

EASTSPRING INVESTMENTS DANA WAFI

ANNUAL REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017



Dear Valued Investor,

Greetings from Eastspring Investments Berhad!

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

We are pleased to enclose a copy of the Annual/Interim/Quarterly Fund Reports of Eastspring Investments Berhad's fund(s) for the reporting period ended 31 March 2017.

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

Should you require any assistance, please do not hesitate to contact our Client Services at 03-2332 1000.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Raymond Tang Chee Kin', written in a cursive style.

Raymond Tang Chee Kin

Non-Independent, Executive Director and Chief Executive Officer

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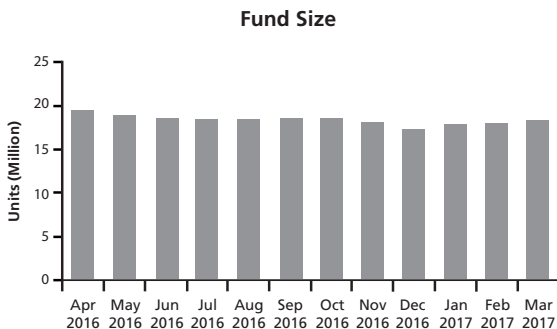
FUND INFORMATION

| | |
|--|---|
| Name of Fund | Eastspring Investments Dana Wafi (the "Fund") |
| Fund Category/ Type | Sukuk/income |
| Fund Objective | <p>The Fund seeks to generate stable income* by investing in Shariah-compliant fixed income securities.</p> <p>* Income distributed to a Unit Holder will be reinvested into additional Units unless Unit Holder opts for the distribution to be paid out.</p> |
| Performance Benchmark | <p>Quant Shop Malaysian Government Securities ("MGS") Medium Index</p> <p>Source: www.quantshop.com</p> <p>Note: The risk profile of the Fund is different from the risk profile of the performance benchmark.</p> |
| Fund Income Distribution Policy | At least once a year, subject to the availability of income. |

FUND INFORMATION (CONTINUED)

Breakdown of Unit Holdings by Size

As at 31 March 2017, the size of Eastspring Investments Dana Wafi stood at 18.205 million units.



Breakdown of Unit Holdings

| Unit Holdings | No. of Unit Holders | % | No of Units* ('000) | % |
|-------------------------|---------------------|---------------|---------------------|---------------|
| 5,000 units and below | 82 | 18.98 | 228 | 1.25 |
| 5,001 to 10,000 units | 91 | 21.07 | 639 | 3.51 |
| 10,001 to 50,000 units | 195 | 45.14 | 4,456 | 24.48 |
| 50,001 to 500,000 units | 61 | 14.12 | 7,203 | 39.57 |
| 500,001 units and above | 3 | 0.69 | 5,678 | 31.19 |
| Total | 432 | 100.00 | 18,204 | 100.00 |

* excludes units held by the Manager.

KEY PERFORMANCE DATA

FOR THE FINANCIAL YEAR ENDED

| Category | 31.3.2017 | 31.3.2016 | 31.3.2015 |
|---|---------------|---------------|---------------|
| | (%) | (%) | (%) |
| Sukuk | 93.26 | 99.81 | 98.46 |
| Cash and other assets | 6.74 | 0.19 | 1.54 |
| Total | 100.00 | 100.00 | 100.00 |
| Net Asset Value (NAV) (RM'000) | 10,127 | 11,409 | 12,592 |
| Units In Circulation (Units '000) | 18,205 | 20,423 | 23,319 |
| Net Asset Value Per Unit (RM) | 0.5562 | 0.5587 | 0.5400 |
| Highest Net Asset Value Per Unit (RM) [#] | 0.5563 | 0.5587 | 0.5400 |
| Lowest Net Asset Value Per Unit (RM) [#] | 0.5559 | 0.5401 | 0.5176 |
| Total Return (%) | | | |
| Capital Growth | (0.45) | 3.46 | 4.35 |
| Income Distribution | 4.14 | - | - |
| Total Return (%) | 3.67 | 3.46 | 4.35 |
| Gross Distribution Per Unit (RM) | 0.0230 | - | - |
| Net Distribution Per Unit (RM) | 0.0230 | - | - |
| Management Expense Ratio (MER) (%) [*] | 1.49 | 1.44 | 1.37 |
| Portfolio Turnover Ratio (PTR) (times) [^] | 0.21 | 0.46 | 0.65 |

[#] Figures shown as ex-distribution.

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

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

KEY PERFORMANCE DATA (CONTINUED)

| | 1 year 1.4.2016 to 31.3.2017 | | 3 years 1.4.2014 to 31.3.2017 | | 5 years 1.4.2012 to 31.3.2017 |
|----------------------|------------------------------------|--|-------------------------------------|--|-------------------------------------|
| | (%) | | (%) | | (%) |
| Average total return | 3.67 | | 3.82 | | 3.33 |

| Year ended | 1.4.2016 to 31.3.2017 | 1.4.2015 to 31.3.2016 | 1.4.2014 to 31.3.2015 | 1.4.2013 to 31.3.2014 | 1.4.2012 to 31.3.2013 |
|---------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | (%) | (%) | (%) | (%) | (%) |
| Annual total return | 3.67 | 3.46 | 4.35 | 1.41 | 3.81 |

Source: Lipper for Investment Management, as at 31 March 2017.

Bases of calculation and assumptions made in calculating returns:

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

NAV_t = NAV at the end of the period

NAV_0 = NAV at the beginning of the period

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

n = Number of years

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

MANAGER'S REPORT

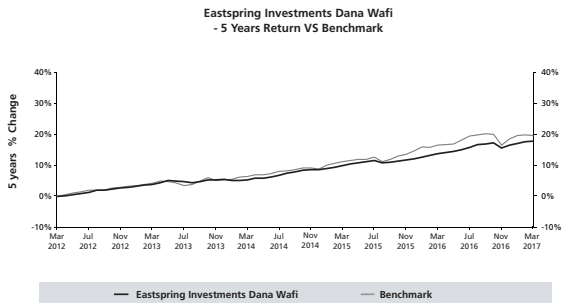
Fund Performance

Over the 5-year period, the Fund recorded a return of 17.83%, underperforming the benchmark return of 19.51% by 1.68%.

For the period under review, the Fund registered a return of 3.67%, outperforming the benchmark return of 2.53% by 1.14%.

For the period under review, the Fund's outperformance was partly attributable to the Fund's underweight duration position relative to that of the government sukuk benchmark.

While the Fund met the investment objective to generate stable income by investing in sukuk, however over the 5-year period the quantum achieved was not sufficient to meet the benchmark.



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

MANAGER'S REPORT (CONTINUED)

Fund Performance (continue)

Benchmark: Quant Shop MGS Medium Index

Source: Lipper for Investment Management and www.quantshop.com, as at 31 March 2017.

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

Analysis of Fund Performance

For the financial year ended 31 March 2017:

| Income Return | Capital Return* | Total Return | Total Return of Benchmark |
|------------------|--------------------|-----------------|------------------------------|
| (%) | (%) | (%) | (%) |
| 4.14 | (0.45) | 3.67 | 2.53 |

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

MANAGER'S REPORT (CONTINUED)

**Distribution/
Unit Split**

| Ex-date | 24-Mar-17 |
|------------------------------|------------------|
| Distribution Per Unit | (RM) |
| Gross | 0.0230 |
| Net | 0.0230 |

Impact on NAV arising from distribution for the financial year ended 31 March 2017.

| Ex-date | 24-Mar-17 |
|-------------------------------------|----------------------|
| | (RM per Unit) |
| Net Asset Value before distribution | 0.5789 |
| Less: distribution | <u>(0.0230)</u> |
| Net Asset Value after distribution | <u>0.5559</u> |

No unit split were declared for the financial year ended 31 March 2017.

**Investment
Strategy During
Period Under
Review**

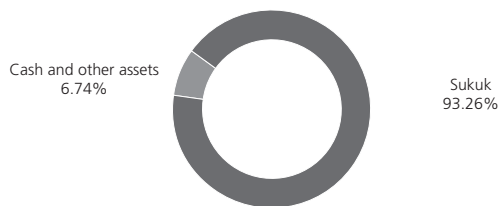
The Fund participated in selective quality Sukuk issuances for yield pick-up, and traded on market volatility, subject to liquidity constraints.

MANAGER'S REPORT (CONTINUED)

Asset Allocation

| Asset Allocation | 31-Mar 2017 (%) | 31-Mar 2016 (%) | Changes (%) |
|-----------------------|-----------------------|-----------------------|----------------|
| Sukuk | 93.26 | 99.81 | (6.55) |
| Cash and other assets | 6.74 | 0.19 | 6.55 |

Asset Allocation as at 31 March 2017



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

MANAGER'S REPORT (CONTINUED)

State of Affairs of the Fund

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

However, in the Eastspring Investments First Supplementary Master Prospectus dated 24 November 2016, the information in relation to the auto reinvestment policy has been revised as set out in (a) below, while in the Eastspring Investments Second Supplementary Master Prospectus dated 15 March 2017, the information in relation to the income reinvestment policy has been revised as disclosed in (b) below:

a) Auto reinvestment policy

Any moneys payable to Unit Holder as a result of income distribution which remains unclaimed after six (6) months from the date of payment shall automatically be reinvested into additional Units of the Fund at the Net Asset Value ("NAV") per Unit on the closing of the fifteenth (15th) day after the said six (6) months period at no cost. In the event the fifteenth (15th) day falls on a non-Business Day, reinvestment will be made on the following Business Day.

b) Income Reinvestment Policy

Income distributed to a Unit Holder will automatically be reinvested into additional Units in the Fund at the NAV per Unit at the end of the Business Day of the income distribution date at no cost if the Unit Holder did not elect the mode of distribution in the master account opening form or provide any written instruction to the Manager.

MANAGER'S REPORT (CONTINUED)

State of Affairs of the Fund (continued)

Should a Unit Holder elect the mode of distribution in the master account opening form or provide any written instruction to the Manager, the income distribution proceeds will either be paid by cheque or credited into the bank account located in Malaysia via telegraphic or online transfer at the cost and expense of the Unit Holder.

The Manager reserves the right to reinvest income distribution without providing any reason if the instruction in the master account opening form or written instruction is incomplete.

Cross-Trade Transaction

During the year under review, there were cross-trades executed through a dealer or a financial institution on an arm's length and fair value basis and in the best interest of the unit holders

MARKET REVIEW

During the period under review, Bank Negara Malaysia (“BNM”) unexpectedly reduced the Overnight Policy Rate (“OPR”) by 25 basis points (“bps”) to 3.00% from 3.25% during its Monetary Policy Committee (“MPC”) meeting on 13 July 2016. BNM’s move to reduce the OPR was seen as a pre-emptive move by the central bank as BNM expects growth momentum in the major economies to moderate in the second half of the year coupled with increasing downside risks in light of possible repercussions from the European Union referendum in the United Kingdom. Following the rate cut in July’16 BNM kept the OPR at 3.00% in the subsequent Monetary Policy Committee meetings for 2016 and in the first quarter of 2017. BNM anticipates that the domestic economy is expected to remain robust and to grow between 4% - 4.5% for 2016. In the recent MPC meeting in March’17, Bank Negara believe that the current level of the OPR provides a degree of monetary accommodativeness which will ensure that the domestic economy continues on a steady growth path amid stable core inflation, supported by sustained financial intermediation in the economy. Bank Negara also acknowledged that there are improvements in the global economy and highlighted evidence of a recovery in global trade.

Headline inflation increased higher than market expectations in February as Consumer Price Index rose 4.5% year on year (“y-o-y”) in compared to 3.2% y-o-y in January’17. During the month, prices for Transportation rose by 17.9% YoY (Jan: +8.3%) as the Government increased the retail price for RON95 petrol by 20cent to RM2.30 per litre while the price of diesel increased by 10cent to RM2.15 per litre. Besides that, prices for Food & Non-alcoholic beverages rose slightly during the month (Feb: +4.3%, Jan: +4.0), while cost of Housing, Water, Electricity, Gas and Other Fuels also increased during the period (Feb: +2.2%, Jan: +1.9%).

In his budget speech in October’16, the Prime Minister unveiled 2017 national budget with the theme “Accelerating Growth, Ensuring Fiscal Prudence, Enhancing Well-being of the Rakyat”. Overall, fiscal consolidation remains on track as the Government plan to achieve a budget deficit at RM40.3 billion or 3.0% of Gross Domestic Product (“GDP”) in 2017. The Government expect revenue in 2016 to ease lower to RM212.6 billion (2015: RM219.1 billion) mainly due to lower collection of petroleum related revenue following lower crude oil prices. However, this impact is expected to be cushioned by improved Government Service Tax (“GST”) collection. Furthermore, the Government expects revenue collection to improve by 3% in 2017 on the back of larger tax revenue from corporate income tax collection. Separately, the Federal Government expects the Malaysian economy to gain some traction to grow between 4.0-5.0% in 2017 as the Government expects that growth will remain private sector-driven, supported by quicker expansions in private consumption and private investment with added support from public spending and continued recovery in exports.

The surprise win by the Republican presidential nominee Donald Trump in the recent United States Presidential Election in November spurred a broad flight to safety around the globe. Investors were left unsettled over the future of the American and global economy based on the economic policies that were advocated by Trump throughout his presidential campaign. Trump's future policies indicate higher fiscal spending and tax cuts which may lead to more debt supply higher bond yields. Separately, the market-implied chance of a United States Federal Reserve ("Fed") increased after Trump's triumph as investors now expect the Fed to continue its monetary tightening path in December and 2017 onwards.

In December'16, the US Fed raised its key interest rates by 25bps to between 0.50%-0.75%. The Fed's move to raise interest rate was widely expected by the market as the Fed has been signalling for a rate hike for nearly a year since the Fed last raised interest rate in December'16 from a record low near zero set during the 2008 financial crisis. The Fed continued to raise its key interest rates by 25bps to between 0.75%-1.00% during the recent Federal Open Market Committee ("FOMC") meeting on 14-15 March. This is the second time that the Fed has raised its benchmark interest rate in past four months. The FOMC's recent action signalled that the Fed believes that the US economy will continue to improve steadily coupled with a strengthening job market.

For the period under review, the 3-year, 5-year, 10-year and 15-year sovereign bond yields changed by +22bps, +29bps, +21bps and +27bps to 3.31%, 3.52%, 4.13% and 4.51% respectively. In the beginning, sovereign bond yields fell across all tenors at the end of the second and third quarter of 2016, following United Kingdom's Referendum on 23 June to withdraw from European Union and after BNM unexpectedly cut the OPR by 0.25% to 3.00% in July's MPC meeting. However, sovereign yields spiked higher in November after the Republican presidential nominee Donald Trump won the recent US Presidential Election. Investors were left unsettled over the future of the American and global economy based on the economic policies that were advocated by Trump throughout his presidential campaign. Furthermore, yields we traded higher on the expectation of higher Fed rate hike as the Fed are now forecasting three rate increases in 2017 instead of two rate hikes as previously projected. Malaysian Government Securities ("MGS") yields continued to increase in the February'17 and March'17 due to continued foreign outflows coupled with US Federal Reserve raising its key interest rates by 25bps to between 0.75-1.00%.

Corporate bond yields generally moved in tandem with sovereign bond yields, albeit at a lag. Activities in the corporate bond market were supported by ample liquidity and a stable credit environment.

On the supply front, total new Malaysian Ringgit (“MYR”) Corporate Bond issuances as at end March 2017 were higher around RM14.2billion of which approximately 46% was conventional and 54% was Islamic. Major primary issuances were from the government guaranteed, corporates and banking sectors. Major issuances include RM2.6billion from Danainfra, RM2.6billion from Genting Capital Berhad, RM3.0billion from GovCo Holdings Berhad, RM2.2billion from Perbadanan Tabung Pendidikan Tinggi Nasional (“PTPTN”), RM1.1billion from Bank Pembangunan Berhad and RM1billion from Rantau Abang Capital Berhad.

REBATES AND SOFT COMMISSIONS

During the period under review, the Manager and its delegates (if any) did not receive any soft commissions from stockbrokers.

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EASTSPRING INVESTMENTS DANA WAFI

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

TRUSTEE'S REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS DANA WAFI

We have acted as Trustee for Eastspring Investments Dana Wafi (the "Fund") for financial year ended 31 March 2017. To the best of our knowledge, for the year under review, Eastspring Investments Berhad (the "Manager") has operated and managed the Fund in accordance with the following:

- a. limitations imposed on the investment powers of the Manager and Trustee under the Deed, the Securities Commission's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 and other applicable laws;
- b. the valuation/pricing for the Fund has been carried out in accordance with the Deed of the Fund and applicable regulatory requirements; and
- c. creation and cancellation of units for the Fund have been carried out in accordance with the Deed of the Fund and applicable regulatory requirements.

We are of the view that the distribution made during this financial year ended 31 March 2017 by the Manager is not inconsistent with the objectives of the Fund.

For Deutsche Trustees Malaysia Berhad

Soon Lai Ching

Senior Manager, Trustee Operations

Richard Lim Hock Seng

Chief Executive Officer

Kuala Lumpur

Date: 12 May 2017

SHARIAH ADVISER'S REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS DANA WAFI

We have acted as the Shariah Adviser of Eastspring Investments Dana Wafi. Our responsibility is to ensure that the procedures and processes employed by Eastspring Investments Berhad are in accordance with Shariah principles.

In our opinion, Eastspring Investments Berhad has managed and administered Eastspring Investments Dana Wafi in accordance with Shariah principles and complied with applicable guidelines, rulings and decisions issued by the Securities Commission pertaining to Shariah matters for the financial year ended 31 March 2017.

In addition, we also confirm that the investment portfolio of Eastspring Investments Dana Wafi comprises securities which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission ("SACSC"). As for the securities which are not certified by the SACSC, we have reviewed the said securities and opine that these securities are designated as Shariah-compliant.

For and on behalf of the Shariah Adviser
IBFIM

AHMAD ZAKIRULLAH BIN MOHAMED SHAARANI

Managing Advisor (Shariah)/Designated Person Responsible for Shariah Advisory

Kuala Lumpur
Date: 12 May 2017

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS DANA WAFI

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Eastspring Investments Dana Wafi ("the Fund") give a true and fair view of the financial position of the Fund as at 31 March 2017, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 March 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 22 to 60.

Basis for opinion

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

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

Independence and other ethical responsibilities

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

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the Manager for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance

with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

OTHER MATTERS

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

PRICewaterhouseCOOPERS

(No. AF: 1146)

Chartered Accountants

Kuala Lumpur

Date: 12 May 2017

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

| | Note | 2017 | 2016 |
|---|------|------------------|------------------|
| | | RM | RM |
| INVESTMENT INCOME | | | |
| Profit income from Islamic deposits with licensed financial institutions | | 18,286 | 51,549 |
| Profit income from sukuk | | 478,651 | 532,399 |
| Net gain on financial assets at fair value through profit or loss | 6 | 31,170 | 20,287 |
| | | <u>528,107</u> | <u>604,235</u> |
| EXPENSES | | | |
| Management fee | 3 | (105,016) | (126,365) |
| Trustee fee | 4 | (18,002) | (18,000) |
| Audit fees | | (5,800) | (5,800) |
| Tax agent fee | | (3,400) | (3,400) |
| Other expenses | | (16,453) | (19,757) |
| GST charges | | (8,135) | (8,952) |
| | | <u>(156,806)</u> | <u>(182,274)</u> |
| PROFIT BEFORE TAXATION | | 371,301 | 421,961 |
| TAXATION | 5 | - | - |
| PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME | | <u>371,301</u> | <u>421,961</u> |
| Profit after taxation is made up of the following: | | | |
| Realised amount | | 618,048 | 426,156 |
| Unrealised amount | | (246,747) | (4,195) |
| | | <u>371,301</u> | <u>421,961</u> |

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2017

| | Note | 2017 | 2016 |
|--|------|-------------------|-------------------|
| | | RM | RM |
| ASSETS | | | |
| Cash and cash equivalents | 7 | 680,272 | 84,071 |
| Amount due from Manager | | 46,298 | 600 |
| Financial assets at fair value through profit or loss | 6 | 9,444,178 | 11,387,986 |
| TOTAL ASSETS | | <u>10,170,748</u> | <u>11,472,657</u> |
| LIABILITIES | | | |
| Amount due to Manager | | 1,042 | 24,525 |
| Accrued management fee | | 8,707 | 9,902 |
| Amount due to Trustee | | 1,529 | 1,516 |
| Distribution payable | | 4,861 | - |
| Other payables and accruals | | 27,286 | 26,578 |
| GST charges payable | | 614 | 686 |
| TOTAL LIABILITIES | | <u>44,039</u> | <u>63,207</u> |
| NET ASSET VALUE OF THE FUND | | <u>10,126,709</u> | <u>11,409,450</u> |
| EQUITY | | | |
| Unit holders' capital | | 10,092,991 | 11,337,821 |
| Retained earnings | | 33,718 | 71,629 |
| NET ASSET ATTRIBUTABLE TO UNIT HOLDERS | | <u>10,126,709</u> | <u>11,409,450</u> |
| NUMBER OF UNITS IN CIRCULATION | 9 | <u>18,205,330</u> | <u>20,422,591</u> |
| NET ASSET VALUE PER UNIT (RM) (EX-DISTRIBUTION) | | <u>0.5562</u> | <u>0.5587</u> |

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

| | Note | Unit holders' capital | Retained earnings | Total |
|--|------|-----------------------|-------------------|-------------------|
| | | RM | RM | RM |
| Balance as at 1 April 2016 | | 11,337,821 | 71,629 | 11,409,450 |
| Movement in unit holders' contribution: | | | | |
| Creation of units from applications | | 1,598,394 | - | 1,598,394 |
| Creation of units from distribution | | 404,351 | - | 404,351 |
| Cancellation of units | | (3,247,575) | - | (3,247,575) |
| Total comprehensive income for the financial year | | - | 371,301 | 371,301 |
| Distribution (Gross: 2.30 sen per unit/ Net: 2.30 sen per unit) | 11 | - | (409,212) | (409,212) |
| Balance as at 31 March 2017 | | <u>10,092,991</u> | <u>33,718</u> | <u>10,126,709</u> |
| Balance as at 1 April 2015 | | 12,941,924 | (350,332) | 12,591,592 |
| Movement in unit holders' contribution: | | | | |
| Creation of units from applications | | 13,140,061 | - | 13,140,061 |
| Cancellation of units | | (14,744,164) | - | (14,744,164) |
| Total comprehensive income for the financial year | | - | 421,961 | 421,961 |
| Balance as at 31 March 2016 | | <u>11,337,821</u> | <u>71,629</u> | <u>11,409,450</u> |

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

| | Note | 2017 | 2016 |
|---|------|--------------------|--------------------|
| | | RM | RM |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Proceeds from sale of sukuk | | 3,171,116 | 6,239,770 |
| Purchase of sukuk | | (1,315,810) | (5,285,220) |
| Profit income received from Islamic deposits with licensed financial institutions | | 18,286 | 51,549 |
| Profit income received from sukuk | | 598,323 | 607,910 |
| Management fee paid | | (106,211) | (127,326) |
| Trustee fee paid | | (17,989) | (18,011) |
| Payment for other fees and expenses | | (33,152) | (34,351) |
| Net cash generated from operating activities | | <u>2,314,563</u> | <u>1,434,321</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Cash proceeds from units created | | 1,957,047 | 13,181,503 |
| Payments for cancellation of units | | (3,271,058) | (14,719,639) |
| Distribution paid | | (404,351) | - |
| Net cash used in financing activities | | <u>(1,718,362)</u> | <u>(1,538,136)</u> |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | | 596,201 | (103,815) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR | | <u>84,071</u> | <u>187,886</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR | 7 | <u>680,272</u> | <u>84,071</u> |

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

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

A. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

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

The Fund has applied the following amendments for the first time for the financial year beginning 1 April 2016:

- Amendments to MFRS 101 “Presentation of financial statements” – Disclosure initiative
- Amendments to MFRS 10,12 & 128 “Investment entities – Applying the consolidation exception”
- Annual improvements to MFRSs 2012 – 2014 Cycle

There were no significant impact to other accounting policies of the Fund as a result of the above mentioned.

The new standards, amendments to published standards and interpretations to existing standards that are applicable to the Fund but not yet effective and have not been early adopted are as follows:

i. Financial year beginning on/after 1 April 2017

- Amendments to MFRS 107 “Statement of Cash Flows – Disclosure Initiative” (effective from 1 January 2017) introduce an additional disclosure on changes in liabilities arising from financing activities.

The Fund will apply this standard when effective. This standard is not expected to have a significant impact on the Fund’s financial statements.

ii. Financial year beginning on/after 1 April 2018

- MFRS 9 “Financial Instruments” (effective from 1 January 2018) will replace MFRS 139 “Financial Instruments: Recognition and Measurement”.

MFRS 9 retains but simplifies the mixed measurement model in MFRS 139 and establishes three primary measurement categories for financial assets: amortised cost, fair value through profit or loss and fair value through other comprehensive income (“OCI”). The basis of classification depends on the entity’s business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments¹ are always measured at fair value through profit or loss with an irrevocable option at inception to present changes in fair value in OCI (provided the instrument is not held for trading). A debt instrument² is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest³.

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

² For the purposes of the investments made by the Fund, debt instruments refers to Sukuk.

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

For liabilities, the standard retains most of the MFRS 139 requirements. These include amortised cost accounting for most financial liabilities, with bifurcation of embedded derivatives¹. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

MFRS 9 introduces an expected credit loss model on impairment that replaces the incurred loss impairment model used in MFRS 139. The expected credit loss model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised.

The Fund will apply this standard when effective. This standard is not expected to have a significant impact on the Fund's financial statements.

- MFRS 15 "Revenue from contracts with customers" (effective from 1 January 2018) replaces MFRS 118 "Revenue" and MFRS 111 "Construction contracts" and related interpretations. The standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The core principle in MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The Fund will apply this standard when effective. This standard is not expected to have a significant impact on the Fund's financial statements.

A new five-step process is applied before revenue can be recognised:

- Identify contracts with customers;
- Identify the separate performance obligations;
- Determine the transactions price of the contract;
- Allocate the transaction price to each of the separate performance obligations; and
- Recognise the revenue as each performance obligation is satisfied.

Key provisions of the new standard are as follows:

- Any bundled goods or services that are distinct must be separately recognised, and any discounts or rebates on the contract price must generally be allocated to the separate elements.
- If the consideration varies (such as incentives, rebates, performance fees, royalties, success of an outcome etc), minimum amounts of revenue must be recognised if they are not at significant risk of reversal.
- The point at which revenue is able to be recognised may shift: some revenue which is currently recognised at a point in time at the end of a contract may have to be recognised over the contract term and vice versa.
- There are new specific rules on licenses, warranties, non-refundable upfront fees, and consignment arrangements, to name a few.
- As with any new standard, there are also increased disclosures.

The Fund will apply this standard when effective. This standard is not expected to have a significant impact on the Fund's financial statements.

B. INCOME RECOGNITION

Profit income earned from Islamic deposits with licensed financial institutions and sukuk are recognised on the accrual basis (taking into account the effective yield of the asset).

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

C. TAXATION

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

D. PRESENTATION AND FUNCTIONAL CURRENCY

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

E. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

i. Classification

The Fund designates its Shariah-compliant investments in sukuk as financial assets at fair value through profit or loss at inception.

Financial assets are designated as fair value through profit or loss when they are managed and their performance evaluated on a fair value basis.

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and have been included in current assets.

The Fund's receivables comprise amount due from Manager and cash and cash equivalents which are all due within 12 months.

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

The Fund's financial liabilities which include amount due to Manager, accrued management fee, amount due to Trustee, distribution payable, other payables and accruals and GST charges payable.

ii. Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date—the date on which the Fund commits to purchase or sell the asset and Shariah-compliant investments are initially recognised at fair value.

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 liability, within the scope of MFRS 139, 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 liability is derecognised when the obligation under the liability 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” category are presented in the statement of comprehensive income within “net gain/(loss) on financial assets at fair value through profit and loss” in the period in which they arise. Any unrealised gains however are not distributable.

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

Sukuk are carried at cost and adjusted for any amortisation of premium or accretion of discount from acquisition date to maturity date. The carrying cost is revalued to reflect its fair value on a daily basis using the net present value method based on fair value prices quoted by a bond pricing agency (“BPA”) registered with the Securities Commission. Where such quotations are not available or where the Manager is of the view that the price quoted by the BPA

for a specific sukuk differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager:

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

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

iii. Impairment for assets carried at amortised costs

For assets carried at amortised cost, the Fund assesses at the end of the reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective profit rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the statement of comprehensive income. If "receivables" or a "held-to-maturity investment" have a variable profit rate, the discount rate for measuring any impairment loss is the current effective profit rate determined under the contract.

As a practical expedient, the Fund may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the statement of comprehensive income.

When an asset is uncollectible, it is written off against the related allowance account. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined.

F. CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, cash and cash equivalents comprise bank balance and Islamic deposit with a licensed financial institution that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

G. UNIT HOLDERS' CAPITAL

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

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

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

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

H. DISTRIBUTION

A distribution to the Fund's unit holders is accounted for as a deduction from realised reserve. A proposed distribution is recognised as a liability in the period in which it is approved.

I. SEGMENTAL INFORMATION

Operating segments are reported in a manner consistent with the internal reporting used by chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Investment Committee of the Fund's Manager that undertakes strategic decisions for the Fund.

J. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS 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 judgments are continually evaluated by the Manager and the Trustee and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

i. Estimate of fair value of sukuk

The Fund uses significant judgment in determining whether an investment is impaired. The Fund evaluates, among other factors, the duration and extent to which the fair value of the investment is less than cost, and the financial health and near-term business outlook for the investee, including factors such as industry and sector performance, macroeconomic factors and speculation.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the Securities Commission valuation guidelines.

Sukuk are valued using fair value prices quoted by a bond pricing agency (BPA). Where the Manager is of the view that the price quoted by BPA for a specific sukuk differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager records its basis for using

a non-BPA price, obtains necessary internal approvals to use the non-BPA price, and keeps an audit trail of all decisions and basis for adopting the use of non-BPA price. This is allowed for under the Securities Commission ("SC") Guidelines on Unit Trust Funds.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

1. INFORMATION ON THE FUND

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

The Fund was launched on 21 February 2005 and will continue its operations until terminated as provided under Part 12 of the Deed.

The Fund seeks to achieve its objective by investing in a portfolio of sukuk. The main objective of the Fund seeks to generate stable income by investing in Shariah-compliant fixed income securities.

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

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

Financial instruments of the Fund are as follows:

| | Note | Receivables | Financial assets at fair value through profit or loss | Total |
|---------------------------|------|----------------|---|-------------------|
| | | RM | RM | RM |
| <u>2017</u> | | | | |
| Cash and cash equivalents | 7 | 680,272 | - | 680,272 |
| Amount due from Manager | | 46,298 | - | 46,298 |
| Sukuk | 6 | - | 9,444,178 | 9,444,178 |
| | | <u>726,570</u> | <u>9,444,178</u> | <u>10,170,748</u> |
| <u>2016</u> | | | | |
| Cash and cash equivalents | 7 | 84,071 | - | 84,071 |
| Amount due from Manager | | 600 | - | 600 |
| Sukuk | 6 | - | 11,387,986 | 11,387,986 |
| | | <u>84,671</u> | <u>11,387,986</u> | <u>11,472,657</u> |

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

Market risk

i. Price risk

Price risk is the risk that the fair value of the Shariah-compliant investment in sukuk will fluctuate because of changes in market prices (other than those arising from interest rate risk). The value of investments may fluctuate according to the activities of individual companies, sector and overall political and economic conditions. Such fluctuation may cause the Fund's net asset value 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 asset allocation whereby the sukuk exposure will be reduced in the event of anticipated market weakness.

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

| | 2017 | 2016 |
|---|-------------|-------------|
| | RM | RM |
| Sukuk designated at fair value through profit or loss | 9,444,178 | 11,387,986 |

Includes profit receivables of RM99,574 (2016: RM123,941).

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

| % Change in price of financial assets at fair value through profit or loss | Market value | Increase/(decrease) in profit after tax and net asset value |
|--|--------------|---|
| | RM | RM |
| <u>2017</u> | | |
| +5% | 9,811,834 | 467,230 |
| -5% | 8,877,374 | (467,230) |
| <u>2016</u> | | |
| +5% | 11,827,247 | 563,202 |
| -5% | 10,700,843 | (563,202) |

ii. Exposure to interest rate risk

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

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

The Fund is exposed to interest rate risk. Changes in interest rates will affect the performance of the Shariah-compliant investments and its returns. To manage the risk, Shariah-compliant investments will be concentrated in investment grade issues by financial institutions and companies determined by the Manager.

The risk is crucial in a sukuk fund since sukuk portfolio management depends on forecasting interest rate movements valuation for sukuk move inversely to interest rate movements, therefore as interest rates rise, the valuation for sukuk decrease and vice versa. Furthermore, sukuk will longer maturity and lower profit rates are more susceptible to interest rate movements.

Investors should note that sukuk and Islamic money market instruments are subject to interest rate fluctuations. Such investments may be subject to unanticipated rise in interest rates which may impair the ability of the issuers

to make payments of profit and principal, especially if the issuers are highly leveraged. An increase in interest rates may therefore increase the potential for default by an issuer.

The above interest rate is a general economic indicator that will have an impact on the management of the Fund regardless whether it is a Shariah-compliant Unit Trust Fund or otherwise. It does not in any way suggest that the Fund will invest in conventional financial instruments. All the investments carried out for the Fund are in accordance with Shariah requirements. The Fund also holds a limited amount of cash and cash equivalents that expose the Fund to cash flow interest rate risk.

The table below summarises the sensitivity of the Fund's profit after tax and net asset value to movements in interest rate for investments at the end of each reporting year as a result of movement in interest rate. The analysis is based on the assumptions that the interest rate changed by 1% (2016: 1%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the interest rate, having regard to the historical volatility of the interest rate.

| % Change in interest rate | Impact on profit after tax/net asset value |
|----------------------------------|---|
| | RM |
| <u>Sukuk</u> | |
| <u>2017</u> | |
| +1% | (14,679) |
| -1% | 14,716 |
| | <hr/> |
| <u>2016</u> | |
| +1% | (20,617) |
| -1% | 20,667 |
| | <hr/> |

Liquidity risk

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

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

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

| | Less than 1 month | Between 1 month to 1 year | Total |
|-----------------------------|----------------------|---------------------------------|--------|
| | RM | RM | RM |
| <u>2017</u> | | | |
| Amount due to Manager | 1,042 | - | 1,042 |
| Accrued management fee | 8,707 | - | 8,707 |
| Amount due to Trustee | 1,529 | - | 1,529 |
| Distribution payable | 4,861 | - | 4,861 |
| Other payables and accruals | - | 27,286 | 27,286 |
| GST charges payable | 614 | - | 614 |
| Contractual cash outflows | 16,753 | 27,286 | 44,039 |

| | Less than 1 month | Between 1 month to 1 year | Total |
|-----------------------------|----------------------|---------------------------------|--------|
| | RM | RM | RM |
| <u>2016</u> | | | |
| Amount due to Manager | 24,525 | - | 24,525 |
| Accrued management fee | 9,902 | - | 9,902 |
| Amount due to Trustee | 1,516 | - | 1,516 |
| Other payables and accruals | - | 26,578 | 26,578 |
| GST charges payable | 686 | - | 686 |
| Contractual cash outflows | 36,629 | 26,578 | 63,207 |

Credit/default risk

Credit risk refers to the ability of an issuer or a counter party to make timely payments of profit income, principals and proceeds from realisation of Shariah-compliant investments. In the case of the Fund, both the Manager and the External Fund Manager regularly review the ratings assigned to the Issuer so that the necessary steps can be taken if the ratings fall below those prescribed by the Deed.

The credit risk arising from placements of Islamic deposits with licensed financial institutions is managed by ensuring that the Fund will only place Islamic deposits with reputable licensed financial institutions. The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC Guidelines on Unit Trust Funds.

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

| | Sukuk | Cash and cash equivalents | Amount due from Manager | Total |
|-------------|-------------------|---------------------------|-------------------------|-------------------|
| | RM | RM | RM | RM |
| <u>2017</u> | | | | |
| Finance | | | | |
| - AAA | - | 660,053 | - | 660,053 |
| - AA1 | - | 20,219 | - | 20,219 |
| Sukuk | | | | |
| - AAA | 1,003,196 | - | - | 1,003,196 |
| - AA2 | 1,559,116 | - | - | 1,559,116 |
| - AA3 | 6,053,217 | - | - | 6,053,217 |
| - AA-IS | 828,649 | - | - | 828,649 |
| Other | | | | |
| - NR | - | - | 46,298 | 46,298 |
| | <u>9,444,178</u> | <u>680,272</u> | <u>46,298</u> | <u>10,170,748</u> |
| <u>2016</u> | | | | |
| Finance | | | | |
| - AA1 | - | 84,071 | - | 84,071 |
| Sukuk | | | | |
| - AAA | 1,006,636 | - | - | 1,006,636 |
| - AA1 | 815,508 | - | - | 815,508 |
| - AA2 | 1,939,090 | - | - | 1,939,090 |
| - AA3 | 6,589,443 | - | - | 6,589,443 |
| - AA-IS | 1,037,309 | - | - | 1,037,309 |
| Other | | | | |
| - NR | - | - | 600 | 600 |
| | <u>11,387,986</u> | <u>84,071</u> | <u>600</u> | <u>11,472,657</u> |

None of these assets are past due or impaired.

Fund management risk

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

Non-compliance risk

Non-compliance risk arises when the Manager and others associated with the Fund do not comply to the rules set out in the Fund's constitution or the law that governs the Fund or applicable internal control procedures, or act fraudulently or dishonestly.

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

Capital risk

The capital of the Fund is represented by equity consisting of unitholders' capital and retained earnings. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unitholders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the Shariah-compliant investment activities of the Fund.

Fair value estimation

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

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

on the year end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Fund Manager will determine the point within the bid-ask spread that is representative of the fair value.

An active market is a market in which transactions for the asset 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.

Fair value hierarchy

- i. The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:
- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.
 - Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
 - Level 3: Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs).

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

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

The determination of what constitutes “observable” requires significant judgement by the Fund. The Fund considers observable data to be that market

data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

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

| | Level 1 | Level 2 | Level 3 | Total |
|--|---------|------------|---------|------------|
| | RM | RM | RM | RM |
| <u>2017</u> | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Sukuk | - | 9,444,178 | - | 9,444,178 |
| | | | | <hr/> |
| <u>2016</u> | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| Sukuk | - | 11,387,986 | - | 11,387,986 |
| | | | | <hr/> |

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

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

3. MANAGEMENT FEE

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 2.00% per annum on the net asset value of the Fund calculated on daily basis.

For the financial year ended 31 March 2017, the management fee is recognised at a rate of 1.00% (2016: 1.00%) per annum on the net asset value of the Fund, calculated on daily basis.

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

4. TRUSTEE FEE

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

For the financial year ended 31 March 2017, the Trustee fee is recognised at a minimum fee of RM18,000 per annum instead of at a rate of 0.07% (2016: 0.07%) per annum on the net asset value of the Fund, inclusive of local custodian fee, calculated on daily basis.

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

5. TAXATION

| | 2017 | 2016 |
|-------------------------------------|-------------|-------------|
| | RM | RM |
| Tax charged for the financial year: | | |
| Current taxation - local | - | - |

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

| | 2017 | 2016 |
|---|-------------|-------------|
| | RM | RM |
| Profit before taxation | 371,301 | 421,961 |
| Tax at Malaysian statutory rate of 24% (2016: 24%) | 89,112 | 101,271 |
| Tax effects of: | | |
| Investment income exempt from tax | (126,746) | (145,016) |
| Expenses not deductible for tax purposes | 9,399 | 10,207 |
| Restriction on tax deductible expenses for Unit Trust Funds | 28,235 | 33,538 |
| Taxation | - | - |

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

| | 2017 | 2016 |
|--|---------------|---------------|
| | RM | RM |
| Designated at fair value through profit or loss: | | |
| Sukuk | 9,444,178 | 11,387,986 |
| Net gain on financial assets at fair value through profit or loss: | | |
| Realised gain on disposals | 39,267 | 24,482 |
| Change in unrealised fair value loss | (8,097) | (4,195) |
| | <u>31,170</u> | <u>20,287</u> |

| Name of counter | Quantity | Carrying cost | Fair value | Percentage |
|---|-----------|---------------|------------|--------------|
| | | | as at | of net asset |
| | Units | RM | 31.3.2017 | value of |
| | | | RM | the Fund |
| | | | | % |
| 4.45% Perbadanan Kemajuan Negeri Selangor 26.10.2018 (AA3) | 300,000 | 306,185 | 305,277 | 3.01 |
| 5.25% Bumitama Agri Ltd. 18.03.2019 (AA3) | 1,600,000 | 1,605,137 | 1,620,394 | 16.00 |
| 5.05% AmBank Islamic Berhad 25.03.2024 (AA3) | 1,200,000 | 1,201,626 | 1,209,626 | 11.94 |
| 9.05% Jimah Energy Ventures Sdn Bhd 10.05.2019 (AA3) | 300,000 | 336,759 | 337,733 | 3.34 |
| 4.95% RHB Islamic Bank Berhad 15.05.2024 (AA3) | 200,000 | 205,127 | 205,244 | 2.03 |
| 8.20% Mukah Power Generation Sdn Bhd 27.12.2019 (AA2 (S)) | 1,400,000 | 1,551,221 | 1,559,116 | 15.40 |

| Name of counter | Quantity | Carrying cost | Fair value as at 31.3.2017 | Percentage of net asset value of the Fund |
|--|------------------|------------------|----------------------------|---|
| | Units | RM | RM | % |
| 5.25% BGSM Management Sdn Bhd 24.12.2020 (AA3) | 500,000 | 513,331 | 516,235 | 5.10 |
| 5.10% Gulf Investment Corporation G.S.C 16.03.2021 (AAA) | 1,000,000 | 1,005,878 | 1,003,196 | 9.91 |
| 9.30% Jimah Energy Ventures Sdn Bhd 12.11.2021 (AA3) | 630,000 | 762,486 | 772,087 | 7.62 |
| 7.10% BGSM Management Sdn Bhd 28.12.2022 (AA3) | 500,000 | 565,390 | 564,607 | 5.58 |
| 5.40% Tanjung Bin Energy Issuer Berhad 15.03.2024 (AA3) | 500,000 | 518,182 | 522,014 | 5.15 |
| 5.24% Lebuhraya Duke Fasa 3 Sdn Bhd 23.08.2027 (AA- IS) | 800,000 | 817,118 | 828,649 | 8.18 |
| TOTAL SUKUK | <u>8,930,000</u> | <u>9,388,440</u> | <u>9,444,178</u> | <u>93.26</u> |

**ACCUMULATED
UNREALISED GAIN ON
FINANCIAL ASSETS AT
FAIR VALUE THROUGH
PROFIT OR LOSS**

55,738

**FAIR VALUE OF
FINANCIAL ASSETS AT
FAIR VALUE THROUGH
PROFIT OR LOSS**

9,444,178

| Name of counter | Quantity | Carrying cost | Fair value as at 31.3.2016 | Percentage of net asset value of the Fund |
|---|-----------|---------------|----------------------------|---|
| | Units | RM | RM | % |
| 5.25% Bumitama Agri Ltd 18.03.2019 (AA3) | 1,600,000 | 1,606,719 | 1,634,390 | 14.32 |
| 5.05% AmBank Islamic Berhad (fka AmIslamic Bank Berhad) 25.03.2019 (AA3) | 1,700,000 | 1,703,962 | 1,707,256 | 14.96 |
| 9.05% Jimah Energy Ventures Sdn Berhad 10.05.2019 (AA3) | 300,000 | 348,315 | 348,986 | 3.06 |
| 4.75% Public Islamic Bank Berhad 10.06.2019 (AA1) | 800,000 | 813,029 | 815,508 | 7.15 |
| 8.20% Mukah Power Generation Sdn Berhad 27.12.2019 (AA2) | 1,700,000 | 1,932,993 | 1,939,090 | 17.00 |
| 5.02% Tanjung Bin Energy Issuer Berhad 15.09.2020 (AA3) | 500,000 | 503,296 | 506,970 | 4.44 |
| 5.25% BGSM Management Sdn Berhad 24.12.2020 (AA3) | 500,000 | 514,979 | 516,032 | 4.52 |
| 5.10% Gulf Investment Corporation G.S.C 16.03.2021 (AAA) | 1,000,000 | 1,006,695 | 1,006,636 | 8.82 |
| 9.30% Jimah Energy Ventures Sdn Berhad 12.11.2021 (AA3) | 630,000 | 783,151 | 791,170 | 6.93 |
| 7.10% BGSM Management Sdn Berhad 28.12.2022 (AA3) | 500,000 | 573,799 | 568,790 | 4.99 |

| Name of counter | Quantity | Carrying cost | Fair value as at 31.3.2016 | Percentage of net asset value of the Fund |
|---|-------------------|-------------------|----------------------------|---|
| | Units | RM | RM | % |
| 5.22% Jimah East Power Sdn Berhad 02.06.2023 (AA-IS) | 1,000,000 | 1,017,019 | 1,037,309 | 9.09 |
| 5.40% Tanjung Bin Energy Issuer Berhad 15.03.2024 (AA3) | 500,000 | 520,194 | 515,849 | 4.53 |
| TOTAL SUKUK | <u>10,730,000</u> | <u>11,324,151</u> | <u>11,387,986</u> | <u>99.81</u> |
| ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS | | <u>63,835</u> | | |
| FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS | | | <u>11,387,986</u> | |

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

| | 2017 | 2016 |
|-------|-------------|-------------|
| | % | % |
| Sukuk | <u>4.76</u> | <u>4.81</u> |

7. CASH AND CASH EQUIVALENTS

| | 2017 | 2016 |
|---|----------------|---------------|
| | RM | RM |
| Bank balance with a licensed bank | 20,219 | 84,071 |
| Islamic deposit with a licensed financial institution | 660,053 | - |
| | <u>680,272</u> | <u>84,071</u> |

The effective weighted average rate of return of Islamic deposit with a licensed financial institution per annum as at the date of the statement of financial position are as follows:

| | 2017 | 2016 |
|---|-------------|----------|
| | % | % |
| Islamic deposit with a licensed financial institution | <u>2.95</u> | <u>-</u> |

For the financial year ended 31 March 2017, the Islamic deposit had an average maturity of 3 days.

8. SHARIAH INFORMATION OF THE FUND

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

- a. Sukuk are in order and as per the list of sukuk available at Bond Info Hub and Fully Automated System For Issuing/Tendering of Bank Negara Malaysia; and
- b. Liquid assets in local market, which are placed in Shariah-compliant investments and/or instruments.

9. UNITS IN CIRCULATION

| | 2017 | 2016 |
|---|-------------------|-------------------|
| | No. of units | No. of units |
| At the beginning of the financial year | 20,422,591 | 23,318,983 |
| Creation of units during the financial year: | | |
| Arising from applications | 2,783,491 | 240,090,343 |
| Arising from distribution | 727,380 | - |
| Cancellation of units during the financial year | (5,728,132) | (26,986,735) |
| | <u>18,205,330</u> | <u>20,422,591</u> |

10. TRANSACTIONS WITH DEALERS

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

| Name of dealers | Value of trades | Percentage of total trades | Brokerage fees | Percentage of total brokerage fees |
|-----------------------------------|-------------------|----------------------------|----------------|------------------------------------|
| | RM | % | RM | % |
| <u>2017</u> | | | | |
| RHB Investment Bank Berhad | 1,340,241 | 29.87 | - | - |
| Alliance Bank Malaysia Berhad | 1,229,080 | 27.39 | - | - |
| CIMB Bank Berhad | 813,360 | 18.13 | - | - |
| Hong Leong Bank Berhad | 803,600 | 17.91 | - | - |
| AmBank (M) Berhad | 300,570 | 6.70 | - | - |
| | <u>4,486,851</u> | <u>100.00</u> | <u>-</u> | <u>-</u> |
| <u>2016</u> | | | | |
| RHB Investment Bank Berhad | 3,168,050 | 27.49 | - | - |
| Hong Leong Bank Berhad | 2,787,590 | 24.19 | - | - |
| Hong Leong Investment Bank Berhad | 2,355,660 | 20.44 | - | - |
| Malayan Banking Berhad | 1,109,130 | 9.62 | - | - |
| AmBank (M) Berhad | 1,104,560 | 9.58 | - | - |
| CIMB Bank Berhad | 1,000,000 | 8.68 | - | - |
| | <u>11,524,990</u> | <u>100.00</u> | <u>-</u> | <u>-</u> |

Details of transactions, primarily cash placements with financial institutions for the financial year ended 31 March 2017 are as follows:

| Financial institutions | Value of placements | Percentage of total placements |
|--|----------------------------|---------------------------------------|
| | RM | % |
| <u>2017</u> | | |
| CIMB Islamic Bank Berhad | 98,700,000 | 73.58 |
| Maybank Islamic Berhad | 18,840,000 | 14.04 |
| Hong Leong Islamic Bank Berhad | 15,800,000 | 11.78 |
| Malayan Banking Berhad (Islamic Banking) | 800,000 | 0.60 |
| | 134,140,000 | 100.00 |
| <u>2016</u> | | |
| CIMB Islamic Bank Berhad | 159,020,000 | 67.93 |
| Bank Islam Malaysia Berhad | 72,080,000 | 30.79 |
| Hong Leong Islamic Bank Berhad | 3,000,000 | 1.28 |
| | 234,100,000 | 100.00 |

All dealers highlighted above are not related to the Manager. There are no brokerage fees charged by the dealers for the financial year ended 31 March 2017 and 31 March 2016.

11. DISTRIBUTION

| | 2017 |
|---|----------------------|
| | RM |
| Distribution to unit holders is from the following sources: | |
| Prior years' income: | |
| Profit income earned | 574,581 |
| Net realised gain on sale of Shariah-compliant investments | 31,505 |
| Amortisation of premiums net of accretion of discounts | <u>(32,568)</u> |
| Gross realised income | 573,518 |
| Less: Expenses | <u>(164,306)</u> |
| | <u>409,212</u> |
| Gross distribution per unit (RM) | <u>0.0230</u> |
| Net distribution per unit (RM) | <u>0.0230</u> |
| Ex-date | <u>24 March 2017</u> |

Gross distribution is derived using total income less total expenses. The distribution is made from prior year's realised income.

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

12. MANAGEMENT EXPENSE RATIO ("MER")

| | 2017 | 2016 |
|-----|------|------|
| | % | % |
| MER | 1.49 | 1.44 |

MER is derived from the following calculation:

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

A = Management fee

B = Trustee fee

C = Audit fee

D = Tax agent fee

E = Other expenses (inclusive GST charges)

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

The average net asset value of the Fund for the financial year calculated on a daily basis is RM10,501,217 (2016: RM12,630,229).

13. PORTFOLIO TURNOVER RATIO ("PTR")

| | 2017 | 2016 |
|-------------|------|------|
| PTR (times) | 0.21 | 0.46 |

PTR is derived from the following calculation:

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

where:

total acquisitions for the financial year = RM1,315,810 (2016: RM5,285,220)

total disposals for the financial year = RM3,171,041 (2016: RM6,239,770)

14. UNITS HELD BY THE MANAGER

The related party of and its relationship with the Fund are as follows:

| Related party | Relationship | | | |
|-------------------------------|--------------|--|--|--|
| Eastspring Investments Berhad | The Manager | | | |

| | 2017 | | 2016 | |
|-------------------------------|--------------|-----|--------------|-----|
| | No. of units | RM | No. of units | RM |
| Eastspring Investments Berhad | 1,185 | 659 | 1,138 | 636 |

The above units were transacted at the prevailing market price.

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

15. SEGMENTAL INFORMATION

The internal reporting provided to the chief operating decision-maker for the Fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of MFRS and IFRS. The CEO, who is the chief operating decision-maker, is responsible for the performance of the Fund and considers the business to have a single operating segment located in Malaysia. Asset allocation decisions are based on a single, integrated investment strategy and the Fund's performance is evaluated on an overall basis.

The reportable operating segment derives its income by seeking Shariah-compliant investments to achieve targeted returns consummate with an acceptable level of risk within the portfolio. These returns consist of profit income and gains on the appreciation in the value of Shariah-compliant investments.

There were no changes in the reportable operating segments during the financial year.

16. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 12 May 2017.

CORPORATE DIRECTORY

THE MANAGER

NAME

EASTSPRING INVESTMENTS BERHAD

COMPANY NO.

531241-U

REGISTERED OFFICE

16th Floor, Wisma Sime Darby

Jalan Raja Laut

50350 Kuala Lumpur

BUSINESS OFFICE

Level 12, Menara Prudential

No. 10, Jalan Sultan Ismail

50250 Kuala Lumpur

TELEPHONE NO.

603-2052 3388

FAX NO.

603-2070 6129

EMAIL

cs.my@eastspring.com

WEBSITE

www.eastspringinvestments.com.my

BOARD OF DIRECTORS OF THE MANAGER

Julian Christopher Vivian Pull

*(Chairman, Non-independent,
non-executive director)*

Iskander Bin Ismail Mohamed Ali

(Independent, non-executive director)

Khoo Chuan Keat

(Independent, non-executive director)

Michele Mi Kyung Bang

(Non-independent, non-executive director)

Raymond Tang Chee Kin

(Non-independent, executive director)

INVESTMENT COMMITTEE OF THE FUND

Ho Yik

(Independent member)

Robert Yap Yen Choon

(Independent member)

Abdul Khalil Bin Abdul Hamid

(Independent member)

Dato' Saiful Bahri Bin Zainuddin

(Independent member)

Raymond Tang Chee Kin

(Non-Independent member)

**AUDIT AND COMPLIANCE
COMMITTEE OF THE MANAGER**

Iskander Bin Ismail Mohamed Ali
(Independent)

Khoo Chuan Keat
(Independent)

Niall Dermot Grady
(Non-independent)

MANAGER'S DELEGATE - FUND VALUER

NAME

DEUTSCHE BANK (MALAYSIA) BERHAD

COMPANY NO.

312552-W

REGISTERED OFFICE

Level 18, Menara IMC
No. 8, Jalan Sultan Ismail
50250 Kuala Lumpur

BUSINESS OFFICE

Level 18-20, Menara IMC
No. 8, Jalan Sultan Ismail
50250 Kuala Lumpur

TELEPHONE NO.

603-2053 6788

FAX NO.

603-2031 8710

**MANAGER'S DELEGATE -
REGISTRAR AND TRANSFER AGENT**

NAME

KARVY COMPUTERSHARE
(MALAYSIA) SDN BHD

COMPANY NO.

1178655-U

REGISTERED OFFICE

16th Floor, Wisma Sime Darby
Jalan Raja Laut
50350 Kuala Lumpur

BUSINESS OFFICE

Suite 16.1, Level 16, Menara IMC
No. 8, Jalan Sultan Ismail
50250 Kuala Lumpur

TELEPHONE NO.

603-2022 4900

FAX NO.

603-2022 4099

**COMPANY SECRETARY OF
THE MANAGER**

NAME

VIJEY A/L R. MOHANA KRISHNAN
(BCN/143)

ADDRESS

RDL Corporate Services Sdn Bhd
16th Floor, Wisma Sime Darby
Jalan Raja Laut
50350 Kuala Lumpur

TELEPHONE NO.

603-2694 9999

TRUSTEE

NAME

DEUTSCHE TRUSTEES MALAYSIA BERHAD

COMPANY NO.

763590-H

REGISTERED OFFICE &
BUSINESS OFFICE

Level 20, Menara IMC
No. 8, Jalan Sultan Ismail
50250 Kuala Lumpur

TELEPHONE NO.

603-2053 7522

FAX NO.

603-2053 7526

TRUSTEE'S DELEGATE - CUSTODIAN

NAME

DEUTSCHE BANK (MALAYSIA) BERHAD

COMPANY NO.

312552-W

REGISTERED OFFICE

Level 18, Menara IMC
No. 8, Jalan Sultan Ismail
50250 Kuala Lumpur

BUSINESS OFFICE

Level 18-20, Menara IMC
No. 8, Jalan Sultan Ismail
50250 Kuala Lumpur

TELEPHONE NO.

603-2053 6788

FAX NO.

603-2031 8710

SHARIAH ADVISER

NAME

IBFIM

COMPANY NO.

763075-W

REGISTERED ADDRESS

No. 149A, 149B, 151B
Persiaran Raja Muda Musa
42000 Port Klang
Selangor Darul Ehsan

BUSINESS ADDRESS

3rd Floor, Menara Takaful Malaysia
Jalan Sultan Sulaiman
50000 Kuala Lumpur

TELEPHONE NO.

603-2031 1010

FAX NO.

603-2078 5250

WEBSITE

www.ibfim.com

**TAXATION ADVISER OF
THE FUND**

NAME

PRICEWATERHOUSECOOPERS
TAXATION SERVICES SDN BHD

ADDRESS

Level 10, 1 Sentral
Jalan Rakyat
Kuala Lumpur Sentral
PO Box 10192
50706 Kuala Lumpur

TELEPHONE NO.

603-2173 1188

AUDITORS OF THE MANAGER

NAME

KPMG

ADDRESS

Level 10, KPMG Tower
No. 8, First Avenue
Bandar Utama
47800 Petaling Jaya
Selangor

TELEPHONE NO.

603-7721 3388

**AUDITORS AND REPORTING
ACCOUNTANT OF THE FUND**

NAME

PRICEWATERHOUSECOOPERS

ADDRESS

Level 10, 1 Sentral
Jalan Rakyat
Kuala Lumpur Sentral
PO Box 10192
50706 Kuala Lumpur

TELEPHONE NO.

603-2173 1188

PRINCIPAL BANKERS

NAME

DEUTSCHE BANK (MALAYSIA) BERHAD

ADDRESS

Level 18, Menara IMC
No. 8, Jalan Sultan Ismail
50250 Kuala Lumpur

TELEPHONE NO.

603-2053 6788

NAME

MALAYAN BANKING BERHAD

ADDRESS

No. 100, Jalan Tun Perak
50050 Kuala Lumpur

TELEPHONE NO.

603-2070 8833

NAME

STANDARD CHARTERED BANK
MALAYSIA BERHAD

ADDRESS

Level 16, Menara Standard Chartered
No. 30, Jalan Sultan Ismail
50250 Kuala Lumpur

TELEPHONE NO.

603-2117 7777

NAME

HSBC BANK MALAYSIA BERHAD

ADDRESS

No. 2, Leboh Ampang
50100 Kuala Lumpur

TELEPHONE NO.

603-2075 3000

SOLICITORS

NAME

MESSRS NAQIZ & PARTNERS

ADDRESS

No. 42A, Lorong Dungun
Damansara Heights
50490 Kuala Lumpur

TELEPHONE NO.

603-2081 7888

**FEDERATION OF INVESTMENT
MANAGERS MALAYSIA (FiMM)**

ADDRESS

19-06-1, 6th Floor
Wisma Tune
No. 19, Lorong Dungun
Damansara Heights
50490 Kuala Lumpur

TELEPHONE NO.

603-2093 2600

FAX NO.

603-2093 2700

EMAIL

info@fimm.com.my

WEBSITE

www.fimm.com.my

SALE & PURCHASE OF UNITS

Eastspring Investments Berhad

Level 12, Menara Prudential
No. 10, Jalan Sultan Ismail
50250 Kuala Lumpur

TELEPHONE NO.

603-2332 1000

FAX NO.

603-2052 3366

BRANCHES

Petaling Jaya

Eastspring Investments Berhad
A-17-P1 & M
Block A, Jaya One
72A, Jalan Universiti
46200 Petaling Jaya, Selangor

TELEPHONE NO.
603-7948 1288

Kota Kinabalu

Eastspring Investments Berhad
Suite E3, 9th Floor
CPS Tower, Centre Point Sabah
No. 1, Jalan Centre Point
88000 Kota Kinabalu, Sabah

TELEPHONE NO.
6088-238 613

ENQUIRIES

CLIENT SERVICES
603-2332 1000

Eastspring Investments Berhad (531241-U)
Level 12, Menara Prudential
No. 10, Jalan Sultan Ismail, 50250 Kuala Lumpur
T: (603) 2052 3388 F: (603) 2070 6129
eastspringinvestments.com.my

Client Services
T: (603) 2332 1000 F: (603) 2052 3366
cs.my@eastspring.com