



PMB SHARIAH ESG GLOBAL EQUITY FUND

(Formerly known as PMB SHARIAH MID-CAP FUND)

**SEMI-ANNUAL REPORT FOR
THE FINANCIAL PERIOD ENDED
31 OCTOBER 2023**



Dear Unitholder,

MOVING TOWARDS ELECTRONIC COMMUNICATION.

We wish to inform that you have been automatically enrolled to receive funds' reports via electronic medium effective 31 March 2018. You will receive a notification by SMS/email when the funds' report is ready for download on our website at www.pmbinvestment.com.my. Please note that the report will be available to view and download from our website until next financial report. Please inform us in writing if you do not wish to receive the documents electronically.

Should you have any queries or need further clarification, please do not hesitate to contact our Clients Service Units at 03-4145 3900 or email at clients@pelaburanmara.com.my.

Thank you.

CORPORATE INFORMATION

MANAGER

PMB INVESTMENT BERHAD

(A member of Pelaburan MARA Berhad)

HEAD OFFICE

2nd Floor, Wisma PMB,
No.1A, Jalan Lumut,
50400 Kuala Lumpur.
Tel: (03) 4145 3800 Fax: (03) 4145 3901
E-mail: clients@pelaburanmara.com.my
Website: www.pmbinvestment.com.my

BOARD OF DIRECTORS

Mansoor Bin Ahmad
Mohd Sabri bin Ramly
Mahani binti Ibrahim
Mahdzir bin Othman
Dato' Zulfikri bin Osman (*Effective until 15 August 2023*)
YM Tengku Umizar binti YM Tengku Ubaidillah (*Appointed on 22 May 2023*)
Nik Mohamed Zaki bin Nik Yusoff (*Appointed on 29 May 2023*)
Mohd Halmishahril bin Ahmad Jamir (*Appointed on 13 August 2023*)

CHIEF EXECUTIVE OFFICER

Mahani binti Ibrahim

COMPANY SECRETARIES

Mohd Shah Bin Hashim (BC/M/148)

INVESTMENT COMMITTEE MEMBERS

Mansoor bin Ahmad
Nik Mohamed Zaki bin Nik Yusoff
Prof. Dr. Mohamed Aslam bin Mohamed Haneef
Mahdzir bin Othman
Rahimi bin Ramli (*Appointed on 6 June 2023*)

TRUSTEE

CIMB ISLAMIC TRUSTEE BERHAD

SHARIAH ADVISER

BIMB SECURITIES SDN BHD

AUDITORS

MESSRS AL JAFREE SALIHIN KUZAIMI PLT (ASK)

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1. FUND INFORMATION

1.1 FUND NAME

PMB SHARIAH ESG GLOBAL EQUITY FUND – PMB SESGF (“FUND”) (FORMERLY KNOWN AS PMB SHARIAH MID-CAP FUND) (PMB SMCF).

1.2 FUND CATEGORY/TYPE

Equity (Shariah-Compliant) / Growth.

1.3 FUND INVESTMENT OBJECTIVE

To achieve capital growth over the medium to long term period by investing in an environmental, social and governance (ESG) portfolio of Shariah-compliant securities listed on global exchanges.

1.4 FUND PERFORMANCE BENCHMARK

MSCI ACWI Islamic Index.

1.5 FUND DISTRIBUTION POLICY

The distribution (if any) is incidental, subject to the availability of income for the financial period.

1.6 CHANGES MADE TO THE FUND’S PROSPECTUS

The Second Supplementary Master Prospectus was issued to investors with effect from 14 August 2023 to reflect the various changes made to the Fund as per below:

1. to inform investors on the changes made to the name of the Fund, investment objective, investment strategy of the Fund and that the Fund is now a qualifies sustainable and responsible investment (SRI) fund under the Guidelines on Sustainable and Responsible Investment Funds.
2. to update the investment restrictions and limits to be in line with the Securities Commission Malaysia (SC) Guidelines on Unit Trust Fund

For more details, unit holders may visit:

https://www.pmbinvestment.com.my/wp-content/uploads/2023/07/280723_NOTICE-TO-INVESTOR-ISSUANCE-OF-SECOND-SUPPLEMENTARY-MASTER-PROSPECTUS.pdf

2. FUND PERFORMANCE DATA

2.1 PORTFOLIO COMPOSITION

The Fund's composition and performance for the 6 months financial period ended 31 October 2023 and 3 financial year ended 30 April are as follows:

Sector	31 OCT	30 APRIL		
	2023	2023	2022	2021
Quoted Shariah-compliant Equities	%	%	%	%
Consumer Products & Services	-	16.17	7.95	6.83
Energy	-	5.13	4.17	-
Finance Services	-	-	4.24	-
Industrial Products & Services	-	31.22	50.02	32.68
Plantation	-	8.39	9.01	-
Property	-	6.44	5.69	-
Technology	-	4.75	16.59	44.40
Telecommunication & Media	-	-	-	4.25
Transportation & Logistic	-	2.60	-	-
Utilities	-	3.61	-	5.09
Islamic Deposits/Cash/Others	100.00	21.69	2.33	6.75
Total	100.00	100.00	100.00	100.00

2.2 PERFORMANCE DETAILS

	31 OCT	30 APRIL		
	2023	2023	2022	2021
Net Asset Value (NAV) - xD (RM'000)	26,839	26,957	29,332	30,070
Unit in circulation ('000)	179,078	179,843	174,533	170,676
NAV per unit - xD (RM)	0.1499	0.1499	0.1681	0.1762
NAV per unit - xD: <i>Highest</i> (RM)	0.1504	0.1670	0.1926	0.2080
: <i>Lowest</i> (RM)	0.1455	0.1268	0.1529	0.1525
Total Return* (%)	-	(10.83)	(0.91)	(20.75)
Capital Growth * (%)	-	(10.83)	(4.60)	14.27
Income Return (%)	-	-	3.69	6.48
Gross Distribution per unit (sen)	-	-	^0.65	^1.00
Net Distribution per unit (sen)	-	-	^0.65	^1.00
Total Expense Ratio (TER) ¹ (%)	0.87	1.60	1.61	1.72
Portfolio Turnover Ratio (PTR) ² (times)	0.45	1.05	1.21	1.71

*Source: Lipper

^Distribution is in the form of units

Past performance is not necessarily indicative of future performance, unit prices and investment returns may fluctuate.

2.2 PERFORMANCE DETAILS (CONTD.)

- 1 The TER for PMB SESGF was up at 0.87% as compared to 0.81% in the previous year corresponding period. This was due to the increased in total expenditure by 11.96 % due to portfolio mandate's restructuring from PMB SMCF into PMB SESGF.
- 2 The PTR percentage dropped by 45.12% to 0.45 times from 0.82 times recorded in the same period of the previous year. This was due to huge drop in the buy and sell of shares activities as the Fund is under portfolio restructuring process.

* AVERAGE TOTAL RETURN (31 OCTOBER)			
	1-year	3-year	5-Year
PMB SESGF	0.67%	(6.06%)	1.92%
BENCHMARK**	13.15%	14.51%	10.67%

* ANNUAL TOTAL RETURN (30 APRIL)					
	2023	2022	2021	2020	2019
PMB SESGF	(10.83%)	(0.91%)	20.75%	(2.67%)	4.77%
BENCHMARK**	4.06%	0.66%	40.55%	(6.60%)	2.78%

*Source: Lipper

**Effective 14 August 2023, the benchmark has been changed to MSCI ACWI Islamic Index

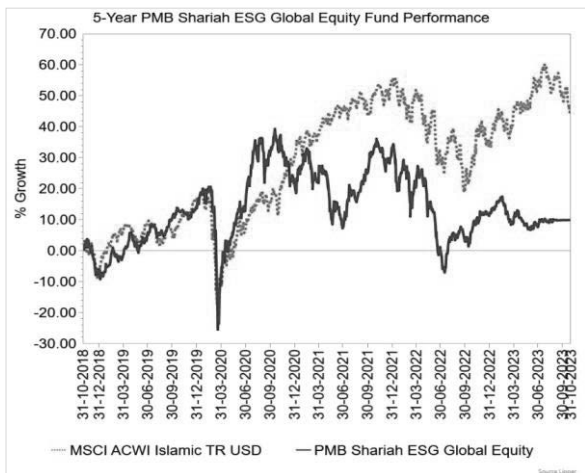
Past performance is not necessarily indicative of future performance, unit prices and investment returns may fluctuate.

3. MANAGER'S REPORT

We are pleased to present the Manager's report of PMB SESGF for the financial period ended 31 October 2023 (1 May 2023 until 31 October 2023).

3.1 FUND PERFORMANCE

The Fund's performance measured against benchmark for 5-year financial period ended 31 October 2023 is as follows:



For the 5-year period ended 31 October 2023, the Fund's return increased by 10.00% compared to the 45.87% increase in the benchmark.

For the 6-month financial period ended 31 October 2023, the Fund's NAV/unit did not change from RM0.1499 on 30 April 2023. This was due to portfolio mandate's restructuring process from PMB Shariah Mid-Cap Fund (PMB SMCF) into PMB SESGF.

3.2 INCOME DISTRIBUTION/UNIT SPLIT

None were declared during the 6-month financial period ended 31 October 2023.

3.3 POLICY & INVESTMENT STRATEGY

The Fund will invest between 70% to 99.5% of the Fund's NAV into Shariah-compliant and ESG-compliant global equities, Shariah-compliant and ESG-compliant equity related securities and the remaining balance in Islamic money market instrument, Islamic deposit placements and/or other Shariah-compliant permitted investment. The Fund also integrates ESG consideration into its investment portfolio.

The Fund adopts external ESG methodology and complies with the Shariah screening methodology.

3.3 POLICY & INVESTMENT STRATEGY (CONTD.)

The equities are rated by assessing and making reference to the materiality of environmental, social and governance aspects of a company suggested by the IdealRatings ESG model.

3.4 SUSTAINABLE AND RESPONSIBLE INVESTMENT (SRI) REPORT TO THE UNITHOLDER

During the financial period under review, the Fund has complied with the Securities Commission Malaysia's Guidelines on Sustainable and Responsible Investment (SRI).

The Fund adopted ESG integration strategy by researching and documenting answers to a series of questions (or inputs) for each of the three pillars (Environment, Social and Governance). There are over 150 inputs captured during the research process.

Each pillar is divided into subcategories called Key Performance Indicators (KPIs) and has a maximum score of 100. The weight of each KPI contributes to a Company's overall pillar score is based on an industry-relative model.

For example, inputs under the Waste Management KPI of the environmental pillar could have a weight of 0% (meaning the inputs have no effect on a Group's score) for a Company in the Banking Industry, yet a weight of 15% (meaning the KPI contributes 15% to the overall numerical score for the environmental pillar) for a Company involved in energy production.

3.5 CROSS TRADE

No cross-trade transactions have been carried out during the 6-month financial period.

3.6 SECURITIES FINANCING TRANSACTIONS

PMB SESGF has not undertaken any securities lending or repurchase transactions during the financial period under review.

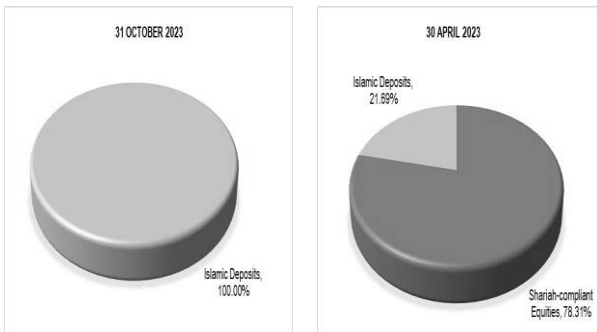
3.7 ASSET ALLOCATION OF THE FUND

Comparison of investment components based on NAV is as follows: -

ASSET ALLOCATION				
	31 Oct 2023 (%)	30 Apr 2023 (%)	Change (%)	Investment Exposure Average (%)
Shariah-compliant Equities	0.00	78.31	(78.31)	39.16
Islamic Deposits/cash/ others	100.00	21.69	78.31	60.84

As at 31 October 2023, due to portfolio mandate's restructuring process from PMB SMCF into PMB SESGF, 100% of the Fund's NAV was held in Islamic deposits and/or other permitted investments.

3.7 ASSET ALLOCATION OF THE FUND (CONTD.)



3.8 EQUITY MARKET REVIEW

For the 6-month ended 31 October 2023, the benchmark for the Fund, MSCI ACWI Islamic Index (benchmark), had declined by 31.78 points or -1.32% to 2,376.14 while the main benchmark for Malaysian stock market, FBM KLCI, increased by 26.19 points or 1.85% to 1,442.14.

During that period, the benchmark recorded its highest level of 2,606.32 on 25 July 2023 and its lowest of 2,356.96 on 27 October 2023. Meanwhile, FBM KLCI posted its highest level of 1,463.51 on 16 August 2023 while the lowest level of 1,374.64 was recorded on 8 June 2023. The movement range for the benchmark during the stipulated financial period was 249.36 points.

In May, Bursa Malaysia remained on a downtrend due to persistent selling pressure in selected heavyweights, with the FBM KLCI index declining by 2.0% or 28.83 points month-on-month (MoM) to close at 1,387.12. The external issues, namely the US debt-ceiling standoff and hawkish comments from Fed officials, kept stocks in a negative trend this month as investors await a signal the Fed's rate hiking cycle is at an end. Domestically, the lacklustre local 1Q 2023 results season and the upcoming six state elections were among the factors that kept investors taking a cautious approach. On economic fronts, Malaysia's Gross Domestic Product (GDP) grew 5.6% in the 1Q 2023, driven higher by domestic demand and Bank Negara Malaysia (BNM) in a surprising move had raised the overnight Policy Rate (OPR) by 25 basis points (bps) to 3%, the first hike since November 2022.

In June, the FBM KLCI fell by -0.8% MoM. FBMKLCI tumbled as much as 18.2 points before paring its losses to 11.7 points at 1,376.68 on the last day of the first half of 2023, taking a cue from the rebalancing exercises by funds before the crucial six states' polls likely to be held in August. Globally, World Bank and OECD revised their global economic growth forecast to 2.1% (previously 1.7%) and 2.7% (previously 1.7%), respectively, for 2023. After the US House of Representatives and Senate passed the US debt-limit deal, President Joe Biden signed the deal into law, averting a US debt default. Locally, the government has reduced the stamp duty for shares traded on Bursa Malaysia, lowering it to 0.10% from 0.15% of the contract value, subject to a maximum cap of RM1,000 per contract, effective July 2023.

3.8 EQUITY MARKET REVIEW (CONTD.)

In July, the FBM KLCI rose 6.0% or 82.75 points MoM to close at 1,459.43. Optimism that the Fed is at the tail-end of its rate-hike cycle, the prospect of more stimulus measures from Beijing to support China's growth, and foreign fund inflows helped push the market higher. Besides, the plantation and oil sectors gained after commodities such as Crude Palm Oil and Crude Oil prices rallied in the wake of Russia's attack on Ukraine's agricultural facilities and its ending of the Black Sea grain deal. Meanwhile, other global news includes a) the International Monetary Fund (IMF) projected global real GDP growth of 3.0% in 2023, up 0.2 percentage point from its April forecast, b) the US Federal Open Meeting Committee (FOMC) raised the fed funds rate by 25 basis points to 5.25%-5.50%, and c) Saudi extended its output reduction another month into August and Russia cut its exports by 500,000 barrels per day in August. Locally, the government a) gazetted the reduction of the stamp duty for shares traded on Bursa Malaysia to 0.10% from 0.15% of the contract value, subject to a maximum cap of RM1,000 per contract, effective 13 July 2023, b) launched the Madani Economic Narrative, c) launched the National Energy Transition Roadmap (NETR) Part 1, and d) BNM maintained its OPR at 3.0%.

In August, the FBM KLCI marginally shed 7.49 points, or 0.5%, MoM to close at 1,451.94 points. A strong surge of buying interest had been seen in the property names, utilities and construction sector. Other than that, investors stayed cautious due to the state elections, results season, slower 2Q 2023 GDP growth of 2.9%, and weak global market. Meanwhile, the global market performed poorly after a) Fitch Ratings downgraded its U.S. credit rating to AA+ from AAA, b) Moody's downgraded the credit ratings for ten smaller U.S. banks and put some bigger banks on watch for downgrade, c) S&P Global cut its credit ratings and outlook on multiple U.S. regional banks and d) China weakening economic activity.

In September, the FBM KLCI lost 27.77 points, or 1.9%, MoM, but gained 3.5% (+48.26 points) quarter-on-quarter (QoQ) to close at 1,424.17 points. The local market ended in negative territory as investors continued to fret about Fed's hawkish pause, surging Treasury yields and dollar index, and a looming US government shutdown. Sentiment was also dampened by heightened concerns over China's property crisis and growing pessimism over an economic recovery in the country. Locally, BNM maintained the OPR at 3.00% as widely expected and domestic investors reassessed the 12 Malaysian Plan (12MP) – Mid Term Review.

In October, the FBM KLCI gained 17.97 points, or 1.3%, MoM to close at 1,442.14 points. Sentiment dented by intensified fear over higher-for-longer US interest rate, the spike in US Treasury yield, GDP downgrade from the region and weakening Asia's manufacturing. Domestically, unencouraging economic development and foreign selling momentum added pressure on the local market. Despite the negative sentiment in the global market, FBM KLCI ended in positive territory due to buying support on the selected heavyweight counters. Prime Minister presented Budget 2024, themed "Economic Reforms, Empowering the People" in which the Malaysian economy is forecast to grow within the range of 4.0% to 5.0% next year (2023E: 4.0%). Meanwhile, the World Bank and IMF forecast Malaysia's real GDP to grow by 3.9% and 4.0% respectively in 2023. Both agencies expect Malaysia's GDP to grow 4.3% in 2024.

3.9 MONEY MARKET REVIEW

The Monetary Policy Committee (MPC) BNM decided to maintain the OPR at 3.00% during its last meeting held on 7 September 2023.

The global economy continues to expand, driven by resilient domestic demand supported by strong labour market conditions. Global growth, however, remains weighed down by persistently elevated core inflation and higher interest rates. Global trade is also affected by rotation of spending from goods to services, and the ongoing electrical and electronics (E&E) downcycle. The slower-than-expected growth in China also weighed on the global economy.

Globally, headline inflation continued to moderate. While core inflation in advanced economies is slowing down, it remains above historical averages. For most central banks, the monetary policy stance is likely to remain tight. The growth outlook remains subject to downside risks, mainly from a slower momentum in major economies, higher-than-anticipated inflation outturns, an escalation of geopolitical tensions, and a sharp tightening in financial market conditions.

In the second quarter of the year, growth of the Malaysian economy was affected by slower external demand and a decline in commodity production. Moving forward, growth will continue to be driven by resilient domestic expenditure amid the challenging external environment. Continued employment and wage growth, particularly in the domestic-oriented sectors, remain supportive of household spending. Tourist arrivals and spending are expected to improve further. Investment activity would be supported by continued progress of multi-year infrastructure projects, and implementation of catalytic initiatives under the recently announced national master plans. Domestic financial conditions also remain conducive to financial intermediation amid sustained credit growth. These factors will continue to underpin the growth momentum going into 2024. While the growth outlook is subject to downside risks stemming from weaker-than-expected external demand and larger and protracted declines in commodity production, upside risks mainly emanate from stronger-than-expected tourism activity, a stronger recovery from the E&E downcycle, and faster implementation of existing and new projects.

Headline and core inflation have continued to ease amid the more moderate cost conditions. This moderating trend would likely continue in the second half of 2023, partly reflecting the higher base from the second half of 2022 and continued easing momentum of price increases. Risks to the inflation outlook remain highly subject to changes to domestic policy on subsidies and price controls, global commodity prices and financial market developments, as well as the degree of persistence in core inflation.

(Source: Bank Negara Malaysia's website)

3.10 INTEREST OF UNIT HOLDERS

Throughout the 6-month financial period ended 31 October 2023, there are no circumstances that materially affect any interest of the unit holders other than business transaction in accordance with the limitations imposed under the Deeds, Securities Commission's Guidelines, the Capital Markets and Services Act 2007 and other applicable laws during the financial period then ended.

3.11 SOFT COMMISSIONS AND REBATES

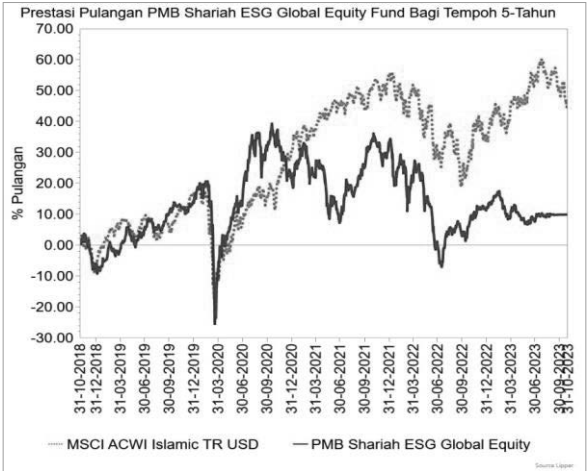
During the 6-month financial period ended 31 October 2023, the Fund Manager received services from one of the stockbroking institutions that indirectly assists in the decision-making process pertaining to the Fund's investment. The services received are in the form of advisory services on Shariah matters. In addition, the Fund Manager also received soft commission from brokers in terms of software and computer hardware related to the Fund's investment, stock market and economic matters.

4. LAPORAN PENGURUS

Bagi tempoh kewangan berakhir 31 Oktober 2023 (1 Mei 2023 hingga 31 Oktober 2023).

4.1 PRESTASI DANA

Prestasi Dana berbanding tanda aras bagi tempoh 5 tahun kewangan berakhir 31 Oktober 2023 adalah seperti berikut:-



Sepanjang tempoh tersebut, NAB/unit Dana meningkat sebanyak 10.00% berbanding peningkatan sebanyak 45.87% pada penanda aras.

Sepanjang tempoh 6 bulan kewangan berakhir 31 Oktober 2023, NAB/unit Dana tidak mengalami perubahan daripada RM0.1499 pada 30 April 2023. Ini disebabkan oleh proses penstrukturan semula mandat portfolio daripada PMB Syariah Mid-Cap Fund (PMB SMCF) kepada PMB SESGF.

4.2 PENGAGIHAN PENDAPATAN/TERBITAN UNIT PECAHAN

Tiada sebarang pengagihan pendapatan atau unit pecahan dicadangkan bagi tempoh 6-bulan kewangan berakhir 31 Oktober 2023.

4.3 POLISI DAN STRATEGI PELABURAN

Dana akan melabur antara 70% hingga 99.5% daripada Nilai Aset Bersih (NAB) Dana ke dalam ekuiti global patuh Syariah dan patuh ESG, sekuriti berkaitan ekuiti patuh Syariah dan patuh ESG, dan baki yang tinggal dalam instrumen pasaran wang Islam, penempatan deposit Islam, dan/atau pelaburan yang dibenarkan mengikut prinsip Syariah yang lain. Dana juga mengintegrasikan pertimbangan ESG ke dalam portfolionya.

Dana ini menggunakan metodologi ESG luaran dan mematuhi metodologi saringan Syariah.

4.3 POLISI DAN STRATEGI PELABURAN (SAMB.)

Saham-saham dinilai dengan menilai dan merujuk kepada materialiti aspek alam sekitar, sosial, dan tadbir urus sebuah syarikat yang dicadangkan oleh model ESG IdealRatings.

4.4 LAPORAN PELABURAN MAPAN DAN BERTANGGUNGJAWAB (SRI) KEPADA PEMEGANG UNIT

Dalam tempoh 6-bulan kewangan berakhir 31 Oktober 2023, Dana telah mematuhi Garis Panduan Pelaburan Mampan dan Bertanggungjawab (SRI) Suruhanjaya Sekuriti Malaysia.

Dana menggunakan strategi integrasi ESG dengan menyelidik dan mendokumentasikan jawapan kepada beberapa siri soalan (atau input) bagi setiap daripada tiga cabang utama iaitu alam sekitar, sosial, dan tadbir urus. Terdapat lebih daripada 150 input yang dikenalpasti semasa proses penyelidikan. Setiap cabang utama tersebut dibahagikan kepada subkategori yang dipanggil Penunjuk Prestasi Utama (KPI) dan mempunyai skor maksimum 100%. Wajaran setiap KPI yang menyumbang kepada skor tunggal keseluruhan syarikat adalah berdasarkan model relatif industri.

Sebagai contoh, input di bawah KPI Pengurusan Sisa bagi alam sekitar mungkin mempunyai wajaran 0% (bermakna input tidak mempengaruhi skor Keseluruhan Kumpulan) untuk syarikat dalam industri Perbankan, namun wajaran 15% (KPI menyumbang 15% kepada skor jumlah keseluruhan dalam cabang alam sekitar) untuk syarikat yang terlibat dalam industri pengeluaran tenaga.

4.5 DAGANGAN SILANG

Tiada urusan dagangan silang yang dilaporkan di dalam tempoh kewangan.

4.6 TRANSAKSI PEMBIAYAAN SEKURITI

PMB SESGF tidak menjalankan sebarang pinjaman sekuriti atau transaksi pembelian semula sepanjang tempoh kewangan dalam tinjauan.

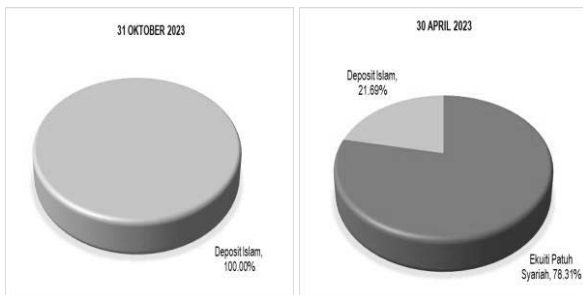
4.7 PERUMPUKAN ASET DANA

Pecahan seunit mengikut kelas aset adalah seperti berikut: -

PECAHAN SEUNIT MENGIKUT KELAS ASET				
	31 Okt 2023 (%)	30 Apr 2023 (%)	Perubahan Peratus Mata	Purata Pendedahan Pelaburan (%)
Ekuiti Patuh Syariah	0.00	78.31	(78.31)	39.16
Deposit Islam dan lain-lain	100.00	21.69	78.31	60.84

Pada 31 Oktober 2023, disebabkan oleh proses penstrukturan semula mandat portfolio daripada PMB SMCFF kepada PMB SESGF maka 100% NAB Dana di labur dalam deposit Islam dan lain-lain instrumen pelaburan yang dibenarkan.

4.7 PERUMPUKAN ASET DANA (SAMB.)



4.8 SUASANA BURSA SAHAM

Bagi tempoh 6 bulan berakhir 31 Oktober 2023, penanda aras Dana iaitu Indeks MSCI ACWI Islamic (tanda aras) jatuh 31.78 mata atau -1.32% kepada 2,376.14 manakala penanda aras utama Bursa Malaysia iaitu FBM KLCI naik 26.19 mata atau 1.85% kepada 1,442.14.

Bagi tempoh tersebut, tanda aras mencatat paras tertinggi 2,606.32 pada 25 Julai 2023 dan paras terendah 2,356.96 pada 27 Oktober 2023. Sementara itu, FBM KLCI mencatat paras tertinggi 1,463.51 pada 16 Ogos 2023 manakala paras terendah pula ialah 1,374.64 yang dicatat pada 8 Jun 2023. Julat pergerakan tanda aras untuk tempoh tersebut ialah 249.36 mata.

Pada bulan Mei, Bursa Malaysia kekal dalam aliran menurun berikutan tekanan jualan berterusan ke atas saham berwajaran tinggi terpilih, dengan indeks FBMKLCI merosot sebanyak 2.0% atau 28.83 mata MoM untuk ditutup pada 1,387.12. Isu luaran, iaitu kebuntuan hutang AS dan komen “hawkish” daripada pegawai Fed, menyebabkan pasaran dalam arah aliran negatif bulan ini, disamping pelabur menunggu isyarat berakhirnya kitaran kenaikan kadar faedah AS. Di peringkat domestik, keputusan korporat bagi S1 2023 yang tidak memberangsangkan dan pilihan raya negeri di enam negeri yang bakal diadakan adalah antara faktor yang membuatkan pelabur mengambil pendekatan berhati-hati. Dari segi ekonomi, KDNK Malaysia berkembang 5.6% pada S1 2023, didorong oleh permintaan dalam negara dan BNM mengejutkan pasaran dengan menaikkan OPR sebanyak 25 mata asas (bps) kepada 3%, kenaikan pertama sejak November 2022.

Pada bulan Jun, FBMKLCI jatuh sebanyak -0.8% MoM. FBMKLCI menjunam sebanyak 18.2 mata sebelum mengurangkan kerugiannya kepada 11.7 mata pada 1,376.68 pada hari terakhir separuh pertama tahun 2023, ekoran aktiviti pelarasan oleh dana-dana sebelum pilihanraya negeri bagi enam negeri yang mungkin diadakan pada Ogos. Di peringkat global, Bank Dunia dan OECD menyemak semula unjuran pertumbuhan ekonomi global mereka masing-masing kepada 2.1% (sebelum ini 1.7%) dan 2.7% (sebelum ini 1.7%), untuk 2023. Selepas Dewan Perwakilan AS dan Senat meluluskan perjanjian had hutang AS, Presiden Joe Biden menandatangani perjanjian itu menjadi undang-undang, mengelakkan kemungkiran hutang AS.

4.8 SUASANA BURSA SAHAM (SAMB.)

Di peringkat tempatan, kerajaan telah mengurangkan duti setem bagi saham yang didagangkan di Bursa Malaysia, menurunkannya kepada 0.10% daripada 0.15% daripada nilai kontrak, tertakluk kepada had maksimum RM1,000 setiap kontrak, berkuat kuasa Julai 2023.

Pada Julai, FBMKLCI meningkat sebanyak 6.0% atau 82.75 mata MoM untuk ditutup pada 1,459.43. Keyakinan bahawa Fed berada di penghujung kitaran kenaikan kadarnya, prospek lebih banyak langkah rangsangan daripada Beijing untuk menyokong pertumbuhan China, dan aliran masuk dana asing membantu mendorong pasaran lebih tinggi. Selain itu, sektor perladangan dan minyak meningkat selepas harga komoditi seperti Minyak Sawit Mentah dan Minyak Mentah meningkat susulan serangan Rusia ke atas kemudahan pertanian Ukraine dan penamatan perjanjian bijirin Laut Hitam. Sementara itu, berita global lain termasuk a) IMF mengunjurkan pertumbuhan KDNK global sebanyak 3.0% pada 2023, naik 0.2 peratusan mata daripada unjuran April, b) FOMC menaikkan kadar Dana sebanyak 25 mata asas kepada 5.25%-5.50%, dan c) Saudi melanjutkan pengurangan pengeluarannya sebulan lagi ke bulan Ogos dan Rusia mengurangkan eksportnya sebanyak 500,000 tong sehari pada bulan Ogos. Di dalam negara pula, kerajaan a) mewartakan pengurangan duti setem bagi saham yang didagangkan di Bursa Malaysia kepada 0.10% daripada 0.15% daripada nilai kontrak, tertakluk kepada had maksimum RM1,000 setiap kontrak, berkuat kuasa 13 Julai 2023, b) melancarkan Naratif Ekonomi Madani, c) melancarkan Pelan Hala Tuju Peralihan Tenaga Nasional (NETR) Bahagian 1, dan d) BNM mengekalkan OPR pada 3.0%.

Pada Ogos, FBMKLCI susut sedikit sebanyak 7.49 mata, atau 0.5%, MoM untuk ditutup pada 1,451.94 mata. Lonjakan minat belian dilihat dalam sektor hartanah, utiliti dan pembinaan. Selain itu, pelabur kekal berhati-hati berikutan pilihan raya negeri, musim keputusan korporat, pertumbuhan KDNK S2 2023 yang lebih perlahan iaitu 2.9%, dan pasaran global yang lemah. Pasaran global menunjukkan prestasi yang tidak memberangsangkan selepas a) Fitch Ratings menurunkan penarafan kredit A.S. kepada AA+ daripada AAA, b) Moody's menurunkan penarafan kredit untuk sepuluh bank kecil A.S. dan meletakkan beberapa bank yang lebih besar dalam pengawasan untuk menurunkan tarafnya, c) S&P Global memotong penarafan kredit dan tinjauan ke atas beberapa bank di A.S. dan d) aktiviti ekonomi China yang lemah.

Pada September, FBMKLCI susut sebanyak 27.77 mata, atau 1.9%, MoM, tetapi menokok sebanyak 3.5% (+48.26 mata) suku-ke-suku (QoQ) untuk ditutup pada 1,424.17 mata. Pasaran tempatan berakhir dalam wilayah negatif apabila pelabur terus bimbang tentang pandangan hawkish Fed, peningkatan hasil Perbendaharaan dan indeks dolar, dan penutupan kerajaan AS yang semakin hampir. Sentimen juga dilemahkan oleh kebimbangan yang memuncak terhadap krisis hartanah China dan pesimisme yang semakin meningkat terhadap pemulihan ekonomi di negara itu. Di peringkat tempatan, BNM mengekalkan OPR pada 3.00% seperti yang dijangkakan dan pelabur domestik menilai semula Kajian Separuh Penggal Rancangan Malaysia Ke-12 (RMK-12).

4.8 SUASANA BURSA SAHAM (SAMB.)

Pada Oktober, FBM KLCI menokok 17.97 mata, atau 1.3%, MoM untuk ditutup pada 1,442.14 mata. Sentimen terjejas oleh kebimbangan yang semakin meningkat terhadap kadar faedah AS yang lebih tinggi untuk tempoh yang lebih lama, lonjakan hasil Perbendaharaan AS, penurunan KDNK rantau ini dan sektor pembuatan Asia yang melemah. Di peringkat domestik, perkembangan ekonomi yang kurang menggalakkan dan momentum jualan asing menambah tekanan ke atas pasaran tempatan. Walaupun sentimen negatif dalam pasaran global, FBMKLCI berakhir di wilayah positif berikutan sokongan belian di kaunter wajaran tinggi terpilih. Perdana Menteri membentangkan Bajet 2024, bertemakan “Pembaharuan Ekonomi, Memperkasa Rakyat” di mana ekonomi Malaysia diramal berkembang dalam lingkungan 4.0% hingga 5.0% tahun depan (2023E: 4.0%). Sementara itu, Bank Dunia dan IMF meramalkan KDNK benar Malaysia masing-masing berkembang sebanyak 3.9% dan 4.0% pada 2023. Kedua-dua agensi menjangkakan KDNK Malaysia tumbuh 4.3% pada 2024.

4.9 SUASANA PASARAN WANG TEMPATAN

Jawatankuasa Dasar Monetari (MPC) BNM memutuskan untuk mengekalkan OPR pada 3.00% dalam mesyuarat yang bersidang pada 7 September 2023.

Ekonomi global terus berkembang, didorong oleh keadaan permintaan dalam negeri yang berdaya tahan dengan sokongan keadaan pasaran pekerja yang teguh. Walau bagaimanapun, pertumbuhan global terus terjejas disebabkan oleh inflasi teras yang kekal tinggi dan kadar faedah yang lebih tinggi. Perdagangan global juga terjejas disebabkan oleh peralihan perbelanjaan (rotation of spending) daripada barangan kepada perkhidmatan serta permintaan yang terus berkurang dalam sektor elektrik dan elektronik (electrical and electronics, E&E). Pertumbuhan di China yang lebih perlahan daripada jangkaan turut menjejaskan ekonomi global. Pada peringkat global, inflasi keseluruhan terus menurun. Meskipun inflasi teras semakin perlahan di ekonomi maju, inflasi tersebut masih melebihi purata jangka panjang. Pendirian dasar monetari bagi kebanyakan bank pusat dijangka kekal ketat. Prospek pertumbuhan terus bergantung pada risiko pertumbuhan menjadi lebih perlahan, terutamanya disebabkan oleh momentum ekonomi negara maju yang lebih perlahan, inflasi sebenar yang lebih tinggi daripada jangkaan, ketegangan geopolitik yang semakin meruncing dan keadaan pasaran kewangan yang menjadi ketat secara mendadak.

Pada suku kedua tahun 2023, pertumbuhan ekonomi Malaysia telah terkesan akibat permintaan luaran yang lebih perlahan dan pengeluaran komoditi yang menurun. Pada masa hadapan, pertumbuhan akan terus didorong oleh perbelanjaan dalam negeri yang berdaya tahan dalam keadaan persekitaran luaran yang mencabar. Pertumbuhan guna tenaga dan upah yang berterusan, khususnya dalam sektor berorientasikan dalam negeri, terus menyokong perbelanjaan isi rumah. Ketibaan dan perbelanjaan pelancong dijangka terus meningkat. Aktiviti pelaburan akan disokong oleh projek infrastruktur berbilang tahun yang terus dilaksanakan serta pelaksanaan inisiatif pemangkin di bawah beberapa pelan induk nasional yang diumumkan baru-baru ini. Keadaan kewangan domestik juga terus kondusif untuk pengantaraan kewangan berikutan pertumbuhan kredit yang berterusan.

4.9 SUASANA PASARAN WANG TEMPATAN (SAMB.)

Faktor-faktor ini akan terus menyokong momentum pertumbuhan menjelang tahun 2024. Meskipun prospek pertumbuhan bergantung pada risiko pertumbuhan menjadi perlahan yang berpunca daripada permintaan luaran yang lebih lemah daripada jangkaan dan penurunan pengeluaran komoditi yang lebih besar dan berpanjangan. Namun, kemungkinan pertumbuhan menjadi lebih tinggi berpunca terutamanya daripada aktiviti pelancongan yang lebih kukuh daripada jangkaan, permintaan EPE yang pulih dengan lebih teguh serta pelaksanaan projek sedia ada dan projek baharu yang lebih pantas.

Inflasi keseluruhan dan inflasi teras terus mereda berikutan keadaan kos yang lebih sederhana. Trend menurun ini dijangka berterusan pada separuh kedua tahun 2023, mencerminkan sebahagiannya asas yang lebih tinggi daripada separuh kedua tahun 2022 dan momentum kenaikan harga yang terus reda. Risiko terhadap prospek inflasi terus sangat dipengaruhi oleh perubahan dasar dalam negeri mengenai subsidi dan kawalan harga, perkembangan harga komoditi global dan pasaran kewangan, serta inflasi teras yang berlarutan.

(Sumber: Laman sesawang Bank Negara Malaysia)

4.10 KEPENTINGAN PEMEGANG-PEMEGANG UNIT

Sepanjang tempoh kajian berakhir 31 Oktober 2023, tiada sebarang kejadian yang menjejaskan kepentingan Pemegang-Pemegang Unit selain daripada urusan-ususniaga yang dijalankan selaras dengan Surat Ikatan Amanah, Garis panduan Tabung Unit Amanah, Akta Pasaran Modal dan Perkhidmatan 2007 dan undang-undang lain yang berkuatkuasa.

4.11 REBAT DAN KOMISEN RINGAN

Sepanjang tempoh 6 bulan kewangan berakhir 31 Oktober 2023, Pengurus Dana menerima perkhidmatan daripada salah sebuah institusi broker saham yang membantu proses membuat keputusan berkaitan pelaburan Dana secara tidak langsung. Perkhidmatan yang diterima adalah dalam bentuk khidmat nasihat berkaitan hal-hal Syariah. Sebagai tambahan, Pengurus Dana juga telah menerima komisen ringan daripada syarikat broker saham dalam bentuk perisian dan perkakasan komputer yang berkaitan dengan pengurusan pelaburan Dana dan pengurusan pasaran saham dan ekonomi.

Nota: Laporan ini telah diterjemahkan daripada laporan asal (dalam Bahasa Inggeris). Jika terdapat perbezaan, sila rujuk kepada laporan Bahasa Inggeris.

5. TRUSTEE’S REPORT

TO THE UNIT HOLDERS OF PMB SHARIAH ESG GLOBAL EQUITY FUND (FORMERLY KNOWN AS PMB SHARIAH MID-CAP FUND) (“FUND”)

We have acted as Trustee of the Fund for the 6 months financial period ended 31 October 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, **PMB INVESTMENT BERHAD** has operated and managed the Fund during the period covered by these financial statements in accordance with the following:

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

For and on behalf of
CIMB ISLAMIC TRUSTEE BERHAD

DATIN EZREEN ELIZA BINTI ZULKIPLEE
Chief Executive Officer

KUALA LUMPUR

28 December 2023

6. SHARIAH ADVISER’S REPORT

TO THE UNIT HOLDERS OF PMB SHARIAH ESG GLOBAL EQUITY FUND ("FUND")

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, PMB Investment Berhad has operated and managed the Fund for the period covered by these financial statements namely, the semi-annual period ended 31 October 2023, in accordance with Shariah principles and requirements, and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The assets of the Fund comprise instruments that have been classified as Shariah compliant.

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

NURUL AQILA SUFIYAH LOKMAN
Designated Shariah Officer

KUALA LUMPUR

28 December 2023

7. STATEMENT BY MANAGER

To the Unit Holders of PMB SHARIAH ESG GLOBAL EQUITY FUND

We, **Mahani Binti Ibrahim** and **Mahdzir Bin Othman**, being two of the Directors of PMB Investment Berhad, do hereby state that in the opinion of the Manager, the semi-annual financial statements give a true and fair view on the financial position of the Fund as at 31 October 2023 and of its statement of comprehensive income, changes in equity and cash flows for the financial period ended 31 October 2023 in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and in accordance with the requirement of Guidelines on Unit Trust Funds by the Securities Commission Malaysia.

For and on behalf of

PMB INVESTMENT BERHAD

As Manager of PMB SHARIAH ESG GLOBAL EQUITY FUND

MAHANI BINTI IBRAHIM

Director

MAHDZIR BIN OTHMAN

Director

KUALA LUMPUR

12 December 2023

8. FINANCIAL STATEMENT

STATEMENT OF UNAUDITED FINANCIAL POSITION AS AT 31 OCTOBER 2023

		<u>31.10.2023</u>	<u>30.04.2023</u>
ASSETS	NOTE	RM	RM
INVESTMENTS	4		
Quoted Shariah-compliant shares in Malaysia		-	22,298,487
Cash and cash equivalents	5	26,857,921	4,592,548
		<u>26,857,921</u>	<u>26,891,035</u>
OTHER ASSETS			
Profit receivable from Islamic deposits		13,807	1,074
Dividend receivable		-	103,541
		13,807	104,615
TOTAL ASSETS		26,871,728	26,995,650
LIABILITIES			
Amount owing to the Manager	6	27,773	33,252
Amount owing to the Trustee		912	1,119
Other payables and accruals		3,886	9,010
TOTAL LIABILITIES		32,571	43,381
NET ASSET VALUE		26,839,157	26,952,269
EQUITY			
Unitholders' capital	7	92,915,669	93,030,964
Accumulated loss		(66,076,512)	(66,078,695)
TOTAL NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		26,839,157	26,952,269
UNITS IN CIRCULATION	7	179,077,910	179,843,512
NET ASSET VALUE PER UNIT (RM)	8	0.1499	0.1499

**STATEMENT OF UNAUDITED COMPREHENSIVE INCOME
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023**

		6 months ended <u>31.10.2023</u>	6 months ended <u>31.10.2022</u>
	NOTE	RM	RM
INVESTMENTS INCOME			
Profits from Islamic deposits		196,605	30,831
Hibah from Al-Wadiah savings		269	57
Dividends income		252,300	308,376
Net profit/(loss) from sales of investments		1,900,563	(1,574,391)
Net unrealised loss on changes in fair value of investments	9	<u>(2,040,493)</u>	<u>(1,888,563)</u>
		<u>309,244</u>	<u>(3,123,690)</u>
EXPENSES			
Management fee	10	222,733	195,306
Trustee fee	11	6,166	6,510
Audit fee		2,421	4,000
Tax agent fee		454	650
Stockbroking fee and other transaction costs	12	73,342	150,761
Administrative expenses		1,945	2,676
		<u>307,061</u>	<u>359,903</u>
PROFIT/(LOSS) BEFORE TAXATION		2,183	(3,483,593)
Taxation	13	-	-
PROFIT/(LOSS) AFTER TAXATION		<u>2,183</u>	<u>(3,483,593)</u>
PROFIT/(LOSS) AFTER TAXATION IS MADE UP AS FOLLOWS:			
NET REALISED PROFIT/(LOSS)		2,042,676	(1,595,030)
NET UNREALISED LOSS	9	<u>(2,040,493)</u>	<u>(1,888,563)</u>
		<u>2,183</u>	<u>(3,483,593)</u>

STATEMENT OF UNAUDITED CHANGES IN EQUITY
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

		Unitholders' <u>Capital</u>	Accumulated <u>Loss</u>	Total <u>Equity</u>
	NOTE	RM	RM	RM
As at 1 May 2022		92,104,686	(62,772,638)	29,332,048
Net realised loss		-	(1,595,030)	(1,595,030)
Net unrealised loss	10	-	(1,888,563)	(1,888,563)
Creation of units	8	1,237,584	-	1,237,584
Cancellation of units	8	(522,981)	-	(522,981)
As at 31 October 2022		92,819,289	(66,256,231)	26,563,058
As at 1 May 2023		93,030,964	(66,078,695)	26,952,269
Net realised profit		-	2,042,676	2,042,676
Net unrealised loss	10	-	(2,040,493)	(2,040,493)
Creation of units	8	594,017	-	594,017
Cancellation of units	8	(709,312)	-	(709,312)
As at 31 October 2023		92,915,669	(66,076,512)	26,839,157

STATEMENT OF UNAUDITED CASH FLOWS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

	<u>31.10.2023</u>	<u>31.10.2022</u>
	RM	RM
CASH FLOWS FROM INVESTING AND OPERATING ACTIVITIES		
Proceeds from sale of investments	23,127,081	21,613,891
Purchase of investments	(968,524)	(20,458,887)
Dividends received	355,841	254,529
Profit from Islamic deposits	183,874	30,195
Hibah from Al-Wadiah savings	269	57
Management fee paid	(214,117)	(200,658)
Trustee fee paid	(6,372)	(7,942)
Payment for audit fee	(8,000)	(8,000)
Payment for tax agent fee	-	(1,300)
Payment of other expenses	<u>(75,287)</u>	<u>(153,437)</u>
Net cash generated from investing and operating activities	22,394,765	1,068,448
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	579,369	147,174
Payment of cancellation of units	(708,761)	(527,081)
Net cash used in financing activities	<u>(129,392)</u>	<u>(379,907)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	22,265,373	688,541
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	4,592,548	1,798,089
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>26,857,921</u>	<u>2,486,630</u>
CASH AND CASH EQUIVALENTS COMPRISE OF:		
Al-Wadiah Savings	59,467	139,550
Islamic deposits with licensed financial institutions in Malaysia	<u>26,798,454</u>	<u>2,347,080</u>
	<u>26,857,921</u>	<u>2,486,630</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

1. THE FUND, THE MANAGER AND PRINCIPAL ACTIVITY

PMB Shariah ESG Global Equity Fund (formerly known as PMB Shariah Mid-Cap Fund) (“the Fund”) was established pursuant to the execution of a 3rd Supplemental Master Deed dated 13 November 2013 between the Manager, PMB Investment Berhad, the Trustee, CIMB Islamic Trustee Berhad, for the registered unitholders of the Fund. By a 4th Supplemental Master Deed dated 4 March 2014, the Fund has changed its name from ASM Shariah Dividend Fund to PMB Shariah Dividend Fund. The Fund is governed by a Master Deed dated 13 June 2008 and subsequent Supplemental Master Deeds (collectively referred to as “Deeds”). On 14 August 2023, the Fund has changed its name to PMB Shariah ESG Global Equity Fund in order to meet the new objective which is to achieve capital growth over the medium to long term period by investing in an Environmental, Social and Governance (ESG) portfolio of Shariah-compliant securities listed on global exchanges.

The main activity of PMB Shariah ESG Global Equity Fund is to invest between 70% to 99.5% of the Fund’s Net Asset Value (“NAV”) into Shariah-compliant and ESG-compliant global equities and Shariah-compliant and ESG-compliant equity related securities but not limited to the constituents of Morgan Stanley Capital International All Country World Islamic (“MSCI ACWI”) Index. The remaining balance will be invested in Islamic money market instruments, Islamic deposit placements and/or other Shariah-compliant permitted investments. The Fund also integrates ESG consideration into its investment portfolio.

The Manager is a company incorporated in Malaysia and wholly owned by Pelaburan MARA Berhad. The principal activity of the Manager is management of Unit Trust Funds and Corporate Funds.

2. OBJECTIVES AND POLICIES OF FINANCIAL RISK MANAGEMENT

This Unit Trust Fund operations are exposed to several risks including equity market risk, stock specific risk, equity-related securities risk, Shariah status reclassification risk, liquidity risk, country risk, currency risk and ESG investment risk. Financial risk management is carried out through the system of internal control and investment restrictions outlined in the Guidelines on Unit Trust Funds by the Securities Commission Malaysia and based on Shariah principles.

(a) Equity Market Risk

The performance of the Fund is subject to the volatility of the stock market which is influenced by the changes in the economic and political climate, interest rate, international stock market performance and regulatory policies. The movement of the value in the underlying investment portfolio will affect the Net Asset Value (“NAV”) of the Fund. Any downward movement of the value will negatively impact the NAV of the Fund.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

2. OBJECTIVES AND POLICIES OF FINANCIAL RISK MANAGEMENT (CONTD.)

(a) Equity Market Risk (Contd.)

The table below shows the impact on NAV of the Fund at the reporting date due to the possible change in equity price with all other variables held constant:

<u>Quoted Shariah-compliant shares</u> RM	<u>Changes in equity price</u> RM	<u>Impact on distributed net asset value</u> RM
-	+5 / -5	-

(b) Stock Specific Risk

Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock will adversely affect the Fund's NAV.

(c) Equity-related Securities Risk

The value of the Shariah-compliant equity-related securities depends on the value of the underlying equities that the Shariah-compliant securities are related to. Any upward movement in the value of the underlying Shariah-compliant equities may result an upward movement of the value of the respective Shariah-compliant equity-related securities, and vice versa. Hence, the movement of the value of the Shariah-compliant equity-related securities will affect the value of the Fund. The Fund may also invest in Shariah-compliant equity-related securities such as Shariah-compliant warrants, that have an expiry date and may experience time decay and the erosion of value accelerates as the instrument advances to its expiry date. If the Shariah-compliant warrant is not exercised on or before the expiry date, the Shariah-compliant warrant will have no value and negatively impact the NAV of the Fund.

(d) Shariah Status Reclassification Risk

(a) Shariah-compliant equity securities

This risk refers to the risk that the currently held Shariah-compliant equity securities in the portfolio of the Fund may be reclassified as Shariah non-compliant in the periodic review of the securities by the Shariah Advisory Council ("SAC") of the Securities Commission Malaysia ("SC"), the Shariah Adviser or the Shariah Supervisory Boards of relevant Islamic indices. If this occurs, the Manager will take the necessary steps to dispose of such securities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

2. OBJECTIVES AND POLICIES OF FINANCIAL RISK MANAGEMENT (CONTD.)

(d) Shariah Status Reclassification Risk (Contd.)

(a) Shariah-compliant equity securities (Contd.)

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

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

(b) Islamic fixed income instruments or Islamic money market instruments or Islamic deposits or Islamic collective investment schemes

The risk refers to the risk of a possibility that the currently held Islamic fixed income instruments or Islamic money market instruments or Islamic deposits or Islamic collective investment schemes invested by the Fund may be declared as Shariah non-compliant by the relevant authority or the Shariah Adviser. If this occurs, the Manager will take the necessary steps to dispose of or withdraw such fixed income instruments or money market instruments or deposits or collective investment schemes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

2. OBJECTIVES AND POLICIES OF FINANCIAL RISK MANAGEMENT (CONTD.)

(e) Liquidity Risk

Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the Fund holds assets that are illiquid, or are difficult to dispose of, the value of the Fund will be negatively affected when it has to sell such assets at unfavorable prices.

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

The table below summarises the Fund's financial liabilities into relevant maturity grouping 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.

	<u>Less than 1 month</u> RM	31.10.2023 BETWEEN <u>1 month to 1 year</u> RM	<u>Total</u> RM
Amount owing to the Manager	27,773	-	27,773
Amount owing to the Trustee	912	-	912
Other payables and accruals	-	3,886	3,886
Contractual cash outflows	28,685	3,886	32,571
	<u>Less than 1 month</u> RM	30.04.2023 BETWEEN <u>1 month to 1 year</u> RM	<u>Total</u> RM
Amount owing to the Manager	33,252	-	33,252
Amount owing to the Trustee	1,119	-	1,119
Other payables and accruals	-	9,010	9,010
Contractual cash outflows	34,371	9,010	43,381

(f) Country Risk

Investment of the Fund in any countries may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the Fund invests in.

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

2. OBJECTIVES AND POLICIES OF FINANCIAL RISK MANAGEMENT (CONTD.)

(g) Currency Risk

As the investment of the Fund may be denominated in currencies other than the base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements of the Fund are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies and in compliance with the Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards (“IFRSs”) and Guidelines on Unit Trust Funds by the Securities Commission Malaysia.

(i) Applications towards MFRS and amendments to MFRS

Adoption of new and amended standards

During the financial period, the Fund has adopted the following amended MFRSs that are mandatory for annual financial periods beginning on or after 1 January 2023:

- Amendments to MFRS 17 Insurance Contracts (Initial Application of MFRS 17 and MFRS 9 Comparative Information)
- Amendments to MFRS 108 – Accounting policies, Changes in Accounting Estimates and Errors (Definition of Accounting Estimates)
- Amendments to MFRS 112 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

The adoption of the new standards and amendments to standards and interpretations did not have any significant impact on the financial statements of the Fund.

Standards issued but not yet effective

Effective for financial year beginning on or after 1 January 2024:

- Amendments to MFRS 16 – Lease Liability in a Sale and Leaseback
- Amendments MFRS 101 - Presentation of Financial Statements (Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies)

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

(a) Basis of Preparation (Contd.)

(i) Applications towards MFRS and amendments to MFRS (Contd.)

Effective date of these Amendments to Standards has been deferred, and yet to be announced:

- Amendments to MFRS 10 and MFRS 128 - Investments in Associates and Joint Venture (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)

The adoption of the above standards and interpretations will have no material impact on the financial statements of the Fund.

(b) Quoted Shariah-compliant Shares

Unit trust is subject to the Trust Deed whereby quoted Shariah-compliant shares are valued at the market closing price on Bursa Malaysia and foreign stock exchange at the reporting date.

(c) Dividend Income

The amount of dividend from investment is determined on an accrual basis once the company's share price is recorded "XD" (without dividend) on Bursa Malaysia and foreign stock exchange. The single tier system was introduced effective 1 January 2008 and single-tier dividend distributed by a resident company are exempt from tax in Malaysia.

(d) Profit from Islamic Deposits

The profit from Islamic deposits is recognised on accrual basis using the effective profit rate method. The profit received by the Fund was derived from Malaysia and credited by any bank or financial institution licensed under the Financial Services Act 2013 or Islamic Financial and Services Act 2013 which are exempt from tax according to Income Tax Act 1967 (ITA 1967).

(e) Profit / (Loss) from Sale of Investments

Costs incurred to determine profit / (loss) from sale of investments are based on the weighted average cost. Pursuant to ITA 1967, profit from realisation of investments will not be treated as income of the Fund and are not subject to tax.

(f) Unrealised Profit / (Loss)

Unrealised profit and losses comprise changes in the fair value of financial instruments for the period and from reversal of prior period's unrealised gains and losses for financial instrument which were realised (i.e. sold, redeemed or matured) during the reporting period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

(g) Creation and Cancellation of Units

Proceeds from creation of units and payment of cancellation of units are based on the market value of the units comprising the share of capital and the portion of income at the date of the invention or disposition.

(h) Transaction Costs

Transaction costs are cost incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to brokers and dealers. Transaction costs, when incurred, are immediately recognised in profit or loss as an expenses.

(i) Distribution Equalisation

Distribution equalisation is accounted for on the date of issue and depreciation based on the average amount of distributable income included in the unit price and disposals.

(j) Cash and Cash Equivalents

Cash and cash equivalents comprise of Islamic deposits and Al-Wadiah savings with banks and licensed financial institutions where such savings are based on Shariah principles.

(k) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia (“RM”), the currency of the primary economic environment in which the Company operates (its functional currency).

(l) Financial Instruments

(i) Recognition and Initial Measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

An embedded derivative is recognised separately from the host contract where the host contract is not a financial asset, and accounted for separately if, and only if, the derivative is not closely related to the economic characteristics and risks of the host contract and the host contract is not measured at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

(I) Financial Instruments (Contd.)

(i) Recognition and Initial Measurement (Contd.)

The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

(ii) Financial instrument categories and subsequent measurement

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Fund changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

(a) Amortised cost (AC)

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective profit method. The amortised cost is reduced by impairment losses. Profit income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Profit income is recognised by applying effective profit rate to the gross carrying amount except for credit impaired financial assets where the effective profit rate is applied to the amortised cost.

(b) Fair value through other comprehensive income (FVOCI)

(i) Debt investments

Fair value through other comprehensive income category comprises debt investment where it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the debt investment, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding. The debt investment is not designated as at fair value through profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023**

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

(l) Financial Instruments (Contd.)

- (ii) Financial instrument categories and subsequent measurement (Contd.)

Financial assets (Contd.)

- (b) Fair value through other comprehensive income (FVOCI) (Contd.)**

(i) Debt investments

Profit income calculated using the effective profit method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income.

On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Profit income is recognised by applying effective profit rate to the gross carrying amount except for credit impaired financial assets where the effective profit rate is applied to the amortised cost.

(ii) Equity investments

This category comprises investment in equity that is not held for trading, and the Fund irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of investment.

Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are not reclassified to profit or loss.

(c) Fair value through profit or loss (FVPL)

All financial assets not measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. This includes derivative financial assets (except for a derivative that is a designated and effective hedging instrument). On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

(l) Financial Instruments (Contd.)

(ii) Financial instrument categories and subsequent measurement (Contd.)

(c) Fair value through profit or loss (FVPL) (Contd.)

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair value. Net gains or losses, including any profit or dividend income, are recognised in the profit or loss.

All financial assets, except for those measured at fair value through profit or loss and equity investments measured at fair value through other comprehensive income, are subject to impairment assessment.

Financial liabilities

The categories of financial liabilities at initial recognition are as follows:

(a) Amortised cost (AC)

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective profit method.

Profit expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

(b) Provisions

Provision is recognised only when the Fund has a present obligation (legal and constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provision are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

(l) Financial Instruments (Contd.)

(iii) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expired or transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expired. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Fund currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

(v) Unitholders' Contribution

The Unitholders' contributions to the Fund meet the definition of puttable instruments classified as equity under the MFRS 9.

Instruments classified as equity are measured at cost and are not remeasured subsequently.

Distribution equalisation is accounted for at the date of creation and cancellation of units of the Fund. It represents the average amount of distributable income or loss included in the creation and cancellation prices of units.

(m) Impairment of Assets

(i) Financial assets

The Fund recognised loss allowances for expected credit losses on financial assets measured at amortised cost, debt investments measured at fair value through other comprehensive income, contract assets and lease receivables.

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

(m) Impairment of Assets (Contd.)

(i) Financial assets (Contd.)

Expected credit losses are a probability-weighted estimate of credit losses.

The Fund measures loss allowances at an amount equal to lifetime expected credit loss, except for debt securities that are determined to have low credit risk at the reporting date, cash and bank balance and other debt securities for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables, contract assets and lease receivables are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Fund consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Fund are exposed to credit risk.

The Fund estimates the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of debt investments measured at fair value through other comprehensive income is recognised in profit or loss and the allowance account is recognised in other comprehensive income.

At each reporting date, the Fund assesses whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income are credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

(m) Impairment of Assets (Contd.)

(i) Financial assets (Contd.)

The gross carrying amount of a financial asset is written off (either partially or fully) to the extent that there is no realistic prospect of recovery. This is generally the case when the Fund determines that the obligor does not have assets or sources of income that could generate sufficient cash flows to pay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Fund's procedures for recovery amounts due.

(ii) Other assets

The carrying amounts of other assets (except for inventories, contract assets, lease receivables, deferred tax asset, assets arising from employee benefits, investment property measured at fair value and non-current assets (or disposal groups) classified as held for sale) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

(m) Impairment of Assets (Contd.)

(ii) Other assets (Contd.)

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (groups of cash-generating units) on a *pro rata* basis. An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

(n) Fair Value of financial instruments

Financial instruments comprise financial assets and financial liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. exit price).

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

An active market is a market in which transactions for the assets and liabilities 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.

The carrying values of cash and cash equivalents, amount owing by stockbroking, profit receivable from Islamic deposits, dividend receivable and all current liabilities are reasonable approximations of their fair values due to their short-term nature.

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active market for identical assets or liabilities (Level 1).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023**

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

(n) Fair Value of financial instruments (Contd.)

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

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

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

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

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

<u>31.10.2023</u>	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
Financial Assets at FVPL				
Quoted Shariah-compliant shares	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

(n) Fair Value of financial instruments (Contd.)

<u>30.04.2023</u>	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
Financial Assets at FVPL				
Quoted Shariah-compliant shares	22,298,487	-	-	22,298,487

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed Islamic collective investment schemes and Shariah-compliant equities.

4. INVESTMENTS

Details are as follows:

		<u>31.10.2023</u> RM	<u>30.04.2023</u> RM
	Note		
Quoted Shariah-compliant shares @ cost		-	20,257,994
Surplus		-	2,040,493
Market Value		-	22,298,487
Islamic Deposits	5	26,798,454	4,544,494
Total Investments		26,798,454	26,842,981

The list of investments as per Schedule A.

5. CASH AND CASH EQUIVALENTS

		<u>31.10.2023</u> RM	<u>30.04.2023</u> RM
	Note		
Islamic deposits with licenced financial institutions in Malaysia	4	26,798,454	4,544,494
Al – Wadiah savings		59,467	48,054
		26,857,921	4,592,548

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023**

5. CASH AND CASH EQUIVALENTS (CONTD.)

Islamic deposits include fixed deposits based on Shariah principles in licensed financial institutions as follows:

	<u>31.10.2023</u>	<u>30.04.2023</u>
	RM	RM
Islamic Banks	22,271,876	320,000
Investment Banks	4,526,578	4,224,494
	<u>26,798,454</u>	<u>4,544,494</u>

Average profit rate during the financial period and the average maturity of the Islamic deposits on the closing date are as follows:

	<u>Average Profit Rate</u> %	<u>Average Maturity Period</u> Days
<u>31.10.2023</u>		
Islamic Banks	2.90	12
Investment Banks	3.00	15
	<u>3.00</u>	<u>15</u>
<u>30.04.2023</u>		
Islamic Banks	2.60	7
Investment Banks	2.70	4
	<u>2.70</u>	<u>4</u>

6. AMOUNT OWING TO THE MANAGER

	<u>31.10.2023</u>	<u>30.04.2023</u>
	RM	RM
Creation of unit receivable	23,549	8,903
Cancellation of unit payable	(9,148)	(8,596)
Management fee accrued	(42,174)	(33,559)
	<u>(27,773)</u>	<u>(33,252)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

7. UNITHOLDERS' CAPITAL

	31.10.2023		30.04.2023	
	Unit	RM	Unit	RM
Balance brought forward	179,843,512	93,030,964	174,532,876	92,104,686
Creation of units during the period	4,005,250	594,017	13,793,638	2,200,260
	<u>183,848,762</u>	<u>93,624,981</u>	<u>188,326,514</u>	<u>94,304,946</u>
Cancellation of units during the period	(4,770,852)	(709,312)	(8,483,002)	(1,273,982)
Balance carried forward	<u>179,077,910</u>	<u>92,915,669</u>	<u>179,843,512</u>	<u>93,030,964</u>

8. NET ASSET VALUE

Net Asset Value is derived after deducting the total liabilities of the Fund from the Fund's total assets, as per follows:

	31.10.2023		30.04.2023	
	RM	RM/ Unit	RM	RM/ Unit
Net asset value per unit attributable to the unitholders as disclosed in the Financial Statements	<u>26,839,157</u>	<u>0.1499</u>	<u>26,952,269</u>	<u>0.1499</u>

9. NET UNREALISED PROFIT/(LOSS) ON CHANGES IN FAIR VALUE OF INVESTMENTS

	31.10.2023	31.10.2022
	RM	RM
Unrealised profit on quoted Shariah-compliant shares	-	573,810
Total Unrealised profit	-	573,810
Less: Unrealised profit of previous year	<u>(2,040,493)</u>	<u>(2,462,373)</u>
	<u>(2,040,493)</u>	<u>(1,888,563)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023**

10. MANAGEMENT FEE

The fee paid to the Manager, PMB Investment Berhad is computed on a daily basis at 1.5% per annum (until 11 August 2023) and changed to 1.85% per annum (from 12 August 2023 until financial period ended 31 October 2023) on the Net Asset Value before deducting Management fee and Trustee fee for that particular day.

11. TRUSTEE FEE

The fee paid to Trustee, CIMB Islamic Trustee Berhad is computed on a daily basis at 0.05% per annum (until 11 August 2023) and changed to 0.04% per annum (from 12 August 2023 until financial period ended 31 October 2023) on the Net Asset Value subject to a minimum fee of RM12,000 per annum before deducting Management fee and Trustee fee for that particular day.

12. TRANSACTIONS WITH BROKER/DEALER (01/05/2023 – 31/10/2023)

Broker/Dealer	Transaction Value RM	%	Commission & Fee RM	%
KAF Equity Sdn Bhd	7,474,960	31.02	21,121	28.80
Phillip Capital Sdn Bhd	6,585,981	27.33	19,367	26.40
Kenanga Investment Bank Bhd	5,893,566	24.46	19,228	26.22
RHB Investment Bank Bhd	1,676,508	6.96	5,534	7.54
Public Investment Bank Bhd	1,606,882	6.67	5,286	7.21
Affin Hwang Investment Bank Bhd	857,708	3.56	2,806	3.83
Total	24,095,605	100.00	73,342	100.00

13. TAXATION

	<u>31.10.2023</u> RM	<u>31.10.2022</u> RM
Taxation for the period	-	-

Taxes are imposed at a rate of 24% on dividend chargeable income less allowance allowed at 10%.

The reconciliation between tax expenses and accounting profit multiplied by 24% tax rates for the financial period ended 31 October 2023 is as follows:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

13. TAXATION (CONTD.)

	<u>31.10.2023</u>	<u>31.10.2022</u>
	RM	RM
Profit/(Loss) before taxation	2,183	(3,483,593)
Taxation at the rate of 24%	<u>524</u>	<u>(836,062)</u>
Tax effect of income not subject to tax	(74,219)	749,686
Tax effect of expenses not allowed	<u>73,695</u>	<u>86,376</u>
Taxation for the period	<u>-</u>	<u>-</u>

14. DISTRIBUTION

No income distribution to the unitholders is recommended for the 6 months financial period ended 31 October 2023. [2022: No income distribution had been declared].

15. MANAGER'S AND DIRECTORS' INTERESTS

The details of the interests of the Manager and the Directors of the Company in the Fund are as follows: -

	<u>31.10.2023</u>	<u>31.10.2022</u>
(a) Unit Holding		
PMB Investment Berhad	Nil	Nil
Directors	Nil	Nil
(b) Expenses		
Management fee paid and accrued	RM222,733	RM195,306

Transactions between Fund, Manager and related parties are based on normal business transactions. The holding of the Manager's unit is based on beneficial holdings.

16. TOTAL EXPENSE RATIO ("TER")

TER is calculated as follows: -	<u>31.10.2023</u>	<u>31.10.2022</u>
TER = $\frac{\text{Fees of the Fund} + \text{Recovered expenses of the Fund} \times 100}{\text{Average net asset value of the Fund calculated on a daily basis}}$	0.87%	0.81%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

17. PORTFOLIO TURNOVER RATIO (“PTR”)

PTR is calculated as follows: 31.10.2023 31.10.2022

PTR = $\frac{(\text{Total acquisition} + \text{Total disposals})/2}{\text{Average net asset value of the Fund calculated on a daily basis}}$ **0.45 times** 0.82 times

18. FINANCIAL INSTRUMENTS

a) Classification of financial instruments

The table below provides an analysis of financial instruments categories as follows:

- i) Amortised Cost (AC)
- ii) Fair Value Through Profit or Loss (FVPL)

<u>31.10.2023</u>	<u>Carrying Amount</u> RM	<u>AC</u> RM	<u>FVPL</u> RM
Financial Assets			
Cash and cash equivalents	26,857,921	26,857,921	-
Profits receivable from Islamic deposits	13,807	13,807	-
	<u>26,871,728</u>	<u>26,871,728</u>	<u>-</u>

<u>31.10.2023</u>	<u>Carrying Amount</u> RM	<u>AC</u> RM
Financial Liabilities		
Amount owing to the Manager	27,773	27,773
Amount owing to the Trustee	912	912
Other payables and accruals	3,886	3,886
	<u>32,571</u>	<u>32,571</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

18. FINANCIAL INSTRUMENTS (CONTD.)

a) Classification of financial instruments (Contd.)

<u>30.04.2023</u>	<u>Carrying Amount RM</u>	<u>AC RM</u>	<u>FVPL RM</u>
Financial Assets			
Quoted Shariah – compliant shares in Malaysia	22,298,487	-	22,298,487
Cash and cash equivalents	4,592,548	4,592,548	-
Profits receivable from Islamic deposits	1,074	1,074	-
Dividend receivable	103,541	103,541	-
	<u>26,995,650</u>	<u>4,697,163</u>	<u>22,298,487</u>

<u>30.04.2023</u>	<u>Carrying Amount RM</u>	<u>AC RM</u>
Financial Liabilities		
Amount owing to the Manager	33,252	33,252
Amount owing to the Trustee	1,119	1,119
Other payables and accruals	9,010	9,010
	<u>43,381</u>	<u>43,381</u>

19. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by Manager on the date of these financial statements.

SCHEDULE A

**PMB SHARIAH ESG GLOBAL EQUITY FUND
LIST OF INVESTMENTS AS AT 31 OCTOBER 2023**

No	FINANCIAL INSTITUTION	TYPE	PLACEMENT	PLACEMENT	PERCENTAGE
			COST	FUND VALUE	OF NET ASSET VALUE
			RM	RM	%
A ISLAMIC DEPOSITS					
1	Bank Islam Malaysia Bhd	Commodity Murabahah	854,827	855,630	3.19
2	Bank Islam Malaysia Bhd	Commodity Murabahah	3,605,363	3,605,926	13.43
3	CIMB Islamic Bank Bhd	Commodity Murabahah	4,501,037	4,503,454	16.78
4	Hong Leong Islamic Bank Bhd	Commodity Murabahah	4,250,000	4,251,746	15.84
5	Kenanga Investment Bank Bhd	Commodity Murabahah	652,750	653,125	2.43
6	Kenanga Investment Bank Bhd	Commodity Murabahah	3,873,829	3,874,465	14.44
7	Kuwait Finance House (M) Bhd	Commodity Murabahah	4,516,804	4,521,259	16.85
8	Maybank Islamic Bank Bhd	Commodity Murabahah	2,915,365	2,917,413	10.87
9	Maybank Islamic Bank Bhd	Commodity Murabahah	1,628,479	1,629,242	6.07
Total Islamic Deposits			26,798,454	26,812,260	99.90

9. BUSINESS INFORMATION NETWORK

SALES OFFICES

Head Office

2nd Floor, Wisma PMB,
No.1A, Jalan Lumut,
50400, Kuala Lumpur.
Tel: (03) 4145 3800 Fax: (03) 4145 3901
E-mail: clients@pelaburanmara.com.my

Central Region

1st Floor, Wisma PMB,
No. 1A, Jalan Lumut
50400 Kuala Lumpur
Tel: (03) 4145 3900 Fax: (03) 4145 3901
E-mail: pmbi.central@pelaburanmara.com.my

Northern Region

No. 46 1/F Jalan Todak 2
Pusat Bandar Seberang Jaya
13700 Perai, Pulau Pinang
Tel: (04) 3909036 Fax: (03) 40443800
H/P: (013) 2710392 (Suhaila Malzuki)
E-mail: pmbi.north@pelaburanmara.com.my
suhaila@pelaburanmara.com.my

Eastern Region

Lot D103, Tingkat 1, Mahkota Square
Jalan Mahkota, 25000 Kuantan, Pahang
Tel: (09) 5158545 Fax: (09) 5134545
H/P: (017) 7710117 (Ameer Khalifa Mohd Azman)
E-mail: pmbi.east@pelaburanmara.com.my
ameer.khalifa@pelaburanmara.com.my

Southern Region

No. 17-01, Jalan Molek 1/29
Taman Molek, 81100 Johor Bahru
Tel: (07) 3522120 Fax: (07) 3512120
H/P: (016) 2232414 (Suraya Rosli)
E-mail: pmbi.south@pelaburanmara.com.my
suraya@pelaburanmara.com.my

Sarawak

No. 59, Tingkat 1, Jalan Tun Jugah
93350 Kuching, Sarawak
Tel: (082) 464402 Fax: (082) 464404
H/P: (013) 8230645 (John Nyaliaw)
E-mail: pmbi.sarawak@pelaburanmara.com.my
john@pelaburanmara.com.my

SALES OFFICES

Sabah

Lot 16-4, Block C, Level 4 Harbour City, Sembulan
88100 Kota Kinabalu, Sabah
Tel: (088) 244129 Fax: (088) 244419
E-mail: pmbi.sabah@pelaburanmara.com.my

STATE SALES OFFICE:

Kedah

No. 65, 1st Floor, Kompleks Sultan Abdul Hamid,
Persiaran SSAH 1A, 05050 Alor Setar, Kedah
Tel: (04) 7724000
E-mail: pmbi.kedah@pelaburanmara.com.my

Kelantan

Tingkat 1, Lot 1156, Seksyen 11,
15100 Kota Bharu, Kelantan
Tel: (09) 7421791 Fax: (09) 7421790
E-mail: pmbi.kelantan@pelaburanmara.com.my

AGENCY OFFICES

Kuala Lumpur

Abdul Samad Ashaari
Suite 8-1 & 8-2, Level 8 Menara CIMB,
No.1, Jalan Stesen Sentral 2,
Kuala Lumpur Sentral,
50470 Kuala Lumpur
H/P: (019) 2206085
E-mail: samad.ashaari@gmail.com

Kuala Lumpur

Amir Md Yusof
No. 55-1, Jln 3/23A,
Off Jln Genting Klang, Tmn Danau Kota,
53300 Kuala Lumpur
H/P: (011) 16776969
E-mail: orangkeramat88@yahoo.com

Ahmad Sanusi Husain

Tingkat 16, Menara TH 1 Sentral,
Jalan Rakyat, Kuala Lumpur Sentral,
50470 Kuala Lumpur
H/P: (019) 2348786
E-mail: sanusi.my@gmail.com

AGENCY OFFICES

Kuala Lumpur

Zakira Ramlee
Tingkat 3A, 1st Floor, Sunway Visio Tower,
Lingkar SV, Sunway Velocity,
55100 Kuala Lumpur
H/P: (012) 6083140
E-mail: zakira.pelaburanmara@gmail.com

Selangor

Azrin Aliman
No.2-19, Level 2, Jalan Prima SG1,
Prima Sri Gombak,
68100, Batu Caves, Selangor
H/P: (012) 9239599
E-mail: azrinaliman@gmail.com

Terengganu

Mohd Nazri Othman
No. 472-C, Tingkat 1, Jalan Kamaruddin
20400 Kuala Terengganu, Terengganu
H/P: (019) 9847878
E-mail: nazri.pmbi@gmail.com

Muhamad Zikri Shamsudin,
K8813-C-2, Jalan Kemaman/Dungun,
Bangunan MPK Kerteh,
Bandar Seri Kerteh,
24300 Kemaman, Terengganu
H/P: (013) 5025050
E-mail: muhamadzikrishamsudin@gmail.com

Institutional Unit Trust Agents:

iFast Capital Sdn. Bhd.
Phillip Mutual Berhad
TA Investment Management Berhad
UOB Kay Hian Securities (M) Sdn Bhd
KAF Investment Funds Berhad

Financial Institutions For Autodebit Services:

Bank Simpanan Nasional
CIMB Bank Berhad
Malayan Banking Berhad/Maybank Islamic Berhad
RHB Bank Berhad/RHB Islamic Bank Berhad

Corporate Unit Trust Adviser (CUTA):

Genexus Advisory Sdn. Bhd

10. INFORMATION OF CUSTOMER SERVICES

CUSTOMER SERVICES

You may communicate with us via: -

- Client Service Units : (03) 4145 3900
- E-mail : clients@pelaburanmara.com.my

Our Customer Service Personnel would assist your queries on our unit trust funds.

NOTES TO PROSPECTIVE INVESTORS

This report is not an offer to sell units.

Prospective investor should read and understand the contents of the Prospectus. If you are in doubt, please consult your investment adviser on this scheme.

Past performance of the Fund is not an indication of future performance and unit prices and investment returns may fluctuate.

11. INVESTOR PROFILE UPDATE FORM



**INVESTOR PROFILE UPDATE FORM
BORANG KEMASKINI MAKLUMAT PELABUR**

Full Name (as in NRIC / Passport) :

Nama Penuh (seperti dalam K/P / Pasport)

NRIC (Old) / Passport No. :

No. K/P (Lama) / No. Pasport

NRIC No. (New) :

No. K/P (Baru)

____ - ____ - _____

Tel. No. :

No. Tel.

____ - _____ (House)

(Rumah)

____ - _____ (Mobile)

(Bilik)

____ - _____ (Office)

(P pejabat)

Ext. :

Semb.

Fax No :

No. Faks

____ - _____

Email :

E-mel

Address :

Alamat

Marital Status :

Status Perkahwinan

Single

Married

Others (please specify) _____

Bujang

Berkahwin

Lain-lain (sila nyatakan)

Occupation :

Pekerjaan

Educational Level :

Taraf Pendidikan

Primary

Secondary

STPM / Diploma / Pre-U

Degree

Master

PhD

Asas

Menengah

STPM / Diploma / Pra-U

Sarjana Muda

Sarjana

PhD

Annual Household Income :

Pendapatan Tahunan Isi Rumah

Below RM18,000

RM18,001 - RM36,000

RM36,001 - RM60,000

RM18,000 ke bawah

RM18,001 - RM36,000

RM36,001 - RM60,000

RM60,001 - RM120,000

RM120,001 and Above

RM60,001 - RM120,000

RM120,001 dan ke atas

No. of Dependents (please indicate) : _____

Bil. Tanggungan (sila nyatakan)

Signature of Holder
Tandatangan Pemegang Unit

Date
Tarikh

- Please attached a copy of your new identity card for verification
Sila sertakan salinan kad pengenalan tuan/puan yang terkini untuk pengesahan

Disclaimer : By submitting this form, I consent to the processing of my personal data by PMB Investment Berhad, in accordance to its privacy policy at www.pmbinvestment.com.my.

Pengisahan : Dengan menyerahkan borang ini, saya memberi kebenaran kepada PMB Investment Berhad untuk memproses data peribadi saya, selaras dengan polisi privasi saya di www.pmbinvestment.com.my.



PMB Investment Berhad (256439-D)

Tingkat 2, Wisma PMB, No. 1A, Jalan Lumut, 50400 Kuala Lumpur

T : +603 – 4145 3900 F : +603 – 4145 3901

E : investorrelation@pelaburanmaja.com.my W : www.pmbinvestment.com.my

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Know How. No Doubt.

PMB INVESTMENT BERHAD
199301001702 (256439-D)

An Islamic Fund Management Company (IFMC)

Client Services Unit: +603 4145 3900



A member of  PELABURANMARA