

Great Eastern Takaful Berhad Investment-Linked Funds



**Statement by the Manager and
Audited Financial Information
31 December 2017**



CONTENTS

- 1** CEO's Message
- 3** Asset Liability Committee
- 4** Fund Objectives
- 5** 2017 Investment Review and 2018 Outlook
- 8** 2017 Fund Performance
- 9** Funds' Comparative Performance
- 15** Statement by the Manager
- 16** Shariah Committee's Report
- 17** Independent Auditors' Report
- 21** Statements of Assets and Liabilities
- 22** Statements of Income and Expenditure
- 23** Statements of Changes in Net Asset Value
- 24** Notes to the Financial Information
- 51** Frequently Asked Questions

ASSALAMUALAIKUM AND SALAM SEJAHTERA

Dear valued investors,

We are pleased to present the 2017 investment-linked funds report of Great Eastern Takaful Berhad consisting of Dana i-Makmur, Dana i-Mekar and Dana i-Majmuk, for the financial year ended 31 December 2017.

Shahrul Azlan Shahrman
Chief Executive Officer



CEO'S MESSAGE

The country witnessed a challenging business landscape as the financial market's volatility persisted throughout 2017. However, the economy grew at a steady rate during the year and the takaful industry itself recorded notable development on the back of improved consumer awareness, product innovation as well as new distribution channels. We are delighted to announce that our Dana i-Mekar generated a return of +14.3% outperforming FBM Emas Shariah (FBMS) Index by 60bps. Meanwhile Dana i-Majmuk, a balanced fund, produced a healthy +12.0% return where it outperformed the weighted benchmark (FBMS & 12 month deposit) by 370bps. Dana i-Makmur generated a return of 6.3% vs its benchmark (12 month Mudharabah Deposit) return of 2.9%.

As a takaful operator, we must do what is needed to propel takaful to greater heights. The Life Insurance and Family Takaful Framework introduced by Bank Negara bodes well for takaful players like us as it acts as a catalyst to spur innovation and a more competitive market through professionalism and transparency in the provision of products and services. Through this initiative, we aim to eventually promote product innovation, diversify distribution channels and strengthen standards and transparency for better consumer protection, to name a few.

Moving forward, we will continue to stay committed to improving our products and services. With unwavering persistence and dedication, we should be able to rise above all obstacles and consistently deliver healthy returns for our investors. I remain confident that we are in the run for a profitable growth in the industry.

On behalf of Great Eastern Takaful Berhad, I would like to take this opportunity to offer you my greatest appreciation to each and every one of you for your continued support. May Allah swt give His guidance in all our future undertakings, Aamiin.

Wassalamualaikum warahmatullahi wabarakatuh.

Thank You

For Great Eastern Takaful Berhad,

SHAHRUL AZLAN SHAHRIMAN

Chief Executive Officer

ASSET LIABILITY COMMITTEE

Members of The Committee

Shahrul Azlan Shahrman *(Chairman)*

Chief Executive Officer, Great Eastern Takaful Berhad

Jasveen Marne

Appointed Actuary, Great Eastern Takaful Berhad

Rasman bin Abdul Ghani

Assistant Vice President, Head of Finance & Administration, Great Eastern Takaful Berhad

Goh Pei Kuan

Vice President, Equity Fund Manager, Great Eastern Life (Malaysia) Berhad

Teo Chun Seng

Vice President, Risk Management and Compliance, Great Eastern Life (Malaysia) Berhad

Nurul Sheila Khalib

Assistant Vice President, Head of Product Management, Great Eastern Takaful Berhad

Shariah Committee

Members of The Committee

Dr. Akhtarzaite binti Abdul Aziz *(Chairman)*

Prof. Dato' Dr. Wan Sabri bin Wan Yusof

Dr. Mohamad Sabri bin Zakaria

Assoc. Prof. Dr. Siti Salwani binti Razali

Assoc. Prof. Dr. Suhaimi bin Ab Rahman *(Appointed effective 3 January 2017)*

Dr. Mohammad Firdaus bin Mohammad Hatta *(Appointed effective 3 January 2017)*

FUND OBJECTIVES

i-Makmur Fund

A fund which invests in Islamic fixed income securities, for example government and corporate sukuk (ranging from 40% to 100%) as well as Islamic deposits. This fund seeks to provide consistent return at low levels of volatility. Although the fund invests mainly in Malaysia, it may also partially invest in foreign Shariah approved fixed income securities (up to 50%) to enhance the fund's returns. Dana i-Makmur only invests in Shariah-compliant securities.

i-Mekar Fund

A fund where investments are in Shariah-compliant equities (ranging from 80% to 100%), which may be volatile in the short term, as well as Islamic deposits. This fund seeks to achieve medium to long-term capital appreciation. Although the fund invests mainly in Malaysia, it may partially invest in Singapore (up to 25%) and Hong Kong (up to 25%), if and when necessary, to enhance the fund's returns. Dana i-Mekar only invests in Shariah-compliant securities.

i-Majmuk Fund

A fund which invests in a mixture of Shariah-compliant equities, Islamic fixed income securities and Islamic deposits. There is flexibility in asset allocation as this fund may invest solely in Islamic fixed income securities or Shariah-compliant equities. This fund seeks to provide medium to long-term capital appreciation, with a moderate level of volatility. Dana i-Majmuk only invests in Shariah-compliant securities.

INVESTMENT REVIEW AND OUTLOOK

2017 Equity Market Review

2017 was a strong year for equities with the MSCI World Index (MYR) posting a gain of 8.7%. Global markets saw a strong start to the year on the back of strengthening economic data in the major global economies. In the US, economic data continued to impress throughout the year despite having to grapple with the impact of hurricane Harvey and Irma, worries of geopolitical tensions with North Korea and a rocky start to the Trump presidency. Good economic data, accommodative monetary policy and a long awaited tax reform in the fourth quarter continued to lift the Dow Jones to new highs throughout the year. European markets performed well this year from a continued recovery of the economies in the region despite some negativity over the outcome of the German Elections and the Catalonian independence issue. The Japan market was buoyed by good economic numbers coupled with earnings that beat expectations as well as a favourable outcome in October's snap general elections alluding to continuity of both monetary and fiscal policies.

Over in Asia, the Morgan Stanley Capital International Asia Ex Japan ("MSCI Asia Ex Japan") Index (MYR) grew 25.5%, outperforming the MSCI World. Asia ex-Japan rebounded strongly from the weak last quarter of 2016, spurred by broader optimism over the "Trump Effect" boosting global markets. Strong economic numbers across the region was the main driver for 2017. Tech companies in Korea and Taiwan as well as internet stocks in Asia provided robust growth to the region.

Domestically, the FTSE Bursa Malaysia EMAS Shariah Index (FBMS) and FBMS Total Return generated a return of 10.7% and 13.7% respectively, a good performance despite underperforming the region. The first half of the year started strongly with strong global sentiments on growth as well as strong capital inflow. This was backed by returning optimism on corporate earnings and strong economic data. However, for most of the second half of the year, the market traded sideways. Among the factors was disappointing earnings delivery despite strong economic data. However, FBMS rallied towards the end of the year to close at a high of 12,614.2 points driven by Bank Negara's indication in early November that the benchmark overnight policy rate may be raised and the growing market optimism in anticipation of general elections that could be held in the first half of 2018. The best performing sectors for the year were building materials, telecommunications, gloves and technology. The worst performing indices are those in the healthcare and construction.

Investment Review and Outlook (Cont'd)

2018 Equity Market Outlook

We expect the domestic equities market to deliver a high single digit positive return for 2018 driven by (1) an improving global economic recovery, (2) a relatively better oil price outlook and (3) an upcoming domestic election. In addition, the regional central banks' monetary policies are expected to be on a gradual and controlled normalization basis. As for corporate earnings, we expect an earnings growth of high single digit mainly driven by the financials, utilities, consumer, exporters and technology. Key themes driving the market are (1) election play, (2) infrastructure spending, (3) GLCs restructuring, (4) beneficiaries of a stronger MYR, (5) higher profit rate, and (6) commodities price recovery. Currently, market valuation is undemanding, trading at 16.5x 1-year forward earnings, at +0.5xSD of its long term mean. In terms of P/B, it is cheap as it trades at -1SD of the long term mean. Key risks are geo-political tension, domestic election, US mid-term election and correction in developed markets.

2017 Fixed Income Market Review

2017 was a positive year for the Malaysian fixed income market supported by ample domestic liquidity and low volatility globally. The Government Investment Issue ("GII") yield curve steepened with yields on 1 to 3-year and 7 to 15-year maturity buckets dipping as much as 24 basis points and 17 basis points respectively, while yields along 20 to 30-year maturity buckets shifted higher by 10-35 basis points, partly due to heavy duration supply throughout the year. Meanwhile, the Ringgit was one of the best performing Asian currencies with 10.9% gain over the U.S. Dollar on commendable domestic growth data and weakness in the U.S. Dollar. With domestic economic growth averaging 5.8% during 9M17 period, the official growth forecast for 2017 was revised higher from 4.3-4.8% to 5.2-5.7%.

Foreign flows in Malaysian Government Securities ("MGS") and GII witnessed significant swings in 2017 following a few measures and enforcement by Bank Negara Malaysia on the foreign exchange administration rules. Enforcement on restriction of offshore trading in the Ringgit non-deliverable-forwards sparked heavy selling of MGS by foreign investors early part of the year. Malaysia's lower weightage in some major fixed income indices such as JP Morgan Global Bond Index-Emerging Market from 9.5% in Nov16 to 7.5% in April17 further aggravated the outflows. As of end-March, foreign holdings of MGS and GII fell to 38.5% (Dec16: 47.1%) and 7.9% (Dec16: 9.2%) respectively, as offshore investors sold a record RM34.3 bil of MGS and GII in 1Q17. Nonetheless, foreign outflows abated after BNM announced greater flexibility in onshore FX hedging. Coupled with Malaysia's positive credit metrics and upbeat outlook on Ringgit, foreign investors returned during 2H17, with foreign holdings in MGS moving back up to 45.1% by end-Dec17.

On domestic profit rate, Bank Negara Malaysia ("BNM") maintained the Overnight Policy Rate ("OPR") at 3.00% in 2017. The hawkish statement in the last monetary policy statement however, signalled an imminent OPR increase in 2018 substantiated by sustained domestic growth, paving the way into 2018.

Investment Review and Outlook (Cont'd)

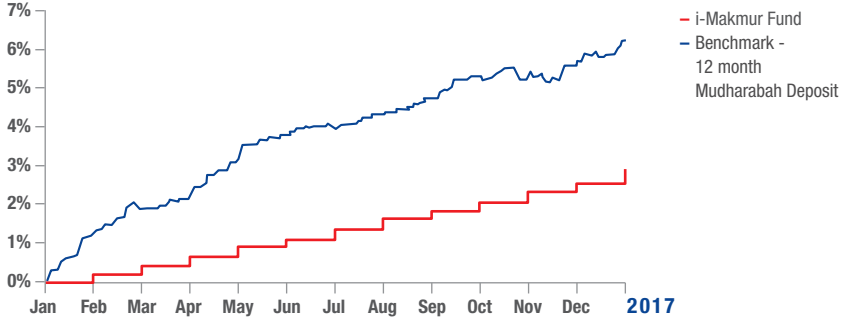
2018 Fixed Income Market Outlook

Global growth momentum is expected to continue in 2018, with the International Monetary Fund projecting a 3.6% to 3.7% growth for the global economy. Couple this with expectations of sustained or higher Brent oil price (ending 2017 at USD66.40 per barrel – a 13% price increase in 2017), the more synchronised global growth and higher commodity prices may heighten higher global inflationary expectation, leading to faster global monetary policy normalisation. Expectations of a faster monetary policy adjustment in the Developed Markets have also caused some nervousness in the global fixed income market, which may spill over to the Emerging Markets.

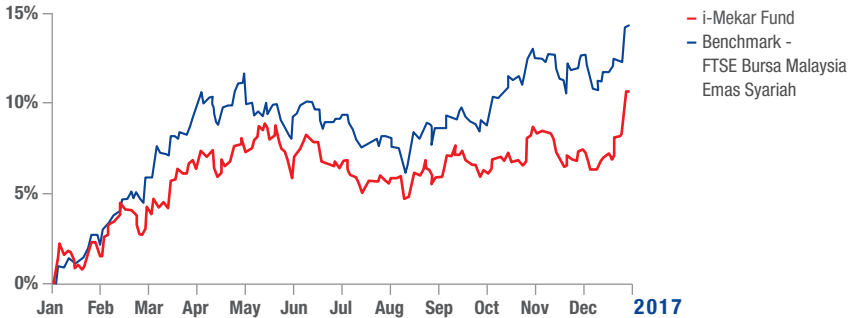
On the domestic front, the Malaysian economy is expected to grow between 5.0%-5.5% in 2018 (2017: 5.2%-5.7%) and inflation is expected to remain within 2.5%-3.5% in 2018 (2017: 3.0%-4.0%). Malaysia's fiscal target of -2.8% in 2018 (2017: -3.0%) is likely achievable given higher oil prices (with Malaysia's budget 2018 assuming an average USD52 per barrel), sustainable growth outlook, and government's commitment on continued fiscal consolidation. Against this backdrop, the Ringgit may continue gaining traction in the near term and will continue supporting the fixed income market. Over the medium term, with a robust domestic growth outlook, BNM is expected to increase the Overnight Policy Rate by at least 25 basis points in 2018. This may dampen sentiments on shorter dated assets, but timing of the potential OPR increase remains uncertain in the run up to Malaysia's 14th General Election. External factors may also exert greater pressure over the second half of 2018, but domestic market liquidity is expected to cushion any significant flows.

2017 FUND PERFORMANCE

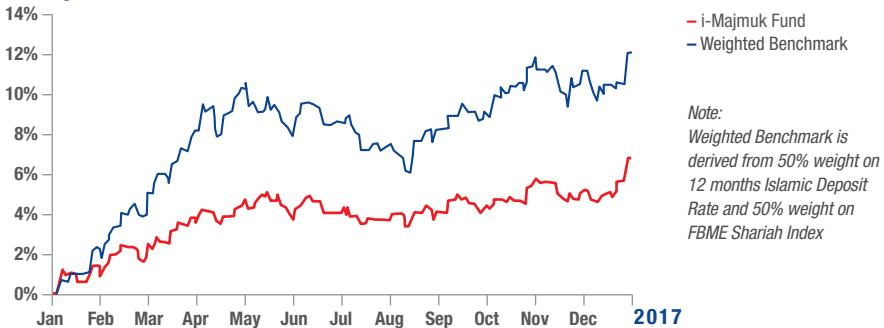
i-Makmur Fund



i-Mekar Fund



i-Majmuk Fund



FUNDS COMPARATIVE PERFORMANCE

i-Makmur Fund

	2017 (RM)	2017 (%)	2016 (RM)	2016 (%)	2015 (RM)	2015 (%)	2014 (RM)	2014 (%)	2013 (RM)	2013 (%)
(i) Composition of fund according to industry sectors and category of investments:										
Corporate Sukuks & Hybrid Capital										
Market Instruments										
Construction	1,493,700	3.88%	1,441,230	4.70%	1,489,425	7.45%	1,495,200	10.55%	-	-
Financial	4,078,340	10.59%	4,049,105	13.21%	5,501,005	27.51%	2,814,365	19.86%	1,009,500	9.93%
Highway	856,816	2.23%	6,353,116	20.73%	4,315,741	21.58%	485,583	3.43%	949,400	9.34%
Properties	7,599,604	19.74%	-	-	-	-	1,309,482	9.24%	1,526,050	15.01%
Retail	1,001,500	2.60%	-	-	-	-	-	-	-	-
Plantation	-	-	-	-	508,560	2.54%	2,519,465	17.77%	-	-
Power	3,756,620	9.76%	-	-	500,100	2.50%	1,108,548	7.82%	2,311,100	22.73%
Telecommunication	-	-	-	-	1,502,385	7.51%	-	-	-	-
Investment Holding	-	-	5,025,950	16.40%	-	-	-	-	-	-
Transport	5,257,760	13.66%	1,239,960	4.05%	1,199,988	6.00%	1,303,861	9.20%	-	-
Utilities	-	-	3,926,578	12.81%	4,058,000	20.29%	888,051	6.27%	1,485,810	14.62%
Motor	4,028,320	10.46%	997,870	3.26%	-	-	-	-	-	-
Low risk assets	28,072,660	72.92%	23,033,809	75.16%	19,075,204	95.40%	11,924,575	84.14%	7,281,860	71.63%
Government investment issues	7,138,670	18.54%	1,914,420	6.25%	-	-	-	-	999,200	9.83%
Islamic investment accounts with licensed Islamic Banks	3,000,000	7.79%	4,950,000	16.15%	900,000	4.50%	2,240,000	15.80%	1,680,000	16.53%
Bank balances	149,713	0.39%	67,300	0.22%	47,385	0.24%	45,500	0.32%	91,912	0.90%
Other assets/(liabilities)	140,047	0.36%	679,692	2.22%	(24,931)	-0.12%	(35,837)	-0.26%	112,577	1.11%
Total	38,501,090	100.00%	30,645,221	100.00%	19,997,658	100.00%	14,174,238	100.00%	10,165,549	100.00%

Funds Comparative Performance (Cont'd)

i-Makmur Fund (Cont'd)

	2017 (RM)	2017 (%)	2016 (RM)	2016 (%)	2015 (RM)	2015 (%)	2014 (RM)	2014 (%)	2013 (RM)	2013 (%)
(II) Total NAV	38,501,090	-	30,645,221	-	19,997,658	-	14,174,238	-	10,165,549	-
(III) Number of Units	25,329,967	-	20,969,146	-	15,215,146	-	11,379,976	-	8,557,989	-
(IV) NAV Per Unit	1.520	-	1.461	-	1.314	-	1.246	-	1.188	-
(V) Highest NAV per unit during the financial year	1.520	-	1.461	-	1.327	-	1.295	-	1.215	-
(VI) Lowest NAV per unit during the financial year	1.453	-	1.314	-	1.246	-	1.180	-	1.157	-
(VII) Total annual return of the fund (%) Capital growth	-	6.27%	-	8.65%	-	6.09%	-	4.50%	-	3.34%
(VIII) Total return (%)	-	6.27%	-	8.65%	-	6.09%	-	4.50%	-	3.34%
One-year	-	22.50%	-	20.66%	-	14.76%	-	14.63%	-	17.48%
Three-years	-	32.51%	-	33.87%	-	30.47%	-	n/a	-	n/a
Five-years	-		-		-		-		-	
(IX) Performance of relevant benchmark indices - 12 Months	-	2.94%	-	3.12%	-	3.21%	-	3.21%	-	3.21%
One-year	-	9.56%	-	9.84%	-	9.93%	-	9.94%	-	9.81%
Three-years	-	16.70%	-	17.00%	-	16.97%	-	n/a	-	n/a
Five-years	-		-		-		-		-	

Funds Comparative Performance (Cont'd)

i-Mekar Fund

j) Composition of fund according to industry sectors and category of investments:

Shariah-approved equities

	2017 (RM)	2017 (%)	2016 (RM)	2016 (%)	2015 (RM)	2015 (%)	2014 (RM)	2014 (%)	2013 (RM)	2013 (%)
Agriculture & Mining	3,257,020	3.49%	6,006,440	10.15%	3,213,700	8.19%	-	-	-	-
Building Materials	1,490,335	1.60%	1,731,510	2.93%	-	-	4,885,000	13.65%	1,585,838	10.60%
Conglomerate	2,980,236	3.19%	6,859,137	11.59%	1,191,518	3.04%	1,516,350	4.24%	1,127,959	7.54%
Construction	7,481,066	8.02%	4,411,081	7.45%	4,684,000	11.94%	-	-	-	-
Motor	3,466,960	3.71%	-	-	-	-	-	-	-	-
Oil & Gas	13,274,437	14.22%	7,155,620	12.09%	5,203,550	13.26%	3,548,134	9.91%	4,055,808	27.11%
Resource-based	-	-	-	-	-	-	2,688,000	7.51%	1,447,050	9.67%
Others - Healthcare	-	-	-	-	1,316,000	3.35%	-	-	-	-
Others - Mfg	10,182,110	10.91%	3,733,091	6.31%	3,643,400	9.28%	-	-	-	-
Property	9,261,802	9.92%	6,188,524	10.46%	1,073,928	2.74%	4,699,500	13.13%	185,482	1.24%
Technology	6,903,658	7.40%	-	-	458,000	1.17%	-	-	1,002,018	6.70%
Telecommunication	11,003,609	11.79%	4,780,569	8.08%	7,055,805	17.98%	4,104,935	11.47%	1,104,020	7.38%
Transport	10,157,525	10.88%	5,091,570	8.60%	2,061,400	5.25%	2,308,500	6.45%	-	-
Utilities	792,858	0.85%	2,658,434	4.49%	1,998,000	5.09%	3,580,750	10.01%	1,349,250	9.02%
Others	-	-	-	-	-	-	1,564,500	4.37%	1,473,265	9.85%
	80,251,616	85.98%	48,615,976	82.15%	31,899,301	81.29%	28,895,669	80.74%	13,330,690	89.11%

Islamic investment accounts with

licensed Islamic Banks

Bank balances	338,298	0.36%	85,237	0.14%	41,898	0.11%	75,724	0.21%	133,607	0.89%
Other assets/(liabilities)	(2,865,257)	-3.06%	(1,414,545)	-2.40%	(865,300)	-2.22%	(1,404,185)	-3.92%	17,809	0.11%
Total	93,324,657	100.00%	59,186,668	100.00%	39,245,899	100.00%	35,787,208	100.00%	14,962,106	100.00%

Funds Comparative Performance (Cont'd)

i-Mekar Fund (Cont'd)

	2017 (RM)	2017 (%)	2016 (RM)	2016 (%)	2015 (RM)	2015 (%)	2014 (RM)	2014 (%)	2013 (RM)	2013 (%)
(II) Total NAV	93,324,657	-	59,186,668	-	39,245,899	-	35,787,208	-	14,962,106	-
(III) Number of Units	57,005,278	-	40,932,991	-	27,222,102	-	26,328,038	-	10,250,756	-
(IV) NAV Per Unit	1.637	-	1.446	-	1.442	-	1.359	-	1.460	-
(V) Highest NAV per unit during the financial year	1.637	-	1.476	-	1.442	-	1.668	-	1.460	-
(VI) Lowest NAV per unit during the financial year	1.446	-	1.392	-	1.309	-	1.359	-	1.113	-
(VII) Total annual return of the fund (%) Capital growth	-	14.27%	-	-1.11%	-	6.20%	-	-5.40%	-	28.20%
(VIII) Total return (%)	-	14.27%	-	-1.11%	-	6.20%	-	-5.38%	-	28.20%
One-year	-	20.00%	-	-0.63%	-	28.83%	-	36.73%	-	43.49%
Three-years	-	45.57%	-	43.59%	-	44.19%	-	n/a	-	n/a
Five-years	-		-		-		-		-	
(IX) Performance of relevant benchmark indices - FEMS (%)	-	10.72%	-	-6.14%	-	2.35%	-	-4.17%	-	13.29%
One-year	-	6.36%	-	-7.95%	-	11.11%	-	21.42%	-	29.76%
Three-years	-	15.47%	-	16.64%	-	27.27%	-	n/a	-	n/a
Five-years	-		-		-		-		-	

Funds Comparative Performance (Cont'd)

i-Majmuk Fund

	2017 (RM)	2017 (%)	2016 (RM)	2016 (%)	2015 (RM)	2015 (%)	2014 (RM)	2014 (%)	2013 (RM)	2013 (%)
(l) Composition of fund according to industry sectors and category of investments:										
Shariah-approved equities										
Agriculture & Mining	905,400	2.33%	493,000	1.86%	972,350	5.22%	-	-	-	-
Building Materials	625,348	1.61%	694,067	2.62%	-	-	2,119,500	11.91%	988,575	10.11%
Conglomerate	1,164,189	3.00%	2,148,875	8.12%	392,747	2.11%	551,400	3.10%	537,191	5.50%
Construction	1,749,933	4.51%	847,884	3.20%	1,823,800	9.79%	-	-	-	-
Oil & Gas	2,692,796	6.94%	1,367,740	5.17%	2,024,500	10.86%	1,609,510	9.05%	2,313,065	23.66%
Resource-based	-	-	-	-	-	-	555,578	3.12%	543,150	5.56%
Others	1,555,660	4.01%	-	-	756,700	4.06%	951,700	5.35%	1,008,024	10.31%
Others - Mfg	2,689,987	6.93%	1,352,379	5.11%	1,894,500	10.16%	-	-	-	-
Property	3,855,641	9.94%	1,901,601	7.19%	633,074	3.40%	2,053,992	11.55%	65,855	0.67%
Technology	2,861,100	7.37%	464,920	1.76%	227,500	1.22%	-	-	334,118	3.42%
Telecommunication	4,276,124	11.02%	1,457,183	5.51%	3,290,286	17.65%	2,504,400	14.08%	768,600	7.86%
Transport	-	-	-	-	843,300	4.52%	841,700	4.73%	-	-
Utilities	3,952,985	10.19%	2,066,929	7.81%	865,800	4.65%	1,763,500	9.91%	796,600	8.15%
Corporate Sukuk & Hybrid Capital Market	26,329,163	67.87%	12,794,578	48.36%	13,724,557	73.64%	12,951,280	72.80%	7,355,177	75.24%
Highway	2,105,660	5.43%	2,085,900	7.88%	-	-	-	-	-	-
Utilities	-	-	1,974,060	7.46%	-	-	-	-	-	-
Property	994,790	2.56%	994,520	3.76%	-	-	-	-	-	-
Motor	1,007,080	2.60%	997,870	3.77%	-	-	-	-	-	-
Low Risk Assets	4,107,530	10.59%	6,052,350	22.87%	-	-	-	-	-	-
Others	1,021,550	2.63%	1,017,050	3.84%	-	-	-	-	-	-
Islamic investment accounts with licensed Islamic Banks	8,200,000	21.14%	6,850,000	25.89%	5,060,000	27.15%	4,980,000	27.99%	2,340,000	23.94%
Bank balances	124,182	0.32%	90,609	0.34%	31,252	0.17%	146,839	0.83%	100,222	1.03%
Other assets/(liabilities)	(986,486)	-2.54%	(346,014)	-1.31%	(177,459)	-0.95%	(287,977)	-1.62%	(20,468)	-0.21%
Total	38,795,940	100.00%	26,458,573	100.00%	18,638,350	100.00%	17,790,142	100.00%	9,774,931	100.00%

Funds Comparative Performance (Cont'd)

i-Majmuk Fund (Cont'd)

	2017 (RM)	2017 (%)	2016 (RM)	2016 (%)	2015 (RM)	2015 (%)	2014 (RM)	2014 (%)	2013 (RM)	2013 (%)
(II) Total NAV	38,795,940	-	26,458,573	-	18,638,350	-	17,790,142	-	9,774,931	-
(III) Number of Units	26,874,550	-	20,510,812	-	14,271,398	-	14,611,519	-	7,546,915	-
(IV) NAV Per Unit	1.444	-	1.290	-	1.306	-	1.218	-	1.295	-
(V) Highest NAV per unit during the financial year	1.444	-	1.309	-	1.306	-	1.450	-	1.295	-
(VI) Lowest NAV per unit during the financial year	1.290	-	1.257	-	1.195	-	1.218	-	1.015	-
(VII) Total annual return of the fund (%) Capital growth	-	11.98%	-	-1.00%	-	6.83%	-	-5.59%	-	20.94%
VIII) Total return	-	11.98%	-	-1.00%	-	6.83%	-	-5.59%	-	20.94%
One-year	-	18.42%	-	-0.16%	-	21.97%	-	24.08%	-	29.06%
Two to three-years	-	35.21%	-	31.22%	-	30.16%	-	n/a	-	n/a
IX) Performance of relevant benchmark indices - Weighted Benchmark (%)	-	6.83%	-	-1.51%	-	2.78%	-	-0.48%	-	8.25%
One-year	-	7.96%	-	0.95%	-	10.52%	-	15.68%	-	19.79%
Two to three-years	-	16.08%	-	16.82%	-	22.12%	-	n/a	-	n/a

STATEMENT BY THE MANAGER

We, Shahrul Azlan Bin Shahrman and Rasman bin Abdul Ghani, do hereby state that, in the opinion of the Manager, the accompanying financial information of the investment-linked funds of Great Eastern Takaful Berhad, comprising the i-Makmur Fund, i-Mekar Fund and i-Majmuk Fund set out on pages 21 to 50 have been prepared in accordance with the accounting policies as described in Note 2.2 to the financial information and the Guidelines on Investment-Linked Insurance/Takaful Business issued by Bank Negara Malaysia.

On behalf of the Manager,

Shahrul Azlan Bin Shahrman

Rasman bin Abdul Ghani

Kuala Lumpur, Malaysia
5 April 2018

SHARIAH COMMITTEE'S REPORT

To the unit holders of the investment-linked funds of Great Eastern Takaful Berhad,

We, Dr. Akhtarzaite binti Abdul Aziz and Dr. Mohamad Sabri bin Zakaria, being two of the members of the Shariah Committee of the i-Makmur Fund, i-Mekar Fund and i-Majmuk Fund (collectively known as “the Funds”) are of the opinion that Great Eastern Takaful Berhad (“the Manager”), has fulfilled their duties in the following manner for the financial year from 1 January 2017 to 31 December 2017.

In our opinion, for the year under review:

- a. The i-Makmur fund was invested in accordance with the list of Shariah-approved sukuk rated by Rating Agency Malaysia Berhad and Malaysian Rating Corporation Berhad;
- b. The i-Mekar fund was invested in accordance with the list of Shariah-approved equities published by Securities Commission Malaysia;
- c. The i-Majmuk fund was invested in accordance with the list of Shariah-approved equities published by Securities Commission Malaysia and the list of Shariah-approved sukuk rated by Rating Agency Malaysia Berhad and Malaysian Rating Corporation Berhad; and
- d. All earnings that have been realised from invested assets or by means prohibited by the Shariah principles have been considered for disposal to charitable causes.

Signed on behalf of the Shariah Committee,

Dr. Akhtarzaite binti Abdul Aziz

Dr. Mohamad Sabri bin Zakaria

Kuala Lumpur, Malaysia

INDEPENDENT AUDITORS' REPORT

to the unitholders of the Investment-linked Funds of
Great Eastern Takaful Berhad (Incorporated in Malaysia)

Report on the Audit of the Financial Information

Opinion

We have audited the financial information of i-Makmur Fund, i-Mekar Fund and i-Majmuk Fund (collectively referred to as “the Funds”), which comprise the statements of assets and liabilities as at 31 December 2017, and the statements of income and expenditure, statements of changes in net asset value of the Funds for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 21 to 50.

In our opinion, the accompanying financial information of the Funds for the year ended 31 December 2017 are prepared, in all material respects, in accordance with the accounting policies as described in Note 2 to the financial information and the Guidelines on Investment-linked Insurance/Takaful Business issued by Bank Negara Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Information* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note 2.1 to the financial information of the Funds, which describes the basis of accounting. The financial information of the Funds are prepared to assist the Funds in complying with the Guidelines on Investment-linked Insurance/Takaful Business issued by Bank Negara Malaysia. As a result, the financial information of the Funds may not be suitable for another purpose. Our report is intended solely for the unitholders of the Funds, as a body and should not be distributed to or used by parties other than the unitholders of the Funds. Our opinion is not modified in respect of this matter.

Independence and other ethical responsibilities

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

Independent Auditors' Report (Cont'd)
to the unitholders of the Investment-linked funds of
Great Eastern Takaful Berhad (Incorporated in Malaysia)

Information other than the financial information and auditors' report thereon

The directors of the Manager ("the directors") are responsible for the other information. The other information comprises the information contained in the Annual Report of the Funds, but does not include the financial information of the Funds and our auditors' report thereon.

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

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

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

The directors are responsible for the preparation of financial information of the Funds that give a true and fair view in accordance with the accounting policies as described in Note 2 to the financial information and the Guidelines on Investment-linked Insurance/Takaful Business issued by Bank Negara Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial information of the Funds that are free from material misstatement, whether due to fraud or error.

In preparing the financial information of the Funds, the directors are responsible for assessing the Funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Funds or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report (Cont'd)
to the unitholders of the Investment-linked funds of
Great Eastern Takaful Berhad (Incorporated in Malaysia)

Auditors' responsibilities for the audit of the financial information

Our objectives are to obtain reasonable assurance about whether the financial information of the Funds as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial information.

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

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

Independent Auditors' Report (Cont'd)
to the unitholders of the Investment-linked funds of
Great Eastern Takaful Berhad (Incorporated in Malaysia)

Auditors' responsibilities for the audit of the financial information (Cont'd)

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

Ernst & Young

AF: 0039
Chartered Accountants

Brandon Bruce Sta Maria

No. 02937/09/2019 J
Chartered Accountant

Kuala Lumpur, Malaysia
5 April 2018

STATEMENTS OF ASSETS AND LIABILITIES

as at 31 December 2017

	Note	2017			2016		
		i-Makmur fund RM	i-Mekar fund RM	i-Majmuk fund RM	i-Makmur fund RM	i-Mekar fund RM	i-Majmuk fund RM
Assets							
Investments	3	38,211,330	95,851,616	39,658,243	29,898,229	60,515,976	26,713,978
Other receivables	6	1,327,067	631,718	904,744	2,914,947	6,258,681	4,147,387
Cash and bank balances		149,713	338,298	124,182	67,300	85,237	90,609
Total assets		39,688,110	96,821,632	40,687,169	32,880,476	66,859,894	30,951,974
Liabilities							
Provision for taxation		188,049	224,149	81,731	143,256	23,196	38,287
Deferred tax liabilities	4	14,497	594,458	212,697	30,555	148,318	50,125
Other payables	7	984,474	2,678,368	1,596,801	2,061,444	7,501,712	4,404,989
Total liabilities		1,187,020	3,496,975	1,891,229	2,235,255	7,673,226	4,493,401
Net asset value of funds ("NAV")		38,501,090	93,324,657	38,795,940	30,645,221	59,186,668	26,458,573
Represented by:							
Unitholders' capital		33,227,154	85,085,344	34,723,235	26,792,764	58,469,751	25,193,587
Undistributed income		5,273,936	8,239,313	4,072,705	3,852,457	716,917	1,264,986
Total unitholders' account	5	38,501,090	93,324,657	38,795,940	30,645,221	59,186,668	26,458,573
Units in circulation	5	25,329,967	57,005,278	26,874,550	20,969,146	40,932,991	20,510,812
NAV per unit	5	1.520	1.637	1.444	1.461	1.446	1.290

The accompanying notes form an integral part of the financial information.

STATEMENTS OF INCOME AND EXPENDITURE

for the Financial Year Ended 31 December 2017

Note	2017			2016		
	i-Makmur fund RM	i-Mekar fund RM	i-Majmuk fund RM	i-Makmur fund RM	i-Mekar fund RM	i-Majmuk fund RM
Net investment income:						
Profit from Islamic deposits	119,541	357,469	176,175	60,985	264,450	130,889
Profit from Islamic private debt securities	1,344,248	-	215,591	1,011,257	-	198,562
Profit from government investment issues	179,811	-	43,781	132,649	-	12,389
Dividend income	-	1,826,381	637,848	-	977,277	334,938
Investment expenses	(6,720)	(433,271)	(159,052)	(6,900)	(359,424)	(120,652)
	1,636,880	1,750,579	914,343	1,197,991	882,303	556,126
Net gain on disposal of investments	886,636	3,963,977	1,149,640	714,114	1,059,802	532,934
Net unrealised investment gain	-	5,576,789	2,032,158	284,375	-	-
Other operating income	269	655	450	5,729	49,599	13,716
Total income	2,523,785	11,292,000	4,096,591	2,202,209	1,991,704	1,102,776
Net unrealised investment loss	(200,720)	-	-	-	(1,658,216)	(999,785)
Asset management charges	(171,402)	(1,072,564)	(398,529)	(121,633)	(683,853)	(275,796)
Other outgo	(570,203)	(1,980,699)	(631,350)	(485,342)	(1,503,637)	(534,540)
Total outgo	(942,325)	(3,053,263)	(1,029,879)	(606,975)	(3,845,706)	(1,810,121)
Excess of income over outgo/ (excess of outgo over income) before taxation	1,581,460	8,238,737	3,066,712	1,595,234	(1,854,002)	(707,345)
Taxation	(159,981)	(716,341)	(258,993)	(93,126)	(64,095)	(23,009)
Net income/(loss) for the year	1,421,479	7,522,396	2,807,719	1,502,108	(1,918,097)	(730,354)
Distributable income brought forward	3,852,457	716,917	1,264,986	2,350,349	2,635,014	1,995,340
Net income/(loss) for the year	1,421,479	7,522,396	2,807,719	1,502,108	(1,918,097)	(730,354)
Distributable income carried forward	5,273,936	8,239,313	4,072,705	3,852,457	716,917	1,264,986

The accompanying notes form an integral part of the financial information.

STATEMENTS OF CHANGES IN NET ASSET VALUE

for the Financial Year Ended 31 December 2017

	2017			2016		
	Unitholders' capital	Distributable income	Total	Unitholders' capital	Distributable income	Total
	RM	RM	RM	RM	RM	RM
i-Makmur Fund						
NAV at the beginning of the financial year	26,792,764	3,852,457	30,645,221	17,647,309	2,350,349	19,997,658
Net income for the year	-	1,421,479	1,421,479	-	1,502,108	1,502,108
Amounts received from units created	10,982,295	-	10,982,295	11,937,403	-	11,937,403
Amounts paid for units cancelled	(4,547,905)	-	(4,547,905)	(2,791,948)	-	(2,791,948)
NAV at the end of the financial year	33,227,154	5,273,936	38,501,090	26,792,764	3,852,457	30,645,221

	2017			2016		
	Unitholders' capital	Distributable income	Total	Unitholders' capital	Distributable income	Total
	RM	RM	RM	RM	RM	RM
i-Mekar Fund						
NAV at the beginning of the financial year	58,469,751	716,917	59,186,668	36,610,885	2,635,014	39,245,899
Net income/(loss) for the year	-	7,522,396	7,522,396	-	(1,918,097)	(1,918,097)
Amounts received from units created	32,344,954	-	32,344,954	26,018,013	-	26,018,013
Amounts paid for units cancelled	(5,729,361)	-	(5,729,361)	(4,159,147)	-	(4,159,147)
NAV at the end of the financial year	85,085,344	8,239,313	93,324,657	58,469,751	716,917	59,186,668

	2017			2016		
	Unitholders' capital	Distributable income	Total	Unitholders' capital	Distributable income	Total
	RM	RM	RM	RM	RM	RM
i-Majmuk Fund						
NAV at the beginning of the financial year	25,193,587	1,264,986	26,458,573	16,643,010	1,995,340	18,638,350
Net income/(loss) for the year	-	2,807,719	2,807,719	-	(730,354)	(730,354)
Amounts received from units created	11,661,061	-	11,661,061	9,784,138	-	9,784,138
Amounts paid for units cancelled	(2,131,413)	-	(2,131,413)	(1,233,561)	-	(1,233,561)
NAV at the end of the financial year	34,723,235	4,072,705	38,795,940	25,193,587	1,264,986	26,458,573

The accompanying notes form an integral part of the financial information.

NOTES TO THE FINANCIAL INFORMATION

31 December 2017

1. The Manager and its Principal Activities

The i-Makmur fund, i-Mekar fund and i-Majmuk fund (collectively known as “the Funds”) are managed by Great Eastern Takaful Berhad (“the Manager”). The Manager is a public limited liability company, incorporated under the Companies Act, 2016 and domiciled in Malaysia. Its principal activity is the managing of family takaful business including takaful investment-linked business.

The financial information were authorised for issue by the Asset Liability Committee of the Manager in accordance with a resolution on 5 April 2018.

2. Significant Accounting Policies

2.1 Basis of Preparation

The financial information of the Funds have been prepared in accordance with the accounting policies described in Note 2.2 to the financial information and the Guidelines on Investment-linked Insurance/Takaful Business issued by Bank Negara Malaysia (“BNM”).

The financial information have been prepared under the historical cost convention except as disclosed in the significant accounting policies in Note 2.2 to the financial information.

The financial information are presented in Ringgit Malaysia (“RM”), which is the Funds’ functional currency.

2.2 Summary of Significant Accounting Policies

(a) Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Funds, and the amount of the revenue can be measured reliably. Revenue is measured at the fair value of consideration received or receivable.

- i. Profit income is recognised on a time proportion basis that takes into account the effective yield of the asset.
- ii. Dividend is recognised when the right to receive payment is established.
- iii. Net proceeds arising from the disposal of investments are set off against the weighted average cost of investments. The resulting gains or losses are taken to statements of income and expenditure.

Notes to the Financial Information (Cont'd)
31 December 2017

2. Significant Accounting Policies (Cont'd)

2.2 Summary of Significant Accounting Policies (Cont'd)

(b) Investment Charges

Investment charges are calculated in accordance with the provisions of the certificate document.

(c) Net Creation of Units

Net creation of units represents contribution paid by unitholders as payment for a new contract or subsequent payments to increase the amount of that contract. Net creation of units is recognised on a receipt basis.

(d) Net Cancellation of Units

Net cancellation of units represents cancellation of units arising from surrenders and withdrawals. Net cancellation of unit is recognised upon surrendering of or withdrawal from the related takaful contract.

(e) Income Tax

Income tax in the statements of income and expenditure for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the reporting date.

Deferred tax is provided for, using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the statement of assets and liabilities. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised in the statements of income and expenditure.

Notes to the Financial Information (Cont'd)
31 December 2017

2. Significant Accounting Policies (Cont'd)

2.2 Summary of Significant Accounting Policies (Cont'd)

(f) Financial Assets

Financial instruments are recognised in the statements of assets and liabilities when the Funds have become party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangements. Financial instruments are offset when the Fund has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

Regular way purchase and sales of all categories of investments in financial instruments are recognised on trade dates i.e. dates on which the Funds commit to purchase or sell the financial instruments.

The Funds classify investments at fair value through profit or loss ("FVTPL") or loans and receivables ("LAR"), as appropriate.

(i) Fair Value Through Profit or Loss ("FVTPL")

Financial assets classified as FVTPL are all financial assets acquired with the intention to sell in the near future. These investments are recorded at fair value at inception. Subsequent to initial recognition, these investments are re-measured at fair value in which the changes in fair value and realised gains and losses are recognised in the statements of income and expenditure. Transaction costs are recognised in the statements of income and expenditure as incurred.

The fair value of financial assets that are actively traded in organised financial markets is determined by reference to quoted market prices at the reporting date.

The fair value of investments in quoted unit and property trusts is determined by reference to published Net Asset Values.

Financial assets classified as FVTPL include equities and fixed income securities.

(ii) Loans and Receivables ("LAR")

LAR are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These investments are initially recognised at cost, being the fair value consideration paid for the acquisition of the investment. All transaction costs directly attributable to the acquisition are also included in the cost of investment.

Subsequent to initial measurement, LAR are measured at amortised cost, using effective profit rate method, less any provisions for impairment. Gains and losses are recognised in statements of income and expenditure when assets are derecognised or impaired, as well as through the amortisation process.

Notes to the Financial Information (Cont'd)
31 December 2017

2. Significant Accounting Policies (Cont'd)

2.2 Summary of Significant Accounting Policies (Cont'd)

(g) Derecognition of Financial Assets

A financial asset is derecognised when:

- (i) The contractual right to receive cash flows from the financial asset has expired.
- (ii) The Fund retains the contractual rights to receive cash flows from the asset but has assumed an obligation to pay them in full without material delay to a third party.
- (iii) The Fund has transferred its rights to receive cash flows from the asset and either:
 - has transferred substantially all the risks and rewards of the asset, or
 - has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(h) Impairment of Financial Instruments

At each reporting date, the Fund assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Assets carried at cost

If there is objective evidence that an impairment loss has been incurred on a financial asset carried at cost, the carrying amount of the asset will be written down to the recoverable amount. Such impairment losses are not reversed in subsequent periods.

Assets carried at amortised cost

If there is objective evidence that an impairment loss has been incurred on a financial asset carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective profit rate. The carrying amount of the asset is reduced and the loss is recorded in the statements of income and expenditure.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The reversal of impairment loss is recognised in the statements of income and expenditure.

Notes to the Financial Information (Cont'd)
31 December 2017

2. Significant Accounting Policies (Cont'd)

2.2 Summary of Significant Accounting Policies (Cont'd)

(i) Other Receivables

Other receivables are non-derivative financial assets with fixed or determinable payments. These include balances due from brokers and other investment receivables. Receivables are recognised initially at fair value.

Receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

(j) Financial Liabilities

Financial liabilities are recognised in the statements of assets and liabilities when a Fund becomes a party to the contractual obligations of the financial instrument.

Financial liabilities are recognised when due and measured on initial recognition at the fair value of the consideration received plus directly attributable transaction costs. Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective profit rate method, except for derivatives, which are measured at fair value.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or has expired. Gains or losses are recognised in the statements of income and expenditure.

(k) Other Payables

Other payables are recognised initially at fair value plus directly attributable transaction costs, and are subsequently measured at amortised cost using the effective profit rate method.

Payables are derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in the statements of income and expenditure when the liabilities are derecognised, and through the amortisation process.

(l) Unitholders' Account

Unitholders' account of the Funds represent equity instruments in the statements of assets and liabilities.

Notes to the Financial Information (Cont'd)
31 December 2017

2. Significant Accounting Policies (Cont'd)

2.2 Summary of Significant Accounting Policies (Cont'd)

(m) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term, highly liquid investments with original maturity of three months or less that are readily convertible to a known amounts of cash and which are subject to an insignificant risk of changes in value.

(n) Foreign Currency Transactions

In preparing the financial statements of the Funds, transactions in currencies other than the Funds' functional currency ("foreign currencies") are recorded in the functional currency using the exchange rates prevailing at the dates of transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items are included in the statements of income and expenditure for the year.

The principal exchange rate for every unit of Singapore Dollar ruling at the reporting date used is RM3.03 (2016: RM3.10).

Notes to the Financial Information (Cont'd)
31 December 2017

3. Investments

	i-Makmur fund RM	i-Mekar fund RM	i-Majmuk fund RM
2017			
(a) LAR			
Islamic investment accounts with licensed Islamic banks	3,000,000	15,600,000	8,200,000
(b) FVTPL			
Quoted Shariah-approved equities			
- Quoted in Malaysia	-	77,953,158	25,693,068
Unit trusts - REITS	-	2,298,458	636,095
Government investment issues	7,138,670	-	1,021,550
Unquoted Islamic private debt securities	28,072,660	-	4,107,530
	35,211,330	80,251,616	31,458,243
	38,211,330	95,851,616	39,658,243
	i-Makmur fund RM	i-Mekar fund RM	i-Majmuk fund RM
2016			
(a) LAR			
Islamic deposits with licensed Islamic banks	4,950,000	11,900,000	6,850,000
(b) FVTPL			
Quoted Shariah-approved equities			
- Quoted in Malaysia	-	46,276,248	12,179,316
Financial instruments with embedded derivatives	-	-	27,562
Unit trusts - REITS	-	2,339,728	587,700
Government investment issues	1,914,420	-	1,017,050
Unquoted Islamic private debt securities	23,033,809	-	6,052,350
	24,948,229	48,615,976	19,863,978
	29,898,229	60,515,976	26,713,978

Notes to the Financial Information (Cont'd)
31 December 2017

3. Investments (Cont'd)

(c) Details of investments

2017 i-Makmur fund	Quantity held	Cost RM	Market value RM	Market value as a % of NAV (%)
FVTPL				
Government Investment Issues				
Government Investment Issues	700,000	701,351	704,270	1.83%
Government Investment Issues	5,000,000	4,978,550	4,937,400	12.82%
Government Investment Issues	1,500,000	1,491,330	1,497,000	3.89%
Total Government Investment Issues	7,200,000	7,171,231	7,138,670	18.54%
Unquoted Islamic Private Debt Securities				
Construction				
WCT Holdings Berhad	1,500,000	1,504,890	1,493,700	3.88%
Total Construction	1,500,000	1,504,890	1,493,700	3.88%
Financial				
Purple Boulevard Bhd	1,500,000	1,495,695	1,544,280	4.01%
Amlslamic Bank Berhad	1,000,000	1,000,000	1,005,720	2.61%
Amlslamic Bank Berhad	500,000	503,470	502,860	1.31%
Bank Islam Malaysia Berhad	1,000,000	1,000,000	1,025,480	2.66%
Total Financial	4,000,000	3,999,165	4,078,340	10.59%
Highway				
Projek Smart Holdings Sdn Bhd	800,000	804,240	856,816	2.23%
Total Highway	800,000	804,240	856,816	2.23%

Notes to the Financial Information (Cont'd)
31 December 2017

3. Investments (Cont'd)

(c) Details of investments (Cont'd)

2017 i-Makmur fund (Cont'd)	Quantity held	Cost RM	Market value RM	Market value as a % of NAV (%)
FVTPL (Cont'd)				
Unquoted Islamic Private Debt Securities (Cont'd)				
Properties				
Putrajaya Holdings Sdn Bhd	2,600,000	2,600,000	2,607,254	6.77%
Putrajaya Bina Sdn Bhd	5,000,000	5,000,000	4,992,350	12.97%
Total Properties	7,600,000	7,600,000	7,599,604	19.74%
Retail				
Mydin Mohamed Holdings	1,000,000	1,000,000	1,001,500	2.60%
Total Retail	1,000,000	1,000,000	1,001,500	2.60%
Power				
Southern Power Generation	1,200,000	1,200,000	1,201,020	3.12%
Tadau Energy Sdn Bhd	2,500,000	2,538,100	2,555,600	6.64%
Total Power	3,700,000	3,738,100	3,756,620	9.76%
Transport				
Prasarana Malaysia Berhad	4,000,000	4,012,000	4,000,880	10.39%
Samalaju Industrial Port Sdn Bhd	1,200,000	1,200,000	1,256,880	3.26%
Total Transport	5,200,000	5,212,000	5,257,760	13.65%
Motor				
UMW Holdings Bhd	1,000,000	1,001,900	1,007,080	2.62%
UMW Holdings Bhd	3,000,000	2,998,590	3,021,240	7.85%
Total Motor	4,000,000	4,000,490	4,028,320	10.47%
Total Unquoted Islamic Private Debt Securities	27,800,000	27,858,885	28,072,660	72.92%
Total FVTPL	35,000,000	35,030,116	35,211,330	91.46%

Notes to the Financial Information (Cont'd)
31 December 2017

3. Investments (Cont'd)

(c) Details of investments (Cont'd)

2017 i-Mekar fund	Quantity held	Cost RM	Market value RM	Market value as a % of NAV (%)
FVTPL				
Quoted Shariah-approved Equities in Malaysia				
Agriculture & Mining				
Kuala Lumpur Kepong Bhd	36,400	848,872	910,000	0.98%
Sime Darby Plantation Bhd	391,170	2,125,790	2,347,020	2.51%
Total Agriculture & Mining	427,570	2,974,662	3,257,020	3.49%
Building Materials				
Press Metal Aluminium Holdings	276,500	681,211	1,490,335	1.60%
Total Building Materials	276,500	681,211	1,490,335	1.60%
Conglomerate				
Cahaya Mata Sarawak Bhd	542,500	2,325,732	2,115,750	2.27%
Sime Darby Bhd	391,170	704,061	864,486	0.93%
Total Conglomerate	933,670	3,029,793	2,980,236	3.20%
Motor				
Bermaz Auto Bhd	632,000	1,318,167	1,390,400	1.49%
MBM Resources Bhd	284,200	600,920	625,240	0.67%
UMW Holdings Bhd	279,100	1,538,533	1,451,320	1.56%
Total Motor	1,195,300	3,457,620	3,466,960	3.72%

Notes to the Financial Information (Cont'd)
31 December 2017

3. Investments (Cont'd)

(c) Details of investments (Cont'd)

2017 i-Mekar fund (Cont'd)	Quantity held	Cost RM	Market value RM	Market value as a % of NAV (%)
FVTPL (Cont'd)				
Quoted Shariah-approved Equities in Malaysia (Cont'd)				
Construction				
Econpile Holdings Bhd	648,250	466,768	784,382	0.84%
Fajarbaru Builder Group Bhd	1,501,100	1,360,587	1,208,386	1.29%
Gamuda Bhd	270,500	1,441,525	1,341,680	1.44%
Hock Seng Lee Bhd	637,000	927,118	910,910	0.98%
Ikhmas Jaya Group Bhd	1,800,500	1,229,158	1,008,280	1.08%
Mudajaya Group Bhd	999,600	1,481,075	929,628	1.00%
Protasco Bhd	1,236,000	1,326,172	1,297,800	1.39%
Total Construction	7,092,950	8,232,403	7,481,066	8.02%
Oil & Gas				
Dayang Enterprise Holdings Bhd	811,400	590,083	551,752	0.59%
Dialog Group Bhd	1,005,900	1,763,180	2,524,809	2.71%
Gas Malaysia Berhad	317,800	937,091	918,442	0.98%
Petronas Chemicals Group Bhd	360,000	2,577,725	2,772,000	2.97%
Petronas Dagangan Bhd	37,300	812,637	904,898	0.97%
Petronas Gas Bhd	66,700	1,392,761	1,165,916	1.25%
Serba Dinamik Holdings Bhd	802,000	1,353,150	2,598,480	2.78%
Uzma Bhd	440,000	794,134	563,200	0.60%
Yinson Holdings Bhd	314,800	1,046,024	1,274,940	1.37%
Total Oil & Gas	4,155,900	11,266,785	13,274,437	14.22%
Others				
IHH Healthcare Berhad	135,300	841,863	792,858	0.85%
Total Others	135,300	841,863	792,858	0.85%

Notes to the Financial Information (Cont'd)
31 December 2017

3. Investments (Cont'd)

(c) Details of investments (Cont'd)

2017 i-Mekar fund (Cont'd)	Quantity held	Cost RM	Market value RM	Market value as a % of NAV (%)
FVTPL (Cont'd)				
Quoted Shariah-approved Equities in Malaysia (Cont'd)				
Others - Manufacturing				
Hartalega Holdings Bhd	142,700	974,566	1,524,036	1.63%
Kossan Rubber Industries Bhd	176,000	1,221,189	1,427,360	1.53%
Success Transformer Corp Bhd	424,800	679,680	509,760	0.55%
Top Glove Corporation Bhd	279,900	1,509,816	2,236,401	2.40%
V.S. Industry Bhd	865,300	1,376,623	2,604,553	2.79%
Vizione Holdings Bhd	11,750,000	1,589,850	1,880,000	2.01%
Total Others - Manufacturing	13,638,700	7,351,724	10,182,110	10.91%
Property				
Gabungan AQRS Berhad	1,136,700	1,128,487	2,193,831	2.35%
LBS Bina Group Bhd	135,920	149,512	156,308	0.17%
Malton Bhd	812,300	1,151,131	759,500	0.81%
Paramount Corporation Bhd	753,300	1,358,040	1,333,341	1.43%
Sime Darby Property Bhd	391,170	571,412	696,283	0.75%
UEM Edgenta Bhd	550,000	1,891,647	1,375,000	1.47%
UOA Development Bhd	187,900	400,429	449,081	0.48%
Total Property	3,967,290	6,650,658	6,963,344	7.46%
Technology				
Globetronics Technology Bhd	300,000	1,906,200	1,980,000	2.12%
KESM Industries Bhd	109,500	1,503,624	2,135,250	2.29%
Malaysian Pacific Industries	128,400	1,770,140	1,620,408	1.74%
Unisem M Bhd	320,000	1,223,416	1,168,000	1.25%
Total Technology	857,900	6,403,380	6,903,658	7.40%

Notes to the Financial Information (Cont'd)
31 December 2017

3. Investments (Cont'd)

(c) Details of investments (Cont'd)

2017	Quantity	Cost	Market	Market
i-Mekar fund (Cont'd)	held	RM	value	value
			RM	as a % of
				NAV (%)
FVTPL (Cont'd)				
Quoted Shariah-approved				
Equities in Malaysia (Cont'd)				
Telecommunication				
Axiata Group Bhd	413,749	2,136,478	2,271,482	2.43%
Digi.Com Bhd	180,000	912,000	918,000	0.98%
Maxis Bhd	295,200	1,641,096	1,774,152	1.90%
OCK Group Berhad	2,457,000	2,060,736	2,211,300	2.37%
Telekom Malaysia Bhd	246,904	1,589,898	1,555,495	1.67%
Time Dotcom Bhd	249,800	1,635,400	2,273,180	2.44%
Total Telecommunication	3,842,653	9,975,608	11,003,609	11.79%
Utilities				
Cypark Resources Berhad	926,100	2,404,977	2,194,857	2.35%
Tenaga Nasional Bhd	521,800	7,309,474	7,962,668	8.53%
Total Utilities	1,447,900	9,714,451	10,157,525	10.88%
Total Quoted Shariah-approved				
Equities in Malaysia	37,971,633	70,580,158	77,953,158	83.54%

Notes to the Financial Information (Cont'd)
31 December 2017

3. Investments (Cont'd)

(c) Details of investments (Cont'd)

2017 i-Mekar fund (Cont'd)	Quantity held	Cost RM	Market value RM	Market value as a % of NAV (%)
FVTPL (Cont'd)				
Financial Instruments with Embedded Derivatives				
Construction				
Econpile Holdings Bhd	129,650	-	-	-
Total Construction	129,650	-	-	-
Total Financial Instruments with Embedded Derivatives	129,650	-	-	-
Unit trusts - REITS				
Property				
AI-AQAR Healthcare REIT	309,400	479,792	442,442	0.47%
AXIS Real Estate Investment Trust	420,000	724,920	630,000	0.68%
KLCC Property & KLCC REITs	141,900	1,037,200	1,226,016	1.31%
Total Property	871,300	2,241,912	2,298,458	2.46%
Total Unit trusts - REITS	871,300	2,241,912	2,298,458	2.46%
Total FVTPL	38,972,583	72,822,070	80,251,616	86.00%

Notes to the Financial Information (Cont'd)
31 December 2017

3. Investments (Cont'd)

(c) Details of investments (Cont'd)

2017 i-Majmuk fund	Quantity held	Cost RM	Market value RM	Market value as a % of NAV (%)
FVTPL				
Quoted Shariah-approved Equities in Malaysia				
Agriculture & Mining				
Sime Darby Plantation Bhd	150,900	808,942	905,400	2.33%
Total Agriculture & Mining	150,900	808,942	905,400	2.33%
Building Materials				
Press Metal Aluminium Holdings	116,020	242,892	625,348	1.61%
Total Building Materials	116,020	242,892	625,348	1.61%
Conglomerate				
Cahaya Mata Sarawak Bhd	213,000	821,234	830,700	2.14%
Sime Darby Bhd	150,900	267,921	333,489	0.86%
Total Conglomerate	363,900	1,089,155	1,164,189	3.00%
Construction				
Gamuda Berhad	100,000	532,383	496,000	1.28%
Hock Seng Lee Bhd	314,800	458,480	450,164	1.16%
Mudajaya Group Bhd	274,800	397,771	255,564	0.66%
Protasco Bhd	522,100	558,779	548,205	1.41%
Total Construction	1,211,700	1,947,413	1,749,933	4.51%
Motor				
Bermaz Auto Bhd	150,000	312,000	330,000	0.85%
MBM Resources Bhd	12,500	27,000	27,500	0.07%
UMW Holdings Bhd	133,500	730,629	694,200	1.79%
Total Motor	296,000	1,069,629	1,051,700	2.71%

Notes to the Financial Information (Cont'd)
31 December 2017

3. Investments (Cont'd)

(c) Details of investments (Cont'd)

2017 i-Majmuk fund (Cont'd)	Quantity held	Cost RM	Market value RM	Market value as a % of NAV (%)
FVTPL (Cont'd)				
Quoted Shariah-approved Equities in Malaysia (Cont'd)				
Oil & Gas				
Dayang Enterprise Holdings Bhd	88,900	72,008	60,452	0.16%
Dialog Group Bhd	356,000	545,740	893,560	2.30%
Gas Malaysia Berhad	62,600	186,548	180,914	0.47%
Petronas Chemicals Group Bhd	48,000	352,800	369,600	0.95%
Serba Dinamik Holdings Bhd	250,000	375,000	810,000	2.09%
Yinson Holdings Bhd	93,400	315,692	378,270	0.98%
Total Oil & Gas	898,900	1,847,788	2,692,796	6.95%
Others - Manufacturing				
Brahim's Holdings Bhd	650,000	461,500	302,250	0.78%
Hartalega Holdings Bhd	53,500	363,507	571,380	1.47%
Success Transformer Corp Bhd	170,000	272,000	204,000	0.53%
V.S. Industry Bhd	325,700	517,962	980,357	2.53%
Vizione Holdings Bhd	3,950,000	524,250	632,000	1.63%
Total Others - Manufacturing	5,149,200	2,139,219	2,689,987	6.94%
Property				
Eco World Development Group	305,000	476,457	420,900	1.08%
Gabungan AQRS Berhad	250,000	359,545	482,500	1.24%
LBS Bina Group Bhd	212,200	364,841	498,670	1.29%
LBS Bina Group Bhd	78,460	86,306	90,229	0.23%
Mah Sing Group Bhd	110,000	168,300	159,500	0.41%
Malton Bhd	402,600	569,620	376,431	0.97%
Paramount Corporation Bhd	168,200	304,088	297,714	0.77%
Sime Darby Property Bhd	150,900	217,444	268,602	0.69%
UEM Edgenta Bhd	250,000	878,810	625,000	1.61%
Total Property	1,927,360	3,425,411	3,219,546	8.29%

Notes to the Financial Information (Cont'd)
31 December 2017

3. Investments (Cont'd)

(c) Details of investments (Cont'd)

2017	Quantity held	Cost RM	Market value RM	Market value as a % of NAV (%)
i-Majmuk fund (Cont'd)				
FVTPL (Cont'd)				
Quoted Shariah-approved Equities in Malaysia (Cont'd)				
Technology				
Globetronics Technology Bhd	100,000	626,500	660,000	1.70%
KESM Industries Bhd	47,200	369,805	920,400	2.37%
Malaysia Pacific Industries	50,000	686,395	631,000	1.63%
Unisem M Bhd	178,000	684,259	649,700	1.67%
Total Technology	375,200	2,366,959	2,861,100	7.37%
Telecommunication				
Axiata Group Bhd	242,591	1,163,042	1,331,824	3.43%
Digi.Com Bhd	100,000	492,650	510,000	1.31%
Maxis Bhd	105,000	579,600	631,050	1.63%
OCK Group Berhad	660,000	523,790	594,000	1.53%
Telekom Malaysia Bhd	67,000	408,700	422,100	1.09%
Time Dotcom Bhd	86,500	574,590	787,150	2.03%
Total Telecommunication	1,261,091	3,742,372	4,276,124	11.02%
Utilities				
Cypark Resources Berhad	349,900	919,636	829,263	2.14%
Tenaga Nasional Bhd	204,700	2,801,700	3,123,722	8.05%
Total Utilities	554,600	3,721,336	3,952,985	10.19%
Others				
IHH Healthcare Berhad	86,000	543,511	503,960	1.30%
Total Others	86,000	543,511	503,960	1.30%
Total Quoted Shariah-approved Equities in Malaysia	12,390,871	22,944,627	25,693,068	66.22%

Notes to the Financial Information (Cont'd)
31 December 2017

3. Investments (Cont'd)

(c) Details of investments (Cont'd)

2017 i-Majmuk fund (Cont'd)	Quantity held	Cost RM	Market value RM	Market value as a % of NAV (%)
FVTPL (Cont'd)				
Unit trusts - REITS				
Property				
AI-AQAR Healthcare REIT	266,500	389,706	381,095	0.98%
AXIS Real Estate Investment Trust	170,000	293,396	255,000	0.66%
Total Property	436,500	683,102	636,095	1.64%
Total Unit trusts - REITS	436,500	683,102	636,095	1.64%
Government Investment Issues				
Government Investment Issues	1,000,000	1,044,500	1,021,550	2.63%
Total Government Investment Issues	1,000,000	1,044,500	1,021,550	2.63%
Unquoted Islamic Private Debt Securities				
Highway				
Lebuhraya Duke Fasa 3 Sdn Bhd	2,000,000	2,125,400	2,105,660	5.43%
Total Highway	2,000,000	2,125,400	2,105,660	5.43%
Property				
Putrajaya Holdings Sdn Bhd	1,000,000	1,000,000	994,790	2.56%
Total Property	1,000,000	1,000,000	994,790	2.56%
Motor				
UMW Holdings Bhd	1,000,000	1,001,900	1,007,080	2.60%
Total Motor	1,000,000	1,001,900	1,007,080	2.60%
Total Unquoted Islamic Private Debt Securities	4,000,000	4,127,300	4,107,530	10.59%
Total FVTPL	17,827,371	28,799,529	31,458,243	81.08%

Notes to the Financial Information (Cont'd)
31 December 2017

4. Deferred Tax Liabilities

	i-Makmur fund RM	i-Mekar fund RM	i-Majmuk fund RM
2017			
At 1 January 2017	30,555	148,318	50,125
Recognised in the statements of income and expenditure (Note 9)	(16,058)	446,140	162,572
At 31 December 2017	14,497	594,458	212,697
	i-Makmur fund RM	i-Mekar fund RM	i-Majmuk fund RM
2016			
At 1 January 2016	7,805	280,972	130,108
Recognised in the statements of income and expenditure (Note 9)	22,750	(132,654)	(79,983)
At 31 December 2016	30,555	148,318	50,125

The deferred tax liabilities relate to the unrealised gains on investments of the Funds.

Notes to the Financial Information (Cont'd)
31 December 2017

5. Unitholders' Accounts

	2017	
i-Makmur fund	No. of Units	RM
Amount received for creations during the year	7,443,102	10,982,295
Amount paid for cancellations during the year	(3,082,281)	(4,547,905)
	4,360,821	6,434,390
Unitholders' account brought forward	20,969,146	30,645,221
Net income for the year	-	1,421,479
At end of the year	25,329,967	38,501,090
		<u>1.520</u>

	2016	
i-Makmur fund	No. of Units	RM
Amount received for creations during the year	7,510,596	11,937,403
Amount paid for cancellations during the year	(1,756,596)	(2,791,948)
	5,754,000	9,145,455
Unitholders' account brought forward	15,215,146	19,997,658
Net income for the year	-	1,502,108
At end of the year	20,969,146	30,645,221
		<u>1.461</u>

Notes to the Financial Information (Cont'd)
31 December 2017

5. Unitholders' Accounts (Cont'd)

	2017	
i-Mekar fund	No. of Units	RM
Amount received for creations during the year	19,532,061	32,344,954
Amount paid for cancellations during the year	(3,459,774)	(5,729,361)
	16,072,287	26,615,593
Unitholders' account brought forward	40,932,991	59,186,668
Net income for the year	–	7,522,396
At end of the year	57,005,278	93,324,657
		1.637
Net asset value per unit at 31 December 2017		1.637
	2016	
i-Mekar fund	No. of Units	RM
Amount received for creations during the year	16,319,698	26,018,013
Amount paid for cancellations during the year	(2,608,809)	(4,159,147)
	13,710,889	21,858,866
Unitholders' account brought forward	27,222,102	39,245,899
Net loss for the year	–	(1,918,097)
At end of the year	40,932,991	59,186,668
		1.446
Net asset value per unit at 31 December 2016		1.446

Notes to the Financial Information (Cont'd)
31 December 2017

6. Other Receivables

	i-Makmur fund RM	i-Mekar fund RM	i-Majmuk fund RM
2017			
Amount due from shareholders' fund*	869,926	-	-
Amount due from family takaful fund*	-	-	180,858
Profits receivable	457,141	277,644	194,932
Sundry receivables	-	354,074	528,954
	1,327,067	631,718	904,744
	i-Makmur fund RM	i-Mekar fund RM	i-Majmuk fund RM
2016			
Amount due from family takaful fund*	2,646,852	5,813,842	3,461,278
Profits receivable	268,095	90,688	154,516
Sundry receivables	-	354,151	531,593
	2,914,947	6,258,681	4,147,387

* The amount due from shareholders' fund and family takaful fund are trade in nature, unsecured, profit-free and repayable on demand.

Notes to the Financial Information (Cont'd)
31 December 2017

7. Other Payables

	i-Makmur fund RM	i-Mekar fund RM	i-Majmuk fund RM
2017			
Amount due to shareholders' fund*	-	536,371	1,264,589
Amount due to family takaful fund*	95,623	823,632	-
Sundry creditors	888,851	1,318,365	332,212
	<u>984,474</u>	<u>2,678,368</u>	<u>1,596,801</u>
2016			
Amount due to shareholders' fund*	1,174,373	5,924,706	4,238,223
Sundry creditors	887,071	1,577,006	166,766
	<u>2,061,444</u>	<u>7,501,712</u>	<u>4,404,989</u>

* The amount due to shareholders' fund and family takaful fund are trade in nature, unsecured, profit-free and repayable on demand.

Notes to the Financial Information (Cont'd)
31 December 2017

8. Other Outgo

	i-Makmur fund RM	i-Mekar fund RM	i-Majmuk fund RM
2017			
Audit fee	2,917	6,322	2,728
Goods and services tax	566,894	1,972,963	627,781
Other expenses	392	1,414	841
	<hr/> 570,203	<hr/> 1,980,699	<hr/> 631,350
	i-Makmur fund RM	i-Mekar fund RM	i-Majmuk fund RM
2016			
Audit fee	2,129	4,125	1,932
Goods and services tax	482,783	1,498,248	531,530
Other expenses	430	1,264	1,078
	<hr/> 485,342	<hr/> 1,503,637	<hr/> 534,540

Notes to the Financial Information (Cont'd)
31 December 2017

9. Taxation

The Malaysian tax charge on family takaful business (including investment-linked business) is based on the method prescribed under the Income Tax Act, 1967 for family takaful business. The tax rate for family takaful business is 8% (2016: 8%) and is charged on investment income net of allowable deductions for the year.

	i-Makmur fund RM	i-Mekar fund RM	i-Majmuk fund RM
2017			
Income tax:			
Current year provision	188,190	225,310	82,246
(Over)/under provision in prior years	(12,151)	44,891	14,175
	<hr/> 176,039	<hr/> 270,201	<hr/> 96,421
Deferred tax (Note 4):			
Relating to origination and reversal of temporary differences	(16,058)	446,140	162,572
	<hr/> (16,058)	<hr/> 446,140	<hr/> 162,572
	<hr/> <hr/> 159,981	<hr/> <hr/> 716,341	<hr/> <hr/> 258,993

A reconciliation of income tax expense applicable to the excess of income over outgo/(outgo over income) before taxation at the tax rate applicable to the Funds, to tax expense at the effective tax rate is as follows:

	i-Makmur fund RM	i-Mekar fund RM	i-Majmuk fund RM
2017			
Excess of income over outgo before taxation	1,581,460	8,238,737	3,066,712
Tax rate of 8%	126,517	659,099	245,337
Income not subject to tax	-	(146,111)	(51,027)
Expenses not deductible for tax purposes	45,615	158,462	50,508
(Over)/under provision in prior years	(12,151)	44,891	14,175
	<hr/> 159,981	<hr/> 716,341	<hr/> 258,993

Notes to the Financial Information (Cont'd)
31 December 2017

9. Taxation (Cont'd)

2016	i-Makmur fund RM	i-Mekar fund RM	i-Majmuk fund RM
Income tax:			
Current year provision	143,257	23,196	38,287
(Over)/under provision in prior years	(72,881)	173,553	64,705
	<u>70,376</u>	<u>196,749</u>	<u>102,992</u>
Deferred tax:			
Relating to origination and reversal of temporary differences (Note 4)	22,750	(132,654)	(79,983)
	<u>22,750</u>	<u>(132,654)</u>	<u>(79,983)</u>
	<u>93,126</u>	<u>64,095</u>	<u>23,009</u>

A reconciliation of income tax expense applicable to the excess of income over outgo/(outgo over income) before taxation at the tax rate applicable to the Funds, to tax expense at the effective tax rate is as follows:

2016	i-Makmur fund RM	i-Mekar fund RM	i-Majmuk fund RM
Excess of income over outgo/(outgo over income) before taxation	1,595,234	(1,854,002)	(707,345)
Tax rate of 8%	127,619	(148,320)	(56,588)
Income not subject to tax	–	(78,182)	(26,795)
Expenses not deductible for tax purposes	38,388	117,044	41,687
(Over)/under provision in prior years	(72,881)	173,553	64,705
	<u>93,126</u>	<u>64,095</u>	<u>23,009</u>

FREQUENTLY ASKED QUESTIONS

1. How did the investment-linked funds perform in 2017?

The year 2017 was another good year for GETB's investment linked funds. Buoyed by the robust equity market, both Dana I-Mekar and Dana I-Majmuk ended the year 2nd place in respective categories, maintaining their 2016 positions. Dana I-Makmur, a fixed income fund, also performed well. It ranked 3rd out of 8, although a slight drop from 2nd place in 2016. Dana I-Mekar generated a return of +14.3% outperforming FBM Emas Shariah (FBMS) Index by 60bps. Meanwhile Dana I-Majmuk, a balanced fund, produced a healthy +12.0% return where it outperformed the weighted benchmark (FBMS & 12 month deposit) by 370bps. Dana I-Makmur generated a return of 6.3% vs its benchmark return of 2.9%.

2. Where can I find the latest and historical pricing for the said investment-linked funds?

You can find the funds' unit pricing from our website at www.greateasterntakaful.com.

3. Are investment-linked plans for me?

Consider the benefits but think about the risks too. Make sure you understand the risks that come with investing in a fund exposed to volatility of financial markets. Bear in mind that the potential for high returns comes with high risks.

4. Do I need to monitor the financial markets when I invest in investment-linked funds?

It is advisable to monitor the performance of your units and keep yourself abreast of developments in financial markets. As financial products become more sophisticated, consumers must mature with the markets and with maturity comes responsibility.

5. Can I perform fund switching and is there any charge for it?

Fund switching can be done without any limits to its frequency and without any charge.

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