

Quarterly Report for

AmIslamic Institutional 1

31 December 2024



AmInvest

Growing Your Investments in a Changing World

TRUST DIRECTORY

Manager

AmIslamic Funds Management Sdn Bhd
9th & 10th Floor, Bangunan AmBank Group
55 Jalan Raja Chulan
50200 Kuala Lumpur

Shariah Adviser

Amanie Advisors Sdn Bhd

Trustee

Deutsche Trustees Malaysia Berhad

Auditors and Reporting Accountants

Ernst & Young PLT

Taxation Adviser

Deloitte Tax Services Sdn Bhd

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MANAGER'S REPORT

Dear Unitholders,

We are pleased to present you the Manager's report and the unaudited quarterly accounts of Amlslamic Institutional 1 ("Fund") for the financial period from 1 October 2024 to 31 December 2024.

Salient Information of the Fund

Name	Amlslamic Institutional* 1 ("Fund") <i>*Institutional refers to the potential Sophisticated Investors of the Fund and not to the nature of the investables.</i>				
Category/ Type	Wholesale Islamic Fixed Income / Growth and to a lesser extent income				
Objective	The Fund aims to outperform the benchmark of Quantshop ALL GII Index by investing mainly in Shariah Compliant fixed income instruments. <i>Note: Any material change to the investment objective of the Fund would require Unit Holders' approval.</i>				
Duration	The Fund was established on 27 December 2011 and shall exist for as long as it appears to the Manager and the Trustee that it is in the interests of the unitholders for it to continue. In some circumstances, the unitholders can resolve at a meeting to terminate the Fund.				
Performance Benchmark	Quantshop ALL GII Index ("GII") (Available at www.aminvest.com/www.quantshop.com)				
Income Distribution Policy	Income (if any) will be declared quarterly. <i>Note: Should there be realized income or gains, there may be income distribution declared.</i>				
Breakdown of Unit Holdings by Size	For the financial period under review, the size of the Fund stood at 157,524,466 units.				
	Size of holding	As at 31 December 2024		As at 30 September 2024	
		No of units held	Number of unitholders	No of units held	Number of unitholders
	5,000 and below	-	-	-	-
	5,001-10,000	-	-	-	-
	10,001-50,000	-	-	-	-
	50,001-500,000	-	-	-	-
	500,001 and above	157,524,466	4	135,083,468	3

Fund Performance Data

Portfolio Composition	Details of portfolio composition of the Fund as at 31 December 2024, 30 September 2024 and for the past three financial years are as follows:						
		As at 31.12.2024 %	As at 30.09.2024 %	As at 31 March			
				2024 %	2023 %	2022 %	
	Corporate sukuk	69.22	78.90	83.56	86.16	81.46	
	Government Investment Issues	16.42	18.10	15.80	8.26	4.21	
	Money market deposits and cash equivalents	14.36	3.00	0.64	5.58	14.33	
	Total	100.00	100.00	100.00	100.00	100.00	
	<i>Note: The abovementioned percentages are calculated based on total net asset value.</i>						
Performance Details	Performance details of the Fund for the financial periods ended 31 December 2024, 30 September 2024 and three financial years ended 31 March are as follows:						
		FPE 31.12.2024	FPE 30.09.2024	FYE 2024	FYE 2023	FYE 2022	
	Net asset value (RM'000)	165,698	142,881	129,403	121,731	116,852	
	Units in circulation (‘000)	157,524	135,083	122,088	119,604	115,658	
	Net asset value per unit (RM)	1.0519	1.0577	1.0599	1.0178	1.0103	
	Highest net asset value per unit (RM)	1.0639	1.0770	1.0720	1.0287	1.0455	
	Lowest net asset value per unit (RM)	1.0519	1.0577	1.0181	0.9884	1.0103	
	Benchmark performance (%)	0.51	1.77	4.75	5.12	-0.21	
	Total return (%) ⁽¹⁾	0.63	1.36	7.14	4.71	3.02	
	- Capital growth (%)	-0.55	-0.48	4.16	0.86	-0.31	
	- Income distributions (%)	1.18	1.84	2.98	3.85	3.33	
	Gross distributions (sen per unit)	1.25	1.96	3.03	3.89	3.38	
	Net distributions (sen per unit)	1.25	1.96	3.03	3.89	3.38	
	Total expense ratio (%) ⁽²⁾	0.06	0.06	0.24	0.24	0.24	
	Portfolio turnover ratio (times) ⁽³⁾	0.16	0.31	0.37	0.48	0.37	
		<i>Note:</i>					
		<i>(1) Total return is the actual return of the Fund for the respective financial periods/years computed based on the net asset value per unit and net of all fees.</i>					
	<i>(2) Total expense ratio (“TER”) is calculated based on the total fees and expenses incurred by the Fund divided by the average fund size calculated on a daily basis.</i>						

(3) Portfolio turnover ratio (“PTR”) is calculated based on the average of the total acquisitions and total disposals of investment securities of the Fund divided by the average fund size calculated on a daily basis.

Average Total Return (as at 31 December 2024)

	Amlslamic Institutional 1^(a) %	Benchmark^(b) %
One year	5.01	4.02
Three years	4.96	3.67
Five years	4.11	3.43
Ten years	5.32	4.29

Annual Total Return

Financial Years Ended (31 March)	Amlslamic Institutional 1^(a) %	Benchmark^(b) %
2024	7.14	4.75
2023	4.71	5.12
2022	3.02	-0.21
2021	2.71	3.32
2020	7.40	6.52

(a) Source: Novagni Analytics and Advisory Sdn. Bhd.

(b) Quantshop ALL GII Index (“GII”) (Available at www.aminvest.com)

The Fund performance is calculated based on the net asset value per unit of the Fund. Average total return of the Fund and its benchmark for a period is computed based on the absolute return for that period annualised over one year.

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

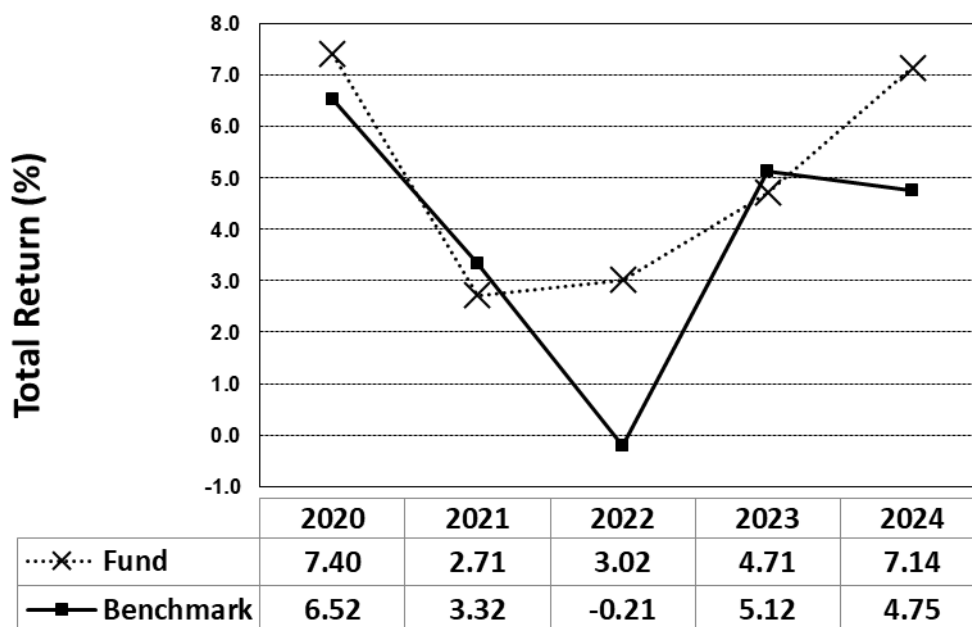
Fund Performance

For the financial period under review, the Fund registered a return of 0.63% comprising of negative 0.55% capital and 1.18% income distribution.

Thus, the Fund’s return of 0.63% has outperformed the benchmark’s return of 0.51% by 0.12%.

As compared with the financial period ended 30 September 2024, the net asset value (“NAV”) per unit of the Fund decreased by 0.55% from RM1.0577 to RM1.0519, while units in circulation increased by 16.61% from 135,083,468 units to 157,524,466 units.

The line chart following shows comparison between the annual performances of Amlslamic Institutional 1 and its benchmark, for the financial years ended 31 March.



Financial Years Ended (31 March)

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

Strategies and Policies Employed

For the financial period under review, the Fund remained invested in Sukuk, and within the permitted asset allocation of 40%-100% in Sukuk. The Investment Manager adopted active tactical duration management, yield curve positioning and credit spread arbitrage in buying and selling Sukuk for the Fund. This involves the use of models that analyze and compare expected returns and assumed risk. Under this approach, the Investment Manager will focus on Sukuk that would deliver favorable return given an acceptable level of risk. The Investment Manager may also consider obligations with a more favorable or improving credit or industry outlook that provide the potential for capital appreciation.

Portfolio Structure

The table below is the asset allocation of the Fund as at 31 December 2024 and 30 September 2024.

	As at 31.12.2024 %	As at 30.09.2024 %	Changes %
Corporate sukuk	69.22	78.90	-9.68
Government Investment Issues	16.42	18.10	-1.68
Money market deposits and cash equivalents	14.36	3.00	11.36
Total	100.00	100.00	

As at 31 December 2024, the Fund has 69.22% of its NAV invested in corporate sukuk, 16.42% in Government Investment Issues and the remaining 14.36% in money market deposits and cash equivalents. Overall sukuk holdings in the portfolio remained high, in line with the Fund prevailing strategy.

Cross Trades

There were no cross trades undertaken during the financial period under review.

Distribution/ Unit Splits	<p>During the financial period under review, the Fund declared income distribution, detailed as follows:</p> <table border="1" data-bbox="363 219 1449 353"> <thead> <tr> <th data-bbox="363 219 608 320">Date of distribution</th> <th data-bbox="608 219 874 320">Distribution per unit RM (sen)</th> <th data-bbox="874 219 1177 320">NAV per unit Cum-Distribution (RM)</th> <th data-bbox="1177 219 1449 320">NAV per unit Ex-Distribution (RM)</th> </tr> </thead> <tbody> <tr> <td data-bbox="363 320 608 353">31-Dec-24</td> <td data-bbox="608 320 874 353">1.25</td> <td data-bbox="874 320 1177 353">1.0644</td> <td data-bbox="1177 320 1449 353">1.0519</td> </tr> </tbody> </table> <p>There is no unit split declared for the financial period under review.</p>	Date of distribution	Distribution per unit RM (sen)	NAV per unit Cum-Distribution (RM)	NAV per unit Ex-Distribution (RM)	31-Dec-24	1.25	1.0644	1.0519
Date of distribution	Distribution per unit RM (sen)	NAV per unit Cum-Distribution (RM)	NAV per unit Ex-Distribution (RM)						
31-Dec-24	1.25	1.0644	1.0519						
State of Affairs	<p>There has been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unitholders during the financial period under review.</p>								
Rebates and Soft Commission	<p>During the period, the management company did not receive soft commissions by virtue of transactions conducted for the Fund.</p>								
Market Review	<p>Malaysian bond market was under pressure in October 2024 as investor turned bearish bias, influenced by the sell-off in US Treasury (UST) driven by uncertainties surrounding US presidential election and prospect of slower rate cut by US Fed. Sentiment was generally weaker throughout the month despite Budget 2025 tabled by Prime Minister Anwar on 18 October projected a narrower deficit of -3.8% of Gross Domestic Product for 2025. Overall, Malaysian Government Securities (MGS) curve bear flattened, with yields rose 6-22bps on Month-on-Month (MoM) basis in October. In November, Malaysian bond market rallied as investor were influenced by similar bullish sentiment in UST in the later part of the month, coupled with Bank Negara Malaysia (BNM) announcement of the cancellation of the 3-year Government Investment Issue (GII). The lower government bond supply in the market resulted in a buoyant sentiment with MGS yields fell between 5-15 bps on MoM basis in November. In December, Malaysian bond market traded marginally weaker amidst profit taking activities on the back of bearish global bond backdrop and partly contributed by a lack of liquidity in second half of December as many were away for year-end holiday. This was despite positive news from BNM on the announcement of a much smaller than expected final government bond auction for the year. Overall, MGS yields rose 1-4 bps, except for the ultra-long end 30-Year MGS which declined 1bps on a MoM basis in December.</p>								
Market Outlook	<p>The Malaysian bond market is expected to remain rangebound in the absence of significant catalysts, with BNM maintaining the Overnight Policy Rate (OPR) at 3.00% throughout 2025.</p>								

Kuala Lumpur, Malaysia
Amlslamic Funds Management Sdn Bhd

18 February 2025

Amlslamic Institutional 1

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	31.12.2024 (unaudited) RM	31.03.2024 (audited) RM
ASSETS		
Shariah-compliant investments	141,895,521	128,577,325
Shariah-compliant deposit with licensed financial institution	25,801,050	2,149,512
Profit receivables	-	212,250
Cash at bank	10,203	10,480
TOTAL ASSETS	<u>167,706,774</u>	<u>130,949,567</u>
LIABILITIES		
Amount due to Manager	25,331	21,177
Amount due to Trustee	5,152	4,421
Distribution payable	1,969,056	1,513,892
Sundry payables and accruals	8,824	7,300
TOTAL LIABILITIES	<u>2,008,363</u>	<u>1,546,790</u>
NET ASSET VALUE (“NAV”) OF THE FUND	<u>165,698,411</u>	<u>129,402,777</u>
EQUITY		
Unit holders’ capital	161,857,334	124,156,443
Retained earnings	3,841,077	5,246,334
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	<u>165,698,411</u>	<u>129,402,777</u>
UNITS IN CIRCULATION	<u>157,524,466</u>	<u>122,088,085</u>
NAV PER UNIT	<u>1.0519</u>	<u>1.0599</u>

Amlslamic Institutional 1

STATEMENT OF COMPREHENSIVE INCOME *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2024 TO 31 DECEMBER 2024

		01.10.2024 to 31.12.2024	01.10.2023 to 31.12.2023
	Note	RM	RM
SHARIAH-COMPLIANT INVESTMENT INCOME			
Profit income		1,546,026	1,358,257
Net (loss)/gain from Shariah-compliant investments:			
– Financial assets at fair value through profit or loss (“FVTPL”)	1	<u>(517,334)</u>	<u>1,232,909</u>
		<u>1,028,692</u>	<u>2,591,166</u>
EXPENDITURE			
Manager’s fee		(66,752)	(57,390)
Trustee’s fee		(14,834)	(12,753)
Audit fee		(1,008)	(1,006)
Tax agent’s fee		(832)	(830)
Other expenses		<u>(2,859)</u>	<u>(3,090)</u>
		<u>(86,285)</u>	<u>(75,069)</u>
Net income before taxation		942,407	2,516,097
Taxation		<u>-</u>	<u>-</u>
Net income after taxation, representing total comprehensive income for the financial period		<u>942,407</u>	<u>2,516,097</u>
Total comprehensive income comprises the following:			
Realised income		1,683,582	1,322,191
Unrealised (loss)/gain		<u>(741,175)</u>	<u>1,193,906</u>
		<u>942,407</u>	<u>2,516,097</u>
Distribution for the financial period			
Net distribution	2	<u>1,969,056</u>	<u>1,104,001</u>
Gross distribution per unit (sen)	2	<u>1.25</u>	<u>0.91</u>
Net distribution per unit (sen)	2	<u>1.25</u>	<u>0.91</u>

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

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STATEMENT OF CHANGES IN EQUITY *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2024 TO 31 DECEMBER 2024

	Note	Unit holders' capital RM	Retained earnings RM	Total equity RM
At 1 October 2024		138,013,709	4,867,726	142,881,435
Total comprehensive income for the financial period		-	942,407	942,407
Creation of units		21,830,000	-	21,830,000
Reinvestment of distribution		2,013,625	-	2,013,625
Distribution	2	-	(1,969,056)	(1,969,056)
Balance at 31 December 2024		<u>161,857,334</u>	<u>3,841,077</u>	<u>165,698,411</u>
At 1 October 2023		122,570,419	2,964,009	125,534,428
Total comprehensive income for the financial period		-	2,516,097	2,516,097
Reinvestment of distribution		776,385	-	776,385
Distribution	2	-	(1,104,001)	(1,104,001)
Balance at 31 December 2023		<u>123,346,804</u>	<u>4,376,105</u>	<u>127,722,909</u>

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

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STATEMENT OF CASH FLOWS *(Unaudited)*

FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2024 TO 31 DECEMBER 2024

	01.10.2024 to 31.12.2024 RM	01.10.2023 to 31.12.2023 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of Shariah-compliant investments	20,964,300	12,255,700
Purchases of Shariah-compliant investments	(25,147,000)	(20,590,000)
Profit received	1,909,837	1,597,283
Manager's fee paid	(65,055)	(57,151)
Trustee's fee paid	(14,458)	(12,564)
Payments for other expenses	(2,844)	(3,079)
Net cash used in operating and investing activities	<u>(2,355,220)</u>	<u>(6,809,811)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	21,830,000	-
Distribution paid	(634,011)	(284,659)
Net cash generated from/(used in) financing activities	<u>21,195,989</u>	<u>(284,659)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	18,840,769	(7,094,470)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>6,970,484</u>	<u>18,509,075</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>25,811,253</u>	<u>11,414,605</u>
Cash and cash equivalents comprise:		
Shariah-compliant deposit with licensed financial institution	25,801,050	11,404,153
Cash at bank	10,203	10,452
	<u>25,811,253</u>	<u>11,414,605</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2024 TO 31 DECEMBER 2024

1. NET GAINS FROM SHARIAH-COMPLIANT INVESTMENTS

	01.10.2024 to 31.12.2024 RM	01.10.2023 to 31.12.2023 RM
Net (loss)/gain on financial assets at FVTPL comprised:		
– Net realised gains on sale of Shariah-compliant investments	223,841	39,003
– Net unrealised (loss)/gain on changes in fair value of Shariah-compliant investments	(741,175)	1,193,906
	<u>(517,334)</u>	<u>1,232,909</u>

2. DISTRIBUTION

Details of distribution to unit holders for the financial periods are as follows:

	01.10.2024 to 31.12.2024 RM	01.10.2023 to 31.12.2023 RM
Gross distribution per unit (sen)	<u>1.25</u>	<u>0.91</u>
Net distribution per unit (sen)	<u>1.25</u>	<u>0.91</u>

Financial period ended 31 December 2024

Distribution Ex-date	Gross distribution per unit RM (sen)	Net distribution per unit RM (sen)	Total distribution RM
31 December 2024	<u>1.25</u>	<u>1.25</u>	<u>1,969,056</u>

Financial period ended 31 December 2023

Distribution Ex-date	Gross distribution per unit RM (sen)	Net distribution per unit RM (sen)	Total distribution RM
29 December 2023	<u>0.91</u>	<u>0.91</u>	<u>1,104,001</u>

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2024 TO 31 DECEMBER 2024**

2. DISTRIBUTION (CONT'D.)

The distribution declared for the financial period ended 31 December 2024 was proposed before taking into account the net unrealised loss of RM741,175 arising during the financial period which is carried forward to the next financial period.

All distribution during the current financial period was sourced from realised income. There were no distributions out of capital.

SHARIAH ADVISER'S REPORT FOR ISLAMIC WHOLESALE FUND

To the unit holders of Amlslamic Institutional 1 ("Fund"),

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Amlslamic Funds Management Sdn Bhd has operated and managed the Fund during the period covered by these financial statements in accordance with the 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 Amanie Advisors Sdn Bhd

Tan Sri Dr Mohd Daud Bakar

Executive Chairman

Date: 18 February 2025

DIRECTORY

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*For enquiries about this or any of the other Funds offered by AmIslamic Funds Management Sdn Bhd
Please call 2032 2888 between 8.45 a.m. to 5.45 p.m. (Monday to Thursday),
Friday (8.45 a.m. to 5.00 p.m.)*

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