ensure you have proper asset allocation to help spread your risk.

**3. *How do I know if I'm invested the way I should be?***

Make sure your portfolio is diversified and continues to be in line with your long-term goals. Investing for retirement generally requires you to trade near-term gains for what may be long-term benefits. Principal offers a variety of conventional and Islamic solutions to help meet your unique needs.

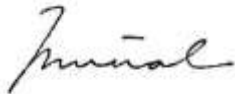
For further investing and retirement education and market information, please visit our website ([www.principal.com.my](http://www.principal.com.my)) or Facebook account (@PrincipalMY). And, coming soon, we'll also be sharing additional education information through webinars and our YouTube channel. If you have additional questions, please contact our Customer Care Centre at +(603) 7718 3000 or [service@principal.com.my](mailto:service@principal.com.my) or reach out to your Principal Consultant.

**MEMBERS' LETTER (CONTINUED)**

We appreciate your continuous support and the trust you place in us. And, we're happy to share that we recently won the Morningstar Fund Awards Malaysia for the Best Malaysia Large-Cap Equity (Shariah) Fund based on 2019 performance for Principal DALI Equity Fund (formerly known as CIMB Islamic DALI Equity Fund).

Please be informed that effective 22 April 2020, the Fund has been renamed as Principal Islamic PRS Plus Moderate following the issuance of the Second Replacement Disclosure Document for the Principal Islamic PRS Plus ("Scheme").

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



**Munirah Khairuddin**  
Chief Executive Officer

**SHARIAH ADVISER'S REPORT TO THE MEMBERS OF  
CIMB ISLAMIC PRS PLUS MODERATE****For the Financial Period from 1 September 2019 to 29 February 2020**

We have acted as the Shariah Adviser of CIMB Islamic PRS Plus Moderate ("the Fund"). Our responsibility is to ensure that the procedures and processes employed by Principal Asset Management Berhad (*formerly known as CIMB-Principal Asset Management Berhad*) (the "PRS Provider") are in accordance with Shariah principles.

In our opinion, PRS Provider has managed and administered the Fund in accordance with Shariah principles and complied with applicable guidelines, rulings or decisions issued by the Securities Commission ("SC") pertaining to Shariah matters.

In addition, we confirm that the investment portfolio of the Fund comprises securities and/or instruments which have been classified as Shariah compliant by the Shariah Advisory Council ("SAC") of the SC and/or SAC of Bank Negara Malaysia ("BNM"), where applicable with exception to Keppel Corp and Pentamaster Corp Bhd. However, Pentamaster Corp has been fully disposed on 5<sup>th</sup> December 2019 at loss. For securities which has yet to be disposed, the same shall be disposed once the market value of the securities held equal the investment cost. For securities and/or instruments which are not classified as Shariah-compliant by the SAC of the SC and/or SAC of BNM, we have determined that such securities and/or instruments are in accordance with Shariah principles and have complied with the applicable Shariah Guidelines.

This report is made solely to the unit holders of the Fund, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report and we shall not be liable for any errors or non-disclosure on the part of the PRS Provider.

For **Amanie Advisors Sdn Bhd**,

**DATUK DR MOHD DAUD BAKAR**  
Executive Chairman

20 April 2020

**STATEMENT BY THE PRS PROVIDER TO THE MEMBERS OF  
CIMB ISLAMIC PRS PLUS MODERATE**

We, being the Directors of Principal Asset Management Berhad (the “PRS Provider”), do hereby state that, in the opinion of the PRS Provider, the accompanying unaudited financial statements set out on pages 16 to 49 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the statement of financial position of the Fund as at 29 February 2020 and of its financial performance, changes in net assets attributable to members and cash flows for the financial period then ended in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 - Interim Financial Reporting and International Accounting Standards ("IAS") 34 - Interim Financial Reporting.

For and on behalf of the PRS Provider

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

**MUNIRAH KHAIRUDDIN**

Chief Executive Officer/Executive Director

**JUAN IGNACIO EYZAGUIRRE BARAONA**

Director

Kuala Lumpur

23 April 2020

**TRUSTEE'S REPORT TO THE MEMBERS OF  
CIMB ISLAMIC PRS PLUS MODERATE**

We have acted as the Trustee for CIMB Islamic PRS Plus Moderate (the "Fund") for the financial period ended 29 February 2020. To the best of our knowledge, for the financial period under review, Principal Asset Management Berhad (*formerly known as CIMB-Principal Asset Management Berhad*) (the "PRS Provider") has operated and managed the Fund in accordance with the following:-

- (a) limitations imposed on the investment powers of the PRS Provider and Trustee under the Deeds, the Securities Commission's Guidelines on Private Retirement Scheme, the Capital Markets and Services Act 2007 and other applicable laws;
- (b) valuation and pricing for the Fund has been carried out in accordance with the Deeds of the Fund and applicable regulatory requirements; and
- (c) creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirements.

For **Deutsche Trustees Malaysia Berhad (Company No.: 763590-H)**

**NG HON LEONG**  
Head, Trustee Operations

**RICHARD LIM HOCK SENG**  
Chief Executive Officer

Kuala Lumpur  
20 April 2020

**PRS PROVIDER'S REPORT****FUND OBJECTIVE AND POLICY****What is the investment objective of the Fund?**

The Fund seeks to provide a moderate level of capital growth over the long-term by investing in a diversified portfolio of Shariah-compliant equity and Sukuk.

**Has the Fund achieved its objective?**

For the financial year under review, the Fund has performed in line with its objective as stated under the Fund Performance section.

**What are the Fund investment policy and principal investment strategy?**

The Fund will invest in a mix of Shariah-compliant equities and Sukuk to provide a moderate level of capital growth to the Fund.

The investments by the Fund in Shariah-compliant equities which include foreign exposure shall not exceed 60% of the Fund's Net Asset Value ("NAV") and investments in both local and foreign Sukuk shall not be less than 40% of its NAV with a minimum credit rating of "BBB3" or "P2" by RAM Ratings ("RAM") or equivalent rating by Malaysian Rating Corporation Berhad ("MARC") or "BBB" by Standard & Poor's ("S&P") or equivalent rating by Moody's Investors Service ("Moody's") or Fitch Ratings ("Fitch").

The fixed income portion will provide capital stability to the Fund whilst the equity portion will provide the added return in a rising market. The Fund may opt to invest in Sukuk and Shariah-compliant equities either directly or via Shariah-compliant collective investment schemes.

**Fund category/type**

Core (Moderate)

**When was the Fund launched?**

12 November 2012

**What was the size of the Fund as at 29 February 2020?**

RM46.48 million (67.18 million units)

**What is the Fund's benchmark?**

60% Financial Times Stock Exchange ("FTSE") Bursa Malaysia ("FBM") EMAS Shariah ("FBMS") Index + 40% Quant shop Government Investment Issue ("GII") Short Index

**Note:** The risk profile of the Fund is not the same as the risk profile of the benchmark.

**What is the Fund distribution policy?**

The Fund is not expected to pay any distribution.

**PERFORMANCE DATA**

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

	<b>29.02.2020</b>	<b>28.02.2019</b>	<b>28.02.2018</b>
	<b>%</b>	<b>%</b>	<b>%</b>
Shariah-compliant quoted securities			
- Communication Services	6.39	5.98	8.22
- Consumer Discretionary	2.80	2.87	1.86
- Consumer Staples	6.16	1.98	7.61
- Energy	7.10	8.05	3.75
- Financials	1.00	1.34	1.36
- Health Care	4.60	2.58	2.49
- Industrials	8.50	11.03	15.71
- Information Technology	5.20	4.46	4.24
- Materials	4.04	5.45	3.25
- Real Estate	7.35	6.14	4.31
- Utilities	4.10	6.72	4.68
Unquoted Sukuk	41.99	41.82	41.21
Cash and other net assets	0.77	1.58	1.31
	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

Note: The Fund had applied the Global Industry Classification Standard ("GICS") sectors classification.

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

	<b>29.02.2020</b>	<b>28.02.2019</b>	<b>28.02.2018</b>
NAV (RM Million)			
- Class A	19.98	14.25	11.32
- Class C	2.90	1.30	0.83
- Class X	23.60	18.23	14.83
Units in circulation (Million)			
- Class A	28.88	21.98	17.10
- Class C	4.20	2.01	1.26
- Class X	34.10	28.13	22.42
NAV per unit (RM)			
- Class A	0.6918	0.6481	0.6615
- Class C	0.6910	0.6481	0.6616
- Class X	0.6918	0.6481	0.6615
	<b>01.09.2019</b>	<b>01.09.2018</b>	<b>01.09.2017</b>
	<b>to 29.02.2020</b>	<b>to 28.02.2019</b>	<b>to 28.02.2018</b>
Highest NAV per unit (RM)			
- Class A	0.7208	0.6708	0.6787
- Class C	0.7201	0.6709	0.6788
- Class X	0.7208	0.6707	0.6787
Lowest NAV per unit (RM)			
- Class A	0.6768	0.6193	0.6474
- Class C	0.6764	0.6193	0.6475
- Class X	0.6768	0.6193	0.6474

**PERFORMANCE DATA (CONTINUED)**

Performance details of the Fund for the last three unaudited financial periods are as follows: (continued)

	<b>01.09.2019 to 29.02.2020</b>	<b>01.09.2018 to 28.02.2019</b>	<b>01.09.2017 to 28.02.2018</b>
Total return (%)			
- Class A	1.79	(2.60)	2.21
- Class C	1.75	(2.61)	2.21
- Class X	1.79	(2.58)	2.19
Capital growth (%)			
- Class A	1.79	(2.60)	2.21
- Class C	1.75	(2.61)	2.21
- Class X	1.79	(2.58)	2.19
Income distribution (%)			
- Class A	-	-	-
- Class C	-	-	-
- Class X	-	-	-
Management Expense Ratio ("MER") (%) ^	0.81	0.50	0.15
Portfolio Turnover Ratio ("PTR") (times) #	0.27	0.29	1.25

^ During the financial period under review, the Fund's MER increased from 0.50% to 0.81% mainly due to increase in total expenses.

# The Fund's PTR decreased to 0.27 times from 0.29 times due to increase in average NAV during the financial period under review.

	<b>29.02.2020 %</b>	<b>28.02.2019 %</b>	<b>28.02.2018 %</b>	<b>28.02.2017 %</b>	<b>29.02.2016 %</b>
Annual total return					
- Class A	6.76	(2.06)	8.60	8.26	(0.78)
- Class C	6.63	(2.07)	8.60	8.24	(0.76)
- Class X	6.74	(2.04)	8.58	8.26	(0.78)

(Launch date: 12 November 2012)

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 2019 TO 29 FEBRUARY 2020)****Sukuk**

During the financial period under review, Bank Negara Malaysia (“BNM”) lowered the Overnight Policy Rate (“OPR”) by 25 basis points (“bps”). At the Monetary Policy Committee’s (“MPC”) first meeting in January 2020, the MPC lowered the OPR to 2.75% as a pre-emptive measure to secure the improving growth trajectory amid price stability. They also mentioned that despite the dissipation of trade tensions pointing towards improving global trade activity as well as monetary easing across major economies helping to ease financial conditions, the downside risks continue to remain on the back of geopolitical tensions and policy uncertainties in some countries. This cut by the central bank came as a surprise to most.

In September and October 2019, the Consumer Price Index (“CPI”) rose slightly by 1.1% year-on-year (“y-o-y”) for two consecutive months. It continued to ease further in the month of November 2019 as it grew only 0.9% y-o-y as food and beverages and transport component prices weakened. The CPI for the month of December 2019 was up 1% y-o-y, bringing in full year inflation for 2019 at 0.7%. In January 2020, the CPI increased 1.6% y-o-y on the back of an increase in the overall index of transport (3.9%), miscellaneous goods and services (2.5%), housing, water, electricity, gas & other fuels (1.7%), education (1.7%) and communication (1.5%).

After FTSE Russell announced to place Malaysia in their Watch list earlier in 2019, the Index provider announced in September 2019 that they would continue to place Malaysia in the Watch list up until the next review in March 2020. As for now, Malaysia continues to be in the Index provider’s World Government Bond Index (“WGBI”). The local bond market saw a mild boost following the central bank’s recent announcement in early November 2019 whereby they cut the Statutory Reserve Requirement (“SRR”) ratio to 3% from 3.5% to enhance liquidity in the domestic financial system. Government bond yields across all tenors moved lower by between 32 bps to 93 bps in 2019. Following the rate cut seen in January 2020, the yields on all the Malaysian Government bonds (“govvies”) went down between 15 bps to 25 bps with the longer tenures moving the most. Yields continued to move lower at the end of January 2020 as investors across all markets became rattled by the COVID-19 which was first identified in Wuhan, Hubei province, China.

Meanwhile, the country’s economy expanded by 4.4% in the third quarter of 2019, slower than the 4.9% growth recorded in the second quarter of 2019 and the 4.5% growth seen in the first quarter of 2019. We saw the fourth quarter of 2019 Gross Domestic Product (“GDP”) coming in at a low of 3.6% due to the weaker manufacturing and agriculture sectors. According to the Statistics Department, GDP expanded at 4.3% in 2019 which was slower than the 4.7% in 2018. The growth in 2019 was the weakest since 2009. BNM said the country’s economic growth was affected by supply disruptions in the commodities sector with private consumption and private investment expanding by 8.1% and 4.2% respectively, whilst net exports fell by 9.8%. The agriculture and mining sectors also contracted by 5.7% and 2.5%, respectively. A Ringgit Malaysia (“RM”) 20 billion stimulus package was announced by the Government on 27 February 2020 in response to mitigating the COVID-19 outbreak to boost the sluggish economy. Under a three-prong approach, the package aims to mitigate the impact of COVID-19, encourage rakyat-centric spending, and support sectors directly hurt by the virus, chiefly tourism and aviation. It will also accelerate planned investment projects by Government-linked Companies (“GLC”). The package is expected to raise the fiscal deficit to 3.4% from an initial projection of 3.2%.

**MARKET REVIEW (1 SEPTEMBER 2019 TO 29 FEBRUARY 2020) (CONTINUED)****Local Equity**

The FBMS Index declined by 7.69% in RM terms during the period under review amid concerns over uncertainty in domestic politics and the COVID-19 outbreak.

Budget 2020 was announced on 11 October 2019 focuses on reinventing Malaysia in the digital space over the medium term by attracting foreign and domestic investments. Various tax incentives have been proposed to attract these investments which are expected to create high-paying jobs, especially those in the manufacturing and technology sectors. Towards the end of 2019, the plantation sector was boosted by improving supply and demand dynamics which have led to CPO prices surging past RM3,000 per metric tonnes ("MT").

Political uncertainty engulfed Malaysia stepping into February 2020 following the shocked resignation of Tun Dr Mahathir as prime minister after losing a majority support in the parliament. However, the uncertainty of not having a functioning federal Government was short-lived as the King has appointed Tan Sri Muhyiddin Yasin as the 8th Prime Minister after determining that the latter is likely to get a majority support in the parliament. In his last act as interim prime minister, Tun Dr Mahathir unveiled a RM20 billion stimulus package to mitigate the adverse economic impact from the COVID-19 outbreak.

**Asian Equity**

The MSCI AC Islamic Asia ex Japan Index rose by 5.8% in US Dollar ("USD") and RM terms during the financial period under review. Topical issues were US-China trade talks and the COVID-19 outbreak.

US and China toned down their trade war rhetoric in September 2019 as evidenced with resumption of face-to-face negotiations in October 2019. With economic growth elusive in both developed and developing countries, major central banks globally continued to embark on monetary policy easing. Equity markets continued to rally in October 2019 with US and China verbally agreeing to a Phase 1 deal. Apart from monetary policy accommodation, we had begun to see governments use fiscal stimulus such as that seen in India with huge corporate tax cuts. In December 2019, there were signs of global economic recovery as observed with China's Purchasing Managers' Index ("PMI") rising above 50 after many months.

Sentiment worsened in January amidst the COVID-19 outbreak in Hubei, which had thrown the economic recovery in Asia into disarray. China implemented draconian measures to quarantine its population which led to a decline in confirmed cases in February 2020. However, the outbreak extended beyond China to the rest of the world, which brought about uncertainty to the extent and duration of the outbreak.

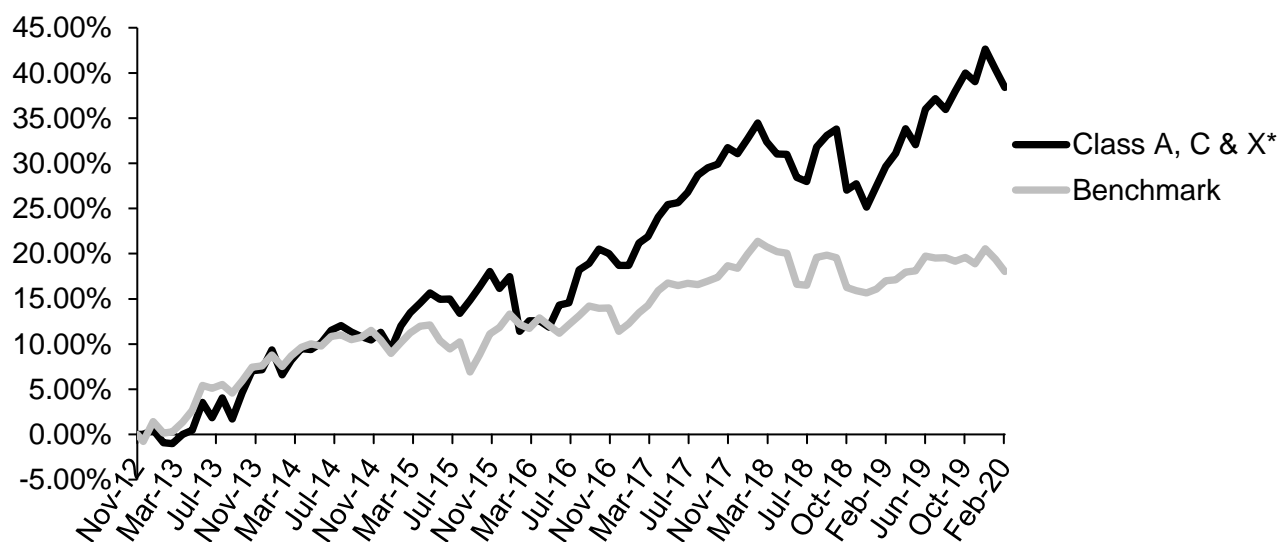
## FUND PERFORMANCE

	6 months to 29.02.2020			1 year to 29.02.2020		
	Class A	Class C	Class X	Class A	Class C	Class X
	%	%	%	%	%	%
Income	-	-	-	-	-	-
Capital	1.79	1.75	1.79	6.76	6.63	6.74
Total Return	1.79	1.75	1.79	6.76	6.63	6.74
Benchmark	(1.26)	(1.26)	(1.26)	0.89	0.89	0.89
Average Total Return	N/A	N/A	N/A	6.76	6.63	6.74

	3 years to 29.02.2020			5 years to 29.02.2020		
	Class A	Class C	Class X	Class A	Class C	Class X
	%	%	%	%	%	%
Income	-	-	-	-	-	-
Capital	13.55	13.40	13.54	21.98	21.82	21.96
Total Return	13.55	13.40	13.54	21.98	21.82	21.96
Benchmark	3.31	3.31	3.31	5.81	5.81	5.81
Average Total Return	4.33	4.28	4.32	4.05	4.03	4.05

	Since inception to 29.02.2020		
	Class A	Class C	Class X
	%	%	%
Income	-	-	-
Capital	38.40	38.24	38.38
Total Return	38.40	38.24	38.38
Benchmark	18.04	18.04	18.04
Average Total Return	4.55	4.53	4.55

For the financial period under review, Class A, Class C and Class X were outperformed the benchmark by 305 bps, 301 bps and 305 bps respectively. In the last 3 years and 5 years respectively, all classes were outperformed the benchmark.



\* Performance of Class A, Class C and Class X are almost the same. Slight variation was due to different timing of units created for each of the class.

**FUND PERFORMANCE (CONTINUED)****Changes in NAV**

	<b>29.02.2020</b>	<b>31.08.2019 Audited</b>	<b>Changes %</b>
<b>Class A</b>			
NAV (RM Million)	19.98	16.85	18.58
NAV/Unit (RM)	0.6918	0.6796	1.80
<b>Class C</b>			
NAV (RM Million)	2.90	1.93	50.26
NAV/Unit (RM)	0.6910	0.6792	1.74
<b>Class X</b>			
NAV (RM Million)	23.60	21.63	9.11
NAV/Unit (RM)	0.6918	0.6796	1.80

The Fund recorded positive net inflow from unit creations over the financial period under review for all classes. The NAV per unit rose by 1.80%, 1.74% and 1.80% for Class A, Class C and Class X respectively.

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**

<b>(%) of NAV</b>	<b>29.02.2020</b>	<b>31.08.2019 Audited</b>
Shariah-compliant quoted securities	57.24	56.80
Unquoted Sukuk	41.99	40.29
Cash and other net assets	0.77	2.91
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

The Fund was fully invested during the financial period under review. Allocation towards Shariah-compliant quoted securities and unquoted Sukuk had increased slightly to 57.24% and 41.99% respectively. The change is based on our asset allocation strategy during the period.

**MARKET OUTLOOK\*****Sukuk**

On 22 January 2020, the MPC cut the OPR by 0.25% to 2.75%. The cut by BNM came as a surprise to many and was against the consensus' view. At time of report writing, BNM has further lowered OPR by another 25 bps at the MPC meeting held on 3 March 2020. We believe some economists are also expecting a further rate cut by BNM in view of the escalating impact of COVID-19 to the country's economy. After a week of political turmoil, Muhyiddin Yassin was sworn in as Malaysia's 8th Prime Minister on 1 March 2020. The path ahead continues to remain uncertain with the Parliament meeting now being postponed to 18 May 2020 from 9 March 2020. Additionally, at time of report writing, Malaysia Government Securities ("MGS") yields have sold off higher due to the plunge in oil prices, weaker ringgit and a broad-based selling in regional rates.

For now, we expect the domestic bond market to remain supported due to ample domestic liquidity as well as the lack of primary issuances. We are expecting some primary issuances in the first half of 2020 with the lower yielding environment, but supply seems fairly limited in the near term. We believe investors will be closely watching FTSE Russell's verdict on whether Malaysia will remain on their WGBI index in April 2020 as well as further moves by the central bank and the Government in light of the COVID-19 situation and the impact to the country's economy. Investors will also be monitoring the foreign rating agencies' view on the country's sovereign rating in light of the recent twin effects of oil price shock and COVID-19.

**Local Equity**

Against the backdrop of a disappointing fourth quarter of 2019 GDP growth of 3.6% (versus 4.1% street expectation) and a weaker PMI reading of 48.5 in February 2020, BNM has followed through with its second interest rate cut this year as it lowers the OPR by 25 bps to 2.50% in its March's 2020 MPC meeting.

The central bank continues to take pre-emptive measure to support the economic growth trajectory amid slower growth outlook due to the COVID-19 outbreak and weak commodity markets. Given the benign inflationary outlook and growth risk, we believe BNM has further headroom to ease monetary policy to support growth. With rising political risk coupled with downside risk to economic growth, market risk premium will likely increase.

Following recent sell down, market valuation may de-rate further in the near term given the headwinds but would present an accumulation opportunity for long term investors.

To mitigate the economic impact of COVID-19 and movement control order ("MCO"), a RM250 billion stimulus package was announced with the primary focus of (i) sustaining private consumption and confidence, (ii) preserving the viability and continuity of domestic business entities; and (iii) strengthening the domestic economy. While the stimulus package amounts to 17% of GDP, direct Government spending is only RM25 billion which is equivalent to 1.7% of GDP.

**MARKET OUTLOOK\* (CONTINUED)****Asian Equity**

Along with the peaking in new confirmed cases of COVID-19 occurrences, China is returning to business normality with factories and workers resuming operations across the country. China and Singapore have shown that COVID-19 can be contained through a combination of draconian public measures, and targeted fiscal and monetary policies aimed at shoring up confidence and backstopping economic fallouts. Monetary policies are being eased in China, Korea, Philippines, Thailand, Indonesia and Singapore. Expansionary fiscal stimulus packages would also be rolled out in China, Korea, Singapore, India and Malaysia. We expect economic recovery in Asia to gather pace going into second half of 2020.

However, stock markets are expected to face heightened volatility as it is currently unclear how severe the COVID-19 outbreak is in the US and Europe, and whether the affected countries would be able to enact policies to effectively contain the outbreak. Should the US situation deteriorate and economic activity see significant negative impact, earnings for Asian companies would have to be further adjusted downwards to account for the demand destruction. Our current assumption is that the viral outbreak in the developed world would be well contained, with new confirmed cases peaking in a matter of months.

With inflation subdued, the US Federal Reserve (the “Fed”) would likely lower interest rates in the coming months to pre-empt any economic slowdown. This would be positive for Asia as this ease’s downside pressure on Asian currencies.

\* 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**

As this is a core Fund for the Private Retirement Scheme (“PRS”), the Fund will continue to remain fully invested with minimal cash kept for redemption purposes. Our asset allocation decisions will continue to be subject to market conditions.

**Sukuk**

For fixed income, we continue to prefer corporate bonds for the portfolio with a preference for credits which are in the AA-bucket with stronger fundamentals.

**Local Equity**

We will be tilting our barbell approach from growth bias to capital preservation bias; focusing on companies with defensive and high yielding qualities.

**Asian Equity**

We would look out for opportunities to purchase stocks which have strong business moats and are able to emerge stronger in the mid to long run. These stocks are often market leaders and innovators in their respective fields.

## MEMBERS STATISTICS AS AT 29 FEBRUARY 2020

## CLASS A

Size of unit holdings (units)	No. of members	No. of units held (million)	% of units held
5,000 and below	2,140	2.52	8.73
5,001-10,000	649	4.24	14.68
10,001-50,000	575	11.66	40.37
50,001-500,000	60	8.57	29.67
500,001 and above	2	1.89	6.55
<b>Total</b>	<b>3,426</b>	<b>28.88</b>	<b>100.00</b>

## CLASS C

Size of unit holdings (units)	No. of members	No. of units held (million)	% of units held
5,000 and below	230	0.32	7.62
5,001-10,000	64	0.43	10.24
10,001-50,000	70	1.34	31.90
50,001-500,000	14	2.11	50.24
500,001 and above	-	-	-
<b>Total</b>	<b>378</b>	<b>4.20</b>	<b>100.00</b>

## CLASS X

Size of unit holdings (units)	No. of members	No. of units held (million)	% of units held
5,000 and below	2,784	2.75	8.06
5,001-10,000	553	3.81	11.17
10,001-50,000	770	17.83	52.29
50,001-500,000	104	9.71	28.48
500,001 and above	-	-	-
<b>Total</b>	<b>4,211</b>	<b>34.10</b>	<b>100.00</b>

## SOFT COMMISSIONS AND REBATES

The PRS Provider and the Trustee 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 financial wire services and stock quotations system incidental to investment management of the Funds. All dealings with brokers are executed on best available terms.

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

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 29 FEBRUARY 2020**

	Note	01.09.2019 to 29.02.2020 RM	01.09.2018 to 28.02.2019 RM
<b>INCOME/(LOSS)</b>			
Dividend income		262,648	269,504
Profit income from Shariah-compliant deposits with licensed Islamic financial institutions and Hibah earned		7,141	5,331
Profit income from unquoted Sukuk		387,601	293,017
Net gain/(loss) on financial assets at fair value through profit or loss	7	450,159	(1,039,461)
Net foreign exchange loss		(27,591)	(4,812)
		<u>1,079,958</u>	<u>(476,421)</u>
<b>EXPENSES</b>			
Management fee	5	312,437	129,894
Private Pension Administrator's fee	4	8,891	6,246
Trustee's and Custodian's fee	5	8,891	6,246
Audit fee		6,150	6,150
Tax Agent's fee		4,865	2,300
Transaction cost		62,472	44,510
Other expenses		30,982	6,711
		<u>434,688</u>	<u>202,057</u>
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		645,270	(678,478)
Taxation	6	<u>254</u>	<u>(21,167)</u>
<b>INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO MEMBERS</b>		<u>645,524</u>	<u>(699,645)</u>
Increase/(Decrease) in net assets attribution to members is made up as follows:			
Realised amount		1,766,615	(494,941)
Unrealised amount		(1,121,091)	(204,704)
		<u>645,524</u>	<u>(699,645)</u>

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

**UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 29 FEBRUARY 2020**

		<b>29.02.2020</b>	<b>31.08.2019</b>
	<b>Note</b>	<b>RM</b>	<b>Audited RM</b>
<b>ASSETS</b>			
Cash and cash equivalents	<b>8</b>	453,759	1,393,314
Financial assets at fair value through profit or loss (Shariah-compliant)	<b>7</b>	46,115,451	39,235,656
Amount due from the PRS Provider			
- Creation of units		274,302	345,451
Dividends receivable		11,225	42,020
Tax recoverable		-	118
<b>TOTAL ASSETS</b>		<u>46,854,737</u>	<u>41,016,559</u>
<b>LIABILITIES</b>			
Amount due to stockbroker		-	539,061
Amount due to the PRS Provider			
- Management fees		52,830	46,571
- Cancellation of units		310,117	3,383
Amount due to Trustee and Custodian		1,503	1,327
Amount due to Private Pension Administrator		1,503	1,327
Other payables and accruals		13,050	13,300
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO MEMBERS)</b>		<u>379,003</u>	<u>604,969</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>46,475,734</u>	<u>40,411,590</u>
<b>NET ASSETS ATTRIBUTABLE TO MEMBERS</b>		<u>46,475,734</u>	<u>40,411,590</u>
<b>REPRESENTED BY:</b>			
<b>FAIR VALUE OF OUTSTANDING UNITS</b>			
- CLASS A		19,982,649	16,846,864
- CLASS C		2,899,912	1,934,683
- CLASS X		23,593,173	21,630,043
		<u>46,475,734</u>	<u>40,411,590</u>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>			
- CLASS A		28,881,835	24,786,608
- CLASS C		4,196,172	2,848,280
- CLASS X		34,101,377	31,825,190
	<b>9</b>	<u>67,179,384</u>	<u>59,460,078</u>
<b>NET ASSET VALUE PER UNIT (RM)</b>			
- CLASS A		0.6918	0.6796
- CLASS C		0.6910	0.6792
- CLASS X		<u>0.6918</u>	<u>0.6796</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 MEMBERS  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 29 FEBRUARY 2020**

	<b>01.09.2019 to 29.02.2020 RM</b>	<b>01.09.2018 to 28.02.2019 RM</b>
<b>NET ASSETS ATTRIBUTABLE TO MEMBERS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	40,411,590	30,284,997
Movement due to units created and cancelled during the financial period:		
Creation of units from applications		
- Class A	4,698,132	2,979,997
- Class C	1,037,832	325,315
- Class X	2,936,858	2,455,151
	<u>8,672,822</u>	<u>5,760,463</u>
Cancellation of units		
- Class A	(1,823,314)	(528,703)
- Class C	(90,858)	(22,459)
- Class X	(1,340,030)	(1,013,931)
	<u>(3,254,202)</u>	<u>(1,565,093)</u>
Increase/(Decrease) in net assets attributable to members during the financial period:	<u>645,524</u>	<u>(699,645)</u>
<b>NET ASSETS ATTRIBUTABLE TO MEMBERS AT THE END OF THE FINANCIAL PERIOD</b>	<u><u>46,475,734</u></u>	<u><u>33,780,722</u></u>

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 29 FEBRUARY 2020**

	<b>01.09.2019 to 29.02.2020 RM</b>	<b>01.09.2018 to 28.02.2019 RM</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Purchase of Shariah-compliant collective investment schemes	-	(661,093)
Proceeds from disposal of Shariah-compliant quoted securitites	8,586,734	6,159,166
Purchase of Shariah-compliant quoted securities	(11,946,703)	(8,259,867)
Proceeds from disposal of unquoted Sukuk	103,884	455,276
Purchase of unquoted Sukuk	(3,864,662)	(2,534,516)
Profit income from unquoted Sukuk	478,886	364,099
Profit income from Shariah-compliant deposits with licensed financial institutions	7,141	5,331
Dividend income received	281,737	253,811
Management fee paid	(306,178)	(94,122)
Private Pension Administrator's fee paid	(8,715)	(6,238)
Trustee's and Custodian's fees paid	(8,715)	(6,238)
Payments for other fees and expenses	(30,487)	(14,128)
Net realised foreign exchange loss	(14,486)	(8,601)
Tax refund	372	-
<b>Net cash used in operating activities</b>	<b>(6,721,192)</b>	<b>(4,347,120)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash proceeds from units created	8,743,971	5,812,766
Payments for cancellation of units	(2,947,468)	(1,570,390)
<b>Net cash generated from financing activities</b>	<b>5,796,503</b>	<b>4,242,376</b>
Net decrease in cash and cash equivalents	(924,689)	(104,744)
Effect of foreign exchange differences	(14,866)	3,483
Cash and cash equivalents at the beginning of the financial period	1,393,314	462,126
Cash and cash equivalents at the end of the financial period	<b>453,759</b>	<b>360,865</b>
<u>Cash and cash equivalents comprised of:</u>		
Bank balances	92,705	104,843
Shariah-compliant deposits with licensed Islamic financial institutions	361,054	256,022
Cash and cash equivalents at the end of the financial period	<b>453,759</b>	<b>360,865</b>

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 29 FEBRUARY 2020**

**1. THE FUND, THE PRS PROVIDER AND ITS PRINCIPAL ACTIVITIES**

CIMB Islamic PRS Plus Moderate (the “Fund”) is governed by a Deed dated 8 November 2012, a First Supplemental Deed dated 2 January 2014, a Second Supplemental Deed dated 25 November 2014 and a Third Supplemental Deed dated 3 February 2020 (collectively referred to as the “Deeds”) made between Principal Asset Management Berhad (the “PRS Provider”) and Deutsche Trustees Malaysia Berhad (the “Trustee”).

The Fund offers three classes of units known respectively as Class A, Class C and Class X. In accordance with the Disclosure Documents, Class A and Class C are for members who have attained 18 years of age as of the date of opening a private pension account. Class A and C have different management fee. Class X is for members who participate via respective employers and is subject to a minimum of 200 participating employees per employer or 50 participating employees under payroll deduction per employer. Class X has no sales charge.

The Fund will invest in a mix of Shariah-compliant equities and Sukuk to provide a moderate level of capital growth to the Fund.

The investments by the Fund in Shariah-compliant equities which include foreign exposure shall not exceed 60% of the Fund’s NAV and investments in both local and foreign Sukuk shall not be less than 40% of its NAV with a minimum credit rating of “BBB3” or “P2” by RAM or equivalent rating by MARC or “BBB” by S&P or equivalent rating by Moody’s or Fitch.

The fixed income portion will provide capital stability to the Fund whilst the equity portion will provide the added return in a rising market. The Fund may opt to invest in Sukuk and Shariah-compliant equities either directly or via Shariah-compliant collective investment schemes.

All investments are subjected to the SC Guidelines on Private Retirement Schemes (“PRS”), SC requirements, the Deeds, except where exemptions or variations have been approved by the SC, internal policies and procedures and the Fund’s objective.

The PRS Provider, 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 PRS Provider 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 and International Financial Reporting Standards ("IFRS").

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 PRS Provider to exercise their judgement in the process of applying the Fund's accounting policies. Although these estimates and assumptions are based on the PRS Provider's best knowledge of current events and actions, actual results may differ.

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

#### Standards, amendments to published standards or interpretations that are effective and relevant:

The Fund has applied the following amendments to published standard for the first time for the financial period beginning 1 September 2019:

- Amendments to MFRS 112 'Income Taxes' (effective from 1 January 2019) clarify that where income tax consequences of dividends on financial instruments classified as equity is recognised (either in profit or loss, other comprehensive income ("OCI") or equity) depends on where the past transactions that generated distributable profits were recognised.

Accordingly, the tax consequences are recognised in profit or loss when an entity determines payments on such instruments are distribution of profits (that is, dividends). Tax on dividend should not be recognised in equity merely on the basis that it is related to a distribution to owners.

There are no other standards, amendments to standards or interpretations that are effective for interim periods beginning on 1 September 2019 that have a material effect on the financial statements of the Fund.

There are no applicable standards, amendments to standards or interpretations that are effective for interim periods beginning on/after 1 September 2020 to the financial statements of the Fund.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (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 OCI.

The contractual cash flows of the Fund's debt securities are solely principal and interest<sup>1</sup>. 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, amount due from the PRS Provider and dividends receivable as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

The Fund classifies amount due to the PRS Provider, amount due to Trustee, amount due to Private Pension Administrator and other payables and accruals as other financial liabilities.

#### 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. Transaction costs are expensed in the statement of comprehensive income.

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

Financial 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.

<sup>1</sup> 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)

#### Recognition and measurement (continued)

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

Shariah-compliant quoted securities in Malaysia are valued at the last traded market price quoted on Bursa Malaysia Securities Bhd ("Bursa Securities") at the date of the statement of financial position.

Foreign Shariah-compliant quoted securities are valued based on the last traded market price quoted on the respective foreign stock exchange at the close of the business day of the respective foreign stock exchanges.

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

Unquoted Sukuk denominated in RM 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 PRS. Refer to Note 2(k) for further explanation.

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

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

#### Impairment for assets carried at amortised costs

The Fund measures credit risk and expected credit loss ("ECL") using probability of default, exposure at default and loss given default. The PRS Provider consider both historical analysis and forward looking information in determining any ECL. The PRS Provider consider 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 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.

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

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

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

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.

**(d) Foreign currency**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 RM, which is the Fund's functional and presentation currency.

Due to mixed factors in determining the functional currency of the Fund, the PRS Provider has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in RM primarily due to the following factors:

- i) The Fund's units are denominated in RM; and
- ii) Significant portion of the Fund's expenses are denominated in RM.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (d) Foreign currency (continued)

#### Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

### (e) Members' contributions

The members' contributions to the Fund meet the definition of puttable instruments classified as financial liability under MFRS 132 "Financial Instruments: Presentation".

The Fund issues cancellable units, in three classes of units, known respectively as the Class A, Class C and Class X, which are cancelled at the member's option and do not have identical features subject to restrictions as stipulated in the Disclosure Document and SC Guidelines on PRS. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the member exercises the right to put back the unit to the Fund.

Units are created and cancelled at the member's option at prices based on the Fund's NAV per unit of respective classes at the close of business on the relevant dealing day. The Fund's NAV per unit of respective classes is calculated by dividing the net assets attributable to members of respective classes with the total number of outstanding units of respective classes.

### (f) Increase/Decrease in net assets attributable to members

Income not distributed is included in net assets attributable to members.

### (g) Transaction costs

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

### (h) Cash and cash equivalents

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(i) 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.

Tax on investment income from foreign Shariah-compliant quoted securities is based on the tax regime of the respective countries that the Fund invests in.

**(j) Realised and unrealised portions of increase/decrease in net assets attributable to members**

The analysis of realised and unrealised of increase/decrease in net assets attributable to members as presented on the statement of comprehensive income is prepared in accordance with SC Guidelines on PRS.

**(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 Funds' results and financial position are tested for sensitivity to changes in the underlying parameters.

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

**Estimate of fair value of unquoted Sukuk**

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

Ringgit-denominated unquoted Sukuk are valued using fair value prices quoted by a BPA. Where the PRS Provider 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 PRS Provider may use market price, provided that the PRS Provider 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 adoption the use of non-BPA price.

### 3. RISK MANAGEMENT OBJECTIVES AND POLICIES

The investment objective of the Fund is to provide a moderate level of capital growth over the long-term by investing in a diversified portfolio of Shariah-compliant equity and Sukuk.

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

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

#### (a) Market risk

##### (i) Price risk

Price risk is the risk that the fair value of the Fund's Shariah-compliant investments will fluctuate because of changes in market prices. The value of Shariah-compliant investments may fluctuate according to the activities of individual companies, sector and overall political and economic conditions. Such fluctuation may cause the Fund's NAV and prices of units to fall as well as rise, and income produced by the Fund may also fluctuate.

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

##### (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 PRS Provider will manage the duration of the portfolio via shorter or longer tenured assets depending on the view of the future interest rate trend of the PRS Provider, which is based on its continuous fundamental research and analysis.

Investors should note that the movement in prices of unquoted Sukuk and Shariah-compliant money market instruments are benchmarked against interest rates. As such, the investments are exposed to the movement of the interest rates.

This risk is crucial 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 interest rates are more susceptible to interest rate movements.

Such Shariah-compliant 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.

### 3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### (a) Market risk (continued)

##### (iii) Currency risk

Currency risk of the Fund is associated with Shariah-compliant investments that are quoted and/or priced in foreign currency denomination. Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The PRS Provider will evaluate the likely directions of a foreign currency versus RM based on considerations of economic fundamentals such as profit rate differentials, balance of payments position, debt levels, and technical chart considerations.

#### (b) Credit risk

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

Investment in unquoted Sukuk may involve a certain degree of credit/default risk with regards to the issuers. Generally, credit risk or default risk is the risk of loss due to the issuer's non-payment or untimely payment of the investment amount as well as the returns on investment. This will cause a decline in value of the defaulted unquoted Sukuk and subsequently depress the NAV of the Fund. Usually credit risk is more apparent for 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 PRS Provider 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 must satisfy a minimum rating requirement of at least "BBB3" or "P2" by RAM or equivalent rating by MARC.

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

For the amount due from the PRS Provider, the settlement terms of the proceeds from the creation of units receivable from the PRS Provider are governed by the SC Guidelines on PRS Funds.

#### (c) Liquidity risk

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

The PRS Provider manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by members. Liquid assets comprise bank balances 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 PRS Provider 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 potential.

### 3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### (d) Capital risk management

The capital of the Fund is represented by net assets attributable to members. The amount of net assets attributable to members can change significantly on a daily basis as the Fund is subjected to daily subscriptions and redemptions at the discretion of members. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns to members 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 values 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 price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the PRS Provider will determine the point within the bid-ask spread that is most representative of the fair value.

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.

##### (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.

## 3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

## (e) Fair value estimation (Continued)

(i) Fair value hierarchy (Continued)

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
<b>28.02.2019</b>				
Financial assets at fair value through profit or loss:				
- Shariah- compliant quoted securities	26,600,418	-	-	26,600,418
- Unquoted Sukuk	-	19,515,033	-	19,515,033
	<u>26,600,418</u>	<u>19,515,033</u>	<u>-</u>	<u>46,115,451</u>
<b>31.08.2019</b>				
<b>Audited</b>				
Financial assets at fair value through profit or loss:				
- Shariah- compliant quoted securities	22,953,402	-	-	22,953,402
- Unquoted Sukuk	-	16,282,254	-	16,282,254
	<u>22,953,402</u>	<u>16,282,254</u>	<u>-</u>	<u>39,235,656</u>

Shariah-compliant investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equities. The Fund does not adjust the quoted prices for these instruments. The Fund's policies on valuation of these financial assets are stated in Note 2(b).

**3. 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 stockbrokers, amount due from the PRS Provider, dividends receivable and all current liabilities are a reasonable approximation of their fair values due to their short term nature.

**4. MANAGEMENT FEE AND PRIVATE PENSION ADMINISTRATOR'S FEE**

In accordance with the Deeds, the PRS Provider is entitled to a maximum management fee of 3.00% per annum for each unit class, calculated daily based on the NAV of the Fund.

For the six months financial period ended 29 February 2020 and 29 February 2019, the management fee for the respective classes is recognised at the following rates:

<b>Class A</b>	<b>Class C</b>	<b>Class X</b>
1.40%	1.50%	1.40%

Nonetheless, no management fee is charged on the Fund up until 15 November 2018 as the management fee has been waived by the PRS Provider. Effective from 16 November 2018, the fee is charged to the Fund.

The Private Pension Administrator's fee is recognised at a rate of 0.04% per annum (28.02.2019: 0.04% per annum) for each unit class, calculated daily based on the NAV of the Fund.

There is no further liability in respect of management fee and Private Pension Administrator's fee other than the amount recognised above.

**5. TRUSTEE'S AND CUSTODIAN'S FEE**

In accordance with the Deeds, the Trustee is entitled to a maximum fee of 0.04% per annum for each unit class calculated daily based on the NAV of the Fund. The trustee's fee includes local Custodian's fee but excludes foreign Sub-Custodian's fees.

For the six months financial period ended 29 February 2020, the Trustee's and Custodian's fee are recognised at a rate of 0.04% per annum (28.02.2019: 0.04% per annum) for each unit class.

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

**6. TAXATION**

	<b>01.09.2019 to 29.02.2020 RM</b>	<b>01.09.2018 to 28.02.2019 RM</b>
Tax charged for the financial period:		
- Current taxation	<u>(254)</u>	<u>21,167</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:

	<b>01.09.2019 to 29.02.2020 RM</b>	<b>01.09.2018 to 28.02.2019 RM</b>
Profit/(Loss) before taxation	<u>645,270</u>	<u>(678,478)</u>
Taxation at Malaysian statutory rate of 24% (28.02.2019: 24%)	154,865	(162,835)
Tax effects of:		
(Income not subject to tax)/Loss not deductible for tax purpose	(259,190)	114,341
Expenses not deductible for tax purposes	27,628	15,532
Restriction on tax deductible expenses for PRS Funds	76,697	32,962
Income subject to withholding tax	-	21,167
Under provision of tax recoverable for prior year	<u>(254)</u>	<u>-</u>
Taxation	<u>(254)</u>	<u>21,167</u>

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

	<b>29.02.2020 RM</b>	<b>31.08.2019 Audited RM</b>
At fair value through profit or loss:		
- Shariah-compliant quoted securities	26,600,418	22,953,402
- Unquoted Sukuk	<u>19,515,033</u>	<u>16,282,254</u>
	<u>46,115,451</u>	<u>39,235,656</u>
	<b>01.09.2019 to 29.02.2020 RM</b>	<b>01.09.2018 to 28.02.2019 RM</b>
Net gain/(loss) on financial assets at fair value through profit or loss:		
- Realised gain/(loss) on disposals	1,556,799	(830,981)
- Unrealised fair value loss	<u>(1,106,640)</u>	<u>(208,480)</u>
	<u>450,159</u>	<u>(1,039,461)</u>

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>29.02.2020 SHARIAH-COMPLIANT QUOTED SECURITIES</b>				
<b>AUSTRALIA</b>				
<b>Materials</b>				
BHP Group Ltd	4,747	477,993	439,324	0.95
<b>TOTAL AUSTRALIA</b>	<b>4,747</b>	<b>477,993</b>	<b>439,324</b>	<b>0.95</b>
<b>CAYMAN ISLANDS</b>				
<b>Consumer Discretionary</b>				
Alibaba Group Holding Ltd	1,455	1,049,057	1,275,325	2.74
<b>TOTAL CAYMAN ISLANDS</b>	<b>1,455</b>	<b>1,049,057</b>	<b>1,275,325</b>	<b>2.74</b>
<b>CHINA</b>				
<b>Energy</b>				
China Petroleum & Chemical Co Ltd	28,000	86,084	60,850	0.13
<b>Materials</b>				
Anhui Conch Cement Co. Ltd	16,500	353,191	509,772	1.10
<b>Real Estate</b>				
China Vanke Co Ltd – H*	23,600	363,480	382,745	0.82
<b>TOTAL CHINA</b>	<b>68,100</b>	<b>802,755</b>	<b>953,367</b>	<b>2.05</b>
<b>HONG KONG Special Administrative Region ("SAR"), CHINA</b>				
<b>Communication Services</b>				
Tencent Holdings Ltd	4,200	860,060	876,421	1.89
<b>Consumer Discretionary</b>				
Brilliance China Automotive Holdings Ltd	8,000	86,042	28,544	0.06
<b>Energy</b>				
CNOOC Ltd	90,000	539,826	519,625	1.12

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>29.02.2020 (CONTINUED)</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>HONG KONG SAR, CHINA (CONTINUED)</b>				
<b>Industrials</b>				
MTR Corporation Ltd	3,500	85,064	82,968	0.18
Techtronic Industries Co Ltd	20,500	506,047	698,739	1.50
	<u>24,000</u>	<u>591,111</u>	<u>781,707</u>	<u>1.68</u>
<b>Real Estate</b>				
China Resources Land Ltd	30,000	529,637	583,037	1.25
Henderson Land Development Co Ltd	10,890	252,345	210,465	0.45
Link Real Estate Investment Trust ("REIT")	3,500	125,231	136,610	0.29
	<u>44,390</u>	<u>907,213</u>	<u>930,112</u>	<u>1.99</u>
<b>TOTAL HONG KONG SAR, CHINA</b>	<b><u>170,590</u></b>	<b><u>2,984,252</u></b>	<b><u>3,136,409</u></b>	<b><u>6.74</u></b>
<b>INDONESIA</b>				
<b>Communication Services</b>				
PT Telekomunikasi Tbk	342,600	440,562	351,767	0.76
<b>TOTAL INDONESIA</b>	<b><u>342,600</u></b>	<b><u>440,562</u></b>	<b><u>351,767</u></b>	<b><u>0.76</u></b>
<b>MALAYSIA</b>				
<b>Communication Services</b>				
Axiata Group Bhd	136,756	716,023	571,640	1.23
Digi.com Bhd	122,400	564,790	509,184	1.10
TIME dotCom Bhd	70,000	631,257	653,100	1.41
	<u>329,156</u>	<u>1,912,070</u>	<u>1,733,924</u>	<u>3.74</u>
<b>Consumer Staples</b>				
IOI Corporation Bhd	180,000	824,368	750,600	1.62
Kuala Lumpur Kepong Bhd	15,000	345,917	327,600	0.70
Sime Darby Plantation Bhd	359,400	1,837,189	1,782,624	3.84
	<u>554,400</u>	<u>3,007,474</u>	<u>2,860,824</u>	<u>6.16</u>

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>29.02.2020 (CONTINUED)</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>MALAYSIA (CONTINUED)</b>				
<b>Energy</b>				
Dayang Enterprise Holdings Bhd	200,000	239,013	466,000	1.00
Dialog Group Bhd	200,000	517,388	668,000	1.44
Petronas Dagangan Bhd	17,000	446,050	388,280	0.84
Serba Dinamik Holdings Bhd	250,000	543,145	550,000	1.18
Yinson Holdings Bhd	90,000	400,536	643,500	1.39
	<u>757,000</u>	<u>2,146,132</u>	<u>2,715,780</u>	<u>5.85</u>
<b>Financials</b>				
BIMB Holdings Bhd	100,000	429,205	378,000	0.81
Syarikat Takaful Malaysia Keluarga Bhd	18,700	89,199	88,638	0.19
	<u>118,700</u>	<u>518,404</u>	<u>466,638</u>	<u>1.00</u>
<b>Health Care</b>				
Hartalega Holdings Bhd	80,000	396,185	496,000	1.07
IHH Healthcare Bhd	120,000	694,088	684,000	1.47
Top Glove Corporation Bhd	170,000	924,721	958,800	2.06
	<u>370,000</u>	<u>2,014,994</u>	<u>2,138,800</u>	<u>4.60</u>
<b>Industrials</b>				
Econpile Holdings Bhd	200,000	150,215	132,000	0.28
Gamuda Bhd	200,028	810,480	662,093	1.42
IJM Corporation Bhd	200,000	452,140	388,000	0.84
MISC Bhd	110,000	741,961	834,900	1.80
Sime Darby Bhd	250,000	590,120	500,000	1.08
Sunway Construction Group Bhd	100,000	205,885	187,000	0.40
Westports Holdings Bhd	70,000	261,478	240,800	0.52
	<u>1,130,028</u>	<u>3,212,279</u>	<u>2,944,793</u>	<u>6.34</u>
<b>Information Technology</b>				
D&O Green Technologies Bhd	374,100	289,033	263,740	0.57
Globetronics Technology Bhd	213,100	420,399	443,248	0.95
JHM Consolidation Bhd	100,000	108,069	122,000	0.26
My Eg Services Bhd	400,000	513,160	448,000	0.96
Vitrox Corporation Bhd	30,000	231,039	252,000	0.54
	<u>1,117,200</u>	<u>1,561,700</u>	<u>1,528,988</u>	<u>3.28</u>

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>29.02.2020 (CONTINUED)</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>MALAYSIA (CONTINUED)</b>				
<b>Materials</b>				
Petronas Chemicals Group Bhd	120,000	961,615	648,000	1.39
Press Metal Aluminium Holdings Bhd	60,000	290,663	279,600	0.60
	<u>180,000</u>	<u>1,252,278</u>	<u>927,600</u>	<u>1.99</u>
<b>Real Estate</b>				
Axis REIT	300,000	562,365	579,000	1.25
KLCCP Stapled Group	99,200	776,310	807,488	1.74
	<u>399,200</u>	<u>1,338,675</u>	<u>1,386,488</u>	<u>2.99</u>
<b>Utilities</b>				
Petronas Gas Bhd	20,000	371,608	332,400	0.72
Tenaga Nasional Bhd	130,000	1,839,157	1,573,000	3.38
	<u>150,000</u>	<u>2,210,765</u>	<u>1,905,400</u>	<u>4.10</u>
<b>TOTAL MALAYSIA</b>	<b><u>5,105,684</u></b>	<b><u>19,174,771</u></b>	<b><u>18,609,235</u></b>	<b><u>40.05</u></b>
<b>SINGAPORE</b>				
<b>Industrials</b>				
Keppel Corporation Ltd #	11,700	276,341	224,114	0.48
<b>Information Technology</b>				
Venture Corporation Ltd	2,900	172,696	144,131	0.31
<b>Real Estate</b>				
CapitaLand Commercial Trust	99,900	520,756	561,400	1.21
CapitaLand Mall Trust	23,000	146,639	157,742	0.34
	<u>122,900</u>	<u>667,395</u>	<u>719,142</u>	<u>1.55</u>
<b>TOTAL SINGAPORE</b>	<b><u>137,500</u></b>	<b><u>1,116,432</u></b>	<b><u>1,087,387</u></b>	<b><u>2.34</u></b>

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>29.02.2020 (CONTINUED)</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>SOUTH KOREA</b>				
<b>Information Technology</b>				
Samsung Electronics Co. Ltd	3,977	658,001	747,604	1.61
<b>TOTAL SOUTH KOREA</b>	<b>3,977</b>	<b>658,001</b>	<b>747,604</b>	<b>1.61</b>
<b>TOTAL QUOTED SECURITIES</b>	<b>5,834,653</b>	<b>26,703,823</b>	<b>26,600,418</b>	<b>57.24</b>
<b>ACCUMULATED UNREALISED LOSS ON QUOTED SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b>(103,405)</b>		
<b>TOTAL QUOTED SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b>26,600,418</b>		
Name of issuer	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>29.02.2020 (CONTINUED)</b>				
<b>UNQUOTED SUKUK</b>				
Bandar Serai Development Sdn Bhd 4.78% 27/10/2020 (AA3)	2,500,000	2,546,467	2,566,797	5.52
Bank Islam Malaysia Bhd 5.50% 15/12/2025 (A1)	1,150,000	1,174,527	1,184,077	2.55
Bank Pembangunan Malaysia Bhd 4.28% 02/03/2022 (AAA)	500,000	509,333	521,761	1.12
Celcom Networks Sdn Bhd 4.85% 29/08/2022 (AA1)	400,000	401,290	416,822	0.90
Edra Energy Sdn Bhd 5.67% 05/01/2023 (AA3)	500,000	525,921	531,527	1.14
Fortune Premiere Sdn Bhd 3.99% 11/09/2026 (AA2)	1,000,000	1,020,288	1,042,509	2.24
Fortune Premiere Sdn Bhd 4.80% 13/03/2023 (AA2)	1,450,000	1,484,998	1,542,637	3.32
Fortune Premiere Sdn Bhd 4.85% 07/09/2023 (AA2)	100,000	105,834	107,088	0.23
IJM Land Bhd 4.73% 17/03/2119 (A2)	250,000	255,588	259,539	0.56

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

<b>Name of issuer</b>	<b>Nominal value RM</b>	<b>Aggregate cost RM</b>	<b>Market value RM</b>	<b>Percentage of NAV %</b>
<b>29.02.2020 (CONTINUED)</b>				
<b>UNQUOTED SUKUK (CONTINUED)</b>				
Imtiaz Sukuk II Bhd 4.58% 27/05/2022 (AA2)	750,000	759,232	781,267	1.68
Jimah Energy Ventures Sdn Bhd 9.15% 05/12/2020 (AA3)	1,400,000	1,451,684	1,455,091	3.13
Jimah Energy Ventures Sdn Bhd 9.35% 12/05/2020 (AA3)	1,500,000	1,556,850	1,560,503	3.36
MMC Corporation Bhd 5.64% 27/04/2027 (AA3)	750,000	777,982	820,665	1.77
Perbadanan Kemajuan Negeri Selangor Sdn Bhd 5.00% 10/08/2021 (AA3)	450,000	452,694	462,320	1.00
Perbadanan Kemajuan Negeri Selangor Sdn Bhd 5.15% 10/08/2023 (AA3)	1,200,000	1,229,069	1,267,056	2.73
Sabah Credit Corporation Sdb Bhd 4.70% 08/05/2020 (AA1)	700,000	711,219	712,131	1.53
Telekom Malaysia Bhd 4.20% 13/09/2021 (AAA)	1,250,000	1,275,714	1,296,902	2.79
UEM Edgenta Bhd 4.85% 26/04/2022 (AA3)	320,000	326,594	334,697	0.72
UEM Sunrise Bhd 4.75% 22/03/2024 (AA3)	850,000	899,863	910,063	1.96
UMW Holdings Bhd 4.83% 22/06/2022 (AA2)	300,000	304,358	313,356	0.67
UMW Holdings Bhd 5.12% 04/10/2023 (AA2)	500,000	535,591	540,370	1.16
United Growth Bhd 4.73% 21/06/2022 (AA2)	100,000	101,372	104,256	0.22
WCT Holdingss Bhd 5.32% 11/05/2022 (AA3)	750,000	765,219	783,599	1.69
<b>TOTAL UNQUOTED SUKUK</b>	<b><u>18,670,000</u></b>	<b><u>19,171,687</u></b>	<b><u>19,515,033</u></b>	<b><u>41.99</u></b>
<b>ACCUMULATED UNREALISED GAIN ON UNQUOTED SUKUK AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>343,346</u></b>		
<b>TOTAL UNQUOTED SUKUK AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>19,515,033</u></b>		

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.08.2019</b>				
<b>Audited</b>				
<b>SHARIAH-COMPLIANT</b>				
<b>QUOTED SECURITIES</b>				
<b>AUSTRALIA</b>				
<b>Materials</b>				
BHP Group Ltd	4,747	477,993	487,675	1.21
<b>TOTAL AUSTRALIA</b>	<b>4,747</b>	<b>477,993</b>	<b>487,675</b>	<b>1.21</b>
<b>CAYMAN ISLANDS</b>				
<b>Consumer Discretionary</b>				
Alibaba Group Holding Ltd	1,455	1,049,057	1,070,881	2.65
<b>TOTAL CAYMAN ISLANDS</b>	<b>1,455</b>	<b>1,049,057</b>	<b>1,070,881</b>	<b>2.65</b>
<b>CHINA</b>				
<b>Energy</b>				
China Petroleum & Chemical	28,000	86,084	68,977	0.17
<b>Materials</b>				
Anhui Conch Cement Co. Ltd	9,000	161,508	213,258	0.53
<b>Real Estate</b>				
China Vanke Co Ltd - H*	66,900	214,218	202,170	0.50
<b>TOTAL CHINA</b>	<b>103,900</b>	<b>461,810</b>	<b>484,405</b>	<b>1.20</b>
<b>HONG KONG SAR, CHINA</b>				
<b>Communication Services</b>				
Tencent Hldg Ltd	4,200	860,060	732,145	1.81
<b>Consumer Discretionary</b>				
Brilliance China Automotive	8,000	86,042	35,766	0.09
<b>Energy</b>				
CNOOC Ltd	14,000	82,643	87,911	0.22
<b>Industrials</b>				
MTR Corporation Ltd	3,500	85,064	85,282	0.21
Techtronic Industries Co	20,500	506,047	596,327	1.48
	24,000	591,111	681,609	1.69

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.08.2019 (CONTINUED)</b>				
<b>Audited (continued)</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>HONG KONG SAR, CHINA (CONTINUED)</b>				
<b>Real Estate</b>				
China Resources Land Ltd	8,000	103,107	136,966	0.34
Henderson Land Development	9,900	252,345	213,330	0.52
Link REIT	3,500	125,231	165,304	0.41
	<u>21,400</u>	<u>480,683</u>	<u>515,600</u>	<u>1.27</u>
<b>TOTAL HONG KONG SAR, CHINA</b>	<b><u>71,600</u></b>	<b><u>2,100,539</u></b>	<b><u>2,053,031</u></b>	<b><u>5.08</u></b>
<b>INDONESIA</b>				
<b>Communication Services</b>				
Telekomunikasi TBK PT	342,600	440,562	451,425	1.12
<b>TOTAL INDONESIA</b>	<b><u>342,600</u></b>	<b><u>440,562</u></b>	<b><u>451,425</u></b>	<b><u>1.12</u></b>
<b>MALAYSIA</b>				
<b>Communication Services</b>				
Axiata Group Bhd	136,756	716,023	690,618	1.71
Digi.com Bhd	110,900	514,307	556,718	1.38
Time Dotcom Bhd	39,600	357,353	361,548	0.89
	<u>287,256</u>	<u>1,587,683</u>	<u>1,608,884</u>	<u>3.98</u>
<b>Consumer Discretionary</b>				
Bermaz Auto Bhd	151,800	390,375	346,104	0.85
<b>Consumer Staples</b>				
FGV Holdings Bhd	285,300	354,143	272,462	0.67
IOI Corp Bhd	53,500	241,285	235,935	0.58
Kuala Lumpur Kepong Bhd	6,400	159,331	153,472	0.38
Sime Darby Plantation Bhd	60,500	320,737	301,290	0.75
	<u>405,700</u>	<u>1,075,496</u>	<u>963,159</u>	<u>2.38</u>
<b>Energy</b>				
Dayang Enterprise Hldg Bhd	288,000	352,100	400,320	0.99
Dialog Group Bhd	272,000	703,648	946,560	2.34
Petronas Dagangan Bhd	27,200	713,680	622,336	1.54
Yinson Holdings Bhd	141,900	631,512	986,205	2.44
	<u>729,100</u>	<u>2,400,940</u>	<u>2,955,421</u>	<u>7.31</u>

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.08.2019 (CONTINUED)</b>				
<b>Audited (continued)</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>MALAYSIA (CONTINUED)</b>				
<b>Financials</b>				
BIMB Holding Bhd	110,600	474,701	447,930	1.11
<b>Health Care</b>				
Hartalega Holdings Bhd	90,900	448,488	466,317	1.15
IHH Healthcare Bhd	113,400	664,324	656,586	1.63
Top Glove Corporation Bhd	9,500	44,080	45,125	0.11
	213,800	1,156,892	1,168,028	2.89
<b>Industrials</b>				
Cypark Resources Bhd	206,300	354,787	268,190	0.66
Frontken Corporation Bhd	182,400	173,225	284,544	0.70
Kerjaya Prospek Group Bhd	136,800	196,281	192,888	0.48
Malaysian Resources Corporation Bhd	237,600	212,484	173,448	0.43
MISC Bhd	125,500	839,222	911,130	2.26
Pentamaster Corporation Bhd	491,300	885,644	1,714,637	4.25
Sime Darby Bhd	194,800	464,121	446,092	1.10
Sunway Construction Group Bhd	94,200	196,586	191,226	0.47
Westports Holdings Bhd	127,200	465,006	534,240	1.32
	1,796,100	3,787,356	4,716,395	11.67
<b>Information Technology</b>				
Globetronics Technology Bhd	113,300	204,075	190,344	0.47
Inari Amertron Bhd	246,750	490,060	402,203	1.01
JHM Consolidation Bhd	275,800	298,054	308,896	0.76
Revenue Group Bhd	212,300	256,717	322,696	0.79
	848,150	1,248,906	1,224,139	3.03
<b>Materials</b>				
Petronas Chemicals Group Bhd	136,700	1,095,440	947,331	2.34
<b>Real Estate</b>				
Axis REIT	103,600	189,073	196,840	0.49
KLCCP Stapled Group	81,500	631,548	665,040	1.64
Sime Darby Property Bhd	123,100	130,516	108,328	0.27
	308,200	951,137	970,208	2.40
<b>Utilities</b>				
Petronas Gas Bhd	33,400	620,585	537,072	1.33
Tenaga Nasional Bhd	80,000	1,156,360	1,116,800	2.76
	113,400	1,776,945	1,653,872	4.09

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (SHARIAH-COMPLIANT) (CONTINUED)				
Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
31.08.2019 (CONTINUED)				
Audited (continued)				
SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)				
MALAYSIA (CONTINUED)				
<b>TOTAL MALAYSIA</b>	<b>5,100,806</b>	<b>15,945,871</b>	<b>17,001,471</b>	<b>42.07</b>
<b>SINGAPORE</b>				
<b>Industrials</b>				
Keppel Corporation Ltd	11,700	276,341	207,403	0.51
<b>Information Technology</b>				
Venture Corporation Ltd	2,900	172,696	133,624	0.33
<b>Real Estate</b>				
CapitaLand Commercial Trust	99,900	520,756	645,894	1.60
CapitaLand Mall Trust	23,000	146,639	185,008	0.46
	122,900	667,395	830,902	2.06
<b>TOTAL SINGAPORE</b>	<b>137,500</b>	<b>1,116,432</b>	<b>1,171,929</b>	<b>2.90</b>
<b>SOUTH KOREA</b>				
<b>Information Technology</b>				
Samsung Electronics Co. Ltd	1,523	255,821	232,585	0.57
<b>TOTAL SOUTH KOREA</b>	<b>1,523</b>	<b>255,821</b>	<b>232,585</b>	<b>0.57</b>
<b>TOTAL SHARIAH-COMPLIANT QUOTED SECURITIES</b>	<b>5,764,131</b>	<b>21,848,085</b>	<b>22,953,402</b>	<b>56.80</b>
<b>ACCUMULATED UNREALISED GAIN ON SHARIAH-COMPLIANT QUOTED SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>				
		<b>1,105,317</b>		
<b>TOTAL SHARIAH-COMPLIANT QUOTED SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b>22,953,402</b>		

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

<b>Name of issuer</b>	<b>Nominal value RM</b>	<b>Aggregate cost RM</b>	<b>Market value RM</b>	<b>Percentage of NAV %</b>
<b>31.08.2019 (CONTINUED)</b>				
<b>Audited (continued)</b>				
<b>UNQUOTED SUKUK</b>				
Bandar Serai Development Sdn Bhd 4.78% 27/10/2020 (AA3)	2,500,000	2,551,236	2,570,674	6.35
Bank Islam Malaysia Bhd 5.50% 15/12/2025 (A1)	1,150,000	1,181,539	1,190,723	2.95
Bank Pembangunan Malaysia Bhd 4.28% 02/03/2022 (AAA)	500,000	508,964	519,398	1.29
Celcom Networks Sdn Bhd 4.85% 29/08/2022 (AA1)	400,000	401,562	413,967	1.02
Fortune Premiere Sdn Bhd 4.80% 13/03/2023 (AA)	1,450,000	1,485,746	1,533,898	3.80
Imtiaz Sukuk II Bhd 4.58% 27/05/2022 (AA2)	750,000	759,528	775,822	1.92
Jimah Energy Ventures Sdn Bhd 9.15% 12/05/2020 (AA3)	1,500,000	1,590,797	1,598,445	3.96
Jimah Energy Ventures Sdn Bhd 9.35% 12/05/2020 (AA3)	1,500,000	1,593,694	1,601,380	3.96
MMC Corporation Bhd 5.64% 27/04/2027 (AA3)	750,000	778,872	802,504	1.99
Perbadanan Kemajuan Negeri Selangor Sdn Bhd 5.00% 10/08/2021 (AA3)	450,000	453,128	461,599	1.14
Perbadanan Kemajuan Negeri Selangor Sdn Bhd 5.15% 10/08/2023 (AA3)	700,000	707,334	735,121	1.82
Sabah Credit Corporation Sdn Bhd 4.70% 08/05/2020 (AA1)	700,000	713,988	714,915	1.77
Telekom Malaysia Bhd 4.20% 13/09/2021 (AAA)	1,250,000	1,276,400	1,294,977	3.20
UEM Edgenta Bhd 4.85% 26/04/2022 (AA3)	320,000	327,055	333,407	0.83
UMW Holding Bhd 4.83% 22/06/2022 (AA2)	300,000	304,690	312,906	0.77
UMW Holding Bhd 5.12% 04/10/2023 (AA2)	500,000	539,061	539,106	1.33
United Growth Bhd 4.73% 21/06/2022 (AA2)	100,000	101,509	103,915	0.26
WCT Holding Bhd 5.32% 11/05/2022 (AA3)	750,000	765,887	779,497	1.93

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

<b>Name of issuer</b>	<b>Nominal value RM</b>	<b>Aggregate cost RM</b>	<b>Market value RM</b>	<b>Percentage of NAV %</b>
<b>31.08.2019 (CONTINUED)</b>				
<b>Audited (continued)</b>				
<b>UNQUOTED SUKUK (CONTINUED)</b>				
<b>TOTAL UNQUOTED SUKUK</b>	<b><u>15,570,000</u></b>	<b>16,040,990</b>	<b><u>16,282,254</u></b>	<b><u>40.29</u></b>
<b>ACCUMULATED UNREALISED GAIN ON UNQUOTED SUKUK AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>241,264</u></b>		
<b>TOTAL UNQUOTED SUKUK AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>16,282,254</u></b>		

\* H shares refer to the shares of companies incorporated in the Chinese mainland that are listed on the Hong Kong Stock Exchange or other foreign exchange. H shares are still regulated by Chinese law, but they are denominated in Hong Kong dollars and trade the same as other equities on the Hong Kong exchange.

# During the financial period under review, Keppel Corporation Ltd and Pentamaster Corporation Bhd were classified as non Shariah-compliant. Pentamaster Corporation Bhd has been fully disposed on 5 December 2019 at loss. Keppel Corporation Ltd, which has yet to be disposed, shall be disposed once the market value of the securities held equal the investment cost.

**8. CASH AND CASH EQUIVALENTS**

	<b>29.02.2020</b>	<b>31.08.2019</b>
	<b>RM</b>	<b>Audited RM</b>
Shariah-compliant deposits with licensed Islamic financial institutions	361,054	1,329,222
Bank balances	92,705	64,092
	<u>453,759</u>	<u>1,393,314</u>

**9. NUMBER OF UNITS IN CIRCULATION (UNITS)**

	<b>01.09.2019 to 29.02.2020</b>	<b>01.09.2018 to 31.08.2019</b>
	<b>No. of units</b>	<b>Audited No. of units</b>
Class A (i)	28,881,835	24,786,608
Class C (ii)	4,196,172	2,848,280
Class X (iii)	34,101,377	31,825,190
	<u>67,179,384</u>	<u>59,460,078</u>

**(i) Class A**

	<b>01.09.2019 to 29.02.2020</b>	<b>01.09.2018 to 31.08.2019</b>
	<b>No. of units</b>	<b>Audited No. of units</b>
At the beginning of the financial period/year	24,786,608	18,161,477
Add: Creation of units from applications	6,685,609	8,635,155
Less: Cancellation of units	(2,590,382)	(2,010,024)
At the end of the financial period/year	<u>28,881,835</u>	<u>24,786,608</u>

**(ii) Class C**

	<b>01.09.2019 to 29.02.2020</b>	<b>01.09.2018 to 31.08.2019</b>
	<b>No. of units</b>	<b>Audited No. of units</b>
At the beginning of the financial period/year	2,848,280	1,532,096
Add: Creation of units from applications	1,476,981	1,577,909
Less: Cancellation of units	(129,089)	(261,725)
At the end of the financial period/year	<u>4,196,172</u>	<u>2,848,280</u>

**(iii) Class X**

	<b>01.09.2019 to 29.02.2020</b>	<b>01.09.2018 to 31.08.2019</b>
	<b>No. of units</b>	<b>Audited No. of units</b>
At the beginning of the financial period/year	31,825,190	25,891,054
Add: Creation of units from applications	4,190,822	8,605,406
Less: Cancellation of units	(1,914,635)	(2,671,270)
At the end of the financial period/year	<u>34,101,377</u>	<u>31,825,190</u>

**10. MANAGEMENT EXPENSE RATIO (“MER”)**

	<b>01.09.2019 to 29.02.2020 %</b>	<b>01.09.2018 to 28.02.2019 %</b>
MER	<u>0.81</u>	<u>0.50</u>

MER is derived from the following calculation:

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

A	=	Management fee
B	=	Private Pension Administrator's fee
C	=	Trustee's and custodian fee
D	=	Audit fee
E	=	Tax Agent's fee
F	=	Other expenses excluding withholding tax
G	=	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 RM44,661,315 (28.02.2019: RM31,521,818).

**11. PORTFOLIO TURNOVER RATIO (“PTR”)**

	<b>01.09.2019 to 29.02.2020</b>	<b>01.09.2018 to 28.02.2019</b>
PTR (times)	<u>0.27</u>	<u>0.29</u>

PTR is derived based on 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	=	RM15,198,554 (28.02.2019: RM11,543,407)
total disposal for the financial period	=	RM8,714,021 (28.02.2019: RM6,900,882)

## 12. UNITS HELD BY THE PRS PROVIDER AND PARTIES RELATED TO THE PRS PROVIDER, 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	PRS Provider
Principal Financial Group, Inc.	Ultimate holding company of shareholder of the PRS Provider
Principal International (Asia) Ltd	Shareholder of the PRS Provider
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 PRS Provider
CIMB Group Holdings Bhd	Ultimate holding company of shareholder of the PRS Provider
CIMB Group Sdn Bhd	Shareholder of the PRS Provider
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 PRS Provider
CIMB Islamic Bank Bhd	Fellow related party to PRS Provider
CGS-CIMB Securities (Singapore) Pte Ltd	Fellow related party to PRS Provider
CGS-CIMB Securities Sdn Bhd	Fellow related party to PRS Provider
CIMB Bank Bhd	Fellow related party to PRS Provider
CIMB Investment Bank Bhd	Fellow related party to PRS Provider

### Units held by the PRS Provider and parties related to the PRS Provider

There were no units held by the PRS Provider, the Directors or parties related to the PRS Provider as at the end of the financial period.

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The PRS Provider 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.

### 13. UNITS HELD BY THE PRS PROVIDER AND PARTIES RELATED TO THE PRS PROVIDER, AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

Units held by the PRS Provider and parties related to the PRS Provider (continued)

	01.09.2019 to 29.02.2020 RM	01.09.2018 to 28.02.2019 RM
<u>Significant related party transactions</u>		
Profit income from deposits with licensed financial institution:		
- CIMB Islamic Bank Bhd	-	26
Cash placement with licensed financial institution:		
- CIMB Islamic Bank Bhd	-	297,000

There were no related party balances as at the end of the financial period (31.08.2019: nil), apart from those mentioned elsewhere in the financial statements.

### 14. TRANSACTIONS WITH BROKERS/DEALERS

Details of transactions with the brokers/dealers for the six months financial period ended 29 February 2020 are as follows:

Brokers/Dealers	Values of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
Affin Hwang Investment Bank Bhd	4,371,052	18.30	9,889	23.78
CLSA Securities (Malaysia) Sdn Bhd	4,058,021	16.99	7,100	17.07
Hong Leong Investment Bank Bhd	3,187,300	13.34	7,207	17.33
RHB Bank Bhd	2,408,145	10.08	-	0.00
Macquarie Capital Securities (Malaysia) Sdn Bhd	2,209,405	9.25	4,698	11.29
RHB Investment Bank Bhd	2,171,866	9.09	3,246	7.80
Maybank Investment Bank Bhd	1,806,421	7.56	4,064	9.77
CGS-CIMB Securities (Singapore) Pte Ltd #	883,713	3.70	442	1.06
Alliance Investment Bank Bhd	582,931	2.44	1,312	3.15
Citigroup Global Markets Ltd	551,442	2.31	1,281	3.08
Others #	1,657,660	6.94	2,355	5.67
	<u>23,887,956</u>	<u>100.00</u>	<u>41,594</u>	<u>100.00</u>

**14. TRANSACTIONS WITH BROKERS/DEALERS (CONTINUED)**

Details of transactions with the brokers/dealers for the six months financial period ended 28 February 2019 are as follows:

<b>Brokers/Dealers</b>	<b>Values of trades RM</b>	<b>Percentage of total trades %</b>	<b>Brokerage fees RM</b>	<b>Percentage of total brokerage fees %</b>
RHB Investment Bank Bhd	3,117,827	17.40	2,619	8.62
Hong Leong Investment Bank Bhd	2,650,268	14.79	3,711	12.22
Affin Hwang Investment Bank Bhd	2,162,094	12.07	4,865	16.02
Maybank Investment Bank Bhd	1,511,472	8.44	2,914	9.60
JP Morgan Securities (Malaysia) Sdn Bhd	1,445,502	8.07	1,922	6.33
Kenanga Investment Bank Bhd	1,211,399	6.76	2,726	8.98
Alliance Investment Bank Bhd	1,000,170	5.58	2,250	7.41
Credit Suisse Securities (Malaysia) Sdn Bhd	939,598	5.24	2,114	6.96
CIMB Investment Bank Bhd #	908,653	5.07	1,702	5.60
Macquarie Capital Securities (Malaysia) Sdn Bhd	666,828	3.72	1,500	4.94
Others #	2,303,542	12.86	4,043	13.32
	<u>17,917,353</u>	<u>100.00</u>	<u>30,366</u>	<u>100.00</u>

# Included in transactions are trades conducted with CGS-CIMB Securities (Singapore) Pte Ltd, CGS-CIMB Securities Sdn Bhd, CIMB Bank Bhd and CIMB Investment Bank Bhd, fellow related parties to the PRS Provider amounting to RM883,713 (28.02.2019: RM520,245), RM411,956 (28.02.2019: Nil), RM250,500 (28.02.2019: Nil) and Nil (28.02.2019: RM908,653) respectively. The PRS Provider is of the opinion that all transactions have been entered into in the normal course of business at agreed terms between the related parties.

**15. SUBSEQUENT EVENT**

The Fund has changed its name from CIMB Islamic PRS Plus Moderate to Principal Islamic PRS Plus Moderate following the issuance of the Second Replacement Disclosure Document for the Principal Islamic PRS Plus ("Scheme") dated 22 April 2020.

**DIRECTORY****Head office of the PRS Provider**

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**Trustee for the CIMB Islamic PRS Plus Moderate**

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**Shariah Adviser of the CIMB Islamic PRS Plus Moderate**

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