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FUND
PERFORMANCE
REPORT
2018





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INSIDE THIS FUND PERFORMANCE REPORT 2018

SIMPLICITY WINS CUSTOMERS

There is no better accolade for a company than that of its customers. At Allianz, we strive for simplicity in our processes and continuously find ways to make things seamless and easy for customer satisfaction. Integrity, Competency, Courage and Resilience is part of our business culture, from our leadership to our employees and in developing the very products and services we offer. The success of our Renewal Agenda 1.0 is testimony to this. Allianz protects you from A–Z.

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Message from the Chief Executive Officer

Dear valued investment – linked policy holders,

The past year was indeed a rather challenging year for the Malaysian economy as we experienced a slowdown in GDP growth momentum. Bank Negara Malaysia's initial projection of a 5.5 – 6.0% yoy GDP growth in 1Q18 was dialled down to 4.8% by the government in November 2018, as compared to +5.9% yoy in 2017, on the back of commodity – specific shocks in the mining and agriculture sectors. In addition, the overall market sentiment was further dampened by a myriad of global and domestic factors such as the US – China trade tensions, Fed rate hikes, the unwinding of global monetary easing policies, pullbacks in commodity prices as well as the installation of a new government in Malaysia after 61 years. As such, while the market enjoyed a surge to its historical peak in April 2018 due to a pre – GE14 rally, it declined by 8.4% after the unexpected change in government due to investors' near term concerns of the uncertainties surrounding the new economic and political reforms, reviews of awarded mega projects as well as the new government's plan for our country's economic trajectory. While these reforms and actions are positive for country over the longer term, the uncertainties did give rise to some near term volatility. This, coupled with the strengthening USD due to the steady pace of the Fed's rate hikes, caused net foreign outflow for 2018 amounting to RM11.6b, which exceeded the net foreign inflow of RM11.1b recorded in 2017.

Faced with the unexpected turns of events as mentioned above post GE14, our investment – linked funds had as a result, unfortunately underperformed their set benchmarks. The principal funds under our management Allianz Life Equity Fund and Managed Fund registered returns of -19.84% and -8.76%, respectively, whereas their corresponding benchmarks reported losses of -9.28% and -2.99% respectively. When measured over the past 3 years, our Equity Fund and Managed Fund annualised returns were also hampered by the drag in 2018, recording returns of -0.80% and +1.46% per annum versus the market recorded returns of -0.08% and +1.67% per annum. However, over the past 5 years, the annualised returns were -0.73% and +1.41%, ahead of their benchmark annualised 5 year returns of -1.89% and +0.76% respectively. With regards to overall past performances since their inception in 2000, the Equity and Managed Funds also recorded

positive results with annualised returns of +8.87% and +9.10% which had outperformed their respective benchmarks by 4.75% and 5.09%. We note that our Investment Linked products had recorded decent 2018 growth of 17.5% in gross written premiums and 4.3% in new business premiums.

As we leave 2018 and progress into 2019, we remain vigilant of a number of exogenous factors that may impact on our economy such as the US – China trade war, ongoing tightening of global monetary policy measures, possible further economic growth slowdown in G3 and China as well as other geopolitical risks. We note that the International Monetary Fund has recently lowered its 2019 global growth forecast in January 2019 by 0.2% to +3.5% yoy on the back of a confluence of factors which include the aforementioned trade war, weaker Eurozone, Britain and Japan as well as the rising of interest rates which have already sparked a capital exodus from emerging markets.

However, there recently have been some nascent signs of positive development in the US – China trade war which could lead to a possible recovery in global growth rates and we will therefore be on the lookout for any indications of a resolution in 1H19. The temporary 90 day truce between these two major economic countries during the December 2018 G20 summit was certainly a welcomed maneuver. Moreover, the latest comments by the Fed chair and members have suggested that they might consider a more cautious approach to rate hikes in 2019 which may give pause to the strengthening USD and thus easing the capital outflow pressures faced by emerging markets. Furthermore, commodities, such as Brent oil, which has important bearing on Malaysia's growth appear to have been stabilising with the imposition of the OPEC+ oil production curbs.

Amid tepid global macroeconomic outlook, the Malaysian government expects GDP growth for 2019 to remain resilient at +4.9% yoy, predicated upon robust domestic demand growth which will in turn be driven by private sector expenditure. While we are heartened by the government's respectable GDP growth forecast, we are cognisant of the fact that the government has the challenging task of



Message from the Chief Executive Officer



JOSEPH KUMAR GROSS

Chief Executive Officer
Allianz Life Insurance Malaysia Berhad

moderated to 23.4% as at December 2018 from its recent pre – GE14 peak of 24.2% due to net equity outflows post – GE14. However, in terms of valuations, we acknowledge that the market is trading at valuations that appear to be fair viz-a-viz historical averages, which should help provide some support. In addition, we posit that a resolution to the US – China trade war could spring some positive surprises in terms of commodity prices, macroeconomic outlooks and an overall market re – rating.

Similarly, for the bond market, although outflow pressure from Malaysian Government Securities was present for the large part of 2018, it appeared to subside from December 2018 where outflows eased to RM1.5b from its peak of RM6.0b in June 2018. A stronger USD and higher US Treasuries (UST) yield from further rate hikes can continue to pressure the local bonds, but there is ample liquidity in the system lending help to support bond prices. We will, from time to time, be closely assessing the situation to continually recalibrate the portfolio with respect to our objectives for fundamentally good investments in this testing environment.

balancing growth while simultaneously embarking on fiscal prudence to rein in our 2019 budget deficit to 3.4% from an estimated 3.7% in 2018. We also note that the current Brent oil price of USD62/bbl is languishing below the USD72/ bbl mark upon which the Budget 2019 was premised and the government has cautioned that its Budget 2019 would have to be revised should oil price be depressed to below USD50/bbl on a prolonged basis.

After having gone through a series of significant political and economic volatility last year, we take stock of the abovementioned potential headwinds. Nonetheless, we are also cautiously optimistic that Malaysia’s intrinsic economic fundamentals remain largely intact while a recovery in commodity prices and a potential resumption in consumer spending, led by appropriate government measures such as tax refunds, stimuli for first home buyers and a resumption in construction projects albeit at revised cost levels, will be supportive of domestic growth as well as lending a modicum of resilience to our economy.

In summary, we believe that the 2018 decline experienced by the equity market had to some extent factored in a host of the abovementioned concerns. To put things into perspective, 86.8% of the stocks traded on the broader FBMEMAS had, as a result, endured losses in 2018. Foreign equity shareholding had also



Market Review and Outlook

GLOBAL EQUITY MARKETS EXPERIENCED A YEAR WROUGHT WITH VOLATILITY IN 2018 AS REFLECTED BY THE MSCI WORLD INDEX WHICH INITIALLY SURGED +6.9% FROM END DECEMBER 2017 TO 26 JANUARY 2018 BUT FOLLOWED BY A CORRECTION THAT LED TO ITS EVENTUAL OVERALL 10.4% YOY DECLINE. THE YEAR STARTED ON A STRONG FOOTING WITH POSITIVE GLOBAL MACROECONOMIC DATA WITH CHINA ANNOUNCING IN JANUARY 2018 THAT ITS 2017 GDP GROWTH HAD SURGED +6.9% YOY, WHICH WAS ITS FIRST UPTICK IN GROWTH MOMENTUM SINCE 2010. HOWEVER, SEVERAL LOOMING HEADWINDS THEN MERGED WHICH INTRODUCED A MODICUM OF UNCERTAINTY INTO THE GLOBAL EQUITY MARKETS. AMONG THE VARIED CAUSES OF THE HEIGHTENED SENSE OF RISK AVERSION WERE THE FOUR US INTEREST RATE HIKES TO 2.5%, TURKEY'S DETERIORATING FINANCIAL CRISIS WHICH THREATENED AN EMERGING MARKET CURRENCY ROUT, BREXIT AND THE US – CHINA TRADE TENSION WHICH BEGAN IN 1H18 AND INTENSIFIED THROUGHOUT THE LARGE PART OF 2018. IN ADDITION, MAJOR CENTRAL BANKS, SUCH AS THE FEDERAL RESERVE AND THE EUROPEAN CENTRAL BANK BEGAN TO UNWIND THEIR DOVISH MONETARY POLICIES WHICH HAD HITHERTO HELPED TO SPUR ECONOMIC GROWTH MOMENTUM.

Similarly, Brent crude oil price also endured a year of volatile swings as it rose to a 2018 peak of USD86.29/bbl on 3 October 2018 before ending the year at USD53.80/bbl, which was a price contraction of 19.5% yoy. Initially, oil price was buoyed by the prospect of global growth and the imposition of US sanctions on Iranian oil. Subsequently, the surge in US shale oil production, slowing oil demand growth expectations, increased global oil production as well as the introduction of US waivers for selected buyers of Iranian oil took its toll on oil prices towards the end of 2018.

On the domestic front, the FBMKLCI declined by 5.9% yoy after enjoying a +9.4% yoy surge in 2017. During 1H18, the index did climb to its record high of 1895, +5.5% YTD in April 2018. This was despite a 25 bps policy rate hike by Bank Negara Malaysia to 3.25% in January 2018 as the market ran on a pre-GE14 rally. Nonetheless, the market euphoria ran out of steam after April 2018 and the market stumbled as a result of the increased uncertainty triggered by Pakatan Harapan's shock victory over the incumbent which had ruled the country for 61 years. 2H18 was a transient period of uncertainty as the market had to grapple with the new government which promised to undertake tax reforms, cancellation and/or retenders of certain mega projects and a budget that had to implement measures such as increased gaming and other taxes to address a burgeoning budget deficit. The resultant net foreign equity outflow during the year was RM11.6b which more than reversed the net inflows garnered in the previous year. Lastly, the Malaysian Ringgit also depreciated to RM4.1335: USD1.00 from RM4.0465: USD1.00 a year ago. Over in ASEAN, Indonesia's Jakarta Stock Index fell by 2.5% yoy as Bank of Indonesia raised its 7 day reverse repo rate by 6 times over the year to 6.0% to contain its current account deficit and help bolster its flagging currency. Singapore's Straits Times Index dropped by 9.8% yoy as it was affected by the US - China trade war concerns. Meanwhile, Stock Exchange of Thailand plummeted by 10.8% yoy as it was dragged by falling commodity prices, weakening currencies and net foreign outflows while Bank of Thailand enacted its first benchmark interest rate 25 bps hike to 1.75% since 1H15.

The Malaysian Government Securities (MGS) market experienced RM18.3b outflow with the foreign shares of MGS declining to 38.4% (December 2017: 45.1%) the largest outflow since 2008. The MGS moved in tandem with US Treasuries (UST) with the 10y MGS touching a high of 4.26% post GE14 but shed some losses to close the year at 4.07%. Local demand returned in the last quarter of 2018 on overnight policy rate pause expectations. Also contributing to the year-end rally was the Fed's recent vibes of slower monetary policy normalisation via lesser interest rate hikes as compared to 2018. The 10-year UST closed at 2.68% from the peak of 3.24% in August 2018.

As we move into 2019, we remain cognisant of the several exogenous factors that may have impacts on our economy such as the US - China trade war, ongoing tightening of global monetary policy measures, further economic growth slowdown in G3 and China as well as other geopolitical risks. However, on the domestic front, we note that the government projects that Malaysia's GDP would grow by a commendable +4.9% yoy while reigning in its fiscal deficit to 3.4% in 2019 driven mainly by private sector expenditure. Moreover, we are keeping our vigil over any signs of diffusion of the US - China trade war being achieved in 1Q19 after the 90 day trade war truce. We are also watchful as to how much the recent OPEC+ 1.2m oil production curb plan can help to rein in the slide in oil price since our Budget 2019 was formulated premised on Brent oil price being around USD72/ bbl. Against this back drop, we maintain our cautious optimism on the market and will stay our course in selecting fundamentally good long term investments.

The bond market could still remain volatile in 2019 arising from both local and global developments explained above and the higher supply of MGS. However, modest domestic inflation and domestic monetary policy which is likely to remain accommodative to support domestic growth activities could somewhat counter external growth risks. For 2019, we expect the overnight policy rate to remain unchanged at 3.25%. We will continue to accumulate bonds skewed towards high quality and liquid names.



ALLIANZ LIFE EQUITY FUND

MANAGED FUND DYNAMIC GROWTH FUND CASH FUND EQUITY INCOME FUND GLOBAL HIGH PAYOUT FUND ASIA MULTI-INCOMEPLUS FUND MASTER BOND FUND

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Comparative Performance Table

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE EQUITY FUND					
Net Asset Value (NAV) (RM/unit)	4.783	4.893	4.975	5.958	4.776
Units in Circulation	26,383,689	32,451,729	38,455,612	44,619,230	53,574,150
Total NAV (RM)	125,612,965	158,051,519	190,516,579	264,675,232	254,775,619
Highest NAV (RM/unit)	5.369	5.085	5.152	5.958	6.203
Lowest NAV (RM/unit)	4.606	4.096	4.639	5.003	4.655
Total Annual Return (%)	-3.47	2.30	1.68	19.76	-19.84
Benchmark: FTSE Bursa Malaysia Top 100 Index (%)	-6.17	-2.89	-2.45	12.74	-9.28
Breakdown of Fund Annual Return					
Capital Growth (%)	-3.82%	2.12%	1.56%	19.45%	-20.28%
Income Distribution (%)	0.35%	0.18%	0.12%	0.31%	0.44%

Portfolio Composition by Category of Investments

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE EQUITY FUND					
Investment in:					
Master Equity Fund	80.47%	91.47%	85.87%	87.71%	80.83%
Master ASEAN Plus Fund	0.98%	1.13%	2.09%	1.27%	1.40%
Equity	0.00%	0.00%	5.22%	1.00%	0.67%
Unit Trust	0.00%	0.00%	0.00%	1.80%	2.00%
Cash & Deposits	18.55%	7.40%	6.82%	8.22%	15.10%

	One-Year Jan 18 - Dec 18	Three-Year Jan 16 - Dec 18	Five-Year Jan 14 - Dec 18
AVERAGE ANNUAL RETURNS			
Fund Average Annual Returns	-19.84%	-0.80%	-0.73%
Benchmark Average Annual Returns	-9.28%	-0.08%	-1.89%

Investment objectives, restrictions and limitations

There has been no changes in the investment objectives, restrictions and limitations during the financial year.

Distribution of Income

There has been no distribution made or proposed during the financial year.

Fund management charge

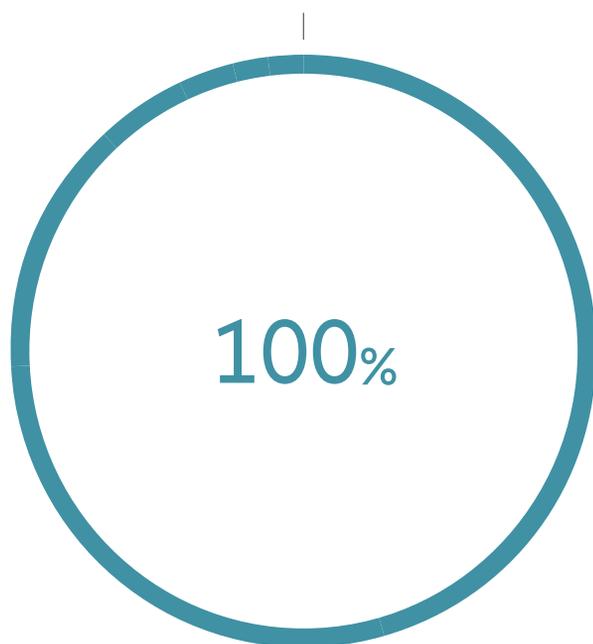
A fund management charge of 1.42% is levied on the fund.

Equity Portfolio Composition by Sector

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE EQUITY FUND					
Consumer Discretionary	0.00%	0.00%	9.90%	0.00%	0.00%
Construction	0.00%	0.00%	0.00%	100.00%	0.00%
Industrials	0.00%	0.00%	69.01%	0.00%	0.00%
Real Estate Investment Trusts (Reits)	0.00%	0.00%	21.09%	0.00%	0.00%
Technology	0.00%	0.00%	21.09%	0.00%	100.00%

Equity Portfolio of Allianz Life Equity Fund

as at 31 December 2018



— .100.00% > Technology

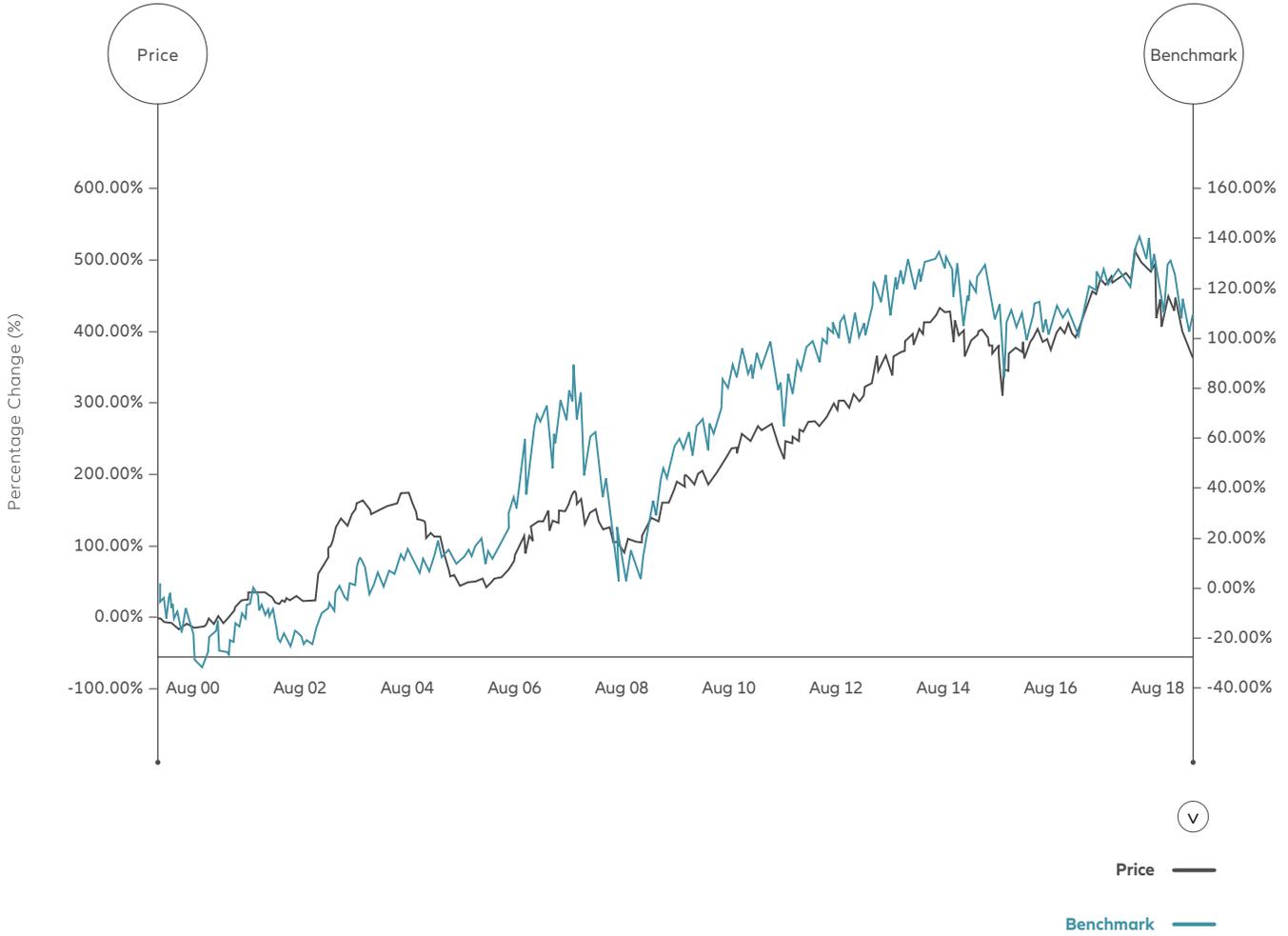
Portfolio Composition

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE EQUITY FUND				
Investment				
Investment in Master Equity Fund	81,333,245	184,812.28	205,935.78	80.83
Investment in Master ASEAN Plus Fund	6,029,410	3,743.22	3,575.44	1.40
Equities				
TECHNOLOGY				
VENTURE CORPORATION LIMITED	40,000	2,021.72	1,693.86	0.67
UNIT TRUST				
RDPT MANDIRI INFRASTRUKTUR EKUITAS	15,751,466	5,068.83	5,098.49	2.00

Performance of Allianz Life Equity Fund Against Benchmark Since Inception

as at 31 December 2018



Statement of Assets and Liabilities

as at 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE EQUITY FUND			
ASSETS			
Investments			
Quoted equity securities	4	1,694	2,652
Master Equity Fund (page 89)		205,884	232,103
Master ASEAN Plus Fund (page 157)		3,573	3,346
Other investments	10	5,098	4,757
Other receivables		1,414	2,319
Cash and cash equivalents		37,420	19,688
TOTAL ASSETS		255,083	264,865
LIABILITIES			
Benefits and claims liabilities		250	147
Other payables		58	43
TOTAL LIABILITIES		308	190
NET ASSET VALUE OF FUND		254,775	264,675
REPRESENTED BY:			
Policyholders' capital	12	225,402	177,419
Retained earnings		29,373	87,256
		254,775	264,675
Net Asset Value Per Unit (RM)		4.776	5.958

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Net Asset Value

for the year ended 31 December 2018

	Policyholders' capital RM'000	Retained earnings RM'000	Total RM'000
ALLIANZ LIFE EQUITY FUND			
At 1 January 2017	142,487	48,029	190,516
Creation of units during the year	48,458	-	48,458
Cancellation of units during the year	(13,526)	-	(13,526)
Profit for the year	-	39,227	39,227
At 31 December 2017/1 January 2018	177,419	87,256	264,675
Creation of units during the year	62,906	-	62,906
Cancellation of units during the year	(14,923)	-	(14,923)
Loss for the year	-	(57,883)	(57,883)
At 31 December 2018	225,402	29,373	254,775
	Note 12		

The accompanying notes form an integral part of these financial statements.

Statement of Income and Expenditure

for the year ended 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE EQUITY FUND			
NET INVESTMENT INCOME			
Interest income		1,048	427
Dividend income		142	241
Net realised gain on disposal of investments		429	446
Unrealised (loss)/gain in value of investments		(55,639)	42,915
Unrealised foreign exchange gain/(loss)		73	(806)
Other income		33	-
		(53,914)	43,223
LESS: EXPENSES			
Management fees		(3,840)	(3,371)
Other expenses		-	(617)
(LOSS)/PROFIT BEFORE TAX		(57,754)	39,235
TAX EXPENSE	13	(129)	(8)
(LOSS)/PROFIT FOR THE YEAR		(57,883)	39,227
Retained earnings brought forward		87,256	48,029
Retained earnings carried forward		29,373	87,256

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

for the year ended 31 December 2018

	2018 RM'000	2017 RM'000
ALLIANZ LIFE EQUITY FUND		
Cash flows from operating activities		
(Loss)/Profit before tax	(57,754)	39,235
Adjustments for:		
Dividend income	(142)	(241)
Interest income	(1,048)	(427)
Gain on disposal of investments	(429)	(446)
Unrealised loss/(gain) in value of investments	55,639	(42,915)
Unrealised foreign exchange (gain)/loss	(73)	806
Loss from operations before changes in operating assets and liabilities	(3,807)	(3,988)
Proceeds from disposal of investments	7,575	24,767
Purchase of investments	(36,103)	(47,570)
Change in other receivables	891	77
Change in benefits and claims liabilities	103	51
Change in other payables	15	(28)
Cash used in operations	(31,326)	(26,691)
Tax paid	(129)	(39)
Dividend received	142	241
Interest received	1,062	430
Net cash used in operating activities	(30,251)	(26,059)
Cash flows from financing activities		
Proceeds from creation of units	62,906	48,458
Payment for cancellation of units	(14,923)	(13,526)
Net cash from financing activities	47,983	34,932
Net increase in cash and cash equivalents	17,732	8,873
Cash and cash equivalents at 1 January	19,688	10,815
Cash and cash equivalents at 31 December	37,420	19,688

The accompanying notes form an integral part of these financial statements.



ALLIANZ LIFE MANAGED FUND

DYNAMIC GROWTH FUND CASH FUND EQUITY INCOME FUND GLOBAL HIGH PAYOUT FUND ASIA MULTI-INCOMEPLUS FUND MASTER BOND FUND

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Comparative Performance Table

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE MANAGED FUND					
Net Asset Value (NAV) (RM/unit)	4.627	4.756	4.863	5.445	4.968
Units in Circulation	72,540,454	93,777,899	116,363,199	139,882,296	168,717,724
Total NAV (RM)	334,882,312	445,014,239	564,713,584	759,887,142	836,310,739
Highest NAV (RM/unit)	4.863	4.800	4.962	5.445	5.562
Lowest NAV (RM/unit)	4.543	4.344	4.638	4.877	4.904
Total Annual Return (%)	-0.13	2.79	2.25	11.97	-8.76
Benchmark: 50% FTSE Bursa Malaysia Top 100 Index & 50% 12-month Maybank FD Rate (%)	-1.48	0.32	0.44	7.87	-2.99
Breakdown of Fund Annual Return					
Capital Growth (%)	-0.02%	2.57%	2.07%	11.76%	-9.14%
Income Distribution (%)	-0.11%	0.22%	0.18%	0.21%	0.38%

Portfolio Composition by Category of Investments

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE MANAGED FUND					
Investment in:					
Master Equity Fund	36.08%	46.56%	45.94%	43.80%	37.69%
Master Bond Fund	45.76%	46.38%	47.45%	47.48%	50.63%
Equity	0.00%	0.00%	1.43%	0.00%	0.00%
Unit Trust	0.00%	0.00%	0.00%	1.13%	1.10%
Cash & Deposits	18.16%	7.06%	5.18%	7.59%	10.58%

	One-Year Jan 18 - Dec 18	Three-Year Jan 16 - Dec 18	Five-Year Jan 14 - Dec 18
AVERAGE ANNUAL RETURNS			
Fund Average Annual Returns	-8.76%	1.46%	1.41%
Benchmark Average Annual Returns	-2.99%	1.67%	0.76%

Investment objectives, restrictions and limitations

There has been no changes in the investment objectives, restrictions and limitations during the financial year.

Distribution of Income

There has been no distribution made or proposed during the financial year.

Fund management charge

A fund management charge of 1.22% is levied on the fund.

Portfolio Composition

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE MANAGED FUND				
Investment				
Investment in Master Bond Fund	270,220,688	364,632.52	423,435.82	50.63
Investment in Master Equity Fund	124,484,879	303,055.81	315,195.71	37.69
Unit Trust				
RDPT MANDIRI INFRASTRUKTUR EKUITAS	28,343,084	9,120.82	9,174.20	1.10

Performance of Allianz Life Managed Fund Against Benchmark Since Inception

as at 31 December 2018



Statement of Assets and Liabilities

as at 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE MANAGED FUND			
ASSETS			
Investments			
Master Bond Fund (page 78)		423,227	360,588
Master Equity Fund (page 89)		315,117	332,781
Fixed and call deposits	9	28,058	8,094
Other investments	10	9,174	8,559
Other receivables		4,447	6,848
Cash and cash equivalents		57,179	44,257
TOTAL ASSETS		837,202	761,127
LIABILITIES			
Deferred tax liabilities	11	4	-
Benefits and claims liabilities		704	935
Other payables		184	305
TOTAL LIABILITIES		892	1,240
NET ASSET VALUE OF FUND		836,310	759,887
REPRESENTED BY:			
Policyholders' capital	12	772,712	621,725
Retained earnings		63,598	138,162
		836,310	759,887
Net Asset Value Per Unit (RM)		4.968	5.445

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Net Asset Value

for the year ended 31 December 2018

	Policyholders' capital RM'000	Retained earnings RM'000	Total RM '000
ALLIANZ LIFE MANAGED FUND			
At 1 January 2017	497,821	66,893	564,714
Creation of units during the year	159,324	-	159,324
Cancellation of units during the year	(35,420)	-	(35,420)
Profit for the year	-	71,269	71,269
At 31 December 2017/1 January 2018	621,725	138,162	759,887
Creation of units during the year	189,553	-	189,553
Cancellation of units during the year	(38,566)	-	(38,566)
Loss for the year	-	(74,564)	(74,564)
At 31 December 2018	772,712	63,598	836,310
	Note 12		

The accompanying notes form an integral part of these financial statements.

Statement of Income and Expenditure

for the year ended 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE MANAGED FUND			
NET INVESTMENT INCOME			
Interest income		2,542	1,397
Dividend income		255	28
Net realised gain on disposal of investments		1,747	2,637
Unrealised (loss)/gain in value of investments		(69,062)	76,532
Unrealised foreign exchange gain		-	(771)
		(64,518)	79,823
LESS: EXPENSES			
Management fees		(9,820)	(8,194)
Other expenses		(15)	(258)
(LOSS)/PROFIT BEFORE TAX		(74,353)	71,371
TAX EXPENSE	13	(211)	(102)
(LOSS)/PROFIT FOR THE YEAR		(74,564)	71,269
Retained earnings brought forward		138,162	66,893
Retained earnings carried forward		63,598	138,162

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

for the year ended 31 December 2018

	2018 RM'000	2017 RM'000
ALLIANZ LIFE MANAGED FUND		
Cash flows from operating activities		
(Loss)/Profit before tax	(74,353)	71,371
Adjustments for:		
Dividend income	(255)	(28)
Interest income	(2,542)	(1,397)
Gain on disposal of investments	(1,747)	(2,637)
Unrealised loss/(gain) in value of investments	69,062	(76,532)
Unrealised foreign exchange loss	-	771
Loss from operations before changes in operating assets and liabilities	(9,835)	(8,452)
Proceeds from disposal of investments	12,800	21,006
Placement with financial institutions	(20,039)	(8,019)
Purchase of investments	(125,705)	(109,251)
Change in other receivables	2,322	(6,651)
Change in benefits and claims liabilities	(231)	541
Change in other payables	(121)	(689)
Cash used in operations	(140,809)	(111,515)
Tax paid	(207)	(102)
Dividend received	255	28
Interest received	2,696	1,355
Net cash used in operating activities	(138,065)	(110,234)
Cash flows from financing activities		
Proceeds from creation of units	189,553	159,324
Payment for cancellation of units	(38,566)	(35,420)
Net cash from financing activities	150,987	123,904
Net increase in cash and cash equivalents	12,922	13,670
Cash and cash equivalents at 1 January	44,257	30,587
Cash and cash equivalents at 31 December	57,179	44,257

The accompanying notes form an integral part of these financial statements.



ALLIANZ LIFE DYNAMIC GROWTH FUND

CASH FUND EQUITY INCOME FUND GLOBAL HIGH PAYOUT FUND ASIA MULTI-INCOMEPLUS FUND MASTER BOND FUND MASTER EQUITY FUND

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Comparative Performance Table

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE DYNAMIC GROWTH FUND					
Net Asset Value (NAV) (RM/unit)	2.057	2.108	2.108	2.489	1.988
Units in Circulation	31,913,677	33,532,042	36,073,110	37,769,542	40,436,480
Total NAV (RM)	65,899,317	70,976,991	76,356,407	94,412,776	80,745,936
Highest NAV (RM/unit)	2.245	2.185	2.174	2.489	2.583
Lowest NAV (RM/unit)	1.979	1.857	2.022	2.116	1.932
Total Annual Return (%)	-1.48	2.48	0.00	18.07	-20.13
Benchmark: FTSE Bursa Malaysia Emas Index (%)	-6.13	-2.26	-2.77	12.87	-10.93
Breakdown of Fund Annual Return					
Capital Growth (%)	-13.52%	0.78%	0.00%	15.34%	-22.92%
Income distribution (%)	12.04%	1.70%	0.00%	2.73%	2.79%

Portfolio Composition by Category of Investments

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE DYNAMIC GROWTH FUND					
Investment in:					
Equity	79.32%	87.49%	86.90%	85.95%	80.79%
Unit Trust	0.00%	0.00%	0.00%	1.88%	2.36%
Cash & Deposits	20.68%	12.51%	13.10%	12.17%	16.85%

	One-Year Jan 18 - Dec 18	Three-Year Jan 16 - Dec 18	Five-Year Jan 14 - Dec 18
AVERAGE ANNUAL RETURNS			
Fund Average Annual Returns	-20.13%	-1.93%	-0.98%
Benchmark Average Annual Returns	-10.93%	-0.76%	-2.15%

Investment objectives, restrictions and limitations

There has been no changes in the investment objectives, restrictions and limitations during the financial year.

Distribution of Income

There has been no distribution made or proposed during the financial year.

Fund management charge

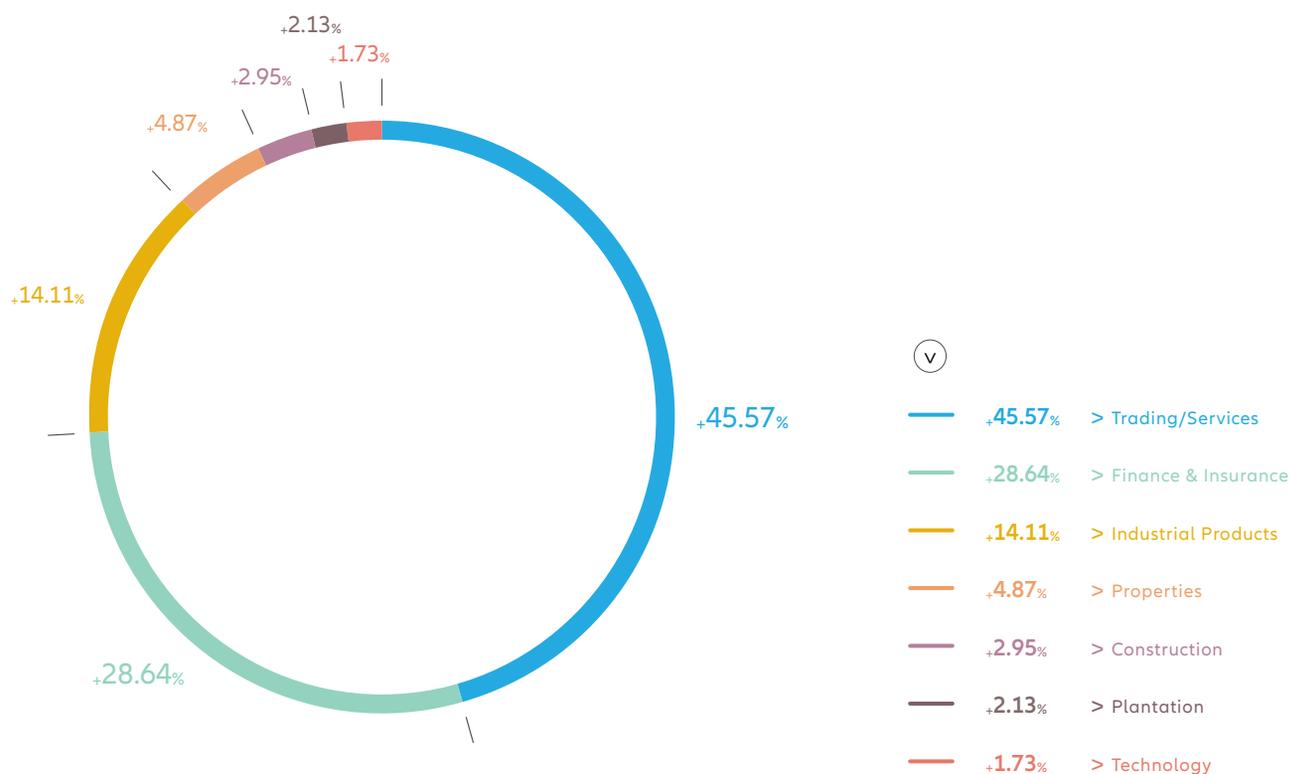
A fund management charge of 1.46% is levied on the fund.

Equity Portfolio Composition by Sector

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE DYNAMIC GROWTH FUND					
Construction	8.72%	13.69%	11.67%	13.01%	2.95%
Consumer Products	4.82%	5.86%	2.08%	2.28%	0.00%
Consumer Staples	0.00%	0.00%	2.36%	0.00%	0.00%
Finance & Insurance	19.26%	16.06%	20.14%	0.00%	28.64%
Industrial Products	7.38%	7.02%	9.35%	14.24%	14.11%
Industrials	0.00%	0.00%	1.30%	0.00%	0.00%
Infrastructure Project Company	5.16%	3.54%	1.99%	2.10%	0.00%
Plantation	2.36%	5.03%	3.16%	2.59%	2.13%
Properties	4.11%	3.52%	5.09%	13.36%	4.87%
Technology	0.00%	0.00%	0.00%	0.00%	1.73%
Trading/Services	48.19%	45.28%	42.86%	52.42%	45.57%

Equity Portfolio Of Allianz Life Dynamic Growth Fund

as at 31 December 2018



Portfolio Composition

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE DYNAMIC GROWTH FUND				
EQUITIES				
CONSTRUCTION				
ECONPILE HOLDINGS BERHAD	912,000	420.03	351.12	0.43
IJM CORPORATION BERHAD	416,000	1,370.70	673.92	0.83
ML GLOBAL BERHAD	679,000	522.57	471.91	0.58
WCT HOLDINGS BERHAD	597,815	1,021.30	400.54	0.50
FINANCE & INSURANCE				
AMMB HOLDINGS BERHAD	355,900	1,448.03	1,541.05	1.91
CIMB GROUP HOLDING BERHAD	864,519	5,032.81	4,927.76	6.10
HONG LEONG FINANCIAL GROUP BHD	104,370	1,647.44	1,937.11	2.40
MALAYAN BANKING BERHAD	667,568	5,614.11	6,328.54	7.84
PUBLIC BANK BERHAD	100,240	1,275.66	2,479.94	3.07
RHB BANK BERHAD	278,903	1,428.32	1,472.61	1.82
INDUSTRIAL PRODUCTS				
ATA IMS BHD	602,000	947.53	993.30	1.23
CAHYA MATA SARAWAK BERHAD	286,000	1,187.45	769.34	0.95
HIBISCUS PETROLEUM BERHAD	2,047,000	1,210.44	1,719.48	2.13
PECCA GROUP BERHAD	1,580,000	1,457.49	1,137.60	1.41
PETRONAS CHEMICALS GROUP BERHAD	359,600	2,755.69	3,340.68	4.14
SKP RESOURCES BERHAD	1,064,200	1,322.18	1,106.77	1.37
PLANTATION				
SIME DARBY PLANTATION BERHAD	293,203	1,555.71	1,392.71	1.72
PROPERTIES				
ECO WORLD BERHAD	550,000	771.13	497.75	0.62
GABUNGAN AQRS BERHAD	717,400	1,344.33	609.79	0.76
LBS BINA GROUP BERHAD	2,062,400	1,637.52	1,309.62	1.62
LBS BINA GROUP BERHAD-PREFERENCE SHARES	181,000	199.10	181.00	0.22
SIME DARBY PROPERTY BERHAD	518,203	739.08	513.02	0.64
TECHNOLOGY				
VITROX CORP	179,400	1,165.94	1,123.04	1.39

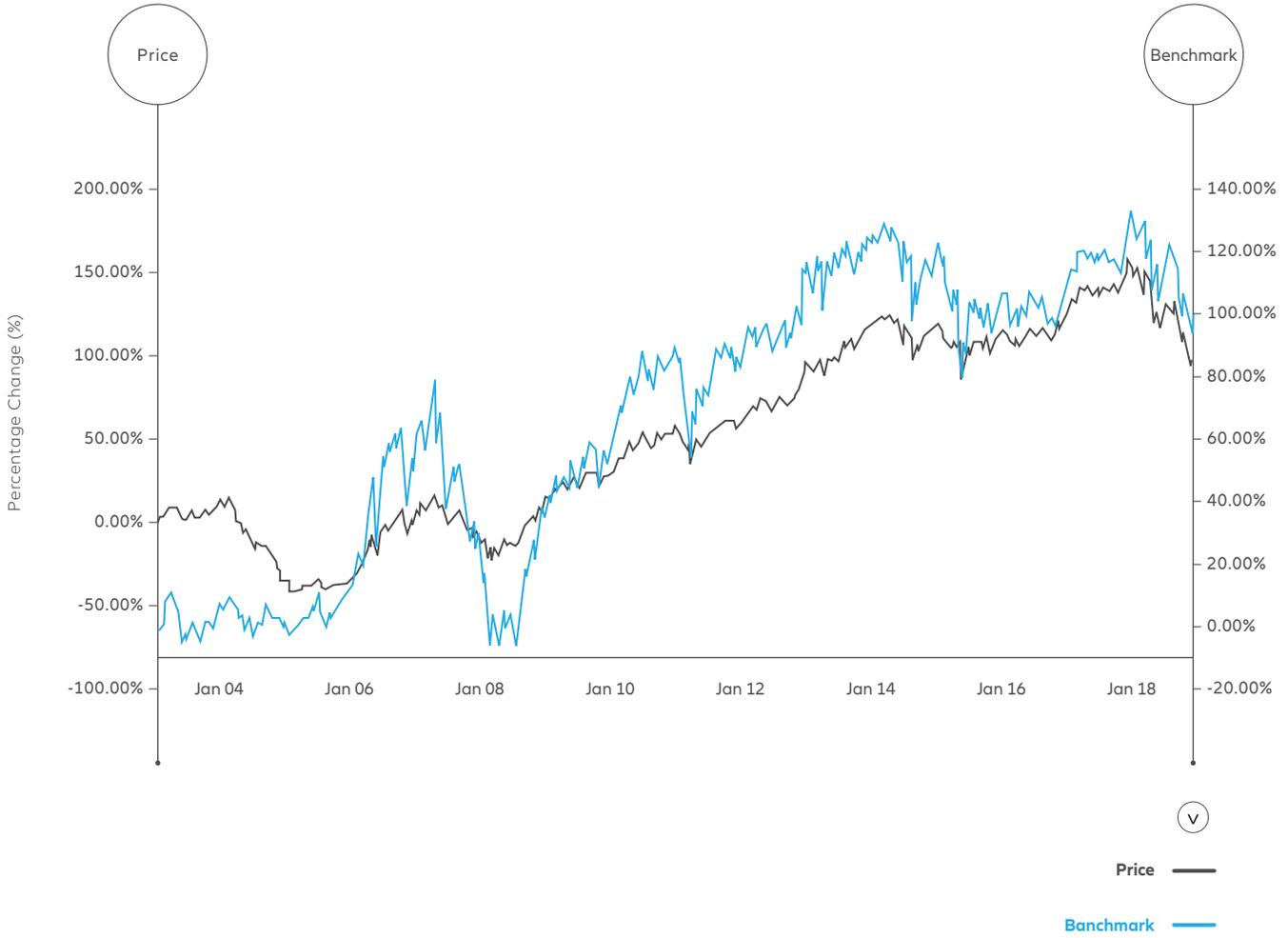
Portfolio Composition (continued)

as at 31 December 2018

	No. of units held	Cost (RM 000)	Market Value (RM 000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE DYNAMIC GROWTH FUND				
TRADING/SERVICES				
AXIATA GROUP BERHAD	738,413	3,739.17	2,894.58	3.58
BERJAYA FOOD BERHAD	785,600	1,270.06	1,099.84	1.36
BERMAZ AUTO BERHAD	1,082,200	2,301.37	2,294.26	2.84
BUMI ARMADA BERHAD	2,765,500	2,051.69	414.83	0.51
CHIN HIN GROUP BHD	1,605,000	1,537.65	1,083.38	1.34
CYPARK RESOURCES BHD	904,350	1,316.95	1,410.79	1.75
DIALOG GROUP BERHAD	585,000	1,120.02	1,813.50	2.25
GENTING BERHAD	396,500	3,626.52	2,418.65	3.00
GENTING MALAYSIA BERHAD	172,500	739.66	519.23	0.64
HSS ENGINEERS BHD	1,165,800	1,140.52	990.93	1.23
MALAYSIA AIRPORTS HOLDINGS BERHAD	114,540	787.20	957.55	1.19
MY EG SERVICES BERHAD	2,541,600	2,858.66	2,465.35	3.05
SAPURA ENERGY BHD	754,500	310.90	215.03	0.27
SCICOM (MSC) BERHAD	460,000	874.37	483.00	0.60
SERBA DINAMIK HOLDINGS BHD	694,500	2,245.96	2,625.21	3.25
SIME DARBY BERHAD	898,203	1,852.69	2,146.71	2.66
TENAGA NASIONAL BERHAD	434,200	4,951.79	5,896.44	7.30
UNIT TRUST				
RDPT MANDIRI INFRASTRUKTUR EKUITAS	5,877,741	1,891.46	1,902.53	2.36
WARRANTS				
EASTERN & ORIENTAL BERHAD	72,000	0.00	0.36	0.00
ECO WORLD INTL BERHAD	254,680	0.00	31.84	0.04
ECONBERHAD-WA	175,000	0.00	14.00	0.02
GABUNGAN AQRS BERHAD	179,350	0.00	34.08	0.04
GAMUDA BERHAD	36,166	9.04	5.42	0.01
HIBISCUS PETROLEUM	329,400	0.00	138.35	0.17
WCT HOLDINGS BERHAD	97,000	0.00	4.85	0.01

Performance of Allianz Life Dynamic Growth Fund Against Benchmark Since Inception

as at 31 December 2018



Statement of Assets and Liabilities

as at 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE DYNAMIC GROWTH FUND			
ASSETS			
Investments			
Quoted equity securities	4	65,327	81,152
Other investments	10	1,903	1,775
Other receivables		398	275
Cash and cash equivalents		13,497	12,769
TOTAL ASSETS		81,125	95,971
LIABILITIES			
Deferred tax liabilities	11	-	1,281
Benefits and claims liabilities		337	239
Other payables		42	39
TOTAL LIABILITIES		379	1,559
NET ASSET VALUE OF FUND		80,746	94,412
REPRESENTED BY:			
Policyholders' capital	12	63,114	57,214
Retained earnings		17,632	37,198
		80,746	94,412
Net Asset Value Per Unit (RM)		1.988	2.489

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Net Asset Value

for the year ended 31 December 2018

	Policyholders' capital RM'000	Retained earnings RM'000	Total RM'000
ALLIANZ LIFE DYNAMIC GROWTH FUND			
At 1 January 2017	53,203	23,153	76,356
Creation of units during the year	10,366	-	10,366
Cancellation of units during the year	(6,355)	-	(6,355)
Profit for the year	-	14,045	14,045
At 31 December 2017/1 January 2018	57,214	37,198	94,412
Creation of units during the year	10,786	-	10,786
Cancellation of units during the year	(4,886)	-	(4,886)
Loss for the year	-	(19,566)	(19,566)
At 31 December 2018	63,114	17,632	80,746
	Note 12		

The accompanying notes form an integral part of these financial statements.

Statement of Income and Expenditure

for the year ended 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE DYNAMIC GROWTH FUND			
NET INVESTMENT INCOME			
Interest income		383	246
Dividend income		2,349	2,247
Net realised (loss)/gain on disposal of investments		(2,864)	1,794
Unrealised (loss)/gain in value of investments		(19,568)	12,537
Unrealised foreign exchange loss		-	(211)
		(19,700)	16,613
LESS: EXPENSES			
Management fees		(1,328)	(1,277)
Other expenses		(23)	(136)
(LOSS)/PROFIT BEFORE TAX		(21,051)	15,200
TAX INCOME/(EXPENSE)	13	1,485	(1,155)
(LOSS)/PROFIT FOR THE YEAR		(19,566)	14,045
Retained earnings brought forward		37,198	23,153
Retained earnings carried forward		17,632	37,198

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

for the year ended 31 December 2018

	2018 RM'000	2017 RM'000
ALLIANZ LIFE DYNAMIC GROWTH FUND		
Cash flows from operating activities		
(Loss)/Profit before tax	(21,051)	15,200
Adjustments for:		
Dividend income	(2,349)	(2,247)
Interest income	(383)	(246)
Loss/(gain) on disposal of investments	2,864	(1,794)
Unrealised loss/(gain) in value of investments	19,568	(12,537)
Unrealised foreign exchange loss	-	211
Loss from operations before changes in operating assets and liabilities	(1,351)	(1,413)
Proceeds from disposal of investments	30,445	29,921
Purchase of investments	(37,098)	(32,369)
Change in other receivables	(207)	157
Change in benefits and claims liabilities	98	152
Change in other payables	3	(333)
Cash used in operations	(8,110)	(3,885)
Tax received/(paid)	204	(169)
Dividend received	2,349	2,252
Interest received	385	248
Net cash used in operating activities	(5,172)	(1,554)
Cash flows from financing activities		
Proceeds from creation of units	10,786	10,366
Payment for cancellation of units	(4,886)	(6,355)
Net cash from financing activities	5,900	4,011
Net increase in cash and cash equivalents	728	2,457
Cash and cash equivalents at 1 January	12,769	10,312
Cash and cash equivalents at 31 December	13,497	12,769

The accompanying notes form an integral part of these financial statements.



ALLIANZ LIFE CASH FUND

EQUITY INCOME FUND GLOBAL HIGH PAYOUT FUND ASIA MULTI-INCOMEPLUS FUND MASTER BOND FUND MASTER EQUITY FUND MASTER DIVIDEND FUND BOND FUND

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Comparative Performance Table

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE CASH FUND					
Net Asset Value (NAV) (RM/unit)	1.204	1.230	1.238	1.238	1.254
Units in Circulation	851,850	967,159	836,784	1,563,270	1,585,184
Total NAV (RM)	1,025,298	1,189,598	1,035,309	1,935,120	1,986,850
Highest NAV (RM/unit)	1.204	1.230	1.238	1.238	1.254
Lowest NAV (RM/unit)	1.180	1.204	1.231	1.237	1.239
Total Annual Return (%)	2.03	2.16	0.65	0.00	1.29
Benchmark: Maybank Overnight Repo Rate (%)	3.08	3.10	2.97	2.83	3.01
Breakdown of Fund Annual Return					
Capital Growth (%)	0.00%	0.00%	0.00%	0.00%	0.00%
Income Distribution (%)	2.03%	2.16%	0.65%	0.00%	1.29%

Portfolio Composition by Category of Investments

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE CASH FUND					
Investment in:					
Cash & Deposits	100.00%	100.00%	100.00%	100.00%	100.00%

	One-Year Jan 18 - Dec 18	Three-Year Jan 16 - Dec 18	Five-Year Jan 14 - Dec 18
AVERAGE ANNUAL RETURNS			
Fund Average Annual Returns	1.29%	0.65%	1.22%
Benchmark Average Annual Returns	3.01%	2.94%	3.00%

Investment objectives, restrictions and limitations

There has been no changes in the investment objectives, restrictions and limitations during the financial year.

Distribution of Income

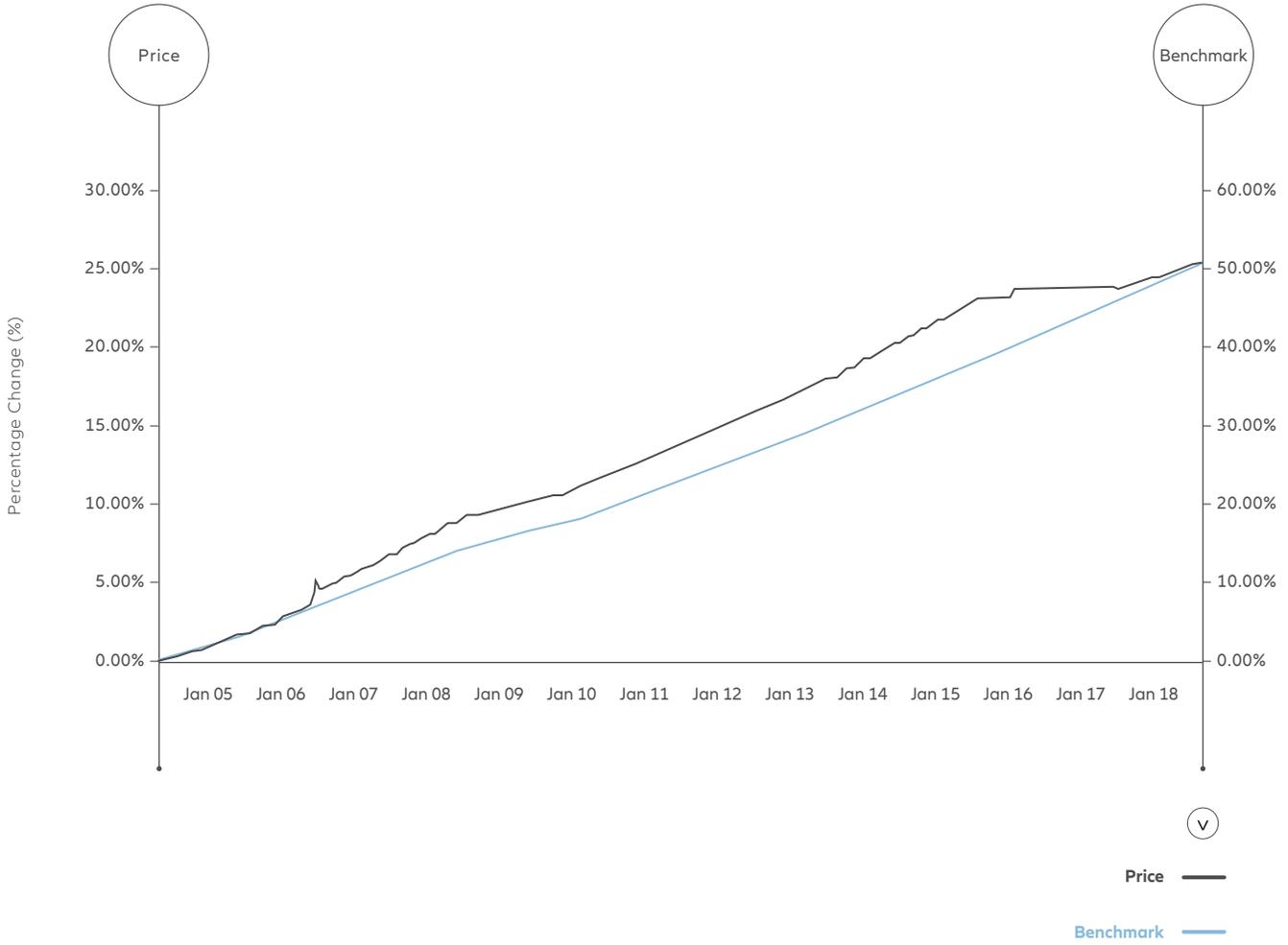
There has been no distribution made or proposed during the financial year.

Fund management charge

A fund management charge of 0.75% is levied on the fund.

Performance of Allianz Life Cash Fund Against Benchmark Since Inception

as at 31 December 2018



Statement of Assets and Liabilities

as at 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE CASH FUND			
ASSETS			
Investments			
Fixed and call deposits	9	176	1,113
Other receivables		107	-
Cash and cash equivalents		1,706	824
TOTAL ASSETS		1,989	1,937
LIABILITIES			
Other payables		2	2
TOTAL LIABILITIES		2	2
NET ASSET VALUE OF FUND		1,987	1,935
REPRESENTED BY:			
Policyholders' capital	12	1,674	1,646
Retained earnings		313	289
		1,987	1,935
Net Asset Value Per Unit (RM)		1.254	1.238

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Net Asset Value

for the year ended 31 December 2018

	Policyholders' capital RM'000	Retained earnings RM'000	Total RM'000
ALLIANZ LIFE CASH FUND			
At 1 January 2017	747	288	1,035
Creation of units during the year	957	-	957
Cancellation of units during the year	(58)	-	(58)
Profit for the year	-	1	1
At 31 December 2017/1 January 2018	1,646	289	1,935
Creation of units during the year	58	-	58
Cancellation of units during the year	(30)	-	(30)
Profit for the year	-	24	24
At 31 December 2018	1,674	313	1,987

Note 12

The accompanying notes form an integral part of these financial statements.

Statement of Income and Expenditure

for the year ended 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE CASH FUND			
NET INVESTMENT INCOME			
Interest income		63	32
		63	32
LESS: EXPENSES			
Management fees		(34)	(28)
		29	4
PROFIT BEFORE TAX		29	4
TAX EXPENSE	13	(5)	(3)
PROFIT FOR THE YEAR		24	1
Retained earnings brought forward		289	288
Retained earnings carried forward		313	289

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

for the year ended 31 December 2018

	2018 RM'000	2017 RM'000
ALLIANZ LIFE CASH FUND		
Cash flows from operating activities		
Profit before tax	29	4
Adjustments for:		
Interest income	(63)	(32)
Loss from operations before changes in operating assets and liabilities	(34)	(28)
Withdrawal from/(Placement with) financial institutions	934	(1,110)
Change in other receivables	(107)	-
Cash generated from/(used in) operations	793	(1,138)
Tax paid	(5)	(3)
Interest received	66	30
Net cash generated from/(used in) operating activities	854	(1,111)
Cash flows from financing activities		
Proceeds from creation of units	58	957
Payment for cancellation of units	(30)	(58)
Net cash from financing activities	28	899
Net increase/(decrease) in cash and cash equivalents	882	(212)
Cash and cash equivalents at 1 January	824	1,036
Cash and cash equivalents at 31 December	1,706	824

The accompanying notes form an integral part of these financial statements.



ALLIANZ LIFE EQUITY INCOME FUND

GLOBAL HIGH PAYOUT FUND ASIA MULTI-INCOMEPLUS FUND MASTER BOND FUND MASTER EQUITY FUND MASTER DIVIDEND FUND BOND FUND DANA PADU

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Comparative Performance Table

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE EQUITY INCOME FUND					
Net Asset Value (NAV) (RM/unit)	1.566	1.538	1.501	1.671	1.414
Units in Circulation	41,408,028	51,148,043	60,610,411	69,390,542	79,671,304
Total NAV (RM)	64,521,535	78,418,228	90,656,067	115,559,194	112,258,823
Highest NAV (RM/unit)	1.728	1.633	1.600	1.729	1.728
Lowest NAV (RM/unit)	1.566	1.412	1.488	1.507	1.414
Total Annual Return (%)	-0.43	1.79	1.17	15.39	-12.75
Benchmark: 70% FTSE Bursa Malaysia Top 100 Index & 30% 12-month Maybank FD Rate (%)	-3.37	-0.95	-0.71	9.80	-5.52
Breakdown of Fund Annual Return					
Capital Growth (%)	0.15%	1.61%	1.06%	15.29%	-13.04%
Income Distribution (%)	-0.58%	0.18%	0.11%	0.10%	0.29%

Portfolio Composition by Category of Investments

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE EQUITY INCOME FUND					
Investment in:					
Master Dividend Fund	55.37%	66.87%	67.49%	66.30%	52.87%
Master Bond Fund	26.99%	27.23%	29.59%	28.34%	26.80%
Equity	0.00%	0.00%	1.62%	0.00%	0.00%
Cash & Deposits	17.64%	5.90%	1.30%	5.36%	20.33%

	One-Year Jan 18 - Dec 18	Three-Year Jan 16 - Dec 18	Five-Year Jan 14 - Dec 18
AVERAGE ANNUAL RETURNS			
Fund Average Annual Returns	-12.75%	0.62%	0.64%
Benchmark Average Annual Returns	-5.52%	0.99%	-0.28%

Investment objectives, restrictions and limitations

There has been no changes in the investment objectives, restrictions and limitations during the financial year.

Distribution of Income

Income distribution of RM0.044 per unit was made on 31 December 2018 via creation of bonus units.

NAV per unit before distribution	RM1.457
NAV per unit after distribution	RM1.414

Fund management charge

A fund management charge of 1.30% is levied on the fund.

Portfolio Composition

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE EQUITY INCOME FUND				
Investment				
Investment in Master Bond Fund	19,201,760	25,236.50	30,089.16	26.80
Investment in Master Dividend Fund	24,666,749	52,235.05	59,348.20	52.87

Performance of Allianz Life Equity Income Fund Against Benchmark Since Inception

as at 31 December 2018



Statement of Assets and Liabilities

as at 31 December 2018

Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE EQUITY INCOME FUND		
ASSETS		
Investments		
Master Bond Fund (page 78)	30,074	32,732
Master Dividend Fund (page 100)	59,332	76,606
Other receivables	348	533
Cash and cash equivalents	22,602	5,821
TOTAL ASSETS	112,356	115,692
LIABILITIES		
Benefits and claims liabilities	77	118
Other payables	21	15
TOTAL LIABILITIES	98	133
NET ASSET VALUE OF FUND	112,258	115,559
REPRESENTED BY:		
Policyholders' capital	12	110,016
Retained earnings		2,242
		112,258
		115,559
Net Asset Value Per Unit (RM)	1.414	1.671

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Net Asset Value

for the year ended 31 December 2018

	Policyholders' capital RM'000	Retained earnings RM'000	Total RM'000
ALLIANZ LIFE EQUITY INCOME FUND			
At 1 January 2017	79,592	11,064	90,656
Creation of units during the year	19,914	-	19,914
Distribution during the year	-	(4,069)	(4,069)
Cancellation of units during the year	(5,329)	-	(5,329)
Profit for the year	-	14,387	14,387
At 31 December 2017/1 January 2018	94,177	21,382	115,559
Creation of units during the year	20,777	-	20,777
Distribution during the year	-	(3,381)	(3,381)
Cancellation of units during the year	(4,938)	-	(4,938)
Loss for the year	-	(15,759)	(15,759)
At 31 December 2018	110,016	2,242	112,258
	Note 12		

The accompanying notes form an integral part of these financial statements.

Statement of Income and Expenditure

for the year ended 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE EQUITY INCOME FUND			
NET INVESTMENT INCOME			
Interest income		322	90
Dividend income		-	10
Net realised gain on disposal of investments		2,805	1,359
Unrealised (loss)/gain in value of investments		(17,316)	14,526
Unrealised foreign exchange gain/(loss)		-	(24)
		(14,189)	15,961
LESS: EXPENSES			
Management fees		(1,541)	(1,420)
Other expenses		(2)	(144)
(LOSS)/PROFIT BEFORE TAX		(15,732)	14,397
TAX EXPENSE	13	(27)	(10)
(LOSS)/PROFIT FOR THE YEAR		(15,759)	14,387
Retained earnings brought forward		21,382	11,064
Retained earnings carried forward		2,242	21,382

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

for the year ended 31 December 2018

	2018 RM'000	2017 RM'000
ALLIANZ LIFE EQUITY INCOME FUND		
Cash flows from operating activities		
(Loss)/Profit before tax	(15,732)	14,397
Adjustments for:		
Dividend income	-	(10)
Interest income	(322)	(90)
Gain on disposal of investments	(2,805)	(1,359)
Unrealised loss/(gain) in value of investments	17,316	(14,526)
Unrealised foreign exchange loss	-	24
Loss from operations before changes in operating assets and liabilities	(1,543)	(1,564)
Proceeds from disposal of investments	17,345	6,388
Purchase of investments	(11,924)	(10,419)
Change in other receivables	176	37
Change in benefits and claims liabilities	(41)	(20)
Change in other payables	6	(5)
Cash generated from/(used in) operations	4,019	(5,583)
Tax paid	(27)	(10)
Dividend received	-	10
Interest received	331	90
Net cash generated from/(used in) operating activities	4,323	(5,493)
Cash flows from financing activities		
Proceeds from creation of units	20,777	19,914
Payment for distribution	(3,381)	(4,069)
Payment for cancellation of units	(4,938)	(5,329)
Net cash from financing activities	12,458	10,516
Net increase in cash and cash equivalents	16,781	5,023
Cash and cash equivalents at 1 January	5,821	798
Cash and cash equivalents at 31 December	22,602	5,821

The accompanying notes form an integral part of these financial statements.



ALLIANZ LIFE GLOBAL HIGH PAYOUT FUND

ASIA MULTI-INCOMEPLUS FUND MASTER BOND FUND MASTER EQUITY FUND MASTER DIVIDEND FUND BOND FUND DANA PADU MASTER DANA EKUITI

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Comparative Performance Table

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE GLOBAL HIGH PAYOUT FUND					
Net Asset Value (NAV) (RM/unit)	0.894	1.049	1.126	1.149	0.998
Units in Circulation	12,175,209	10,787,464	9,531,374	8,543,525	8,076,237
Total NAV (RM)	10,879,555	11,309,213	10,729,500	9,810,234	8,052,747
Highest NAV (RM/unit)	0.909	1.078	1.127	1.165	1.155
Lowest NAV (RM/unit)	0.800	0.865	0.917	1.110	0.966
Total Annual Return (%)	7.55	19.46	9.34	4.17	-10.81
Benchmark: 60% MSCI World & 40% MSCI World Dividend Yield (%)	9.08	21.78	10.369	1.85	-3.52
Breakdown of Fund Annual Return					
Capital Growth (%)	56.74%	10.37%	-0.72%	0.01%	-17.64%
Income distribution (%)	-49.19%	9.09%	10.06%	4.16%	6.83%

Portfolio Composition by Category of Investments

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE GLOBAL HIGH PAYOUT FUND					
Investment in:					
Allianz Global Investors Premier Funds – Allianz Global High Payout Fund	98.58%	100.01%	97.65%	98.50%	97.45%
Cash & Deposits	1.42%	-0.01%	2.35%	1.50%	2.55%

* For any information on Portfolio Composition of AGI Premier Funds – Allianz GHPP, please refer to www.allianzgi.hk

	One-Year Jan 18 - Dec 18	Three-Year Jan 16 - Dec 18	Five-Year Jan 14 - Dec 18
AVERAGE ANNUAL RETURNS			
Fund Average Annual Returns	-10.81%	0.66%	5.47%
Benchmark Average Annual Returns	-3.52%	2.74%	7.58%

Investment objectives, restrictions and limitations

There has been no changes in the investment objectives, restrictions and limitations during the financial year.

Distribution of Income

Income distribution of RM0.012 per unit was made on 2nd January 2018 and RM0.0148 per unit was made on 3rd July 2018.

	2-Jan	3-Jul
NAV per unit before distribution	1.149	1.095
NAV per unit after distribution	1.129	1.091

Fund management charge

A fund management charge of 1.50% is levied on the fund.

Performance of Allianz Life Global High Payout Fund Against Benchmark Since Inception

as at 31 December 2018



Statement of Assets and Liabilities

as at 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE GLOBAL HIGH PAYOUT FUND			
ASSETS			
Investments			
Other investments	10	8,053	9,909
Cash and cash equivalents		81	48
TOTAL ASSETS		8,134	9,957
LIABILITIES			
Deferred tax liabilities	11	-	73
Benefits and claims liabilities		35	42
Other payables		46	31
TOTAL LIABILITIES		81	146
NET ASSET VALUE OF FUND		8,053	9,811
REPRESENTED BY:			
Policyholders' capital	12	13,307	13,825
Accumulated losses		(5,254)	(4,014)
		8,053	9,811
Net Asset Value Per Unit (RM)		0.998	1.149

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Net Asset Value

for the year ended 31 December 2018

	Policyholders' capital RM'000	Accumulated losses RM'000	Total RM'000
ALLIANZ LIFE GLOBAL HIGH PAYOUT FUND			
At 1 January 2017	14,941	(4,212)	10,729
Creation of units during the year	7	-	7
Distribution during the year	-	(223)	(223)
Cancellation of units during the year	(1,123)	-	(1,123)
Profit for the year	-	421	421
At 31 December 2017/1 January 2018	13,825	(4,014)	9,811
Distribution during the year	-	(202)	(202)
Cancellation of units during the year	(518)	-	(518)
Loss for the year	-	(1,038)	(1,038)
At 31 December 2018	13,307	(5,254)	8,053
	Note 12		

The accompanying notes form an integral part of these financial statements.

Statement of Income and Expenditure

for the year ended 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE GLOBAL HIGH PAYOUT FUND			
NET INVESTMENT INCOME			
Interest income		1	2
Dividend income		568	641
Net realised gain on disposal of investments		67	165
Unrealised (loss)/gain in value of investments		(1,582)	1,361
Unrealised foreign exchange gain/(loss)		42	(1,520)
Other income		1	-
		(903)	649
LESS: EXPENSES			
Management fees		(158)	(172)
Other expenses		-	(4)
(LOSS)/PROFIT BEFORE TAX		(1,061)	473
TAX INCOME/(EXPENSE)	13	23	(52)
(LOSS)/PROFIT FOR THE YEAR		(1,038)	421
Accumulated losses brought forward		(4,014)	(4,212)
Accumulated losses carried forward		(5,254)	(4,014)

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

for the year ended 31 December 2018

	2018 RM'000	2017 RM'000
ALLIANZ LIFE GLOBAL HIGH PAYOUT FUND		
Cash flows from operating activities		
(Loss)/Profit before tax	(1,061)	473
Adjustments for:		
Dividend income	(568)	(641)
Interest income	(1)	(2)
Gain on disposal of investments	(67)	(165)
Unrealised loss/(gain) in value of investments	1,582	(1,361)
Unrealised foreign exchange (gain)/loss	(42)	1,520
Loss from operations before changes in operating assets and liabilities	(157)	(176)
Proceeds from disposal of investments	962	1,484
Purchase of investments	(619)	(664)
Change in other receivables	41	-
Change in benefits and claims liabilities	(7)	8
Change in other payables	15	(60)
Cash generated from operations	235	592
Tax paid	(51)	(65)
Dividend received	568	663
Interest received	1	2
Net cash from operating activities	753	1,192
Cash flows from financing activities		
Proceeds from creation of units	-	7
Payment for distribution	(202)	(223)
Payment for cancellation of units	(518)	(1,123)
Net cash used in financing activities	(720)	(1,339)
Net increase/(decrease) in cash and cash equivalents	33	(147)
Cash and cash equivalents at 1 January	48	195
Cash and cash equivalents at 31 December	81	48

The accompanying notes form an integral part of these financial statements.



ALLIANZ LIFE ASIA MULTI-INCOMEPLUS FUND

MASTER BOND FUND MASTER EQUITY FUND MASTER DIVIDEND FUND BOND FUND DANA PADU MASTER DANA EKUITI AMANAH DANA IKHLAS ASEAN PLUS FUND MASTER ASEAN PLUS FUND

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Comparative Performance Table

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE ASIA MULTI-INCOMEPLUS FUND					
Net Asset Value (NAV) (RM/unit)	1.277	1.426	1.601	1.686	1.537
Units in Circulation	1,503,213	1,389,988	1,329,930	1,292,823	1,267,323
Total NAV (RM)	1,918,597	1,981,450	2,128,040	2,179,104	1,947,571
Highest NAV (RM/unit)	1.287	1.480	1.614	1.739	1.721
Lowest NAV (RM/unit)	1.167	1.286	1.309	1.606	1.537
Total Annual Return (%)	5.45	11.67	12.27	5.31	-8.84
Benchmark: 50% HSLIALBI Index (proxy as Asian Local Currency Bonds) + 50% NDEUCFEX Index (%)	3.88	-6.15	0.00	0.00	0.00
Benchmark: 2/3 MSCI AC ASIA Pac Ex Japan High Dividend Yield Total Return (Net) + 1/3 JP Morgan Asia Credit Index (JACI) - Non Investment Grade (%)	0.00	0.00	11.99	19.27	-7.14
Breakdown of Fund Annual Return					
Capital Growth (%)	4.88%	11.02%	11.67%	4.80%	-9.71%
Income distribution (%)	0.57%	0.65%	0.60%	0.51%	0.87%

Portfolio Composition by Category of Investments

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE ASIA MULTI-INCOMEPLUS FUND					
Investment in:					
Allianz Global Investors Fund – Allianz Asian Multi Income Plus	100.88%	100.14%	101.31%	100.54%	100.73%
Cash & Deposits	-0.88%	-0.14%	-1.31%	-0.54%	-0.73%

* For any information on Portfolio Composition of AGI Fund – Allianz AMIP, please refer to www.allianzgi.hk

	One-Year Jan 18 - Dec 18	Three-Year Jan 16 - Dec 18	Five-Year Jan 14 - Dec 18
AVERAGE ANNUAL RETURNS			
Fund Average Annual Returns	-8.84%	2.53%	4.88%
Benchmark Average Annual Returns	-7.14%	7.44%	3.87%

Investment objectives, restrictions and limitations

There has been no changes in the investment objectives, restrictions and limitations during the financial year.

Distribution of Income

There has been no distribution made or proposed during the financial year.

Fund management charge

A fund management charge of 1.00% is levied on the fund.

Performance of Allianz Life Asia Multi-IncomePLUS Fund Against Benchmark Since Inception

as at 31 December 2018



Statement of Assets and Liabilities

as at 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE ASIA MULTI-INCOMEPLUS FUND			
ASSETS			
Investments			
Other investments	10	1,962	2,191
Cash and cash equivalents		50	69
TOTAL ASSETS		2,012	2,260
LIABILITIES			
Deferred tax liabilities	11	62	79
Other payables		3	2
TOTAL LIABILITIES		65	81
NET ASSET VALUE OF FUND		1,947	2,179
REPRESENTED BY:			
Policyholders' capital	12	975	1,017
Retained earnings		972	1,162
		1,947	2,179
Net Asset Value Per Unit (RM)		1.537	1.686

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Net Asset Value

for the year ended 31 December 2018

	Policyholders' capital RM'000	Retained earnings RM'000	Total RM'000
ALLIANZ LIFE ASIA MULTI-INCOMEPLUS FUND			
At 1 January 2017	1,079	1,050	2,129
Cancellation of units during the year	(62)	-	(62)
Profit for the year	-	112	112
At 31 December 2017/1 January 2018	1,017	1,162	2,179
Cancellation of units during the year	(42)	-	(42)
Loss for the year	-	(190)	(190)
At 31 December 2018	975	972	1,947

Note 12

The accompanying notes form an integral part of these financial statements.

Statement of Income and Expenditure

for the year ended 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE ASIA MULTI-INCOMEPLUS FUND			
NET INVESTMENT INCOME			
Dividend income		15	15
Net realised gain on disposal of investments		28	59
Unrealised (loss)/gain in value of investments		(228)	268
Unrealised foreign exchange gain/(loss)		23	(172)
Other income		1	-
		(161)	170
LESS: EXPENSES			
Management fees		(42)	(43)
(LOSS)/PROFIT BEFORE TAX		(203)	127
TAX INCOME/(EXPENSE)	13	13	(15)
(LOSS)/PROFIT FOR THE YEAR		(190)	112
Retained earnings brought forward		1,162	1,050
Retained earnings carried forward		972	1,162

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

for the year ended 31 December 2018

	2018 RM'000	2017 RM'000
ALLIANZ LIFE ASIA MULTI-INCOMEPLUS FUND		
Cash flows from operating activities		
(Loss)/Profit before tax	(203)	127
Adjustments for:		
Dividend income	(15)	(15)
Gain on disposal of investments	(28)	(59)
Unrealised loss/(gain) in value of investments	228	(268)
Unrealised foreign exchange (gain)/loss	(23)	172
Loss from operations before changes in operating assets and liabilities	(41)	(43)
Proceeds from disposal of investments	66	136
Purchase of investments	(14)	(16)
Change in benefits and claims liabilities	-	(5)
Change in other payables	1	-
Cash generated from operations	12	72
Tax paid	(4)	(6)
Dividend received	15	15
Net generated from in operating activities	23	81
Cash flows from financing activities		
Payment for cancellation of units	(42)	(62)
Net cash used in financing activities	(42)	(62)
Net (decrease)/increase in cash and cash equivalents	(19)	19
Cash and cash equivalents at 1 January	69	50
Cash and cash equivalents at 31 December	50	69

The accompanying notes form an integral part of these financial statements.



ALLIANZ LIFE MASTER BOND FUND

MASTER EQUITY FUND MASTER DIVIDEND FUND BOND FUND DANA PADU MASTER DANA EKUITI AMANAH DANA IKHLAS ASEAN PLUS FUND MASTER ASEAN PLUS FUND

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Comparative Performance Table

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE MASTER BOND FUND					
Net Asset Value (NAV) (RM/unit)	1.323	1.375	1.436	1.499	1.567
Units in Circulation	146,161,655	189,316,645	233,553,125	296,148,615	328,113,445
Total NAV (RM)	193,341,211	260,289,954	335,169,715	443,690,450	513,899,831
Highest NAV (RM/unit)	1.324	1.375	1.441	1.499	1.567
Lowest NAV (RM/unit)	1.275	1.323	1.375	1.436	1.500
Total Annual Return (%)	3.85	3.93	4.44	4.39	4.54
Benchmark: 12-month Maybank FD Rate (%)	3.28	3.35	3.25	3.14	3.41
Breakdown of Fund Annual Return					
Capital Growth (%)	0.00%	-0.01%	0.28%	0.30%	0.38%
Income distribution (%)	3.85%	3.94%	4.16%	4.09%	4.16%

Portfolio Composition by Category of Investments

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE MASTER BOND FUND					
Investment in:					
Fixed Income	78.65%	82.70%	89.78%	89.39%	89.73%
Cash & Deposits	21.35%	17.30%	10.22%	10.61%	10.27%

	One-Year Jan 18 - Dec 18	Three-Year Jan 16 - Dec 18	Five-Year Jan 14 - Dec 18
AVERAGE ANNUAL RETURNS			
Fund Average Annual Returns	4.54%	4.45%	4.23%
Benchmark Average Annual Returns	3.41%	3.27%	3.29%

Investment objectives, restrictions and limitations

There has been no changes in the investment objectives, restrictions and limitations during the financial year.

Distribution of Income

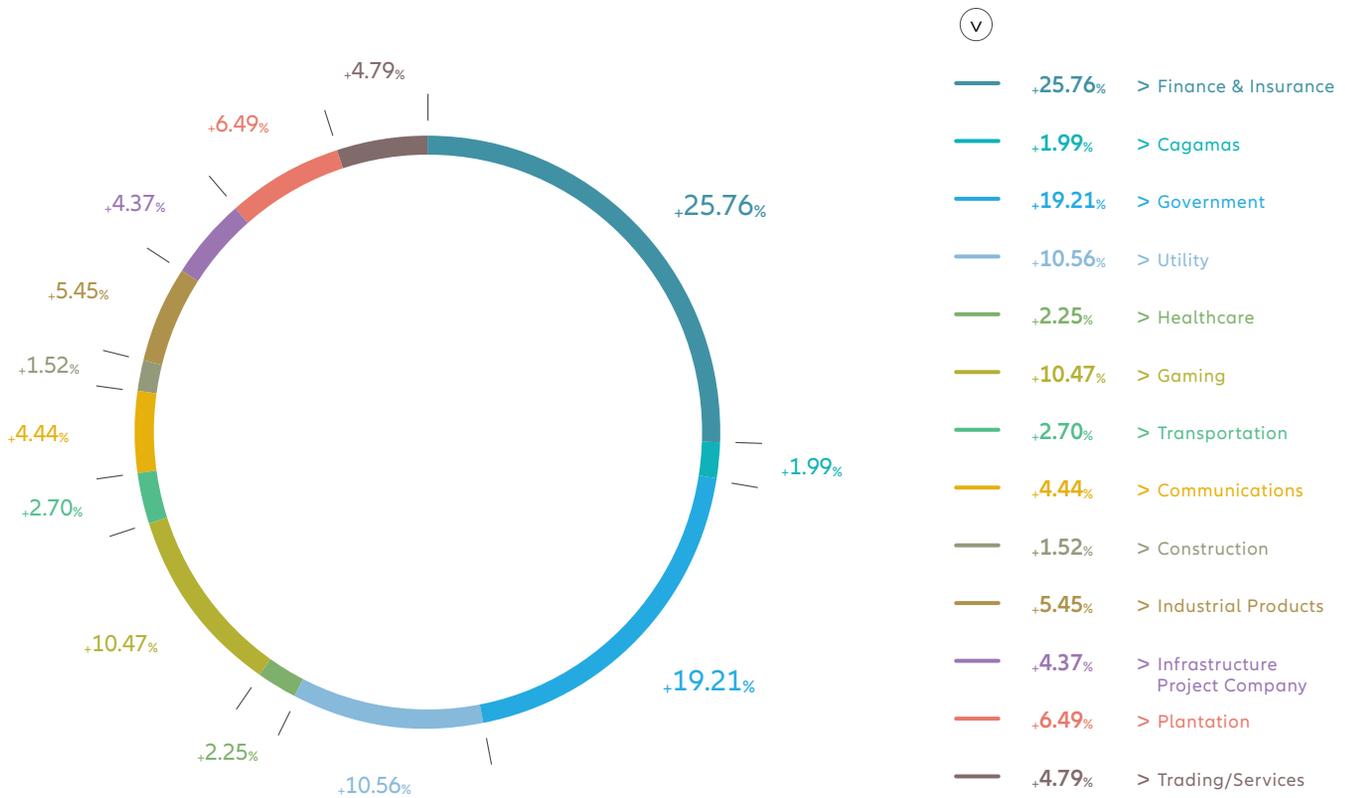
There has been no distribution made or proposed during the financial year.

Fund management charge

There is no fund management charge levied on the fund.

Bond Portfolio Composition by Sector

as at 31 December 2018



Portfolio Composition

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE MASTER BOND FUND				
Fixed Income Securities				
Malaysian Government Securities				
Government Bonds	70,000,000	69,940.35	70,467.70	13.71
Government Guaranteed bond				
Pengurusan Air Spv Berhad	8,000,000	8,000.00	8,076.26	1.57
Islamic Medium Term Notes Programme				
Private Debt Securities				
Bandar Serai Development	7,000,000	6,993.90	7,027.48	1.37
Islamic Medium-Term Notes Programme				
Bank Pembangunan Malaysia Berhad	5,000,000	5,000.00	5,059.20	0.98
Islamic Medium-Term Notes Programme				
BENIH RESTU BHD	15,000,000	15,051.00	14,949.15	2.91
Sukuk Murabahah Programme				
Cagamas MBS Berhad	9,000,000	9,514.90	9,158.21	1.78
Asset Backed Serial Fixed Rate Bonds				
Cahaya Mata Sarawak Berhad	15,000,000	15,000.00	15,089.25	2.94
Islamic Medium-Term Notes Programme				
CELCOM NETWORKS SDN BERHAD	20,000,000	20,197.00	20,474.00	3.98
Sukuk Murabahah Programme				
CIMB GROUP HOLDING BERHAD	7,000,000	7,000.00	7,066.01	1.37
Medium Term Notes Programme				
Danga Capital Berhad	20,000,000	20,000.00	19,980.15	3.89
Islamic Medium Term Notes Programme				

Portfolio Composition (continued)

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE MASTER BOND FUND				
<i>Private Debt Securities (continued)</i>				
Digi.Com Berhad Islamic Medium-Term Notes Programme	20,000,000	20,000.00	20,161.00	3.92
First Abu Dhabi Bank Islamic Medium-Term Notes Programme	3,500,000	3,500.00	3,542.39	0.69
First Resources Limited Islamic Medium Term Notes Programme	10,000,000	10,084.50	10,076.80	1.96
GB Services Berhad Medium Term Notes Programme	3,000,000	3,072.00	3,019.59	0.59
GENM CAPITAL BHD Medium Term Notes Programme	35,000,000	35,000.00	35,167.50	6.84
GRAND SEPADU NK SDN BHD Sukuk Murabahah Programme	5,000,000	4,970.95	5,077.60	0.99
HONG LEONG FINANCIAL GROUP BHD Subordinated Bonds	10,000,000	10,000.00	10,033.50	1.95
HSBC Amanah Malaysia Berhad Subordinated Bonds	15,000,000	15,022.00	15,030.40	2.92
IGB Reit Capital Sdn Berhad Islamic Medium-Term Notes Programme	10,000,000	10,013.20	10,033.40	1.95
JIMAH EAST POWER SDN BHD Sukuk Murabahah Programme	8,000,000	8,000.00	8,166.21	1.59
Kimanis Power Sdn Bhd Sukuk Programme	1,000,000	1,014.83	1,037.84	0.20

Portfolio Composition (continued)

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE MASTER BOND FUND				
<i>Private Debt Securities (continued)</i>				
KUALA LUMPUR KEPONG BERHAD Islamic Medium Term Notes	5,000,000	4,884.50	4,922.15	0.96
Lebuhraya Duke Fasa 3 Sdn Berhad Sukuk Wakalah	7,000,000	7,139.10	7,361.96	1.43
Malayan Banking Berhad Subordinated Bonds	3,000,000	3,000.00	2,988.24	0.58
MERC BENZ SVC MALAYSIA Medium Term Notes Programme	5,000,000	5,000.00	5,021.25	0.98
Prasarana Malaysia Berhad Islamic Medium-Term Notes Programme	10,000,000	10,000.00	10,013.90	1.95
PUBLIC BANK BERHAD Senior Medium Term Notes	30,000,000	30,000.00	30,037.35	5.84
PUTRAJAYA HOLDINGS BHD Sukuk Murabahah Programme	10,000,000	10,000.00	9,991.60	1.94
Quantum Solar Park Islamic Medium-Term Notes Programme	10,000,000	10,116.55	9,902.95	1.93
Rantau Abang Capital Berhad Islamic Medium-Term Sukuk Musyarakah Programme	10,000,000	10,006.50	10,060.05	1.96
SERBA DINAMIK HOLDINGS BHD Islamic Medium Term Notes Programme	12,000,000	12,000.00	11,998.80	2.33
Southern Power Generation Sdn Berhad Islamic Medium-Term Notes Programme	15,000,000	15,000.00	15,383.10	2.99

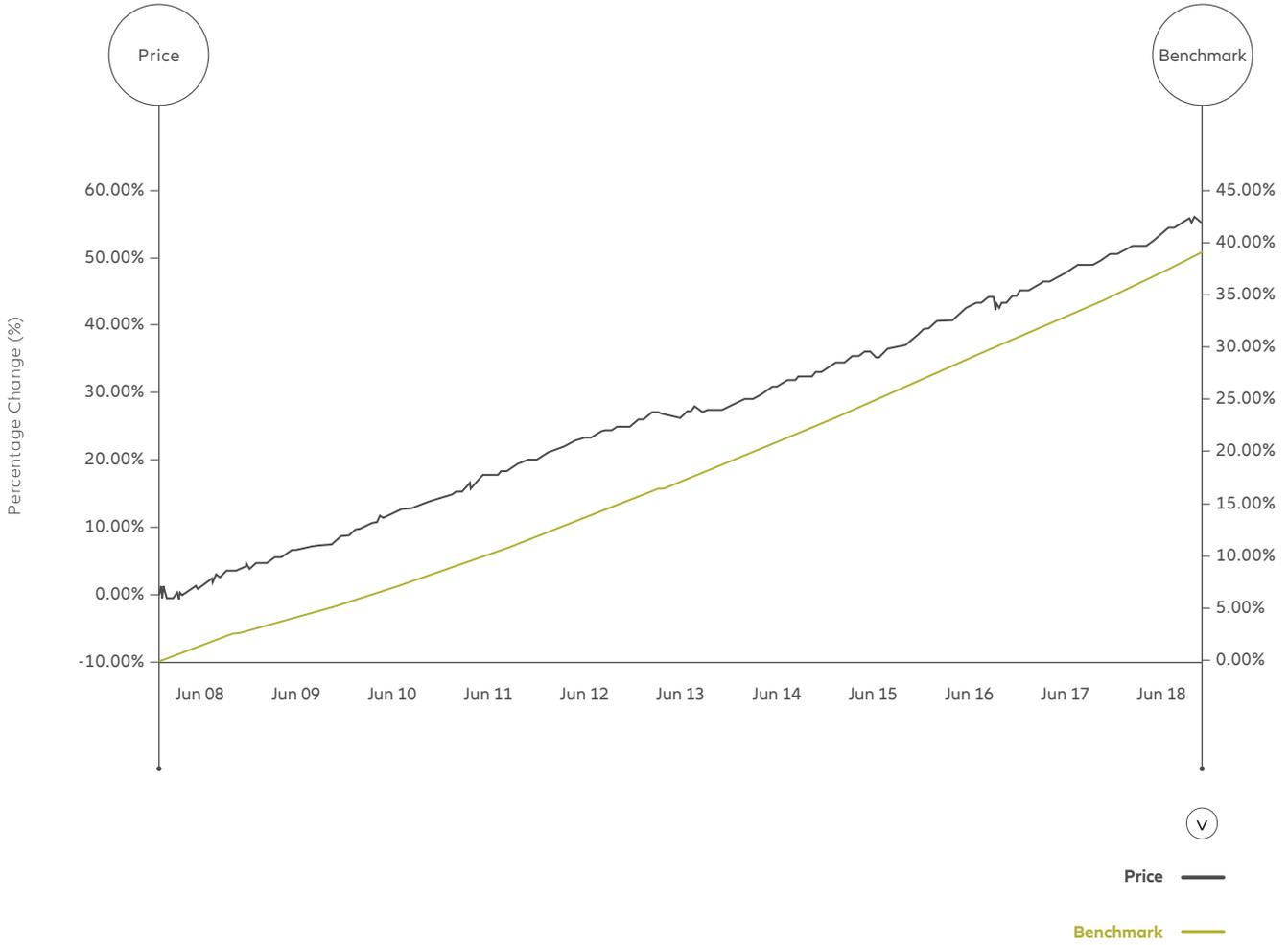
Portfolio Composition (continued)

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE MASTER BOND FUND				
<i>Private Debt Securities (continued)</i>				
Sports Toto Malaysia Sdn Bhd Medium Term Notes Programme	10,000,000	10,005.00	10,010.30	1.95
Telekom Malaysia Bhd Islamic Medium-Term Notes Programme	5,000,000	5,035.50	5,108.35	0.99
Tanjung Bin Energy Issuer Berhad Islamic Medium Term Notes Programme	3,000,000	3,067.80	3,166.73	0.62
TNB Northern Energy Berhad Sukuk Issuance	3,000,000	3,000.00	2,947.89	0.57
TNB Western Energy Bhd Sukuk Issuance	5,000,000	5,044.50	5,141.10	1.00
Triplc Medical Sdn Berhad Islamic Medium-Term Notes Programme	10,000,000	10,095.35	10,393.20	2.02
YTL Power International Berhad Medium Term Notes Programme	3,000,000	3,021.60	2,966.73	0.58
YTL Corporation Berhad Medium Term Notes Programme	5,000,000	5,004.00	4,998.50	0.97

Performance of Allianz Life Master Bond Fund Against Benchmark Since Inception

as at 31 December 2018



Statement of Assets and Liabilities

as at 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE MASTER BOND FUND			
ASSETS			
Investments			
Malaysian government securities	5	71,040	11,726
Bonds of corporations	6	390,971	385,373
Ringgit denominated bonds	7	3,544	3,556
Structured deposit	8	15,371	15,448
Fixed and call deposits	9	19,789	-
Cash and cash equivalents		13,613	32,950
TOTAL ASSETS		514,328	449,053
LIABILITIES			
Deferred tax liabilities	11	187	78
Other payables		241	5,284
TOTAL LIABILITIES		428	5,362
NET ASSET VALUE OF FUND		513,900	443,691
REPRESENTED BY:			
Policyholders' capital	12	438,112	389,199
Retained earnings		75,788	54,492
		513,900	443,691
Net Asset Value Per Unit (RM)		1.567	1.499
INVESTMENT IN MASTER BOND FUND			
Managed Fund		423,227	360,588
Equity Income Fund		30,074	32,732
Bond Fund		60,599	50,371
		513,900	443,691

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Net Asset Value

for the year ended 31 December 2018

	Policyholders' capital RM'000	Retained earnings RM'000	Total RM'000
ALLIANZ LIFE MASTER BOND FUND			
At 1 January 2017	297,337	37,833	335,170
Creation of units during the year	91,862	-	91,862
Profit for the year	-	16,659	16,659
At 31 December 2017/1 January 2018	389,199	54,492	443,691
Creation of units during the year	71,415	-	71,415
Cancellation of units during the year	(22,502)	-	(22,502)
Profit for the year	-	21,296	21,296
At 31 December 2018	438,112	75,788	513,900
	Note 12		

The accompanying notes form an integral part of these financial statements.

Statement of Income and Expenditure

for the year ended 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE MASTER BOND FUND			
NET INVESTMENT INCOME			
Interest income		21,386	16,830
Accretion of discounts		141	258
Amortisation of premiums		(199)	(160)
Net realised gain on disposal of investments		45	672
Unrealised gain in value of investments		1,885	554
		23,258	18,154
LESS: EXPENSES			
Management fees		(29)	(22)
Other expenses		(22)	(20)
		23,207	18,112
PROFIT BEFORE TAX		23,207	18,112
TAX EXPENSE	13	(1,911)	(1,453)
PROFIT FOR THE YEAR		21,296	16,659
Retained earnings brought forward		54,492	37,833
Retained earnings carried forward		75,788	54,492

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

for the year ended 31 December 2018

	2018 RM'000	2017 RM'000
ALLIANZ LIFE MASTER BOND FUND		
Cash flows from operating activities		
Profit before tax	23,207	18,112
Adjustments for:		
Amortisation of premiums	199	160
Accretion of discounts	(141)	(258)
Interest income	(21,386)	(16,830)
Gain on disposal of investments	(45)	(672)
Unrealised gain in value of investments	(1,885)	(554)
Loss from operations before changes in operating assets and liabilities	(51)	(42)
Proceeds from disposal of investments	17,925	48,932
Proceeds from maturity of investments	36,500	22,000
Placement with financial institutions	(19,789)	-
Purchase of investments	(116,958)	(165,259)
Change in other receivables	(593)	-
Change in other payables	(5,043)	5,179
Cash used in operations	(88,009)	(89,190)
Tax paid	(1,803)	(1,450)
Interest received	21,562	15,789
Net cash used in operating activities	48,913	(74,851)
Cash flows from financing activities		
Proceeds from creation of units	71,415	91,862
Payment for cancellation of units	(22,502)	-
Net cash from financing activities	48,913	91,862
Net (decrease)/increase in cash and cash equivalents	(19,337)	17,011
Cash and cash equivalents at 1 January	32,950	15,939
Cash and cash equivalents at 31 December	13,613	32,950

The accompanying notes form an integral part of these financial statements.



ALLIANZ LIFE MASTER EQUITY FUND

MASTER DIVIDEND FUND BOND FUND DANA PADU MASTER DANA EKUITI AMANAH DANA IKHLAS ASEAN PLUS FUND MASTER ASEAN PLUS FUND

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Comparative Performance Table

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE MASTER EQUITY FUND					
Net Asset Value (NAV) (RM/unit)	2.441	2.545	2.613	3.267	2.532
Units in Circulation	90,997,496	138,393,152	162,109,072	173,271,238	206,395,810
Total NAV (RM)	222,054,563	352,166,560	423,544,574	565,938,732	522,462,900
Highest NAV (RM/unit)	2.758	2.632	2.707	3.267	3.426
Lowest NAV (RM/unit)	2.328	2.087	2.403	2.632	2.452
Total Annual Return (%)	-2.55	4.26	2.67	25.03	-22.50
Benchmark : FTSE Bursa Malaysia Top 100 Index (%)	-6.17	-2.89	-2.45	12.74	-9.28
Breakdown of Fund Annual Return					
Capital Growth (%)	-4.02%	1.97%	0.36%	21.96%	-25.03%
Income Distribution (%)	1.47%	2.29%	2.31%	3.07%	2.53%

Portfolio Composition by Category of Investments

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE MASTER EQUITY FUND					
Investment in:					
Equity	100.05%	96.38%	98.63%	95.72%	95.33%
Cash & Deposits	-0.05%	3.62%	1.37%	4.28%	4.67%

	One-Year Jan 18 - Dec 18	Three-Year Jan 16 - Dec 18	Five-Year Jan 14 - Dec 18
AVERAGE ANNUAL RETURNS			
Fund Average Annual Returns	-22.50%	-0.17%	0.21%
Benchmark Average Annual Returns	-9.28%	-0.08%	-1.89%

Investment objectives, restrictions and limitations

There has been no changes in the investment objectives, restrictions and limitations during the financial year.

Distribution of Income

There has been no distribution made or proposed during the financial year.

Fund management charge

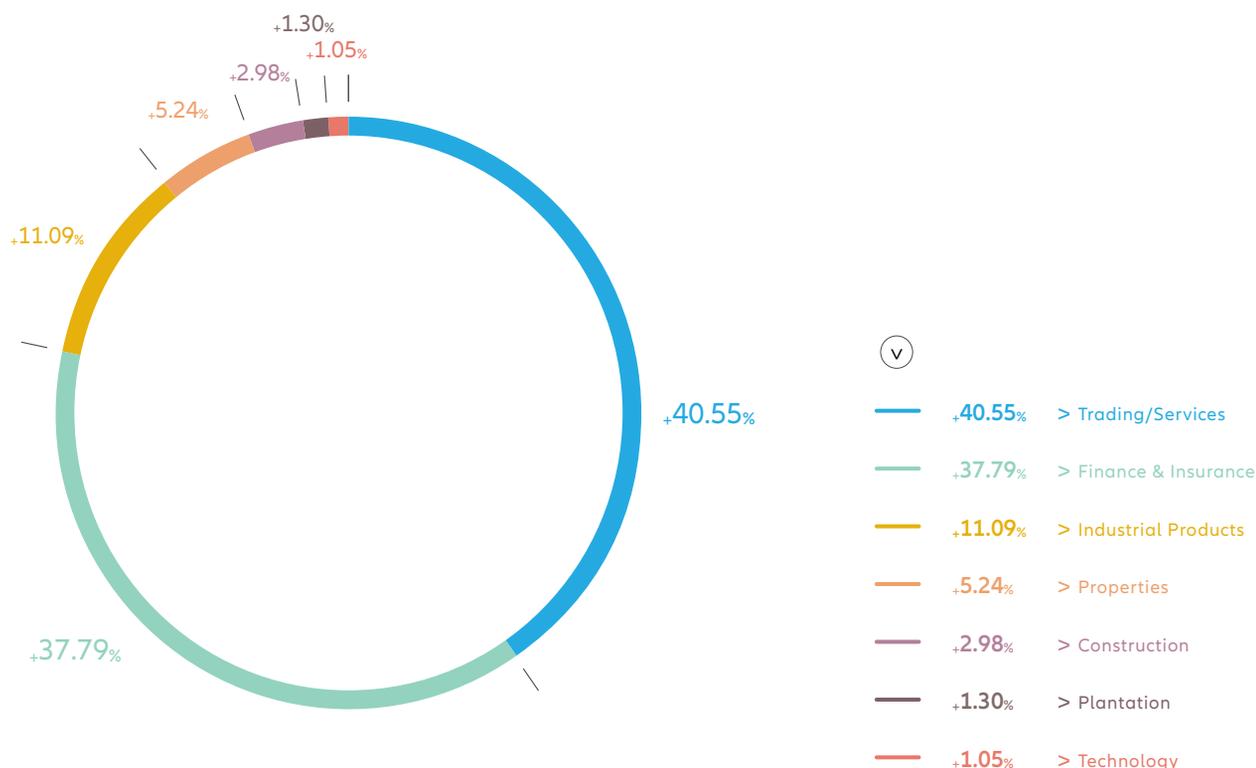
There is no fund management charge levied on the fund.

Equity Portfolio Composition by Sector

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE MASTER EQUITY FUND					
Construction	12.14%	17.18%	14.67%	15.54%	2.98%
Consumer Products	0.00%	1.75%	0.00%	2.14%	0.00%
Finance & Insurance	22.01%	17.70%	18.65%	0.00%	37.79%
Industrial Products	1.57%	5.62%	8.83%	11.03%	11.09%
Infrastructure Project Company	3.58%	0.00%	0.00%	0.00%	0.00%
Plantation	0.00%	7.03%	2.20%	2.49%	1.30%
Properties	2.71%	2.91%	6.10%	12.11%	5.24%
Real Estate Investment Trusts (Reits)	0.00%	0.00%	0.00%	0.00%	0.00%
SPAC	0.63%	0.42%	0.00%	0.00%	0.00%
Technology	0.47%	0.00%	0.00%	0.00%	1.05%
Trading/Services	56.89%	47.39%	49.55%	56.69%	40.55%

Equity Portfolio of Allianz Life Master Equity Fund

as at 31 December 2018



Portfolio Composition

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE MASTER EQUITY FUND				
EQUITIES				
CONSTRUCTION				
ECONPILE HOLDINGS BERHAD	13,417,750	5,675.47	5,165.83	0.99
IJM CORPORATION BERHAD	1,886,500	6,145.45	3,056.13	0.58
ML GLOBAL BERHAD	3,921,000	3,063.09	2,725.10	0.52
WCT HOLDINGS BERHAD	5,344,955	9,265.53	3,581.12	0.69
FINANCE & INSURANCE				
AMMB HOLDINGS BERHAD	2,658,500	10,809.13	11,511.31	2.20
CIMB GROUP HOLDING BERHAD	6,969,699	39,037.26	39,727.28	7.60
HONG LEONG FINANCIAL GROUP BHD	988,141	15,225.86	18,339.90	3.51
MALAYAN BANKING BERHAD	5,989,554	51,589.38	56,780.97	10.87
PUBLIC BANK BERHAD	1,865,000	43,775.90	46,140.10	8.83
RHB BANK BHD	2,977,100	15,340.94	15,719.09	3.01
INDUSTRIAL PRODUCTS				
ATA IMS BHD	4,313,000	6,773.41	7,116.45	1.36
CAHYA MATA SARAWAK BERHAD	1,761,600	6,796.23	4,738.70	0.91
HIBISCUS PETROLEUM	5,000,000	6,612.46	4,200.00	0.80
PETRONAS CHEMICALS GROUP BERHAD	3,413,000	30,802.61	31,706.77	6.07
SKP RESOURCES BERHAD	7,168,900	8,765.18	7,455.66	1.43
PLANTATION				
SIME DARBY PLANTATION BERHAD	1,363,278	6,976.48	6,475.57	1.24
PROPERTIES				
EASTERN & ORIENTAL BERHAD	2,330,230	4,014.76	2,586.56	0.50
ECO WORLD BERHAD	3,070,000	4,012.15	2,778.35	0.53
GABUNGAN AQRS BERHAD	8,942,300	11,391.33	7,600.96	1.45
LBS BINA GROUP BERHAD - PREFERENCE SHARES	335,391	368.93	335.39	0.06
LBS BINA GROUP BERHAD	11,825,600	9,001.14	7,509.26	1.44
SIME DARBY PROPERTY BERHAD	4,726,278	6,186.20	4,679.02	0.90

Portfolio Composition (continued)

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE MASTER EQUITY FUND				
EQUITIES (continued)				
TECHNOLOGY				
VITROX CORP	839,600	5,501.35	5,255.90	1.01
TRADING/SERVICES				
ASTRO MALAYSIA HOLDINGS	9,509,300	14,907.85	12,362.09	2.37
AXIATA GROUP BERHAD	4,357,031	22,312.91	17,079.56	3.27
BERMAZ AUTO BERHAD	5,466,400	11,801.95	11,588.77	2.22
BUMI ARMADA BERHAD	22,461,100	16,044.46	3,369.17	0.64
CYPARK RESOURCES BHD	5,275,500	7,682.39	8,229.78	1.58
DIALOG GROUP BERHAD	5,570,000	10,213.00	17,267.00	3.30
GENTING BERHAD	3,133,800	26,933.61	19,116.18	3.66
GENTING MALAYSIA BERHAD	2,901,900	10,182.97	8,734.72	1.67
HSS ENGINEERS BHD	7,817,700	7,629.32	6,645.05	1.27
MALAYSIA AIRPORTS HOLDINGS BERHAD	781,931	5,396.10	6,536.94	1.25
MY EG SERVICES BERHAD	17,928,700	19,928.03	17,390.84	3.33
SAPURA ENERGY BHD	4,526,600	1,863.83	1,290.08	0.25
SERBA DINAMIK HOLDINGS BHD	4,896,700	15,835.54	18,509.53	3.54
SIME DARBY BERHAD	2,870,000	7,078.11	6,859.30	1.31
TENAGA NASIONAL BERHAD	3,459,200	47,152.92	46,975.94	8.99
WARRANTS				
ECONBERHAD-WA	2,712,550	0.00	217.00	0.04
GAMUDA BERHAD	376,550	94.14	56.48	0.01
WCT HOLDINGS BERHAD	344,966	0.00	17.25	0.00
EASTERN & ORIENTAL BERHAD	323,040	0.00	1.62	0.00
ECO WORLD INTL BERHAD	1,591,280	0.00	198.91	0.04
GABUNGAN AQRS BERHAD	2,235,575	0.00	424.76	0.08

Performance of Allianz Life Master Equity Fund Against Benchmark Since Inception

as at 31 December 2018



Statement of Assets and Liabilities

as at 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE MASTER EQUITY FUND			
ASSETS			
Investments			
Quoted equity securities	4	498,830	541,835
Other receivables		981	1,767
Cash and cash equivalents		22,820	33,993
TOTAL ASSETS		522,631	577,595
LIABILITIES			
Deferred tax liabilities	11	-	7,813
Other payables		167	3,844
TOTAL LIABILITIES		167	11,657
NET ASSET VALUE OF FUND		522,464	565,938
REPRESENTED BY:			
Policyholders' capital	12	458,268	361,638
Retained earnings		64,196	204,300
		522,464	565,938
Net Asset Value Per Unit (RM)		2.532	3.267
INVESTMENT IN MASTER EQUITY FUND			
Equity Fund		205,884	232,103
Managed Fund		315,117	332,781
Asean Plus Fund		1,463	1,054
		522,464	565,938

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Net Asset Value

for the year ended 31 December 2018

	Policyholders' capital RM'000	Retained earnings RM'000	Total RM'000
ALLIANZ LIFE MASTER EQUITY FUND			
At 1 January 2017	326,627	96,918	423,545
Creation of units during the year	45,040	-	45,040
Cancellation of units during the year	(10,029)	-	(10,029)
Profit for the year	-	107,382	107,382
At 31 December 2017/1 January 2018	361,638	204,300	565,938
Creation of units during the year	96,630	-	96,630
Loss for the year	-	(140,104)	(140,104)
At 31 December 2018	458,268	64,196	522,464
	Note 12		

The accompanying notes form an integral part of these financial statements.

Statement of Income and Expenditure

for the year ended 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE MASTER EQUITY FUND			
NET INVESTMENT INCOME			
Interest income		681	481
Dividend income		16,223	13,686
Net realised (loss)/gain on disposal of investments		(35,738)	16,213
Unrealised (loss)/gain in value of investments		(131,793)	85,263
		(150,627)	115,643
LESS: EXPENSES			
Management fees		(32)	(33)
Other expenses		(62)	(71)
(LOSS)/PROFIT BEFORE TAX		(150,721)	115,539
TAX INCOME/(EXPENSE)	13	10,617	(8,157)
(LOSS)/PROFIT FOR THE YEAR		(140,104)	107,382
Retained earnings brought forward		204,300	96,918
Retained earnings carried forward		64,196	204,300

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

for the year ended 31 December 2018

	2018 RM'000	2017 RM'000
ALLIANZ LIFE MASTER EQUITY FUND		
Cash flows from operating activities		
(Loss)/Profit before tax	(150,721)	115,539
Adjustments for:		
Dividend income	(16,223)	(13,686)
Interest income	(681)	(481)
Loss/(gain) on disposal of investments	35,738	(16,213)
Unrealised loss/(gain) in value of investments	131,793	(85,263)
Loss from operations before changes in operating assets and liabilities	(94)	(104)
Proceeds from disposal of investments	179,691	239,720
Purchase of investments	(303,568)	(262,231)
Change in other receivables	142	6,933
Change in other payables	(3,678)	358
Cash used in operations	(127,507)	(15,324)
Tax received/(paid)	2,804	(1,336)
Dividend received	16,223	13,723
Interest received	677	482
Net cash used in operating activities	(107,803)	(2,455)
Cash flows from financing activities		
Proceeds from creation of units	96,630	45,040
Payment for cancellation of units	-	(10,029)
Net cash from financing activities	96,630	35,011
Net (decrease)/increase in cash and cash equivalents	(11,173)	32,556
Cash and cash equivalents at 1 January	33,993	1,437
Cash and cash equivalents at 31 December	22,820	33,993

The accompanying notes form an integral part of these financial statements.



ALLIANZ LIFE MASTER DIVIDEND FUND

BOND FUND DANA PADU MASTER DANA EKUITI AMANAH DANA IKHLAS ASEAN PLUS FUND MASTER ASEAN PLUS FUND

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Comparative Performance Table

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE MASTER DIVIDEND FUND					
Net Asset Value (NAV) (RM/unit)	2.346	2.413	2.452	3.031	2.406
Units in Circulation	15,227,239	21,730,319	24,954,949	25,277,749	24,666,749
Total NAV (RM)	35,709,485	52,427,359	61,170,637	76,606,050	59,332,485
Highest NAV (RM/unit)	2.610	2.526	2.544	3.031	3.187
Lowest NAV (RM/unit)	2.238	1.992	2.292	2.469	2.329
Total Annual Return (%)	-1.59	2.86	1.62	23.61	-20.62
Benchmark : FTSE Bursa Malaysia Top 100 Index (%)	-6.17	-2.89	-2.45	12.74	-9.28
Breakdown of Fund Annual Return					
Capital Growth (%)	-3.51%	0.69%	-0.65%	20.60%	-23.15%
Income distribution (%)	1.92%	2.17%	2.27%	3.01%	2.53%

Portfolio Composition by Category of Investments

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE MASTER DIVIDEND FUND					
Investment in:					
Equity	92.01%	94.72%	99.42%	93.93%	95.86%
Cash & Deposits	7.99%	5.28%	0.58%	6.07%	4.14%

	One-Year Jan 18 - Dec 18	Three-Year Jan 16 - Dec 18	Five-Year Jan 14 - Dec 18
AVERAGE ANNUAL RETURNS			
Fund Average Annual Returns	-20.62%	-0.10%	0.18%
Benchmark Average Annual Returns	-9.28%	-0.08%	-1.89%

Investment objectives, restrictions and limitations

There has been no changes in the investment objectives, restrictions and limitations during the financial year.

Distribution of Income

There has been no distribution made or proposed during the financial year.

Fund management charge

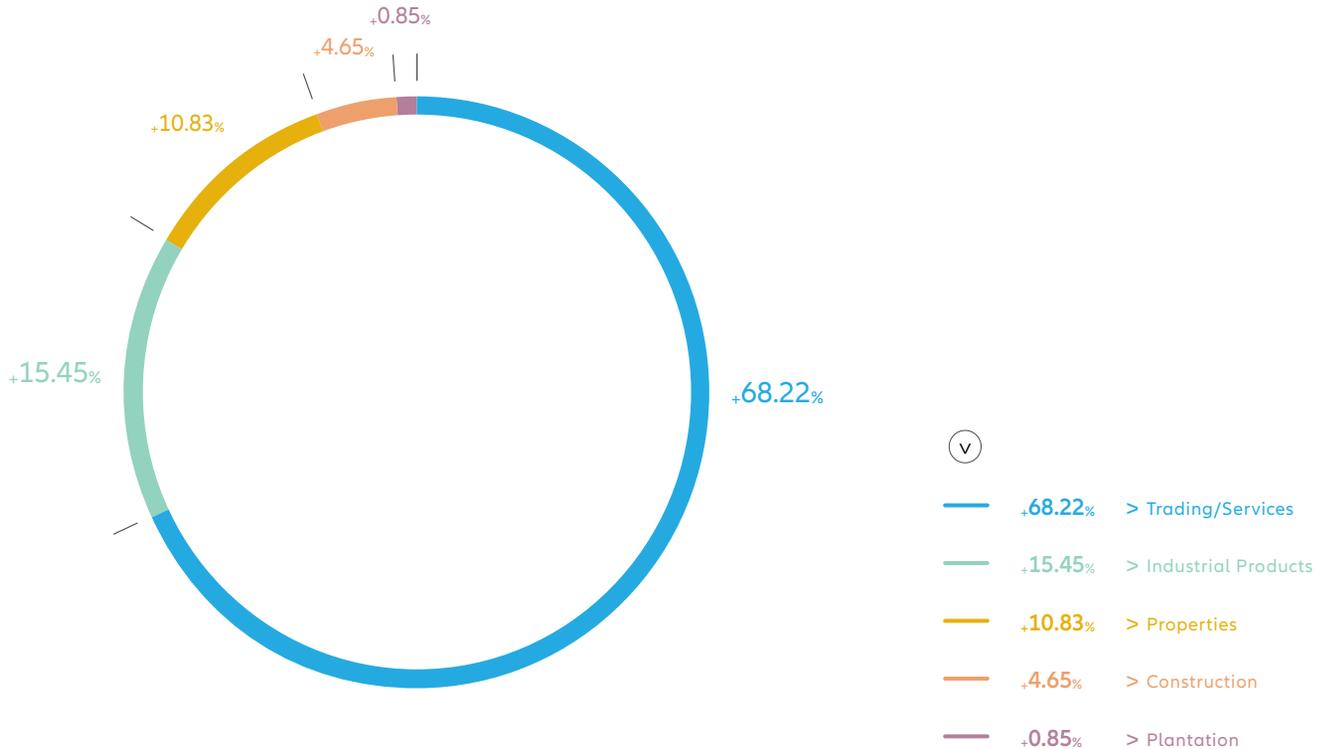
There is no fund management charge levied on the fund.

Equity Portfolio Composition by Sector

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE MASTER DIVIDEND FUND					
Construction	13.79%	15.93%	10.81%	14.17%	4.65%
Consumer Products	0.00%	0.00%	0.00%	0.00%	0.00%
Finance & Insurance	20.15%	16.42%	16.65%	0.00%	0.00%
Industrial Products	1.74%	7.47%	8.85%	10.47%	15.45%
Infrastructure Project Company	3.85%	0.00%	0.00%	0.00%	0.00%
Plantation	0.00%	5.55%	2.76%	0.68%	0.85%
Properties	2.94%	3.82%	8.64%	12.63%	10.83%
Real Estate Investment Trusts (REITs)	0.00%	0.00%	0.00%	0.00%	0.00%
SPAC	0.23%	0.15%	0.00%	0.00%	0.00%
Technology	0.69%	0.00%	0.00%	0.00%	0.00%
Trading/Services	56.61%	50.65%	52.29%	62.05%	68.22%

Equity Portfolio of Allianz Life Master Dividend Fund

as at 31 December 2018



Portfolio Composition

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE MASTER DIVIDEND FUND				
EQUITIES				
CONSTRUCTION				
ECONPILE HOLDINGS BERHAD	1,899,250	766.25	731.21	1.23
ML GLOBAL BERHAD	505,000	416.22	350.98	0.59
WCT HOLDINGS BERHAD	940,691	1,610.61	630.26	1.06
FINANCE & INSURANCE				
AMMB HOLDINGS BERHAD	230,300	944.23	997.20	1.68
CIMB GROUP HOLDING BERHAD	768,403	4,296.27	4,379.90	7.38
HONG LEONG FINANCIAL GROUP BHD	120,548	1,855.62	2,237.37	3.77
MALAYAN BANKING BERHAD	772,193	6,597.28	7,320.39	12.34
PUBLIC BANK BERHAD	116,000	2,383.03	2,869.84	4.84
RHB BANK BHD	245,300	1,278.54	1,295.18	2.18
INDUSTRIAL PRODUCTS				
ATA IMS BHD	398,000	635.35	656.70	1.11
CAHYA MATA SARAWAK BERHAD	223,000	813.71	599.87	1.01
PETRONAS CHEMICALS GROUP BERHAD	400,000	3,623.04	3,716.00	6.26
SKP RESOURCES BERHAD	831,300	1,046.40	864.55	1.46
PLANTATION				
SIME DARBY PLANTATION BERHAD	67,313	358.63	319.74	0.54
PROPERTIES				
EASTERN & ORIENTAL BERHAD	461,806	777.54	512.60	0.86
ECO WORLD BERHAD	680,900	974.50	616.21	1.04
ECO WORLD INTERNATIONAL BERHAD	624,700	741.91	440.41	0.74
GABUNGAN AQRS BERHAD	812,800	948.68	690.88	1.16
LBS BINA GROUP BERHAD	1,821,220	1,441.06	1,156.47	1.95
LBS BINA GROUP BERHAD - PREFERENCE SHARES	75,352	82.89	75.35	0.13
SIME DARBY PROPERTY BERHAD	539,313	689.22	533.92	0.90

Portfolio Composition (continued)

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE MASTER DIVIDEND FUND				
EQUITIES (continued)				
TRADING/SERVICES				
ASTRO MALAYSIA HOLDINGS	938,100	1,215.53	1,219.53	2.06
AXIATA GROUP BERHAD	534,558	2,612.14	2,095.47	3.53
BERMAZ AUTO BERHAD	849,200	1,695.28	1,800.30	3.03
BUMI ARMADA BERHAD	3,331,500	2,377.65	499.73	0.84
CYPARK RESOURCES BHD	678,300	987.77	1,058.15	1.78
DIALOG GROUP BERHAD	934,000	1,880.00	2,895.40	4.88
GENTING BERHAD	453,300	3,930.20	2,765.13	4.66
GENTING MALAYSIA BERHAD	238,000	941.19	716.38	1.21
MALAYSIA AIRPORTS HOLDINGS BERHAD	192,132	1,282.65	1,606.22	2.71
MY EG SERVICES BERHAD	1,820,350	1,522.04	1,765.74	2.98
SAPURA ENERGY BHD	528,100	217.63	150.51	0.25
SERBA DINAMIK HOLDINGS BHD	589,600	1,906.72	2,228.69	3.76
SIME DARBY BERHAD	360,000	881.79	860.40	1.45
TENAGA NASIONAL BERHAD	449,650	5,811.55	6,106.25	10.29
WARRANTS				
EASTERN & ORIENTAL BERHAD	50,720	0.00	0.25	0.00
ECO WORLD INTL BERHAD	219,600	0.00	27.45	0.05
ECONBERHAD-WA	389,450	0.00	31.16	0.05
GABUNGAN AQRS BERHAD	203,200	0.00	38.61	0.07
GAMUDA BERHAD	57,283	14.32	8.59	0.01
WCT ENGINEERING BERHAD	101,551	0.00	5.08	0.01

Performance of Allianz Life Master Dividend Fund Against Benchmark Since Inception

as at 31 December 2018



Statement of Assets and Liabilities

as at 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE MASTER DIVIDEND FUND			
ASSETS			
Investments			
Quoted equity securities	4	56,948	71,977
Other receivables		59	38
Cash and cash equivalents		2,702	6,052
TOTAL ASSETS		59,709	78,067
LIABILITIES			
Deferred tax liabilities	11	-	1,078
Other payables		377	383
TOTAL LIABILITIES		377	1,461
NET ASSET VALUE OF FUND		59,332	76,606
REPRESENTED BY:			
Policyholders' capital	12	44,342	45,520
Retained earnings		14,990	31,086
		59,332	76,606
Net Asset Value Per Unit (RM)		2.406	3.031
INVESTMENT IN MASTER DIVIDEND FUND			
Equity Income Fund		59,332	76,606
		59,332	76,606

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Net Asset Value

for the year ended 31 December 2018

	Policyholders' capital RM'000	Retained earnings RM'000	Total RM'000
ALLIANZ LIFE MASTER DIVIDEND FUND			
At 1 January 2017	44,527	16,644	61,171
Creation of units during the year	5,000	-	5,000
Cancellation of units during the year	(4,007)	-	(4,007)
Profit for the year	-	14,442	14,442
At 31 December 2017/1 January 2018	45,520	31,086	76,606
Creation of units during the year	6,816	-	6,816
Cancellation of units during the year	(7,994)	-	(7,994)
Loss for the year	-	(16,096)	(16,096)
At 31 December 2018	44,342	14,990	59,332
	Note 12		

The accompanying notes form an integral part of these financial statements.

Statement of Income and Expenditure

for the year ended 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE MASTER DIVIDEND FUND			
NET INVESTMENT INCOME			
Interest income		108	115
Dividend income		2,025	1,872
Net realised (loss)/gain on disposal of investments		(3,388)	2,368
Unrealised (loss)/gain in value of investments		(16,144)	11,221
		(17,399)	15,576
LESS: EXPENSES			
Management fees		(22)	(22)
Other expenses		(14)	(16)
(LOSS)/PROFIT BEFORE TAX		(17,435)	15,538
TAX INCOME/(EXPENSE)	13	1,339	(1,096)
(LOSS)/PROFIT FOR THE YEAR		(16,096)	14,442
Retained earnings brought forward		31,086	16,644
Retained earnings carried forward		14,990	31,086

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

for the year ended 31 December 2018

	2018 RM'000	2017 RM'000
ALLIANZ LIFE MASTER DIVIDEND FUND		
Cash flows from operating activities		
(Loss)/Profit before tax	(17,435)	15,538
Adjustments for:		
Dividend income	(2,025)	(1,872)
Interest income	(108)	(115)
Loss/(gain) on disposal of investments	3,388	(2,368)
Unrealised loss/(gain) in value of investments	16,144	(11,221)
Loss from operations before changes in operating assets and liabilities	(36)	(38)
Proceeds from disposal of investments	20,788	33,049
Purchase of investments	(25,236)	(30,605)
Change in other receivables	(78)	541
Change in other payables	(5)	170
Cash (used in)/generated from operations	(4,567)	3,117
Tax received/(paid)	262	(198)
Dividend received	2,025	1,885
Interest received	108	114
Net cash (used in)/generated from operating activities	(2,172)	4,918
Cash flows from financing activities		
Proceeds from creation of units	6,816	5,000
Payment for cancellation of units	(7,994)	(4,007)
Net cash (used in)/generated from financing activities	(1,178)	993
Net (decrease)/increase in cash and cash equivalents	(3,350)	5,911
Cash and cash equivalents at 1 January	6,052	141
Cash and cash equivalents at 31 December	2,702	6,052

The accompanying notes form an integral part of these financial statements.



ALLIANZ LIFE BOND FUND

DANA PADU MASTER DANA EKUITI AMANAH DANA IKHLAS ASEAN PLUS FUND MASTER ASEAN PLUS FUND

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Comparative Performance Table

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE BOND FUND					
Net Asset Value (NAV) (RM/unit)	1.176	1.212	1.254	1.298	1.345
Units in Circulation	22,317,046	28,704,253	34,505,356	40,853,446	48,226,157
Total NAV (RM)	26,232,205	34,771,405	43,261,253	53,001,354	64,855,865
Highest NAV (RM/unit)	1.177	1.212	1.260	1.298	1.345
Lowest NAV (RM/unit)	1.142	1.176	1.212	1.254	1.299
Total Annual Return (%)	2.98	3.06	3.47	3.51	3.62
Benchmark: 12-month Maybank FD Rate (%)	3.28	3.35	3.25	3.14	3.41
Breakdown of Fund Annual Return					
Capital Growth (%)	2.66%	2.83%	3.31%	3.39%	3.49%
Income Distribution (%)	0.32%	0.23%	0.16%	0.12%	0.13%

Portfolio Composition by Category of Investments

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE BOND FUND					
Investment in:					
Master Bond Fund	86.55%	93.58%	93.79%	95.09%	93.48%
Cash & Deposits	13.45%	6.42%	6.21%	4.91%	6.52%

	One-Year Jan 18 - Dec 18	Three-Year Jan 16 - Dec 18	Five-Year Jan 14 - Dec 18
AVERAGE ANNUAL RETURNS			
Fund Average Annual Returns	3.62%	3.53%	3.33%
Benchmark Average Annual Returns	3.41%	3.27%	3.29%

Investment objectives, restrictions and limitations

There has been no changes in the investment objectives, restrictions and limitations during the financial year.

Distribution of Income

There has been no distribution made or proposed during the financial year.

Fund management charge

A fund management charge of 0.75% is levied on the fund.

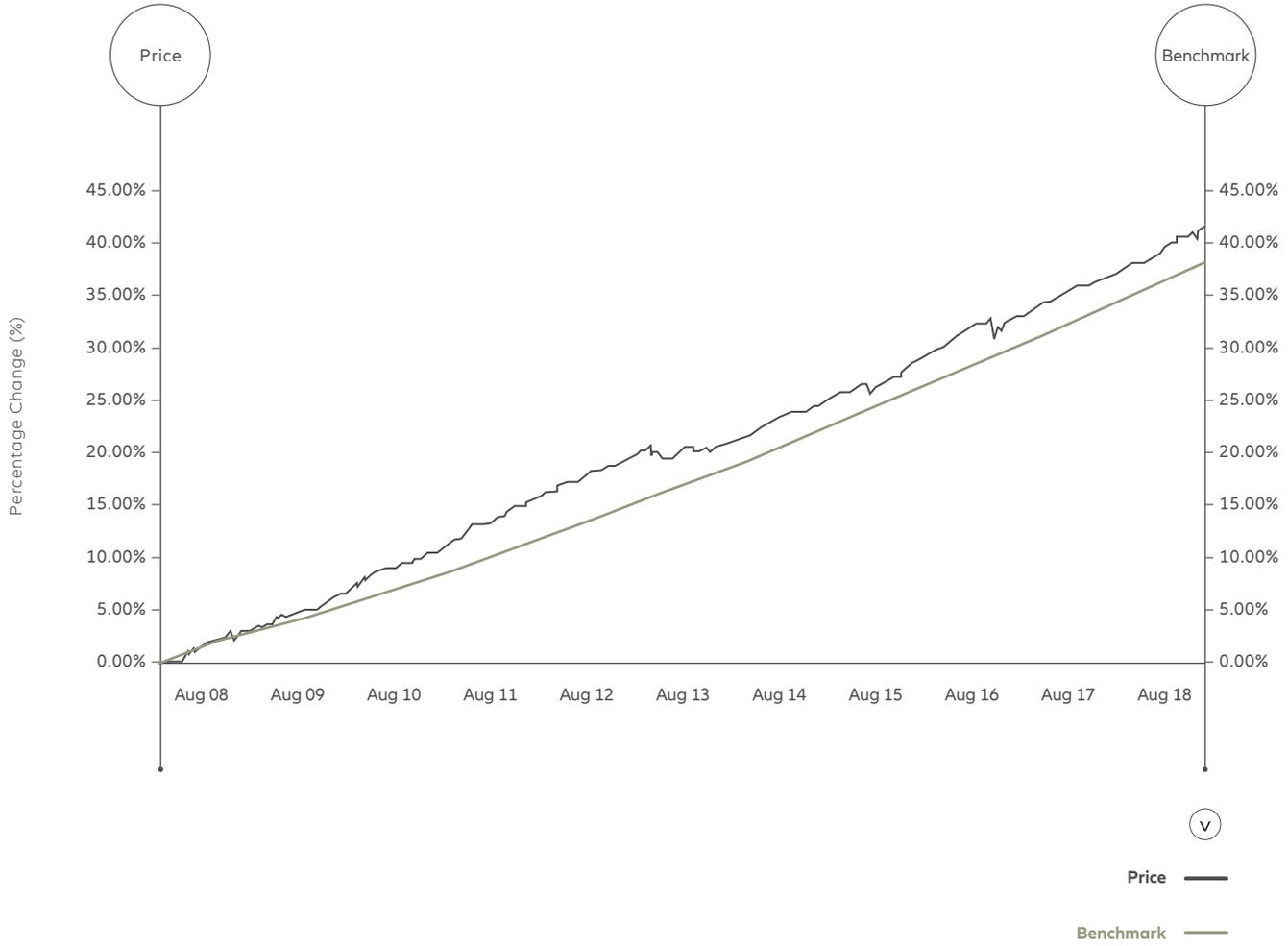
Portfolio Composition

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE BOND FUND				
<i>INVESTMENT</i>				
Investment in Master Bond Fund	38,690,998	52,077.64	60,628.79	93.48

Performance of Allianz Life Bond Fund Against Benchmark Since Inception

as at 31 December 2018



Statement of Assets and Liabilities

as at 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE BOND FUND			
ASSETS			
Investments			
Master Bond Fund (page 78)		60,599	50,371
Other receivables		1,095	362
Cash and cash equivalents		3,223	2,311
TOTAL ASSETS		64,917	53,044
LIABILITIES			
Benefits and claims liabilities		53	36
Other payables		8	7
TOTAL LIABILITIES		61	43
NET ASSET VALUE OF FUND		64,856	53,001
REPRESENTED BY:			
Policyholders' capital	12	57,562	47,782
Retained earnings		7,294	5,219
		64,856	53,001
Net Asset Value Per Unit (RM)		1.345	1.298

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Net Asset Value

for the year ended 31 December 2018

	Policyholders' capital RM'000	Retained earnings RM'000	Total RM'000
ALLIANZ LIFE BOND FUND			
At 1 January 2017	39,664	3,598	43,262
Creation of units during the year	10,293	-	10,293
Cancellation of units during the year	(2,175)	-	(2,175)
Profit for the year	-	1,621	1,621
At 31 December 2017/1 January 2018	47,782	5,219	53,001
Creation of units during the year	12,906	-	12,906
Cancellation of units during the year	(3,126)	-	(3,126)
Profit for the year	-	2,075	2,075
At 31 December 2018	57,562	7,294	64,856
	Note 12		

The accompanying notes form an integral part of these financial statements.

Statement of Income and Expenditure

for the year ended 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE BOND FUND			
NET INVESTMENT INCOME			
Interest income		87	65
Net realised gain on disposal of investments		49	-
Unrealised gain in value of investments		2,399	1,940
Other income		1	-
		2,536	2,005
LESS: EXPENSES			
Management fees		(454)	(379)
		2,082	1,626
PROFIT BEFORE TAX		2,082	1,626
TAX EXPENSE	13	(7)	(5)
PROFIT FOR THE YEAR		2,075	1,621
Retained earnings brought forward		5,219	3,598
Retained earnings carried forward		7,294	5,219

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

for the year ended 31 December 2018

	2018 RM'000	2017 RM'000
ALLIANZ LIFE BOND FUND		
Cash flows from operating activities		
Profit before tax	2,082	1,626
Adjustments for:		
Interest income	(87)	(65)
Gain on disposal of investments	(49)	-
Unrealised gain in value of investments	(2,399)	(1,940)
Loss from operations before changes in operating assets and liabilities	(453)	(379)
Proceeds from disposal of investments	352	-
Purchase of investments	(8,132)	(7,881)
Change in other receivables	(733)	45
Change in benefits and claims liabilities	17	(3)
Change in other payables	1	1
Cash used in operations	(8,948)	(8,217)
Tax paid	(7)	(5)
Interest received	87	65
Net cash used in operating activities	(8,868)	(8,157)
Cash flows from financing activities		
Proceeds from creation of units	12,906	10,293
Payment for cancellation of units	(3,126)	(2,175)
Net cash from financing activities	9,780	8,118
Net increase/(decrease) in cash and cash equivalents	912	(39)
Cash and cash equivalents at 1 January	2,311	2,350
Cash and cash equivalents at 31 December	3,223	2,311

The accompanying notes form an integral part of these financial statements.



ALLIANZ LIFE

DANA PADU

MASTER DANA EKUITI AMANAH DANA IKHLAS ASEAN PLUS FUND MASTER ASEAN PLUS FUND

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Comparative Performance Table

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE DANA PADU					
Net Asset Value (NAV) (RM/unit)	1.611	1.673	1.693	1.879	1.665
Units in Circulation	15,169,020	20,682,258	26,606,414	32,559,184	39,530,612
Total NAV (RM)	24,366,962	34,504,374	44,944,987	61,017,275	65,662,328
Highest NAV (RM/unit)	1.697	1.673	1.719	1.879	1.926
Lowest NAV (RM/unit)	1.579	1.511	1.634	1.697	1.637
Total Annual Return (%)	0.94	3.85	1.20	10.99	-11.39
Benchmark: 50% FTSE Bursa Malaysia Emas Shariah Index & 50% 12-month Maybank Islamic FD Rate (%)*	-0.40	3.01	-1.44	6.91	-5.26

* In line with the investment mandate and objectives of the fund, we have since inception, been using the 12-month Islamic Fixed Deposit Rate published in Maybank's website as the benchmark for the fund. The name of the said benchmark has been changed from 12-month Maybank General Investment Account Rate to its present name of the 12-month Maybank Islamic Fixed Deposit Rate, with effect since July 2015. Kindly note that this change of the name of the benchmark reference does not affect the fund's actual performance and benchmark calculation.

	FY2014	FY2015	FY2016	FY2017	FY2018
Breakdown of Fund Annual Return					
Capital Growth (%)	-0.46%	2.60%	0.44%	9.43%	-13.28%
Income distribution (%)	1.40%	1.25%	0.76%	1.56%	1.89%

Portfolio Composition by Category of Investments

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE DANA PADU					
Investment in:					
Master Dana Ekuiti	38.54%	49.21%	46.77%	50.13%	41.11%
Cash & Deposits	61.46%	50.79%	53.23%	49.87%	58.89%

	One-Year Jan 18 - Dec 18	Three-Year Jan 16 - Dec 18	Five-Year Jan 14 - Dec 18
AVERAGE ANNUAL RETURNS			
Fund Average Annual Returns	-11.39%	-0.16%	0.85%
Benchmark Average Annual Returns	-5.26%	-0.06%	0.48%

Investment objectives, restrictions and limitations

There has been no changes in the investment objectives, restrictions and limitations during the financial year.

Distribution of Income

There has been no distribution made or proposed during the financial year.

Fund management charge

A fund management charge of 1.23% is levied on the fund.

Portfolio Composition

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE DANA PADU				
INVESTMENT				
Investment in Master Dana Ekuiti	9,730,867	27,282.77	26,993.42	41.11

Performance of Allianz Life Dana Padu Against Benchmark Since Inception

as at 31 December 2018



Statement of Assets and Liabilities

as at 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE DANA PADU			
ASSETS			
Investments			
Master Dana Ekuiti (page 129)		26,985	30,581
Fixed and call deposits	9	10,030	-
Other receivables		231	628
Cash and cash equivalents		28,521	29,874
TOTAL ASSETS		65,767	61,083
LIABILITIES			
Benefits and claims liabilities			
Other payables		81	40
		24	26
TOTAL LIABILITIES		105	66
NET ASSET VALUE OF FUND		65,662	61,017
REPRESENTED BY:			
Policyholders' capital	12	64,112	51,748
Retained earnings		1,550	9,269
		65,662	61,017
Net Asset Value Per Unit (RM)		1.665	1.879

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Net Asset Value

for the year ended 31 December 2018

	Policyholders' capital RM'000	Retained earnings RM'000	Total RM '000
ALLIANZ LIFE DANA PADU			
At 1 January 2017	41,025	3,920	44,945
Creation of units during the year	14,605	-	14,605
Cancellation of units during the year	(3,882)	-	(3,882)
Profit for the year	-	5,349	5,349
At 31 December 2017/1 January 2018	51,748	9,269	61,017
Creation of units during the year	17,098	-	17,098
Cancellation of units during the year	(4,734)	-	(4,734)
Loss for the year	-	(7,719)	(7,719)
At 31 December 2018	64,112	1,550	65,662
	Note 12		

The accompanying notes form an integral part of these financial statements.

Statement of Income and Expenditure

for the year ended 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE DANA PADU			
NET INVESTMENT INCOME			
Interest income		1,130	865
Net realised gain on disposal of investments		80	138
Unrealised (loss)/gain in value of investments		(8,035)	5,089
Other income		3	-
		(6,822)	6,092
LESS: EXPENSES			
Management fees		(806)	(674)
(LOSS)/PROFIT BEFORE TAX		(7,628)	5,418
TAX EXPENSE	13	(91)	(69)
(LOSS)/PROFIT FOR THE YEAR		(7,719)	5,349
Retained earnings brought forward		9,269	3,920
Retained earnings carried forward		1,550	9,269

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

for the year ended 31 December 2018

	2018 RM'000	2017 RM'000
ALLIANZ LIFE DANA PADU		
Cash flows from operating activities		
(Loss)/Profit before tax	(7,628)	5,418
Adjustments for:		
Interest income	(1,130)	(865)
Gain on disposal of investments	(80)	(138)
Unrealised loss/(gain) in value of investments	8,035	(5,089)
Loss from operations before changes in operating assets and liabilities	(803)	(674)
Proceeds from disposal of investments	7,383	900
Placement/withdrawal from financial institutions	(10,030)	3,110
Purchase of investments	(11,742)	(5,235)
Change in other receivables	391	(319)
Change in benefits and claims liabilities	41	-
Change in other payables	(2)	(1)
Cash used in operations	(14,762)	(2,219)
Tax paid	(91)	(69)
Interest received	1,136	906
Net cash used in operating activities	(13,717)	(1,382)
Cash flows from financing activities		
Proceeds from creation of units	17,098	14,605
Payment for cancellation of units	(4,734)	(3,882)
Net cash from financing activities	12,364	10,723
Net (decrease)/increase in cash and cash equivalents	(1,353)	9,341
Cash and cash equivalents at 1 January	29,874	20,533
Cash and cash equivalents at 31 December	28,521	29,874

The accompanying notes form an integral part of these financial statements.



ALLIANZ LIFE MASTER DANA EKUITI

AMANAH DANA IKHLAS

ASEAN PLUS FUND

MASTER ASEAN PLUS FUND

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Comparative Performance Table

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE MASTER DANA EKUITI					
Net Asset Value (NAV) (RM/unit)	2.644	2.868	2.928	3.639	2.774
Units in Circulation	3,552,053	5,920,263	7,178,693	8,405,193	9,730,867
Total NAV (RM)	9,389,866	16,979,166	21,018,792	30,581,074	26,985,516
Highest NAV (RM/unit)	2.976	2.875	3.032	3.639	3.823
Lowest NAV (RM/unit)	2.526	2.332	2.731	2.943	2.660
Total Annual Return (%)	0.80	8.47	2.09	24.28	-23.77
Benchmark:FTSE Bursa Malaysia Emas Shariah Index (%)	-4.17	2.35	-6.14	10.72	-13.52
Breakdown of Fund Annual Return					
Capital Growth (%)	2.52%	6.21%	-0.19%	21.70%	-25.86%
Income Distribution (%)	-1.72%	2.26%	2.28%	2.58%	2.09%

Portfolio Composition by Category of Investments

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE MASTER DANA EKUITI					
Investment in:					
Equity	91.88%	98.65%	97.53%	95.61%	92.62%
Cash & Deposits	8.12%	1.35%	2.47%	4.39%	7.38%

	One-Year Jan 18 - Dec 18	Three-Year Jan 16 - Dec 18	Five-Year Jan 14 - Dec 18
AVERAGE ANNUAL RETURNS			
Fund Average Annual Returns	-23.77%	-1.10%	1.13%
Benchmark Average Annual Returns	-13.52%	-3.50%	-2.49%

Investment objectives, restrictions and limitations

There has been no changes in the investment objectives, restrictions and limitations during the financial year.

Distribution of Income

There has been no distribution made or proposed during the financial year.

Fund management charge

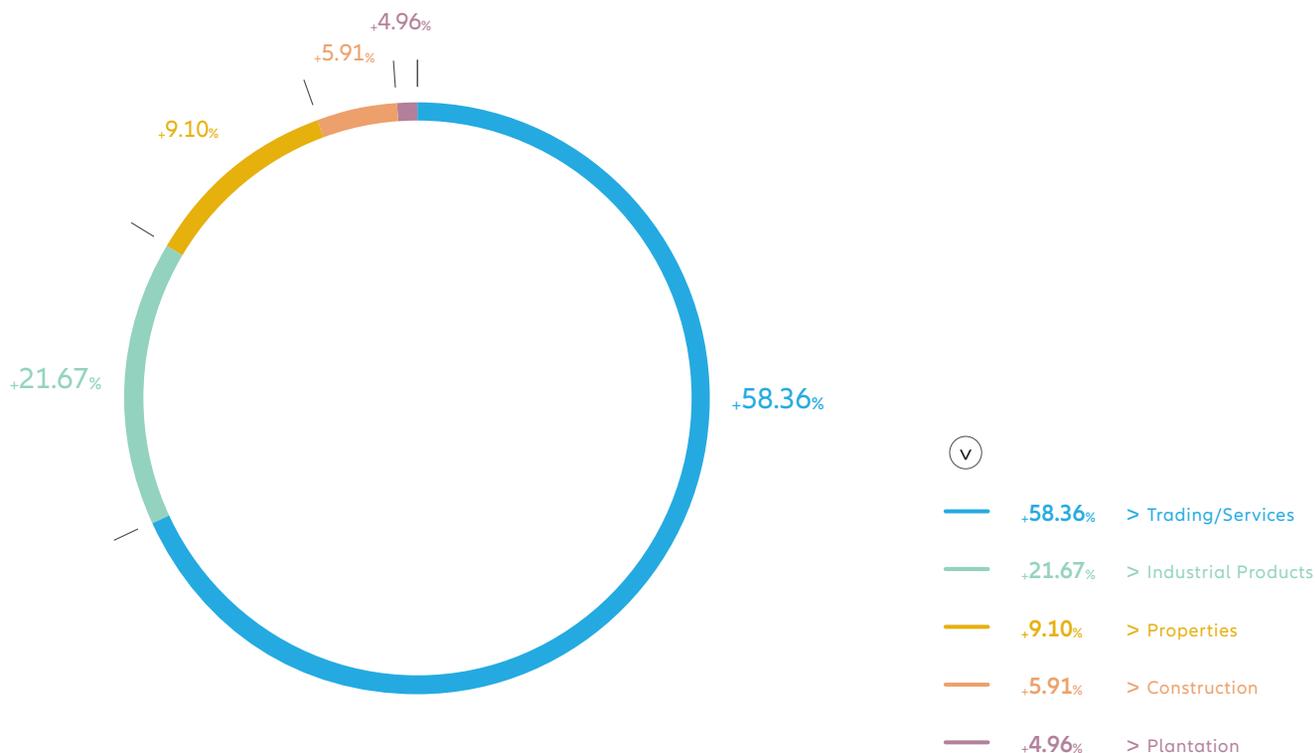
There is no fund management charge levied on the fund.

Equity Portfolio Composition by Sector

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE MASTER DANA EKUITI					
Construction	18.90%	19.43%	19.20%	14.17%	5.91%
Consumer Products	0.00%	2.87%	0.00%	0.00%	0.00%
Finance & Insurance	0.00%	0.00%	1.69%	0.00%	0.00%
Industrial Products	1.63%	15.26%	18.27%	10.47%	21.67%
Infrastructure Project Company	4.74%	2.98%	4.04%	0.00%	0.00%
Plantation	1.87%	12.78%	2.86%	0.68%	4.96%
Properties	7.31%	4.18%	10.18%	12.63%	9.10%
SPAC	1.41%	0.76%	0.00%	0.00%	0.00%
Technology	1.44%	0.00%	0.00%	0.00%	0.00%
Trading/Services	62.70%	41.74%	43.76%	62.05%	58.36%

Equity Portfolio of Allianz Life Master Dana Ekuiti

as at 31 December 2018



Portfolio Composition

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE MASTER DANA EKUITI				
EQUITIES				
CONSTRUCTION				
ECONPILE HOLDINGS BERHAD	991,750	627.76	381.82	1.41
IJM CORPORATION BERHAD	258,000	837.94	417.96	1.55
ML GLOBAL BERHAD	385,000	309.92	267.58	0.99
WCT HOLDINGS BERHAD	472,219	771.87	316.39	1.17
FINANCE & INSURANCE				
BIMB HOLDINGS BERHAD	195,400	833.98	695.62	2.58
INDUSTRIAL PRODUCTS				
ATA IMS BHD	389,000	632.00	641.85	2.38
HIBISCUS PETROLEUM	500,000	661.25	420.00	1.56
PETRONAS CHEMICALS GROUP BERHAD	338,500	3,050.86	3,144.67	11.65
SKP RESOURCES BERHAD	894,900	1,069.21	930.70	3.45
PLANTATION				
GENTING PLANTATIONS BERHAD	44,500	454.07	438.77	1.63
SIME DARBY PLANTATION BERHAD	154,845	816.15	735.51	2.73
PROPERTIES				
EASTERN & ORIENTAL BERHAD	168,209	291.35	186.71	0.69
GABUNGAN AQRS BERHAD	671,600	839.06	570.86	2.12
LBS BINA GROUP BERHAD	1,276,000	970.11	810.26	3.00
LBS BINA GROUP BERHAD-PREFERENCE SHARES	57,477	63.22	57.48	0.21
SIME DARBY PROPERTY BERHAD	504,845	675.70	499.80	1.85

Portfolio Composition (continued)

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE MASTER DANA EKUITI				
<i>EQUITIES (continued)</i>				
<i>TECHNOLOGY</i>				
VITROX CORP	94,100	617.01	589.07	2.18
<i>TRADING/SERVICES</i>				
AXIATA GROUP BERHAD	565,452	2,664.30	2,216.57	8.21
BERMAZ AUTO BERHAD	665,500	1,394.17	1,410.86	5.23
CYPARK RESOURCES BHD	678,300	987.77	1,058.15	3.92
DIALOG GROUP BERHAD	786,000	1,388.00	2,436.60	9.03
MY EG SERVICES BERHAD	1,154,150	1,251.20	1,119.53	4.15
SAPURA ENERGY BHD	377,200	155.44	107.50	0.40
SERBA DINAMIK HOLDINGS BHD	459,700	1,486.63	1,737.67	6.44
SIME DARBY BERHAD	508,845	1,095.04	1,216.14	4.51
TENAGA NASIONAL BERHAD	186,700	2,455.19	2,535.39	9.40
<i>WARRANTS</i>				
EASTERN & ORIENTAL BERHAD	26,920	0.00	0.13	0.00
ECONBERHAD-WA	157,350	0.00	12.59	0.05
GABUNGAN AQRS BERHAD	167,900	0.00	31.90	0.12
GAMUDA BERHAD	22,883	5.72	3.43	0.01
GENTING PLANTATIONS BERHAD	1,100	1.82	1.98	0.01
WCT HOLDINGS BERHAD	28,034	0.00	1.40	0.01

Performance of Allianz Life Master Dana Ekuiti Against Benchmark Since Inception

as at 31 December 2018



Statement of Assets and Liabilities

as at 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE MASTER DANA EKUITI			
ASSETS			
Investments			
Quoted equity securities	4	25,082	29,265
Other receivables		62	34
Cash and cash equivalents		1,845	3,012
TOTAL ASSETS		26,989	32,311
LIABILITIES			
Deferred tax liabilities	11	-	460
Other payables		4	1,270
TOTAL LIABILITIES		4	1,730
NET ASSET VALUE OF FUND		26,985	30,581
REPRESENTED BY:			
Policyholders' capital	12	26,112	21,751
Retained earnings		873	8,830
		26,985	30,581
Net Asset Value Per Unit (RM)		2.774	3.639
INVESTMENT IN MASTER DANA EKUITI			
Dana Padu		26,985	30,581
		26,985	30,581

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Net Asset Value

for the year ended 31 December 2018

	Policyholders' capital RM'000	Retained earnings RM'000	Total RM'000
ALLIANZ LIFE MASTER DANA EKUITI			
At 1 January 2017	17,410	3,609	21,019
Creation of units during the year	5,241	-	5,241
Cancellation of units during the year	(900)	-	(900)
Profit for the year	-	5,221	5,221
At 31 December 2017/1 January 2018	21,751	8,830	30,581
Creation of units during the year	11,744	-	11,744
Cancellation of units during the year	(7,383)	-	(7,383)
Loss for the year	-	(7,957)	(7,957)
At 31 December 2018	26,112	873	26,985
	Note 12		

The accompanying notes form an integral part of these financial statements.

Statement of Income and Expenditure

for the year ended 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE MASTER DANA EKUITI			
NET INVESTMENT INCOME			
Interest income		29	19
Dividend income		723	581
Net realised (loss)/gain on disposal of investments		(2,153)	203
Unrealised (loss)/gain in value of investments		(7,159)	4,851
		(8,560)	5,654
LESS: EXPENSES			
Management fees		(20)	(21)
Other expenses		(6)	(6)
(LOSS)/PROFIT BEFORE TAX		(8,586)	5,627
TAX INCOME/(EXPENSE)	13	629	(406)
(LOSS)/PROFIT FOR THE YEAR		(7,957)	5,221
Retained earnings brought forward		8,830	3,609
Retained earnings carried forward		873	8,830

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

for the year ended 31 December 2018

	2018 RM'000	2017 RM'000
ALLIANZ LIFE MASTER DANA EKUITI		
Cash flows from operating activities		
(Loss)/Profit before tax	(8,586)	5,627
Adjustments for:		
Dividend income	(723)	(581)
Interest income	(29)	(19)
Loss/(Gain) on disposal of investments	2,153	(203)
Unrealised loss/(gain) in value of investments	7,159	(4,851)
Loss from operations before changes in operating assets and liabilities	(26)	(27)
Proceeds from disposal of investments	8,863	12,777
Purchase of investments	(13,932)	(16,462)
Change in other receivables	(89)	395
Change in other payables	(1,266)	1,268
Cash used in operations	(6,450)	(2,049)
Tax received/(paid)	169	(18)
Dividend received	723	574
Interest received	30	18
Net cash used in operating activities	(5,528)	(1,475)
Cash flows from financing activities		
Proceeds from creation of units	11,744	5,241
Payment for cancellation of units	(7,383)	(900)
Net cash from financing activities	4,361	4,341
Net (decrease)/increase in cash and cash equivalents	(1,167)	2,866
Cash and cash equivalents at 1 January	3,012	146
Cash and cash equivalents at 31 December	1,845	3,012

The accompanying notes form an integral part of these financial statements.



ALLIANZ LIFE AMANAH DANA IKHLAS

ASEAN PLUS FUND MASTER ASEAN PLUS FUND

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Comparative Performance Table

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE AMANAH DANA IKHLAS FUND					
Net Asset Value (NAV) (RM/unit)	0.537	0.538	0.540	0.560	0.524
Units in Circulation	3,928,608.81	6,215,029.35	9,331,138	12,887,674	16,240,655
Total NAV (RM)	2,106,961.96	3,342,646.74	5,037,873	7,211,925	8,494,622
Highest NAV (RM/unit)	0.558	0.554	0.555	0.561	0.578
Lowest NAV (RM/unit)	0.507	0.503	0.526	0.540	0.516
Total Annual Return (%)	0.75	0.19	0.37	3.70	-6.43
Benchmark: 50% FTSE Bursa Malaysia Emas Shariah Index & 50% General Investment Account Rate (%)	-0.53	2.92	-1.41	6.90	-5.21
Breakdown of Fund Annual Return					
Capital Growth (%)	1.03%	-0.17%	-0.19%	1.35%	-7.94%
Income Distribution (%)	-0.28%	0.36%	0.56%	2.35%	1.51%

Portfolio Composition by Category of Investments

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE AMANAH DANA IKHLAS FUND					
Investment in:					
Maybank Dana Ikhlas	87.79%	98.64%	96.99%	96.59%	96.23%
Cash & Deposits	12.21%	1.36%	3.01%	3.41%	3.77%

* For any information on Portfolio Composition of Maybank Dana Ikhlas, please refer to <http://maybank-am.com.my>

	One-Year Jan 18 - Dec 18	Three-Year Jan 16 - Dec 18	Five-Year Jan 14 - Dec 18
AVERAGE ANNUAL RETURNS			
Fund Average Annual Returns	-6.43%	-0.88%	-0.34%
Benchmark Average Annual Returns	-5.21%	-0.03%	0.45%

Investment objectives, restrictions and limitations

There has been no changes in the investment objectives, restrictions and limitations during the financial year.

Distribution of Income

There has been no distribution made or proposed during the financial year.

Fund management charge

A fund management charge of 1.26% is levied on the fund.

Performance of Allianz Life Amanah Dana Ikhlas Against Benchmark Since Inception

as at 31 December 2018



Statement of Assets and Liabilities

as at 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE AMANAH DANA IKHLAS FUND			
ASSETS			
Investments			
Other investments	10	8,174	6,966
Other receivables		55	71
Cash and cash equivalents		271	179
TOTAL ASSETS		8,500	7,216
LIABILITIES			
Benefits and claims liabilities		4	2
Other payables		2	2
TOTAL LIABILITIES		6	4
NET ASSET VALUE OF FUND		8,494	7,212
REPRESENTED BY:			
Policyholders' capital	12	8,672	6,847
(Accumulated losses)/Retained earnings		(178)	365
		8,494	7,212
Net Asset Value Per Unit (RM)		0.524	0.560

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Net Asset Value

for the year ended 31 December 2018

	Policyholders' capital RM'000	Retained earnings RM'000	Total RM'000
ALLIANZ LIFE AMANAH DANA IKHLAS FUND			
At 1 January 2017	4,877	160	5,037
Creation of units during the year	2,212	-	2,212
Cancellation of units during the year	(242)	-	(242)
Profit for the year	-	205	205
At 31 December 2017/1 January 2018	6,847	365	7,212
Creation of units during the year	2,173	-	2,173
Cancellation of units during the year	(348)	-	(348)
Loss for the year	-	(543)	(543)
At 31 December 2018	8,672	(178)	8,494
	Note 12		

The accompanying notes form an integral part of these financial statements.

Statement of Income and Expenditure

for the year ended 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE AMANAH DANA IKHLAS FUND			
NET INVESTMENT INCOME			
Bonus income		95	199
Unrealised (loss)/gain in value of investments		(514)	116
Other income		3	-
		(416)	315
LESS: EXPENSES			
Management fees		(119)	(94)
(LOSS)/PROFIT BEFORE TAX		(535)	221
TAX EXPENSE	13	(8)	(16)
(LOSS)/PROFIT FOR THE YEAR		(543)	205
Retained earnings brought forward		365	160
(Accumulated losses)/Retained earnings carried forward		(178)	365

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

for the year ended 31 December 2018

	2018 RM'000	2017 RM'000
ALLIANZ LIFE AMANAH DANA IKHLAS FUND		
Cash flows from operating activities		
(Loss)/Profit before tax	(535)	221
Adjustments for:		
Dividend income	(95)	(199)
Unrealised loss/(gain) in value of investments	514	(116)
Loss from operations before changes in operating assets and liabilities	(116)	(94)
Purchase of investments	(1,722)	(1,964)
Change in other receivables	16	7
Change in benefits and claims liabilities	2	(2)
Cash used in operations	(1,820)	(2,053)
Tax paid	(8)	(16)
Dividend received	95	199
Net cash used in operating activities	(1,733)	(1,870)
Cash flows from financing activities		
Proceeds from creation of units	2,173	2,212
Payment for cancellation of units	(348)	(242)
Net cash from financing activities	1,825	1,970
Net increase in cash and cash equivalents	92	100
Cash and cash equivalents at 1 January	179	79
Cash and cash equivalents at 31 December	271	179

The accompanying notes form an integral part of these financial statements.



ALLIANZ LIFE ASEAN PLUS FUND

MASTER ASEAN PLUS FUND

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Comparative Performance Table

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE ASEAN PLUS FUND					
Net Asset Value (NAV) (RM/unit)	0.522	0.532	0.559	0.638	0.522
Units in Circulation	1,715,732	2,230,356	2,634,964	3,369,844	5,374,754
Total NAV (RM)	893,315	1,180,797	1,464,390	2,138,169	2,791,569
Highest NAV (RM/unit)	0.559	0.551	0.569	0.638	0.658
Lowest NAV (RM/unit)	0.497	0.465	0.509	0.560	0.511
Total Annual Return (%)	2.96	1.92	5.08	14.13	-18.18
Benchmark: 50% FTSE Bursa Malaysia Top 100 Index & 50% FTSE ASEAN 40 Index (%)	-1.55	-12.78	1.77	20.67	-8.77
Breakdown of Fund Annual Return					
Capital Growth (%)	2.90%	1.74%	4.92%	13.83%	-18.53%
Income Distribution (%)	0.06%	0.18%	0.16%	0.30%	0.35%

Portfolio Composition by Category of Investments

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE ASEAN PLUS FUND					
Investment in:					
Master ASEAN Plus Fund	24.76%	49.40%	55.50%	43.89%	31.12%
Master Equity Fund	26.33%	36.73%	37.92%	49.31%	52.40%
Cash & Deposits	48.91%	13.87%	6.58%	6.80%	16.48%

	One-Year Jan 18 - Dec 18	Three-Year Jan 16 - Dec 18	Five-Year Jan 14 - Dec 18
AVERAGE ANNUAL RETURNS			
Fund Average Annual Returns	-18.18%	-0.63%	0.58%
Benchmark Average Annual Returns	-8.77%	3.86%	-0.77%

Investment objectives, restrictions and limitations

There has been no changes in the investment objectives, restrictions and limitations during the financial year.

Distribution of Income

There has been no distribution made or proposed during the financial year.

Fund management charge

A fund management charge of 1.44% is levied on the fund.

Portfolio Composition

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE ASEAN PLUS FUND				
INVESTMENT				
Investment in Master ASEAN Plus Fund	1,465,110	855.03	868.81	31.12
Investment in Master Equity Fund	577,686	1,570.20	1,462.70	52.40

Performance of Allianz Life ASEAN PLUS Fund Against Benchmark Since Inception

as at 31 December 2018



Statement of Assets and Liabilities

as at 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE ASEAN PLUS FUND			
ASSETS			
Investments			
Master Equity Fund (page 89)		1,463	1,054
Master ASEAN Plus Fund (page 157)		868	937
Other receivables		49	42
Cash and cash equivalents		413	128
TOTAL ASSETS		2,793	2,161
LIABILITIES			
Benefits and claims liabilities		-	21
Other payables		2	2
TOTAL LIABILITIES		2	23
NET ASSET VALUE OF FUND		2,791	2,138
REPRESENTED BY:			
Policyholders' capital	12	2,749	1,584
Retained earnings		42	554
		2,791	2,138
Net Asset Value Per Unit (RM)		0.522	0.638

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Net Asset Value

for the year ended 31 December 2018

	Policyholders' capital RM'000	Retained earnings RM'000	Total RM'000
ALLIANZ LIFE ASEAN PLUS FUND			
At 1 January 2017	1,134	330	1,464
Creation of units during the year	798	-	798
Cancellation of units during the year	(348)	-	(348)
Profit for the year	-	224	224
At 31 December 2017/1 January 2018	1,584	554	2,138
Creation of units during the year	1,473	-	1,473
Cancellation of units during the year	(308)	-	(308)
Loss for the year	-	(512)	(512)
At 31 December 2018	2,749	42	2,791

Note 12

The accompanying notes form an integral part of these financial statements.

Statement of Income and Expenditure

for the year ended 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE ASEAN PLUS FUND			
NET INVESTMENT INCOME			
Interest income		8	5
Net realised gain on disposal of investments		8	24
Unrealised (loss)/gain in value of investments		(473)	240
Other income		1	-
		(456)	269
LESS: EXPENSES			
Management fees		(55)	(45)
(LOSS)/PROFIT BEFORE TAX		(511)	224
TAX EXPENSE	13	(1)	-
(LOSS)/PROFIT FOR THE YEAR		(512)	224
Retained earnings brought forward		554	330
Retained earnings carried forward		42	554

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

for the year ended 31 December 2018

	2018 RM'000	2017 RM'000
ALLIANZ LIFE ASEAN PLUS FUND		
Cash flows from operating activities		
(Loss)/Profit before tax	(511)	224
Adjustments for:		
Interest income	(8)	(5)
Gain on disposal of investments	(8)	(24)
Unrealised loss/(gain) in value of investments	473	(240)
Loss from operations before changes in operating assets and liabilities	(54)	(45)
Proceeds from disposal of investments	58	157
Purchase of investments	(863)	(516)
Change in other receivables	(7)	(35)
Change in benefits and claims liabilities	(21)	20
Cash used in operations	(887)	(419)
Tax paid	(1)	-
Interest received	8	5
Net cash used in operating activities	(880)	(414)
Cash flows from financing activities		
Proceeds from creation of units	1,473	798
Payment for cancellation of units	(308)	(348)
Net cash from financing activities	1,165	450
Net increase in cash and cash equivalents	285	36
Cash and cash equivalents at 1 January	128	92
Cash and cash equivalents at 31 December	413	128

The accompanying notes form an integral part of these financial statements.



ALLIANZ LIFE MASTER ASEAN PLUS FUND

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Comparative Performance Table

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE MASTER ASEAN PLUS FUND					
Net Asset Value (NAV) (RM/unit)	0.541	0.554	0.625	0.716	0.593
Units in Circulation	2,687,890	4,285,620	7,680,150	5,986,890	7,494,520
Total NAV (RM)	1,452,250	2,373,359	4,797,321	4,283,910	4,441,293
Highest NAV (RM/unit)	0.556	0.574	0.630	0.716	0.737
Lowest NAV (RM/unit)	0.471	0.489	0.530	0.625	0.583
Total Annual Return (%)	13.18	2.40	12.82	14.56	-17.18
Benchmark: FTSE ASEAN 40 Index (%)	3.18	-21.92	5.87	29.06	-8.49
Breakdown of Fund Annual Return					
Capital Growth (%)	10.81%	0.71%	11.10%	12.26%	-19.83%
Income Distribution (%)	2.37%	1.69%	1.72%	2.30%	2.65%

Portfolio Composition by Category of Investments

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE MASTER ASEAN PLUS FUND					
Investment in:					
Equity	93.33%	95.12%	93.48%	98.64%	92.36%
Cash & Deposits	6.67%	4.88%	6.52%	1.36%	7.64%

	One-Year Jan 18 - Dec 18	Three-Year Jan 16 - Dec 18	Five-Year Jan 14 - Dec 18
AVERAGE ANNUAL RETURNS			
Fund Average Annual Returns	-17.18%	2.29%	4.41%
Benchmark Average Annual Returns	-8.49%	7.74%	0.15%

Investment objectives, restrictions and limitations

There has been no changes in the investment objectives, restrictions and limitations during the financial year.

Distribution of Income

There has been no distribution made or proposed during the financial year.

Fund management charge

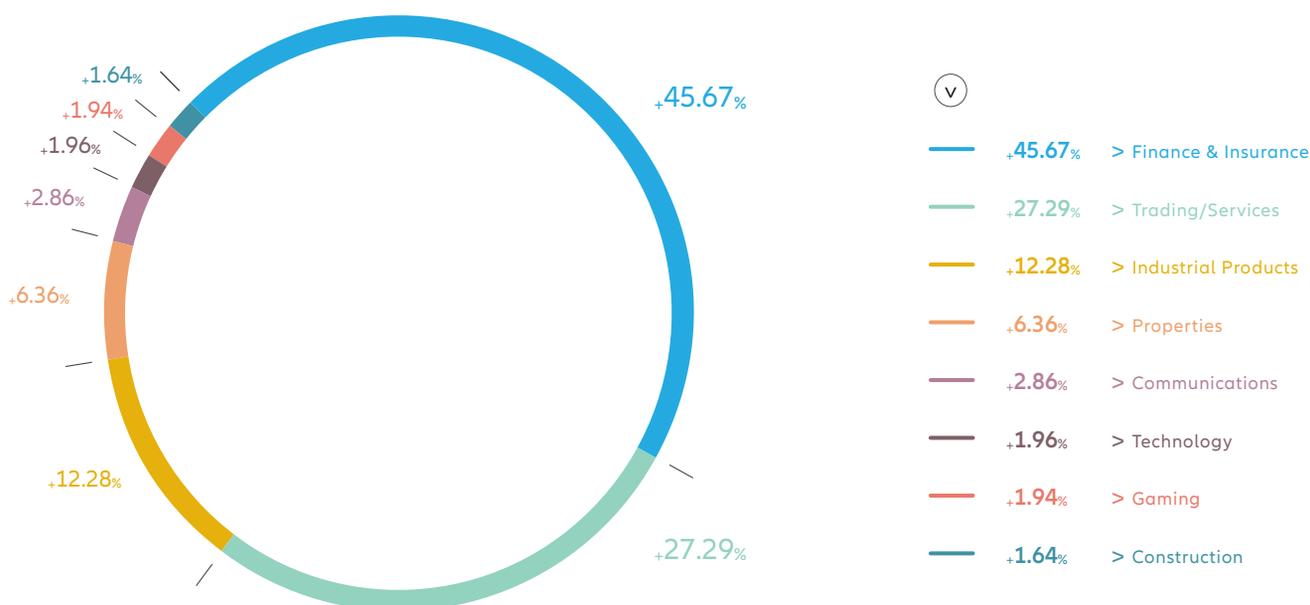
There is no fund management charge levied on the fund.

Equity Portfolio Composition by Sector

	FY2014	FY2015	FY2016	FY2017	FY2018
ALLIANZ LIFE MASTER ASEAN PLUS FUND					
Communications	0.00%	0.00%	0.00%	0.00%	2.86%
Construction	0.59%	3.08%	0.04%	13.75%	1.64%
Consumer Discretionary	5.69%	6.69%	7.98%	0.00%	0.00%
Consumer Products	0.00%	0.00%	0.94%	5.79%	0.00%
Consumer Staples	3.38%	4.91%	8.68%	0.00%	0.00%
Finance & Insurance	32.11%	35.26%	22.48%	0.00%	45.67%
Gaming	0.00%	0.00%	0.00%	0.00%	1.94%
Health Care	1.61%	0.00%	3.36%	0.00%	0.00%
Industrial Products	8.26%	10.94%	5.24%	17.82%	12.28%
Industrials	0.00%	0.00%	13.64%	0.00%	0.00%
Information Technology	4.60%	0.52%	0.00%	0.00%	0.00%
Materials	1.24%	3.74%	0.00%	0.00%	0.00%
Properties	0.00%	0.00%	0.00%	16.47%	6.36%
Real Estate Investment Trusts (Reits)	0.00%	0.00%	11.16%	0.00%	0.00%
SPAC	0.57%	0.02%	0.00%	0.00%	0.00%
Technology	0.00%	0.00%	0.00%	0.00%	1.96%
Telecommunication Services	10.56%	7.73%	6.32%	0.00%	0.00%
Trading/Services	29.02%	27.11%	20.16%	46.17%	27.29%
Utilities	2.37%	0.00%	0.00%	0.00%	0.00%

Equity Portfolio of Allianz Life Master ASEAN Plus Fund

as at 31 December 2018



Portfolio Composition

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE MASTER ASEAN PLUS FUND				
EQUITIES				
COMMUNICATIONS				
TELEKOMUNIKASI INDONESIA PERSE	110,000	81.81	117.42	2.64
CONSTRUCTION				
CH KARNCHANG PUBLIC CO	9,100	31.47	28.94	0.65
ECONPILE HOLDINGS BERHAD	98,500	117.59	37.92	0.85
FINANCE & INSURANCE				
AMMB HOLDINGS BERHAD	23,200	94.39	100.46	2.26
BANK CENTRAL ASIA TBK PT	27,000	151.34	199.82	4.50
BANK MANDIRI	28,000	52.94	58.78	1.32
CIMB GROUP HOLDING BERHAD	14,819	84.46	84.47	1.90
DBS GROUP HOLDINGS LTD	4,500	321.92	323.61	7.29
HONG LEONG FINANCIAL GROUP	5,000	92.21	92.80	2.09
MALAYAN BANKING BERHAD	22,771	198.95	215.87	4.86
OCBC BANK (MALAYSIA) BERHAD	8,000	308.29	272.96	6.15
PUBLIC BANK BERHAD	6,100	125.40	150.91	3.40
RHB BANK BHD	14,300	72.78	75.50	1.70
UNITED OVERSEAS BANK (M) BERHAD	4,000	334.99	298.34	6.72
GAMING				
GENTING SINGAPORE LTD	26,900	69.41	79.62	1.79
INDUSTRIAL PRODUCTS				
ASTRA INTERNATIONAL TBK PT	48,000	116.09	112.38	2.53
ATA IMS BHD	55,700	94.62	91.91	2.07
MICRO-MECHANICS HOLDINGS LTD	9,300	51.67	46.30	1.04
PECCA GROUP BERHAD	108,800	143.34	78.34	1.76
PETRONAS CHEMICALS GROUP BERHAD	11,000	102.73	102.19	2.30
SKP RESOURCES BERHAD	69,700	96.26	72.49	1.63

Portfolio Composition (continued)

as at 31 December 2018

	No. of Units Held	Cost (RM'000)	Market Value (RM'000)	Per Cent of Net Asset Value (%)
ALLIANZ LIFE MASTER ASEAN PLUS FUND				
<i>EQUITIES (continued)</i>				
<i>PROPERTIES</i>				
ERAWAN GROUP PCL	104,500	56.10	83.74	1.89
FRASERS PROPERTY LTD	6,000	32.25	30.05	0.68
LBS BINA GROUP BERHAD	141,900	124.48	90.11	2.03
PAKUWON JATI TBK PT	326,000	58.63	57.07	1.28
<i>TECHNOLOGY</i>				
VENTURE CORPORATION LIMITED	1,900	98.56	80.46	1.81
<i>TRADING/SERVICES</i>				
ASTRO MALAYSIA HOLDINGS	67,600	96.46	87.88	1.98
AXIATA GROUP BERHAD	23,525	112.01	92.22	2.08
BERMAZ AUTO BERHAD	44,400	101.75	94.13	2.12
BUMI ARMADA BERHAD	203,000	147.83	30.45	0.69
CYPARK RESOURCES BHD	60,300	87.81	94.07	2.12
DAIRY FARM INTERNATIONAL HOLDINGS LTD	2,000	65.20	74.85	1.69
DIALOG GROUP BERHAD	44,000	77.23	136.40	3.07
MY EG SERVICES BERHAD	107,050	131.39	103.84	2.34
RIVERSTONE HOLDINGS LTD	23,000	74.26	79.59	1.79
SERBA DINAMIK HOLDINGS BHD	18,000	58.21	68.04	1.53
TENAGA NASIONAL BERHAD	19,000	261.94	258.02	5.81
<i>WARRANTS</i>				
GAMUDA BERHAD	1,666	0.42	0.25	0.01

Performance of Allianz Life Master ASEAN Plus Fund Against Benchmark Since Inception

as at 31 December 2018



Statement of Assets and Liabilities

as at 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE MASTER ASEAN PLUS FUND			
ASSETS			
Investments			
Quoted equity securities	4	4,106	4,226
Other receivables		4	90
Cash and cash equivalents		334	152
TOTAL ASSETS		4,444	4,468
LIABILITIES			
Deferred tax liabilities	11	-	36
Other payables		3	149
TOTAL LIABILITIES		3	185
NET ASSET VALUE OF FUND		4,441	4,283
REPRESENTED BY:			
Policyholders' capital	12	4,156	3,125
Retained earnings		285	1,158
		4,441	4,283
Net Asset Value Per Unit (RM)		0.593	0.716
INVESTMENT IN MASTER ASEAN PLUS FUND			
Equity Fund		3,573	3,346
Asean Plus Fund		868	937
		4,441	4,283

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Net Asset Value

for the year ended 31 December 2018

	Policyholders' capital RM'000	Retained earnings RM'000	Total RM'000
ALLIANZ LIFE MASTER ASEAN PLUS FUND			
At 1 January 2017	4,168	630	4,798
Creation of units during the year	1,112	-	1,112
Cancellation of units during the year	(2,155)	-	(2,155)
Profit for the year	-	528	528
At 31 December 2017/1 January 2018	3,125	1,158	4,283
Creation of units during the year	1,161	-	1,161
Cancellation of units during the year	(130)	-	(130)
Loss for the year	-	(873)	(873)
At 31 December 2018	4,156	285	4,441
	Note 12		

The accompanying notes form an integral part of these financial statements.

Statement of Income and Expenditure

for the year ended 31 December 2018

	Note	2018 RM'000	2017 RM'000
ALLIANZ LIFE MASTER ASEAN PLUS FUND			
NET INVESTMENT INCOME			
Interest income		1	1
Dividend income		137	94
Net realised (loss)/gain on disposal of investments		(367)	358
Unrealised (loss)/gain in value of investments		(684)	388
Unrealised foreign exchange gain/(loss)		2	(195)
		(911)	646
LESS: EXPENSES			
Management fees		(20)	(20)
Other expenses		(7)	(53)
(LOSS)/PROFIT BEFORE TAX		(938)	573
TAX INCOME/(EXPENSE)	13	65	(45)
(LOSS)/PROFIT FOR THE YEAR		(873)	528
Retained earnings brought forward		1,158	630
Retained earnings carried forward		285	1,158

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

for the year ended 31 December 2018

	2018 RM'000	2017 RM'000
ALLIANZ LIFE MASTER ASEAN PLUS FUND		
Cash flows from operating activities		
(Loss)/Profit before tax	(935)	573
Adjustments for:		
Dividend income	(137)	(94)
Interest income	(1)	(1)
Loss/(Gain) on disposal of investments	367	(358)
Unrealised loss/(gain) in value of investments	684	(388)
Unrealised foreign exchange (gain)/loss	(2)	195
Loss from operations before changes in operating assets and liabilities	(24)	(73)
Proceeds from disposal of investments	1,979	4,660
Purchase of investments	(2,907)	(3,850)
Change in other receivables	83	(90)
Change in other payables	(147)	144
Cash (used in)/generated from operations	(1,016)	791
Tax received/(paid)	29	(30)
Dividend received	137	97
Interest received	1	1
Net cash (used in)/generated from operating activities	(849)	859
Cash flows from financing activities		
Proceeds from creation of units	1,161	1,112
Payment for cancellation of units	(130)	(2,155)
Net cash generated from/(used in) financing activities	1,031	(1,043)
Net increase/(decrease) in cash and cash equivalents	182	(184)
Cash and cash equivalents at 1 January	152	336
Cash and cash equivalents at 31 December	334	152

The accompanying notes form an integral part of these financial statements.



APPENDIX

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Notes to the financial statements

1. PRINCIPAL ACTIVITY

The principal activity of Allianz Life Equity Fund, Allianz Life Managed Fund, Allianz Life Dynamic Growth Fund, Allianz Life Cash Fund, Allianz Life Equity Income Fund, Allianz Life Global High Payout Fund, Allianz Life Asia Multi-IncomePLUS Fund, Allianz Life Master Bond Fund, Allianz Life Master Equity Fund, Allianz Life Master Dividend Fund, Allianz Life Bond Fund, Allianz Life Dana Padu, Allianz Life Master Dana Ekuiti, Allianz Life Amanah Dana Ikhlas, Allianz Life ASEAN Plus Fund and Allianz Life Master ASEAN Plus Fund (hereinafter referred to collectively as “the Funds”) is to invest in authorised investments.

The Allianz Life Equity Fund (“Equity Fund”) which commenced on 18 July 2000, is an open-ended investment fund which aims to provide medium to long term capital appreciation by investing in equities and equity-related securities.

The Allianz Life Managed Fund (“Managed Fund”) which commenced on 18 July 2000, is an open-ended investment fund which aims to provide medium to long term capital appreciation by investing in diversified equities and equity-related securities, fixed income securities and money market instruments.

The Allianz Life Dynamic Growth Fund (“Dynamic Growth Fund”) which commenced on 8 December 2003, is an open-ended investment fund which aims to achieve superior capital appreciation over the medium to long term period by investing in a diversified portfolio of stocks with an emphasis on small-to-medium sized companies.

The Allianz Life Cash Fund (“Cash Fund”) which commenced on 3 January 2005, seeks to provide investors with a low risk investment and high level of liquidity to meet cash flow requirement.

The Allianz Life Equity Income Fund (“Equity Income Fund”) which commenced on 18 February 2005, is an open-ended investment fund which aims to provide medium to long term capital appreciation by investing in diversified equities and equity-related securities skewed towards potential dividend yielding equities, fixed income securities and money market instruments.

The Allianz Life Global High Payout Fund (“Global High Payout Fund”) which commenced on 27 March 2006, aims to provide total return from dividend income, option premiums and capital appreciation. It is invested in a globally diversified portfolio of equity securities which offer attractive and sustainable dividend yields; and selling call options to generate option premiums which will enhance dividends and reduce overall portfolio risk.

The Allianz Life Asia Multi-IncomePLUS Fund (“Asia Multi-IncomePLUS Fund”) which commenced on 4 June 2007, is a single premium investment-linked plan which invests in an USD denominated underlying fund, namely AllianzGI Asia Multi-IncomePLUS Fund. The fund aims to achieve stable income stream and potential capital appreciation by investing primarily in Asian local currency denominated instruments including interest bearing instruments, quasi-fixed income securities and convertible and exchangeable bonds.

The Allianz Life Master Bond Fund (“Master Bond Fund”) which commenced on 2 June 2008, is an open-ended investment fund which aims to provide a stable income stream and medium to long term capital appreciation by investing primarily in Malaysian fixed income securities.

The Allianz Life Master Equity Fund (“Master Equity Fund”) which commenced on 13 June 2008, is an open-ended investment fund which aims to provide medium to long term capital appreciation by investing in equities and equity-related securities.

The Allianz Life Master Dividend Fund (“Master Dividend Fund”) which commenced on 13 June 2008, is an open-ended investment fund which aims to provide a steady income stream and medium to long term capital appreciation by investing in equities and equity-related securities skewed towards potential dividend yielding equities.

The Allianz Life Bond Fund (“Bond Fund”) which commenced on 8 August 2008, is an open-ended investment fund which aims to provide a stable income stream and medium to long term capital appreciation by investing primarily in fixed income securities.

The Allianz Life Dana Padu (“Dana Padu”) which commenced on 8 June 2009, is an open-ended investment fund which aims to provide medium to long term capital appreciation by investing in Shariah-approved equities and equity-related securities.

1. PRINCIPAL ACTIVITY (continued)

The Allianz Life Master Dana Ekuiti (“Master Dana Ekuiti”) which commenced on 8 June 2009, is an open-ended investment fund which aims to provide medium to long term capital appreciation by investing in Shariah-approved equities and equity-related securities.

The Allianz Life Amanah Dana Ikhlas (“Dana Ikhlas”) which commenced on 26 November 2012 aims to seek a mix of regular income stream and possible capital growth over the medium to long term by investing in listed equities, Islamic debt instruments and other assets that are permissible under the Shariah Principles.

The Allianz Life ASEAN Plus Fund (“ASEAN Plus Fund”) which commenced on 11 October 2013, is an open-ended investment fund which aims to provide medium to long term capital appreciation by investing primarily in ASEAN equities and equity-related securities.

The Allianz Life Master ASEAN Plus Fund (“Master ASEAN Plus Fund”) which commenced on 11 October 2013, is an open-ended investment fund which aims to provide medium to long term capital appreciation by investing primarily in ASEAN equities and equity-related securities.

The Manager of the Funds is Allianz Life Insurance Malaysia Berhad (“the Manager”), a company incorporated in Malaysia, principally engaged in the underwriting of life insurance business and investment-linked business.

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Funds have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards, the requirements of the Companies Act 2016 in Malaysia, Financial Services Act, 2013 and Guidelines/Circulars issued by Bank Negara Malaysia (“BNM”).

The following are accounting standards, amendments and interpretations of the MFRSs framework that have been issued by the Malaysian Accounting Standards Board (“MASB”) for the financial year beginning on or after 1 January 2018 and adopted by the Funds:

- MFRS 15, **Revenue from Contracts with Customers**
- Amendments to MFRS 4 – **Applying MFRS 9, Financial Instruments with MFRS 4, Insurance Contracts**
- Amendments to MFRS 2, **Share-based Payment – Classification and Measurement of Share-based Payment Transactions**
- Amendments to MFRS 140, **Investment Property – Transfers of Investment Property**
- IC Interpretation 22, **Foreign Currency Transactions and Advance Consideration**
- Annual Improvements to MFRSs 2014 – 2016 Cycle: **MFRS 128, Investments in Associates and Joint Ventures**

MFRS 15, Revenue from Contracts with Customers

MFRS 15 replaces the guidance in MFRS 111, **Construction Contracts**, MFRS 118, **Revenue**, IC Interpretation 13, **Customer Loyalty Programmes**, IC Interpretation 15, **Agreements for Construction of Real Estate**, IC Interpretation 18, **Transfers of Assets from Customers** and IC Interpretation 131, **Revenue – Barter Transactions Involving Advertising Services**. MFRS 15 provides a single model for accounting for revenue arising from contracts with customers, focusing on the identification and satisfaction of performance obligation. The standard specifies that the revenue is to be recognised when control over the goods or services is transferred to customer, moving from the transfer of risks and rewards.

The initial application of MFRS 15 does not have any material financial impact to the current period and prior period financial statements of the Funds.

Notes to the financial statements

2. BASIS OF PREPARATION (continued)**(a) Statement of compliance (continued)****MFRS 9, *Financial Instruments***

MFRS 9 replaces the guidance in MFRS 139, ***Financial Instruments: Recognition and Measurement*** on the classification and measurement of financial assets and financial liabilities and on hedge accounting, effective for annual periods beginning on or after 1 January 2018. The standard eliminates the existing MFRS 139 categories of held to maturity, loans and receivables and available for sale.

The Funds apply the same accounting policies as the Manager. The Manager has applied the temporary exemption under Amendments to **MFRS 4 – Applying MFRS 9, Financial Instruments with MFRS 4, Insurance Contracts** which enables eligible entities to defer the implementation date of MFRS 9 to annual periods beginning before 1 January 2021 at the latest. Hence, the Manager and the Funds have not adopted MFRS 9 for the financial year beginning on or after 1 January 2018.

Amendments to MFRS 4 – Applying MFRS 9, Financial Instruments with MFRS 4, Insurance Contracts

The amendments allow entities to avoid temporary volatility in profit or loss that might result from adopting MFRS 9, ***Financial Instruments*** before the forthcoming new insurance contracts standard.

The amendments provide 2 different approaches for the Manager:

- (i) temporary exemption from MFRS 9 for entities that meet specific requirements; and
- (ii) the overlay approach.

Both approaches are optional

The temporary exemption enables eligible entities to defer the implementation date of MFRS 9 to annual periods beginning before 1 January 2021 at the latest. An entity may apply the temporary exemption from MFRS 9 if its activities are predominantly connected with insurance whilst the overlay approach allows an entity to adjust profit or loss for eligible financial assets by removing any accounting volatility to other comprehensive income that may arise from applying MFRS 9.

The Manager's business activity is predominantly insurance as the liabilities connected with the Manager's insurance businesses made up of more than 90% of the Manager's total liabilities. Hence, the Manager qualifies for the temporary exemption from applying MFRS 9 and will defer and adopt MFRS 9 together with MFRS 17, Insurance Contracts for the financial year beginning on or after 1 January 2021.

The adoption of the temporary exemption approach is not expected to have a material impact on the current period and prior period financial statements of the Funds.

Except as disclosed above, the adoption of new standards, amendments to standards and interpretations by the Manager for the first time for the financial year beginning on or after 1 January 2018 did not have any material impact on the current and/or prior periods and is not likely to affect future periods.

2. BASIS OF PREPARATION (continued)

(a) Statement of compliance (continued)

The following are accounting standards, amendments to standards and interpretations that have been issued by MASB but not yet effective and have not been early adopted by the Funds:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019

- MFRS 16, *Leases*
- IC Interpretation 23, *Uncertainty over Income Tax Treatments*
- Amendments to MFRS 3, *Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 9, *Financial Instruments – Prepayment Features with Negative Compensation*
- Amendments to MFRS 11, *Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 112, *Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 123, *Borrowing Costs (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures*
- Amendments to MFRS 119, *Employee Benefits – Plan Amendment, Curtailment or Settlement*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2020

- The Conceptual Framework for Financial Reporting (Revised 2018)
- Amendments to MFRS 101, *Presentation of Financial Statements – Definition of Material*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material*
- Amendments to MFRS 3, *Business Combinations – Definition of a Business*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- MFRS 17, *Insurance Contracts*

MFRS 17, Insurance Contracts

MFRS 17 replaces the guidance in MFRS 4, *Insurance Contracts*

MFRS 17 applies to insurance contracts issued, to all reinsurance contracts and to investment contracts with discretionary participating features if an entity also issues insurance contracts. For fixed-fee service contracts whose primary purpose is the provision of services, an entity has an accounting policy choice to account for them in accordance with either MFRS 17 or MFRS 15 '*Revenue from Contracts with Customers*'. Insurance contracts, (other than reinsurance) where the entity is the policyholder are not within the scope of MFRS 17. Embedded derivatives and distinct investment and service components should be 'unbundled' and accounted for separately in accordance with the related MFRSs. Voluntary unbundling of other components is prohibited.

MFRS 17 requires a current measurement model where estimates are remeasured at each reporting period. The measurement is based on the building blocks of discounted, probability-weighted cash flows, a risk adjustment and a contractual service margin ("CSM") representing the unearned profit of the contract. An entity has a policy choice to recognise the impact of changes in discount rates and other assumptions that related to financial risks either in profit or loss or in other comprehensive income.

Notes to the financial statements

2. BASIS OF PREPARATION (continued)**(a) Statement of compliance (continued)****MFRS 17, Insurance Contracts (continued)**

Alternative measurement models are provided for the different insurance coverages:

- (a) Simplified Premium Allocation Approach if the insurance coverage period is a year or less; and
- (b) Variable Fee Approach should be applied for insurance contracts that specify a link between payments to the policyholder and the returns on the underlying items.

The requirements of MFRS 17 align the presentation of revenue with other industries. Revenue is allocated to the periods in proportion to the value of the expected coverage and other services that the insurer provides in the period, and claims are presented when incurred. Investment components are excluded from revenue and claims. Insurers are required to disclose information about amounts, judgements and risks arising from insurance contracts.

The Funds are currently assessing the financial impact that may arise from the adoption of MFRS 17.

Except as mentioned above, the initial application of the other new standards, amendments to standards or interpretations issued by MASB effective for periods subsequent to 1 January 2019 are not expected to have any material financial impact to the current period and prior period financial statements of the Funds.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for those financial instruments that have been measured at their fair value in accordance with the valuation methods specified in their respective accounting policy notes.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Funds' functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with MFRSs requires the Manager to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than as disclosed in Note 3(b) – Financial instruments.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements and have been applied consistently by the Funds, unless otherwise stated.

(a) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Funds at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date, except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in the statement of income and expenditure.

(b) Financial instruments

(i) Initial recognition and measurement

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

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract and the host contract is not categorised at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

(ii) Financial instrument categories and subsequent measurement

The Funds categorise financial instruments as follows:

Financial assets

(a) ***Financial assets at fair value through profit or loss***

Fair value through profit or loss category comprises financial assets that are held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial assets that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Notes to the financial statements

3. SIGNIFICANT ACCOUNTING POLICIES (continued)**(b) Financial instruments (continued)****(ii) Financial instrument categories and subsequent measurement (continued)*****Financial assets (continued)*****(a) *Financial assets at fair value through profit or loss (continued)***

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in the statement of income and expenditure.

(b) *Loans and receivables*

Loans and receivables category comprises debt instruments that are not quoted in an active market and include other receivables and cash and cash equivalents.

Financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method.

All financial assets, except for those measured at fair value through profit or loss, are subject to review for impairment (see note 3(d)).

Financial liabilities

All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments that do not have a quoted price in an active market for identical instruments whose fair values otherwise cannot be reliably measured are measured at cost.

Financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in the statement of income and expenditure.

(iii) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting. Trade date accounting refers to:

- (a) the recognition of an asset to be received and the liability to pay for it on the trade date, and
- (b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Financial instruments (continued)

(iv) Derecognition

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

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of income and expenditure.

(c) Cash and cash equivalents and placements with financial institutions

Cash and cash equivalents consist of cash on hand, deposits held at call with financial institutions and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Funds in the management of their short term commitments.

Cash and cash equivalents are categorised and measured as loans and receivables in accordance with note 3(b)(ii)(b).

(d) Impairment of financial assets

All financial assets (except for financial assets categorised as fair value through profit or loss and fixed and call deposits) are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised. For an equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment. If any such objective evidence exists, then the impairment loss of the financial asset is estimated.

An impairment loss in respect of loans and receivables is recognised in the statement of income and expenditure and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account.

(e) Creation of units

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

(f) Cancellation of units

Cancellation of units represents cancellation of units arising from surrenders and withdrawals.

Notes to the financial statements

3. SIGNIFICANT ACCOUNTING POLICIES (continued)**(g) Interest income**

Interest income is recognised as it accrues using the effective interest method in the statement of income and expenditure except where an interest bearing investment is considered non-performing i.e. where repayments are in arrears for more than six months, in which case recognition of such interest is suspended. Subsequent to suspension, interest income is recognised on the receipt basis until all arrears have been paid.

(h) Dividend income

Dividend income is recognised in the statement of income and expenditure on the date the Fund's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

(i) Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of income and expenditure.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of assets and liabilities and their tax bases. Deferred tax is not recognised for the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax assets and liabilities on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(j) Fair value measurement

Fair value of an asset or a liability is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Fair value measurement (continued)

When measuring the fair value of an asset or a liability, the Funds uses observable market data as far as possible. Fair value are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Funds can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observables for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

The Funds recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

4. QUOTED EQUITY SECURITIES

	Equity Fund RM'000	Dynamic Growth Fund RM'000
2018		
Held for trading		
Equity securities of corporations quoted in Malaysia, at cost	-	68,899
Equity securities of corporations quoted outside Malaysia, at cost	2,022	-
Loss arising from changes in fair value	(335)	(3,572)
Unrealised foreign exchange loss	7	-
At fair value	1,694	65,327

Notes to the financial statements

4. QUOTED EQUITY SECURITIES (continued)

	Equity Fund RM'000	Dynamic Growth Fund RM'000
2018		
Represented by sectors:		
Main Market in Malaysia		
Construction	-	2,565
Consumer products	-	8,479
Energy	-	6,926
Finance	-	18,687
Industrial products	-	11,316
Plantation	-	1,393
Property	-	2,534
Technology	-	3,588
Telecom Services	-	2,895
Transportation & Logistics	-	958
Utilities	-	5,896
	-	65,237
Main Market outside Malaysia		
Industrial products	1,694	-
	1,694	-
At fair value	1,694	65,237

4. QUOTED EQUITY SECURITIES (continued)

	Equity Fund RM'000	Dynamic Growth Fund RM'000
2017		
Held for trading		
Equity securities of corporations quoted in Malaysia, at cost	-	65,028
Equity securities of corporations quoted outside Malaysia, at cost	2,381	-
Gain arising from changes in fair value	336	16,124
Unrealised foreign exchange loss	(65)	-
At fair value	2,652	81,152
	Equity Fund RM'000	Dynamic Growth Fund RM'000
2017		
Represented by sectors:		
Main Market in Malaysia		
Construction	-	8,216
Consumer products	-	1,441
Finance	-	17,981
Industrial products	-	8,997
Infrastructure project company	-	1,324
Plantation	-	1,633
Property	-	8,439
Trading/Services	-	25,772
Utilities	-	7,349
	-	81,152
Main Market outside Malaysia		
Trading/Services	2,652	-
	2,652	-
At fair value	2,652	81,152

Notes to the financial statements

4. QUOTED EQUITY SECURITIES (continued)

	Master Equity Fund RM'000	Master Dividend Fund RM'000	Master Dana Ekuiti RM'000	Master ASEAN Plus Fund RM'000
2018				
Held for trading				
Equity securities of corporations quoted in Malaysia, at cost	532,961	59,631	26,494	2,426
Equity securities of corporations quoted outside Malaysia, at cost	-	-	-	1,905
Loss arising from changes in fair value	(34,131)	(2,683)	(1,412)	(190)
Unrealised foreign exchange loss	-	-	-	(35)
At fair value	498,830	56,948	24,082	4,106
	Master Equity Fund RM'000	Master Dividend Fund RM'000	Master Dana Ekuiti RM'000	Master ASEAN Plus Fund RM'000
2018				
Represented by sectors:				
Main Market in Malaysia				
Construction	23,023	2,503	2,617	37
Consumer products	46,503	6,174	2,652	96
Energy	44,636	5,774	4,702	235
Finance	188,219	19,100	726	720
Industrial products	65,892	6,895	5,775	439
Plantation	6,626	327	1,193	-
Property	18,089	3,363	1,554	90
Technology	22,662	1,766	1,711	104
Telecom Services	29,667	3,334	2,217	182
Transportation & Logistics	6,537	1,606	-	-
Utilities	46,976	6,106	2,535	258
	498,830	56,948	25,082	2,161
Main Market outside Malaysia				
Construction	-	-	-	29
Consumer products	-	-	-	351
Finance	-	-	-	1,154
Industrial products	-	-	-	127
Property	-	-	-	87
Trading/Services	-	-	-	197
	-	-	-	1,945
At fair value	498,830	56,948	25,082	4,106

4. QUOTED EQUITY SECURITIES (continued)

	Master Equity Fund RM'000	Master Dividend Fund RM'000	Master Dana Ekuiti RM'000	Master ASEAN Plus Fund RM'000
2017				
Held for trading				
Equity securities of corporations quoted in Malaysia, at cost	444,173	58,516	23,518	2,103
Equity securities of corporations quoted outside Malaysia, at cost	-	-	-	1,666
Gain arising from changes in fair value	97,662	13,461	5,747	494
Unrealised foreign exchange loss	-	-	-	(37)
At fair value	541,835	71,977	29,265	4,226
	Master Equity Fund RM'000	Master Dividend Fund RM'000	Master Dana Ekuiti RM'000	ASEAN Plus Fund RM'000
2017				
Represented by sectors:				
Main Market in Malaysia				
Construction	64,910	7,795	7,091	287
Consumer products	8,935	-	-	171
Finance	123,991	16,961	840	540
Industrial products	46,075	5,758	3,573	265
Infrastructure project company	-	-	228	-
Plantation	10,421	375	1,330	-
Property	50,579	6,950	4,097	182
Trading/Services	178,415	26,523	8,956	927
Utilities	58,509	7,615	3,150	-
	541,835	71,977	29,265	2,372
Main Market outside Malaysia				
Construction	-	-	-	55
Finance	-	-	-	735
Industrial	-	-	-	261
Property	-	-	-	304
Trading/Services	-	-	-	499
	-	-	-	1,854
At fair value	541,835	71,977	29,265	4,226

Notes to the financial statements

5. MALAYSIAN GOVERNMENT SECURITIES

	Master Bond Fund	
	2018 RM'000	2017 RM'000
Held for trading		
Malaysian government securities, at cost	70,513	11,637
Accretion of discounts	19	-
Amortisation of premiums	(2)	(21)
Gain arising from changes in fair value	510	110
At fair value	71,040	11,726

6. BONDS OF CORPORATIONS

	Master Bond Fund	
	2018 RM'000	2017 RM'000
Held for trading		
Unsecured unquoted bonds of corporations in Malaysia, at cost	377,228	384,640
Secured unquoted bonds of corporations in Malaysia, at cost	12,000	-
Accretion of discounts	62	488
Amortisation of premiums	(621)	(477)
Gain arising from changes in fair value	2,302	722
At fair value	390,971	385,373

7. RINGGIT DENOMINATED BONDS

	Master Bond Fund	
	2018 RM'000	2017 RM'000
Held for trading		
Ringgit denominated bonds by foreign issuers outside Malaysia, at cost	3,502	3,500
Gain arising from changes in fair value	42	56
At fair value	3,544	3,556

8. STRUCTURED DEPOSITS

	Master Bond Fund	
	2018 RM'000	2017 RM'000
Held for trading		
Structured deposits, at cost		
Licensed banks	15,343	15,340
Gain arising from changes in fair value	28	108
At fair value	15,371	15,448

9. FIXED AND CALL DEPOSITS

	2018 RM'000	2017 RM'000
Fixed and call deposits with:		
Licensed banks		
Managed Fund	28,058	8,094
Cash Fund	176	1,113
Master Bond Fund	19,789	-
Dana Padu	10,030	-

Notes to the financial statements

10. OTHER INVESTMENTS

	Equity Fund RM'000	Managed Fund RM'000	Dynamic Growth Fund RM'000
2018			
Held for trading			
Unquoted unit trusts outside Malaysia, at cost	5,069	9,121	1,891
Gain arising from changes in fair value	612	1,102	229
Unrealised foreign exchange loss	(583)	(1,049)	(217)
At fair value	5,098	9,174	1,903
2017			
Held for trading			
Unquoted unit trusts outside Malaysia, at cost	5,069	9,121	1,891
Gain arising from changes in fair value	33	60	12
Unrealised foreign exchange loss	(345)	(622)	(128)
At fair value	4,757	8,559	1,775
	Global High Payout Fund RM'000	Asia Multi-Income PLUS Fund RM'000	Dana Ikhlas RM'000
2018			
Held for trading			
Unquoted unit trusts in Malaysia, at cost	-	-	8,821
Unquoted unit trusts outside Malaysia, at cost	8,672	1,191	-
(Loss)/Gain arising from changes in fair value	(2,408)	530	(647)
Unrealised foreign exchange gain	1,789	241	-
At fair value	8,053	1,962	8,174
2017			
Held for trading			
Unquoted unit trusts in Malaysia, at cost	-	-	7,099
Unquoted unit trusts outside Malaysia, at cost	8,989	1,214	-
(Loss)/Gain arising from changes in fair value	(826)	758	(133)
Unrealised foreign exchange gain	1,746	219	-
At fair value	9,909	2,191	6,966

11. DEFERRED TAX ASSETS AND LIABILITIES

Recognised deferred tax liabilities

Deferred tax liabilities are attributable to the following:

	Liabilities	
	2018 RM'000	2017 RM'000
Managed Fund		
Gain arising from changes in fair value	(4)	-
Dynamic Growth Fund		
Gain arising from changes in fair value	-	(1,281)
Global High Payout Fund		
Gain arising from changes in fair value	-	(73)
Asia Multi-IncomePLUS Fund		
Gain arising from changes in fair value	(62)	(79)
Master Bond Fund		
Gain arising from changes in fair value	(187)	(78)
Master Equity Fund		
Gain arising from changes in fair value	-	(7,813)
Master Dividend Fund		
Gain arising from changes in fair value	-	(1,078)
Master Dana Ekuiti		
Gain arising from changes in fair value	-	(460)
Master ASEAN Plus Fund		
Gain arising from changes in fair value	-	(36)

Notes to the financial statements

11. DEFERRED TAX ASSETS AND LIABILITIES (continued)**Unrecognised deferred tax assets**

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Assets	
	2018 RM'000	2017 RM'000
Equity Fund		
Loss arising from changes in fair value	298	41
Managed Fund		
Loss arising from changes in fair value	-	562
Dynamic Growth Fund		
Loss arising from changes in fair value	3,561	-
Global High Payout Fund		
Loss arising from changes in fair value	620	-
Master Equity Fund		
Loss arising from changes in fair value	34,131	-
Master Dividend Fund		
Loss arising from changes in fair value	2,683	-
Master Dana Ekuiti		
Loss arising from changes in fair value	1,412	-
Dana Ikhlas		
Loss arising from changes in fair value	647	133
Master ASEAN Plus Fund		
Loss arising from changes in fair value	155	-

12. POLICYHOLDERS' CAPITAL

	2018		2017	
	Units ('000)	RM'000	Units ('000)	RM'000
Equity Fund				
At beginning of the year	44,619	177,419	38,456	142,487
Created during the year	11,628	62,906	8,559	48,458
Cancelled during the year	(2,673)	(14,923)	(2,396)	(13,526)
	53,574	225,402	44,619	177,419
Managed Fund				
At beginning of the year	139,882	621,725	116,363	497,821
Created during the year	36,135	189,553	30,251	159,324
Cancelled during the year	(7,299)	(38,566)	(6,732)	(35,420)
	168,718	772,712	139,882	621,725
Dynamic Growth Fund				
At beginning of the year	37,770	57,214	36,073	53,203
Created during the year	4,781	10,786	4,393	10,366
Cancelled during the year	(2,115)	(4,886)	(2,696)	(6,355)
	40,436	63,114	37,770	57,214
Cash Fund				
At beginning of the year	1,563	1,646	837	747
Created during the year	46	58	774	957
Cancelled during the year	(24)	(30)	(48)	(58)
	1,585	1,674	1,563	1,646
Equity Income Fund				
At beginning of the year	69,391	94,177	60,610	79,592
Created during the year	13,371	20,777	11,982	19,914
Cancelled during the year	(3,091)	(4,938)	(3,201)	(5,329)
	79,671	110,016	69,391	94,177

Notes to the financial statements

12. POLICYHOLDERS' CAPITAL (continued)

Note	2018		2017	
	Units ('000)	RM'000	Units ('000)	RM'000
Global High Payout Fund				
At beginning of the year	8,544	13,825	9,531	14,941
Created during the year	-	-	6	7
Cancelled during the year	(468)	(518)	(993)	(1,123)
	8,076	13,307	8,544	13,825
Asia Multi-IncomePLUS Fund				
At beginning of the year	1,293	1,017	1,330	1,079
Cancelled during the year	(26)	(42)	(37)	(62)
	1,267	975	1,293	1,017
Master Bond Fund				
12.1				
At beginning of the year	296,149	389,199	233,553	297,337
Created during the year	46,383	71,415	62,596	91,862
Cancelled during the year	(14,419)	(22,502)	-	-
	328,113	438,112	296,149	389,199
Represented by:				
Managed Fund	270,220	362,752	240,681	317,384
Equity Income Fund	19,202	23,366	21,847	27,604
Bond Fund	38,691	51,994	33,621	44,211
	328,113	438,112	296,149	389,199

12. POLICYHOLDERS' CAPITAL (continued)

	Note	2018		2017	
		Units ('000)	RM'000	Units ('000)	RM'000
Master Equity Fund	12.2				
At beginning of the year		173,271	361,638	162,109	326,627
Created during the year		33,125	96,630	14,390	45,040
Cancelled during the year		-	-	(3,228)	(10,029)
		206,396	458,268	173,271	361,638
Represented by:					
Equity Fund		81,333	168,885	71,062	140,506
Managed Fund		124,485	287,985	101,886	220,437
ASEAN Plus Fund		578	1,398	323	695
		206,396	458,268	173,271	361,638
Master Dividend Fund	12.3				
At beginning of the year		25,278	45,520	24,955	44,527
Created during the year		2,584	6,816	1,668	5,000
Cancelled during the year		(3,195)	(7,994)	(1,345)	(4,007)
		24,667	44,342	25,278	45,520
Represented by:					
Equity Income Fund		24,667	44,342	25,278	45,520
Bond Fund					
At beginning of the year		40,853	47,782	34,505	39,664
Created during the year		9,742	12,906	8,052	10,293
Cancelled during the year		(2,369)	(3,126)	(1,704)	(2,175)
		48,226	57,562	40,853	47,782

Notes to the financial statements

12. POLICYHOLDERS' CAPITAL (continued)

	Note	2018		2017	
		Units ('000)	RM'000	Units ('000)	RM'000
Dana Padu					
At beginning of the year		32,559	51,748	26,606	41,025
Created during the year		9,612	17,098	8,111	14,605
Cancelled during the year		(2,640)	(4,734)	(2,158)	(3,882)
		39,531	64,112	32,559	51,748
Master Dana Ekuiti					
	12.4				
At beginning of the year		8,406	21,751	7,179	17,410
Created during the year		3,950	11,744	1,525	5,241
Cancelled during the year		(2,625)	(7,383)	(298)	(900)
		9,731	26,112	8,406	21,751
Represented by:					
Dana Padu		9,731	26,112	8,406	21,751
Dana Ikhlas					
At the beginning of the year		12,888	6,847	9,331	4,877
Created during the year		3,991	2,173	3,996	2,212
Cancelled during the year		(638)	(348)	(439)	(242)
		16,241	8,672	12,888	6,847
ASEAN Plus Fund					
At the beginning of the year		3,370	1,584	2,635	1,134
Created during the year		2,503	1,473	1,296	798
Cancelled during the year		(498)	(308)	(561)	(348)
		5,375	2,749	3,370	1,584
Master ASEAN Plus Fund					
	12.5				
At the beginning of the year		5,986	3,125	7,680	4,168
Created during the year		1,703	1,161	1,610	1,112
Cancelled during the year		(194)	(130)	(3,304)	(2,155)
		7,495	4,156	5,986	3,125
Represented by:					
ASEAN Plus Fund		6,029	3,440	4,676	2,511
Equity Fund		1,466	716	1,310	614
		7,495	4,156	5,986	3,125

12. POLICYHOLDERS' CAPITAL (continued)

12.1 Master Bond Fund ("MBF")

MBF is setup to operate as the centralised bond investment vehicle for the Funds. It has its own net asset value ("NAV") but it is not offered to the public.

The objective of creating MBF is to consolidate all funds that have exposure to bond investments. Such consolidation aims to enhance the efficiency in investment management.

The bond investments in Managed Fund ("MF"), Equity Income Fund ("EIF") and Bond Fund ("BF") were consolidated in MBF. MF, EIF and BF transferred the NAV of their bond investments to MBF at NAV of RM1.00 per unit at the fund inception date of MBF.

MF, EIF and BF are not involved in direct bond investments after the transfer of their bonds to MBF but instead hold units in MBF. Any new investments into or redeem from MBF by MF, EIF and BF after the fund inception date will depend on the prevailing NAV of MBF at the time of the transactions.

12.2 Master Equity Fund ("MEF")

MEF is setup to operate as the centralised equity investment vehicle for the Funds. It has its own NAV but it is not offered to the public.

The objective of creating MEF is to consolidate all equity funds which have the same investment mandates and return objectives. Such consolidation aims to enhance the efficiency in investment management.

The equity investments in Equity Fund ("EF"), MF and ASEAN Plus Fund ("AF") were consolidated in MEF. EF and MF transferred the NAV of their equity investments to MEF at NAV of RM1.00 per unit at fund inception date of MEF.

MF and EF are not involved in direct equity investments after the transfer of their equities to MEF but instead hold units in MEF. AF is not involved in direct equity investments but instead hold units in MEF. Any new investments into or redeem from MEF by MF, EF and AF after the fund inception date will depend on the prevailing NAV of MEF at the time of the transactions.

12.3 Master Dividend Fund ("MDF")

MDF is setup to operate as the centralised equity investment vehicle for the Funds. It has its own NAV but it is not offered to the public.

The objective of creating MDF is to consolidate all equity funds which have the same investment mandates and return objectives. Such consolidation aims to enhance the efficiency in investment management.

The equity investment in EIF was consolidated in MDF. EIF transferred the NAV of its equity investments to MDF at NAV of RM1.00 per unit at fund inception date of MDF.

EIF is not involved in direct equity investments after the transfer of its equities to MDF but instead hold units in MDF. Any new investments into or redeem from MDF by EIF after the fund inception date will depend on the prevailing NAV of MDF at the time of the transactions.

Notes to the financial statements

12. POLICYHOLDERS' CAPITAL (continued)**12.4 Master Dana Ekuiti ("MDE")**

MDE is setup to operate as the centralised equity investment vehicle for the Funds. It has its own NAV but it is not offered to the public.

The objective of creating MDE is to consolidate all equity funds which have the same investment mandates and return objectives. Such consolidation aims to enhance the efficiency in investment management.

The equity investment in Dana Padu ("DP") was consolidated in MDE. NAV of MDE at fund inception was RM1.00 per unit.

DP is not involved in direct equity investments but instead hold units in MDE. Any new investments into or redeem from MDE by DP after the fund inception date will depend on the prevailing NAV of MDE at the time of the transactions.

12.5 Master ASEAN Plus Fund ("MAF")

MAF is setup to operate as the centralised equity investment vehicle for the Funds. It has its own NAV but it is not offered to the public.

The objective of creating MAF is to consolidate all equity funds which have the same investment mandates and return objectives. Such consolidation aims to enhance the efficiency in investment management.

The equity investment in EF and AF were consolidated in MAF. NAV of MAF at fund inception was RM0.50 per unit.

EF and AF are not involved in direct equity investments but instead hold units in MAF. Any new investments into or redeem from MAF by EF and AF after the fund inception date will depend on the prevailing NAV of MAF at the time of the transactions.

13. TAX EXPENSE

Recognised in the statement of income and expenditure

	Equity Fund RM'000	Managed Fund RM'000	Dynamic Growth Fund RM'000	Cash Fund RM'000	Equity Income Fund RM'000	Global High Payout Fund RM'000	Asia Multi-Income PLUS Fund RM'000	Master Bond Fund RM'000
2018								
Current tax expense								
Current year	117	203	(198)	5	26	51	3	1,753
Prior year	12	4	(6)	-	1	-	-	50
Deferred tax expense								
Origination and reversal of temporary difference-current year	-	4	(1,281)	-	-	(74)	(16)	108
Total tax expense/income	129	211	(1,485)	5	27	(23)	(13)	1,911
2017								
Current tax expense								
Current year	39	102	169	3	10	65	6	1,450
Deferred tax expense								
Origination and reversal of temporary difference-current year	(31)	-	986	-	-	(13)	9	3
Total tax expense	8	102	1,155	3	10	52	15	1,453

Notes to the financial statements

13. TAX EXPENSE (continued)

Recognised in the statement of income and expenditure (continued)

	Master Equity Fund RM'000	Master Dividend Fund RM'000	Bond Fund RM'000	Dana Padu RM'000	Master Dana Ekuiti RM'000	Dana Ikhlas RM'000	ASEAN Plus Fund RM'000	Master ASEAN Plus Fund RM'000
2018								
Current tax expense								
Current year	(2,805)	(262)	7	91	(169)	8	1	(28)
Prior year	1	-	-	-	-	-	-	-
Deferred tax expense								
Origination and reversal of temporary difference-current year	(7,813)	(1,077)	-	-	(460)	-	-	(37)
Total tax (income)/expense	(10,617)	(1,339)	7	91	(629)	8	1	(65)
2017								
Current tax expense								
Current year	1,336	198	5	69	18	16	-	30
Deferred tax expense								
Origination and reversal of temporary difference-current year	6,821	898	-	-	388	-	-	15
Total tax expense	8,157	1,096	5	69	406	16	-	45

13. TAX EXPENSE (continued)

Reconciliation of tax expense

	Equity Fund RM'000	Managed Fund RM'000	Dynamic Growth Fund RM'000	Cash Fund RM'000	Equity Income Fund RM'000	Global High Payout Fund RM'000	Asia Multi-Income PLUS Fund RM'000	Master Bond Fund RM'000
2018								
(Loss)/Profit before tax	(57,754)	(74,353)	(21,051)	29	(15,732)	(1,061)	(203)	23,207
Tax at Malaysian tax rate @ 8%	(4,620)	(5,948)	(1,684)	2	(1,259)	(85)	(16)	1,857
Items excluded from investment-linked tax computation	4,737	6,155	205	3	1,285	62	3	4
Under/(Over) provision in prior years	12	4	(6)	-	1	-	-	50
	129	211	(1,485)	5	27	(23)	(13)	1,911
2017								
Profit before tax	39,235	71,371	15,200	4	14,397	473	127	18,112
Tax at Malaysian tax rate @ 8%	3,139	5,710	1,216	-	1,152	38	10	1,449
Items excluded from investment-linked tax computation	(3,131)	(5,608)	(61)	3	(1,142)	14	5	4
	8	102	1,155	3	10	52	15	1,453

Notes to the financial statements

13. TAX EXPENSE (continued)

Reconciliation of tax expense (continued)

	Master Equity Fund RM'000	Master Dividend Fund RM'000	Bond Fund RM'000	Dana Padu RM'000	Master Dana Ekuiti RM'000	Dana Ikhlas RM'000	ASEAN Plus Fund RM'000	Master ASEAN Plus Fund RM'000
2018								
(Loss)/Profit before tax	(150,721)	(17,435)	2,082	(7,628)	(8,586)	(535)	(511)	(938)
Tax at Malaysian tax rate @ 8%	(12,058)	(1,395)	167	(610)	(687)	(43)	(41)	(75)
Items excluded from investment-linked tax computation	1,440	56	(160)	701	58	51	42	10
Over provision in prior years	1	-	-	-	-	-	-	-
	(10,617)	(1,339)	7	91	(629)	8	1	(65)
2017								
Profit before tax	115,539	15,538	1,626	5,418	5,627	221	224	573
Tax at Malaysian tax rate @ 8%	9,243	1,243	130	433	450	18	18	46
Items excluded from investment-linked tax computation	(1,086)	(147)	(125)	(364)	(44)	(2)	(18)	(1)
	8,157	1,096	5	69	406	16	-	45

14. FINANCIAL INSTRUMENTS

14.1 Financial risks management

The Funds has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

14.2 Credit risk

Credit risk is the risk of a financial loss to the Funds if a counterparty to a financial instrument fails to meet its contractual obligations.

The Funds are exposed to credit risks arises principally from the investment in fixed income instruments and cash and cash equivalents. Financial loss may materialise should the counterparty failed to meet payment obligations for various reasons.

All bond investments must carry a minimum rating of AA- by rating agencies established in Malaysia or minimum rating of BBB- by any internationally recognised rating agency as outlined in the Manager's Investment Mandate which is approved by the Board of Directors.

At the end of the reporting period, there were no significant concentrations of credit risk. The maximum exposures to credit risk are represented by the carrying amount of each financial asset.

The Funds consider rating BBB and above as investment grades and ratings below BBB as non-investment grade. Assets which are not rated by rating agencies are classified as non-rated.

There is no credit risk for other receivables as they are predominantly amount due from inter-fund.

Notes to the financial statements

14. FINANCIAL INSTRUMENTS (continued)

14.2 Credit risk (continued)

Credit exposure

The table below shows the maximum exposure to credit risk for the financial assets on the statements of assets and liabilities.

	Equity Fund RM'000	Managed Fund RM'000	Dynamic Growth Fund RM'000	Cash Fund RM'000	Equity Income Fund RM'000	Global High Payout Fund RM'000	Asia Multi-Income PLUS Fund RM'000	Master Bond Fund RM'000
2018								
Held for trading financial investments								
Malaysian government securities	-	-	-	-	-	-	-	71,040
Debt securities	-	-	-	-	-	-	-	394,515
Structured deposits	-	-	-	-	-	-	-	15,371
Loans and receivables								
Cash and cash equivalents	37,420	57,179	13,497	1,706	22,602	81	50	13,613
Fixed and call deposits	-	28,058	-	176	-	-	-	19,789
	37,420	85,237	13,497	1,882	22,602	81	50	514,328
			Master Equity Fund RM'000	Master Dividend Fund RM'000	Bond Fund RM'000	Dana Padu RM'000	Master Dana Ekuiti RM'000	Dana Ikhlas RM'000
2018								
Loans and receivables								
Cash and cash equivalents			22,820	2,702	3,223	28,521	1,845	271
Fixed and call deposits			-	-	-	10,030	-	-
			22,820	2,702	3,223	38,551	1,845	271
						ASEAN Plus Fund RM'000	Master ASEAN Plus Fund RM'000	
2018								
Loans and receivables								
Cash and cash equivalents						413	334	
						413	334	

14. FINANCIAL INSTRUMENTS (continued)

14.2 Credit risk (continued)

Credit exposure (continued)

The table below shows the maximum exposure to credit risk for the financial assets on the statements of assets and liabilities (continued).

	Equity Fund RM'000	Managed Fund RM'000	Dynamic Growth Fund RM'000	Cash Fund RM'000	Equity Income Fund RM'000	Global High Payout Fund RM'000	Asia Multi-Income PLUS Fund RM'000	Master Bond Fund RM'000
2017								
Held for trading financial investments								
Malaysian government securities	-	-	-	-	-	-	-	11,726
Debt securities	-	-	-	-	-	-	-	388,929
Structured deposits	-	-	-	-	-	-	-	15,448
Loans and receivables								
Cash and cash equivalents	19,688	44,257	12,769	824	5,821	48	69	32,950
Fixed and call deposits	-	8,094	-	1,113	-	-	-	-
	19,688	52,351	12,769	1,937	5,821	48	69	449,053
			Master Equity Fund RM'000	Master Dividend Fund RM'000	Bond Fund RM'000	Dana Padu RM'000	Master Dana Ekuiti RM'000	Dana Ikhlas RM'000
2017								
Loans and receivables								
Cash and cash equivalents			33,993	6,052	2,311	29,874	3,012	179
			33,993	6,052	2,311	29,874	3,012	179
						ASEAN Plus Fund RM'000	Master ASEAN Plus Fund RM'000	
2017								
Loans and receivables								
Cash and cash equivalents						128	152	
						128	152	

Notes to the financial statements

14. FINANCIAL INSTRUMENTS (continued)**14.2 Credit risk (continued)****Credit exposure by credit rating**

The table below provides information regarding the credit risk exposure of the Funds by classifying financial assets according to the credit rating agencies' credit ratings of counterparties. AAA is the highest possible rating. Financial assets that fall outside the range of AAA to BBB are classified as speculative grade. All those where the counterparty ratings are BBB or better are considered investment grade.

	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Non-rated RM'000	Total RM'000
Equity Fund						
2018						
Loans and receivables						
Cash and cash equivalents	10,698	26,722	-	-	-	37,420
2017						
Loans and receivables						
Cash and cash equivalents	3,083	11,952	4,653	-	-	19,688

All the investments above are neither past-due nor impaired.

14. FINANCIAL INSTRUMENTS (continued)

14.2 Credit risk (continued)

Credit exposure by credit rating (continued)

The table below provides information regarding the credit risk exposure of the Funds by classifying financial assets according to the credit rating agencies' credit ratings of counterparties. AAA is the highest possible rating. Financial assets that fall outside the range of AAA to BBB are classified as speculative grade. All those where the counterparty ratings are BBB or better are considered investment grade. (continued)

	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Non-rated RM'000	Total RM'000
Managed Fund						
2018						
Loans and receivables						
Cash and cash equivalents	23,168	34,011	-	-	-	57,179
Fixed and call deposits	28,040	18	-	-	-	28,058
	51,208	34,029	-	-	-	85,237
2017						
Loans and receivables						
Cash and cash equivalents	22,503	13,336	8,418	-	-	44,257
Fixed and call deposits	8,082	9	3	-	-	8,094
	30,585	13,345	8,421	-	-	52,351

All the investments above are neither past-due nor impaired.

Notes to the financial statements

14. FINANCIAL INSTRUMENTS (continued)**14.2 Credit risk (continued)****Credit exposure by credit rating (continued)**

The table below provides information regarding the credit risk exposure of the Funds by classifying financial assets according to the credit rating agencies' credit ratings of counterparties. AAA is the highest possible rating. Financial assets that fall outside the range of AAA to BBB are classified as speculative grade. All those where the counterparty ratings are BBB or better are considered investment grade. (continued)

	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Non-rated RM'000	Total RM'000
Dynamic Growth Fund						
2018						
Loans and receivables						
Cash and cash equivalents	3,682	9,815	-	-	-	13,497
2017						
Loans and receivables						
Cash and cash equivalents	4,757	2,405	5,607	-	-	12,769

All the investments above are neither past-due nor impaired.

14. FINANCIAL INSTRUMENTS (continued)

14.2 Credit risk (continued)

Credit exposure by credit rating (continued)

The table below provides information regarding the credit risk exposure of the Funds by classifying financial assets according to the credit rating agencies' credit ratings of counterparties. AAA is the highest possible rating. Financial assets that fall outside the range of AAA to BBB are classified as speculative grade. All those where the counterparty ratings are BBB or better are considered investment grade. (continued)

	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Non-rated RM'000	Total RM'000
Cash Fund						
2018						
Loans and receivables						
Cash and cash equivalents	1,154	552	-	-	-	1,706
Fixed and call deposits	175	1	-	-	-	176
	1,329	553	-	-	-	1,882
2017						
Loans and receivables						
Cash and cash equivalents	374	225	225	-	-	824
Fixed and call deposits	732	381	-	-	-	1,113
	1,106	606	225	-	-	1,937

All the investments above are neither past-due nor impaired.

Notes to the financial statements

14. FINANCIAL INSTRUMENTS (continued)**14.2 Credit risk (continued)****Credit exposure by credit rating (continued)**

The table below provides information regarding the credit risk exposure of the Funds by classifying financial assets according to the credit rating agencies' credit ratings of counterparties. AAA is the highest possible rating. Financial assets that fall outside the range of AAA to BBB are classified as speculative grade. All those where the counterparty ratings are BBB or better are considered investment grade. (continued)

	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Non-rated RM'000	Total RM'000
Equity Income Fund						
2018						
Loans and receivables						
Cash and cash equivalents	7,979	14,623	-	-	-	22,602
2017						
Loans and receivables						
Cash and cash equivalents	1,471	1,650	2,700	-	-	5,821

All the investments above are neither past-due nor impaired.

14. FINANCIAL INSTRUMENTS (continued)

14.2 Credit risk (continued)

Credit exposure by credit rating (continued)

The table below provides information regarding the credit risk exposure of the Funds by classifying financial assets according to the credit rating agencies' credit ratings of counterparties. AAA is the highest possible rating. Financial assets that fall outside the range of AAA to BBB are classified as speculative grade. All those where the counterparty ratings are BBB or better are considered investment grade. (continued)

	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Non-rated RM'000	Total RM'000
Global High Payout Fund						
2018						
Loans and receivables						
Cash and cash equivalents	81	-	-	-	-	81
2017						
Loans and receivables						
Cash and cash equivalents	48	-	-	-	-	48

All the investments above are neither past-due nor impaired.

Notes to the financial statements

14. FINANCIAL INSTRUMENTS (continued)**14.2 Credit risk (continued)****Credit exposure by credit rating (continued)**

The table below provides information regarding the credit risk exposure of the Funds by classifying financial assets according to the credit rating agencies' credit ratings of counterparties. AAA is the highest possible rating. Financial assets that fall outside the range of AAA to BBB are classified as speculative grade. All those where the counterparty ratings are BBB or better are considered investment grade. (continued)

	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Non-rated RM'000	Total RM'000
Asia Multi-IncomePLUS Fund						
2018						
Loans and receivables						
Cash and cash equivalents	50	-	-	-	-	50
2017						
Loans and receivables						
Cash and cash equivalents	69	-	-	-	-	69

All the investments above are neither past-due nor impaired.

	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Non-rated RM'000	Total RM'000
Master Bond Fund						
2018						
Held for trading financial investments						
Malaysian government securities	-	-	-	-	71,040	71,040
Debt securities	198,647	177,527	-	-	18,341	394,515
Structured deposits	15,371	-	-	-	-	15,371
Loans and receivables						
Cash and cash equivalents	255	13,358	-	-	-	13,613
Fixed and call deposits	19,785	4	-	-	-	19,789
	234,058	190,889	-	-	89,381	514,328

All the investments above are neither past-due nor impaired.

14. FINANCIAL INSTRUMENTS (continued)

14.2 Credit risk (continued)

Credit exposure by credit rating (continued)

The table below provides information regarding the credit risk exposure of the Funds by classifying financial assets according to the credit rating agencies' credit ratings of counterparties. AAA is the highest possible rating. Financial assets that fall outside the range of AAA to BBB are classified as speculative grade. All those where the counterparty ratings are BBB or better are considered investment grade. (continued)

	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Non-rated RM'000	Total RM'000
Master Bond Fund						
2017						
Held for trading financial investments						
Malaysian government securities	-	-	-	-	11,726	11,726
Debt securities	187,943	169,594	-	-	31,392	388,929
Structured deposits	15,448	-	-	-	-	15,448
Loans and receivables						
Cash and cash equivalents	13,826	11,514	7,610	-	-	32,950
	217,217	181,108	7,610	-	43,118	449,053

All the investments above are neither past-due nor impaired.

Notes to the financial statements

14. FINANCIAL INSTRUMENTS (continued)**14.2 Credit risk (continued)****Credit exposure by credit rating (continued)**

The table below provides information regarding the credit risk exposure of the Funds by classifying financial assets according to the credit rating agencies' credit ratings of counterparties. AAA is the highest possible rating. Financial assets that fall outside the range of AAA to BBB are classified as speculative grade. All those where the counterparty ratings are BBB or better are considered investment grade. (continued)

	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Non-rated RM'000	Total RM'000
Master Equity Fund						
2018						
Loans and receivables						
Cash and cash equivalents	13,710	9,110	-	-	-	22,820
2017						
Loans and receivables						
Cash and cash equivalents	11,142	-	22,851	-	-	33,993

All the investments above are neither past-due nor impaired.

14. FINANCIAL INSTRUMENTS (continued)

14.2 Credit risk (continued)

Credit exposure by credit rating (continued)

The table below provides information regarding the credit risk exposure of the Funds by classifying financial assets according to the credit rating agencies' credit ratings of counterparties. AAA is the highest possible rating. Financial assets that fall outside the range of AAA to BBB are classified as speculative grade. All those where the counterparty ratings are BBB or better are considered investment grade. (continued)

	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Non-rated RM'000	Total RM'000
Master Dividend Fund						
2018						
Loans and receivables						
Cash and cash equivalents	52	2,650	-	-	-	2,702
2017						
Loans and receivables						
Cash and cash equivalents	2,752	-	3,300	-	-	6,052

All the investments above are neither past-due nor impaired.

Notes to the financial statements

14. FINANCIAL INSTRUMENTS (continued)**14.2 Credit risk (continued)****Credit exposure by credit rating (continued)**

The table below provides information regarding the credit risk exposure of the Funds by classifying financial assets according to the credit rating agencies' credit ratings of counterparties. AAA is the highest possible rating. Financial assets that fall outside the range of AAA to BBB are classified as speculative grade. All those where the counterparty ratings are BBB or better are considered investment grade. (continued)

	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Non-rated RM'000	Total RM'000
Bond Fund						
2018						
Loans and receivables						
Cash and cash equivalents	21	3,202	-	-	-	3,223
2017						
Loans and receivables						
Cash and cash equivalents	1,060	1,251	-	-	-	2,311

All the investments above are neither past-due nor impaired.

14. FINANCIAL INSTRUMENTS (continued)

14.2 Credit risk (continued)

Credit exposure by credit rating (continued)

The table below provides information regarding the credit risk exposure of the Funds by classifying financial assets according to the credit rating agencies' credit ratings of counterparties. AAA is the highest possible rating. Financial assets that fall outside the range of AAA to BBB are classified as speculative grade. All those where the counterparty ratings are BBB or better are considered investment grade. (continued)

	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Non-rated RM'000	Total RM'000
Dana Padu						
2018						
Loans and receivables						
Cash and cash equivalents	14,527	13,994	-	-	-	28,521
Fixed and call deposit	5,018	5,012	-	-	-	10,030
	19,545	19,006	-	-	-	38,551
2017						
Loans and receivables						
Cash and cash equivalents	11,491	12,986	5,397	-	-	29,874

All the investments above are neither past-due nor impaired.

Notes to the financial statements

14. FINANCIAL INSTRUMENTS (continued)**14.2 Credit risk (continued)****Credit exposure by credit rating (continued)**

The table below provides information regarding the credit risk exposure of the Funds by classifying financial assets according to the credit rating agencies' credit ratings of counterparties. AAA is the highest possible rating. Financial assets that fall outside the range of AAA to BBB are classified as speculative grade. All those where the counterparty ratings are BBB or better are considered investment grade. (continued)

	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Non-rated RM'000	Total RM'000
Master Dana Ekuiti						
2018						
Loans and receivables						
Cash and cash equivalents	44	1,801	-	-	-	1,845
2017						
Loans and receivables						
Cash and cash equivalents	3,012	-	-	-	-	3,012

All the investments above are neither past-due nor impaired.

	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Non-rated RM'000	Total RM'000
Dana Ikhlas						
2018						
Loans and receivables						
Cash and cash equivalents	271	-	-	-	-	271
2017						
Loans and receivables						
Cash and cash equivalents	179	-	-	-	-	179

All the investments above are neither past-due nor impaired.

14. FINANCIAL INSTRUMENTS (continued)

14.2 Credit risk (continued)

Credit exposure by credit rating (continued)

The table below provides information regarding the credit risk exposure of the Funds by classifying financial assets according to the credit rating agencies' credit ratings of counterparties. AAA is the highest possible rating. Financial assets that fall outside the range of AAA to BBB are classified as speculative grade. All those where the counterparty ratings are BBB or better are considered investment grade. (continued)

	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Non-rated RM'000	Total RM'000
ASEAN Plus Fund						
2018						
Loans and receivables						
Cash and cash equivalents	13	400	-	-	-	413
2017						
Loans and receivables						
Cash and cash equivalents	7	-	121	-	-	128

All the investments above are neither past-due nor impaired.

	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Non-rated RM'000	Total RM'000
Master ASEAN Plus Fund						
2018						
Loans and receivables						
Cash and cash equivalents	334	-	-	-	-	334
2017						
Loans and receivables						
Cash and cash equivalents	152	-	-	-	-	152

All the investments above are neither past-due nor impaired.

Notes to the financial statements

14. FINANCIAL INSTRUMENTS (continued)**14.2 Credit risk (continued)****Age analysis of financial assets past-due but not impaired**

The Funds have not provided the age analysis for financial assets as they are receivable within one year.

14.3 Liquidity risk

Liquidity risk is the risk whereby the Funds are unable to meet their obligations at a reasonable cost or at any time. The Funds manage this risk by holding sufficient quantity of liquid investments that can be readily converted to cash.

All financial liabilities are payable within one year, and hence the maturity profile of the financial liabilities of the Funds is not presented.

14.4 Market risk

Market risk is the risk of loss in investment funds arising due to changes in market prices or parameters influencing market prices. This includes changes in market prices due to a worsening of market liquidity. Market risk comprises of currency risk, interest rate risk and equity price risk. Market risk is managed through portfolio diversification and asset allocation.

14.4.1 Currency risk

Currency risk is the risk that the fair value of future cash flows fluctuates due to the changes in foreign exchange rates. The Funds' exposure to foreign currency risk, based on carrying amounts as at the end of the reporting period was:

	2018 Denominated in		
	SGD RM'000	THB RM'000	IDR RM'000
Equity Fund			
Investment assets	1,694	-	5,098
Managed Fund			
Investment assets	-	-	9,174
Dynamic Growth Fund			
Investment assets	-	-	1,903
	1,694	-	16,175

	2018 Denominated in			
	USD RM'000	SGD RM'000	THB RM'000	IDR RM'000
Global High Payout Fund				
Investment assets	8,053	-	-	-
Asia Multi-IncomePLUS Fund				
Investment assets	1,962	-	-	-
Master ASEAN Plus Fund				
Investment assets	75	1,211	113	545
	10,090	1,211	113	545

14. FINANCIAL INSTRUMENTS (continued)

14.4 Market risk (continued)

14.4.1 Currency risk (continued)

Currency risk is the risk that the fair value of future cash flows fluctuates due to the changes in foreign exchange rates. The Funds' exposure to foreign currency risk, based on carrying amounts as at the end of the reporting period was: (continued)

	2017 Denominated in		
	SGD RM'000	THB RM'000	IDR RM'000
Equity Fund			
Investment assets	-	2,652	4,757
Managed Fund			
Investment assets	-	-	8,559
Dynamic Growth Fund			
Investment assets	-	-	1,775
	-	2,652	15,091

	2017 Denominated in			
	USD RM'000	SGD RM'000	THB RM'000	IDR RM'000
Global High Payout Fund				
Investment assets	9,909	-	-	-
Asia Multi-IncomePLUS Fund				
Investment assets	2,191	-	-	-
Master ASEAN Plus Fund				
Investment assets	64	566	508	716
	12,164	566	508	716

Notes to the financial statements

14. FINANCIAL INSTRUMENTS (continued)**14.4 Market risk (continued)****14.4.1 Currency risk (continued)****Currency risk sensitivity analysis**

It is estimated that a 10% (2017: 10%) strengthening of the Ringgit Malaysia (RM) against the following currencies at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted income and expenses.

	Impact on PBT (Decrease)	
	2018 RM'000	2017 RM'000
Equity Fund		
Investment assets	(679)	(741)
Managed Fund		
Investment assets	(917)	(856)
Dynamic Growth Fund		
Investment assets	(190)	(178)
Global High Payout Fund		
Investment assets	(805)	(991)
Asia Multi-IncomePLUS Fund		
Investment assets	(196)	(219)
Master ASEAN Plus Fund		
Investment assets	(194)	(185)
	(2,981)	(3,170)

It is estimated that a 10% (2017: 10%) weakening of Ringgit Malaysia (RM) against the above currencies at the end of the reporting period would have equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

The method used for deriving sensitivity information and significant variables did not change from previous year.

14. FINANCIAL INSTRUMENTS (continued)

14.4 Market risk (continued)

14.4.2 Interest rate risk

The Funds' earnings are affected by changes in market interest rates due to the impact of such changes have on the fair values of fixed income investments.

In managing interest rate risk, the Manager aims to reduce the impact of short term fluctuations on its earnings by adopting an approach which focuses on achieving the overall targeted interest rate based on its long term view of interest rate and macroeconomic conditions. Over the longer term, however, any prolonged adverse changes in interest rates would have an impact on earnings.

Interest rate risk sensitivity analysis

The analysis below is performed for reasonable possible movements in interest rates with all other variables held constant, showing the impact on the profit before tax (PBT).

	Change in interest rate Impact on PBT (Decrease)/Increase			
	+100 basis points 2018 RM'000	-100 basis points 2018 RM'000	+100 basis points 2017 RM'000	-100 basis points 2017 RM'000
Managed Fund	(17,134)	18,648	(14,137)	15,243
Equity Income Fund	(1,218)	1,325	(1,283)	1,384
Bond Fund	(2,453)	2,670	(1,975)	2,129
	(20,805)	22,643	(17,395)	18,756

There has been no significant change in the method used for deriving sensitivity information and significant variables as compared to the previous year.

Notes to the financial statements

14. FINANCIAL INSTRUMENTS (continued)**14.4 Market risk (continued)****14.4.3 Equity price risk**

Equity price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rates or foreign exchange rates), whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting similar financial instruments traded in the market.

Equity price risk sensitivity analysis

The analysis below is performed for reasonable possible movements in key variables with all other variables held constant, showing the impact on profit before tax (PBT).

	Change in market price Impact on PBT (Decrease)			
	-15% 2018 RM'000	-20% 2018 RM'000	-15% 2017 RM'000	-20% 2017 RM'000
Equity Fund	(1,019)	(1,358)	(1,111)	(1,482)
Managed Fund	(1,376)	(1,835)	(1,284)	(1,712)
Dynamic Growth Fund	(10,085)	(13,446)	(12,439)	(16,585)
Global High Payout Fund	(1,208)	(1,611)	(1,486)	(1,982)
Asia Multi-IncomePLUS Fund	(294)	(392)	(329)	(438)
Master Equity Fund	(74,825)	(99,766)	(81,275)	(108,367)
Master Dividend Fund	(8,542)	(11,390)	(10,796)	(14,395)
Master Dana Ekuiti	(3,762)	(5,016)	(4,390)	(5,853)
Dana Ikhlas	(1,226)	(1,635)	(1,045)	(1,393)
Master ASEAN Plus Fund	(616)	(821)	(634)	(845)
	(102,953)	(137,270)	(114,789)	(153,052)

The method used for deriving sensitivity information and significant variables did not change from the previous year.

14. FINANCIAL INSTRUMENTS (continued)

14.5 Fair value information

The Funds' basis in the estimation of fair values for financial instruments is as follows:

- The fair values of structured deposits are based on the indicative market prices from the issuing banks;
- The fair values of equity securities of corporations quoted in Malaysia and outside Malaysia and quoted REITs in Malaysia are based on quoted market bid price as at the end of the reporting period;
- The fair values of Malaysian government securities, Malaysian government guaranteed bonds, Ringgit denominated bonds by foreign issuers outside Malaysia, unquoted bonds of corporations in Malaysia and unquoted bonds of corporations outside Malaysia are based on the indicative market prices provided by its custodian bank;
- The fair values of unquoted unit trusts in and outside Malaysia are based on the net asset values of the unit trusts as at the date of the statements of assets and liabilities obtained from fund managers;
- The fair values of master funds are based on the net asset values of the unit trusts as at the date of the statement of assets and liabilities; and
- The carrying amount of fixed and call deposits are assumed to approximate their fair values.
- The carrying amounts of cash and cash equivalents, interest and dividend receivables, other receivables and other payables reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

Estimation of the fair values of Malaysian government securities, Malaysian government guaranteed bonds, Ringgit denominated bonds by foreign issuers outside Malaysia, unquoted bonds of corporations in Malaysia and unquoted bonds of corporations outside Malaysia are based on the indicative market prices provided by its custodian bank which involve projections of the market yields based on past transactions. There are elements of uncertainty in projecting the expected market yields and these uncertainties arise from changes in underlying risk and overall economic conditions. As such, the projected market yields may be different from the actual market yields in future.

Notes to the financial statements

14. FINANCIAL INSTRUMENTS (continued)**14.6 Fair value hierarchy**

The table below analyses financial instruments carried at fair value, by valuation method. There is no financial instrument not carried at fair value for which fair value is disclosed during the financial year.

2018	Financial instruments carried at fair value			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
Financial assets				
Equity Fund				
Master Equity Fund	-	205,884	-	205,884
Master ASEAN Plus Fund	-	3,573	-	3,573
Quoted equity securities	1,694	-	-	1,694
Other investment	-	5,098	-	5,098
	1,694	214,555	-	216,249
Managed Fund				
Master Bond Fund	-	423,227	-	423,227
Master Equity Fund	-	315,117	-	315,117
Other investment	-	9,174	-	9,174
	-	747,518	-	747,518
Dynamic Growth Fund				
Quoted equity securities	65,237	-	-	65,327
Other investment	-	1,903	-	1,903
	65,237	1,903	-	67,230
Equity Income Fund				
Master Bond Fund	-	30,074	-	30,074
Master Dividend Fund	-	59,332	-	59,332
	-	89,406	-	89,406
Global High Payout Fund				
Other investments	-	8,053	-	8,053

14. FINANCIAL INSTRUMENTS (continued)

14.6 Fair value hierarchy (continued)

2018	Financial instruments carried at fair value			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
Financial assets				
Asia Multi-IncomePLUS Fund				
Other investments	-	1,962	-	1,962
Master Bond Fund				
Malaysian government securities	-	71,040	-	71,040
Bonds of corporations	-	390,971	-	390,971
Ringgit denominated bonds by foreign issuers in Malaysia	-	3,544	-	3,544
Structured deposits	-	15,371	-	15,371
	-	480,926	-	480,926
Master Equity Fund				
Quoted equity securities	498,830	-	-	498,830
Master Dividend Fund				
Quoted equity securities	56,948	-	-	56,948

Notes to the financial statements

14. FINANCIAL INSTRUMENTS (continued)

14.6 Fair value hierarchy (continued)

2018	Financial instruments carried at fair value			
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial assets				
Bond Fund				
Master Bond Fund	-	60,599	-	60,599
Dana Padu				
Master Dana Ekuiti	-	26,985	-	26,985
Master Dana Ekuiti				
Quoted equity securities	25,082	-	-	25,082
Dana Ikhlas				
Other investments	-	8,174	-	8,174
ASEAN Plus Fund				
Master Equity Fund	-	1,463	-	1,463
Master ASEAN Plus Fund	-	868	-	868
	-	2,331	-	2,331
Master ASEAN Plus Fund				
Quoted equity securities	4,106	-	-	4,106

14. FINANCIAL INSTRUMENTS (continued)

14.6 Fair value hierarchy (continued)

2017	Financial instruments carried at fair value			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
Financial assets				
Equity Fund				
Master Equity Fund	-	232,103	-	232,103
Master ASEAN Plus Fund	-	3,346	-	3,346
Quoted equity securities	2,652	-	-	2,652
Other investment	-	4,757	-	4,757
	2,652	240,206	-	242,858
Managed Fund				
Master Bond Fund	-	360,588	-	360,588
Master Equity Fund	-	332,781	-	332,781
Other investment	-	8,559	-	8,559
	-	701,928	-	701,928
Dynamic Growth Fund				
Quoted equity securities	81,152	-	-	81,152
Other investment	-	1,775	-	1,775
	81,152	1,775	-	82,927
Equity Income Fund				
Master Bond Fund	-	32,732	-	32,732
Master Dividend Fund	-	76,606	-	76,606
Quoted equity securities	-	-	-	-
	-	109,338	-	109,338
Global High Payout Fund				
Other investments	-	9,909	-	9,909

Notes to the financial statements

14. FINANCIAL INSTRUMENTS (continued)

14.6 Fair value hierarchy (continued)

2017	Financial instruments carried at fair value			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
Financial assets				
Asia Multi-IncomePLUS Fund				
Other investments	-	2,191	-	2,191
Master Bond Fund				
Malaysian government securities	-	11,726	-	11,726
Bonds of corporations	-	385,373	-	385,373
Ringgit denominated bonds by foreign issuers in Malaysia	-	3,556	-	3,556
Structured deposits	-	15,448	-	15,448
	-	416,103	-	416,103
Master Equity Fund				
Quoted equity securities	541,835	-	-	541,835
Master Dividend Fund				
Quoted equity securities	71,977	-	-	71,977

14. FINANCIAL INSTRUMENTS (continued)

14.6 Fair value hierarchy (continued)

2017	Financial instruments carried at fair value			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
Financial assets				
Bond Fund				
Master Bond Fund	-	50,371	-	50,371
Dana Padu				
Master Dana Ekuiti	-	30,581	-	30,581
Master Dana Ekuiti				
Quoted equity securities	29,265	-	-	29,265
Dana Ikhlas				
Other investments	-	6,966	-	6,966
ASEAN Plus Fund				
Master Equity Fund	-	1,054	-	1,054
Master ASEAN Plus Fund	-	937	-	937
	-	1,991	-	1,991
Master ASEAN Plus Fund				
Quoted equity securities	4,226	-	-	4,226

Notes to the financial statements

14. FINANCIAL INSTRUMENTS (continued)**14.6 Fair value hierarchy (continued)****Level 1 fair value**

Level 1 fair value is based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the Funds can access at the measurement date.

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and Level 2 fair values during the financial year (2017: no transfer in either directions).

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

Statement by the Manager

We, **Foo San Kan** and **Joseph Kumar Gross**, being two of the Directors of Allianz Life Insurance Malaysia Berhad, do hereby state that, in the opinion of the Manager of the Funds, the financial statements of the Funds, which comprise the statement of assets and liabilities as at 31 December 2018, statement of changes in net asset value, statement of income and expenditure, and statement of cash flows for the year then ended, and notes to the financial statements as set out in the respective section of this report are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Funds as of 31 December 2018 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Manager of the Funds,

.....
Foo San Kan
 Director

.....
Joseph Kumar Gross
 Director

Kuala Lumpur,

Date: 21 February 2019

Independent Auditors' Report

to the policyholders of Investment - Linked Funds

(Incorporated in Malaysia)
(Company No. 104248-X)

ASIA MULTI-INCOMEPLUS FUND ("AMIF"), CASH FUND ("CF"), DYNAMIC GROWTH FUND ("DGF"), GLOBAL HIGH PAYOUT FUND ("GHP"), DANA IKHLAS FUND ("DIF"), EQUITY FUND ("EF"), MANAGED FUND ("MF"), EQUITY INCOME FUND ("EIF"), BOND FUND ("BF"), DANA PADU FUND ("DP"), ASEAN PLUS FUND ("APF"), MASTER EQUITY FUND ("MEF"), MASTER DANA EKUITI ("MDE"), MASTER DIVIDEND FUND ("MDF"), MASTER BOND FUND ("MBF"), MASTER ASEAN PLUS FUND ("MAF"), (HEREINAFTER REFERRED TO COLLECTIVELY AS "THE FUNDS")

REPORT ON THE AUDIT OF THE FINANCIAL INFORMATION

Our Opinion

We have audited the financial information of the Funds, which comprise the statement of assets and liabilities as at 31 December 2018, statement of changes in net asset value, statement of income and expenditure, and statement of cash flows for the year then ended, and notes to the financial information, including a summary of significant accounting policies, as set out on pages 1 to 143 in the financial information.

In our opinion, the accompanying financial information of the Funds for the financial year ended 31 December 2018 are prepared, in all material respects, in accordance with the accounting policies set out 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 are independent of the Funds in accordance with the ethical requirements that are relevant to our audit of the financial information in Malaysia, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Emphasis of matter – basis of accounting and restriction on distribution and use

We draw attention to Note 2 to the financial information, which describes the basis of accounting. The financial information is prepared to assist the Funds to meet the requirements of the Guidelines on Investment-Linked Insurance/Takaful Business issued by Bank Negara Malaysia. As a result, the financial information may not be suitable for another purpose. Our report is intended solely for the policyholders of the Funds as a body and should not be distributed to or used by parties other than the policyholders of the Funds. Our opinion is not modified in respect of this matter.

Responsibilities of the Manager for the financial information

The Directors of Allianz Life Insurance Malaysia Berhad ("the Manager") are responsible for the preparation of the financial information in accordance with the accounting policies set out in Note 2 to the financial information and the Guidelines on Investment-Linked Insurance/Takaful Business issued by Bank Negara Malaysia, and for such internal control as the Manager determines is necessary to enable the preparation of financial information that are free from material misstatement, whether due to fraud or error.

In preparing the financial information, the Manager is 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 Manager either intends to liquidate the Funds or to cease operations, or has no realistic alternative but to do so.

The Manager is responsible for overseeing the Funds' financial reporting process.

Independent Auditors' Report to the policyholders of Investment - Linked Funds

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL INFORMATION

Our objectives are to obtain reasonable assurance about whether the financial information 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:

- (a) Identify and assess the risks of material misstatement of the financial information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- (d) Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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.

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

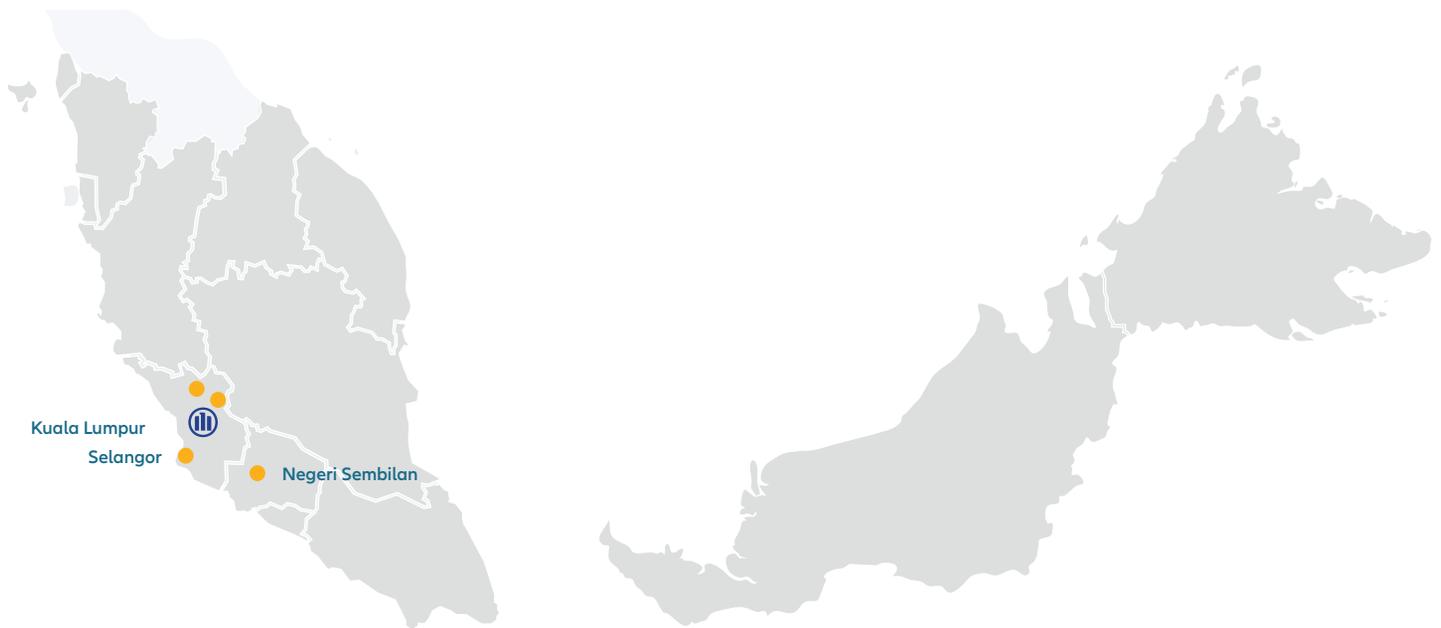
PRICEWATERHOUSECOOPERS PLT
(LLP0014401-LCA & AF 1146)
Chartered Accountants

MANJIT SINGH A/L HAJANDER SINGH
(02954/03/2019 J)
Chartered Accountant

Kuala Lumpur,
Date: 21 February 2019

Allianz Life Insurance Malaysia Berhad

Support Network



Customer Contact/ Service Centre

Ground Floor, Block 2A Plaza Sentral
Jalan Stesen Sentral 5
Kuala Lumpur Sentral
50470 Kuala Lumpur
Wilayah Persekutuan
Tel : 03 2264 0700
Fax : 03 2264 8499
Toll Free : 1-300-22-5542
Website : allianz.com.my

Central Region

- **PETALING JAYA**
No. 15, Ground Floor
Jalan 8/1D, Section 8
46050 Petaling Jaya
Selangor Darul Ehsan
Tel : 03 7955 1605
Fax : 03 7955 1607
- **DESA JAYA**
Wisma Allianz Life
No. 11-14, Jalan 53
Desa Jaya Commercial Centre
Taman Desa
52100 Kepong
Selangor Darul Ehsan
Tel : 03 6275 8000
Fax : 03 6275 7100

- **SEREMBAN**
No. 44, Ground Floor
Jalan S2 B18, Biz Avenue, Seremban 2
70300 Seremban
Negeri Sembilan Darul Khusus
Tel : 06 601 1007
Fax : 06 601 1099
- **KLANG**
No. 46, Jalan Tiara 2C
Bandar Baru Klang
41150 Klang
Selangor Darul Ehsan
Tel : 03 3346 6033
Fax : 03 3345 3288

Allianz Life Insurance Malaysia Berhad Support Network



Northern Region



- **ALOR SETAR**
No. 301, Ground & 2nd Floor
Jalan Lumpur
05100 Alor Setar
Kedah Darul Aman
Tel : 04 734 5091
Fax : 04 731 7271
- **SUNGAI PETANI**
No. 62B, 1st Floor
Jalan Pengkalan, Pekan Baru
08000 Sungai Petani
Kedah Darul Aman
Tel : 04 425 6863
Fax : 04 425 6861
- **PENANG**
Ground & 1st Floor
No. 1 China Street
10200 Georgetown
Penang
Tel : 04 251 9899
Fax : 04 251 9699
- **BUKIT MERTAJAM**
No. 487, Jalan Permatang Rawa
Bandar Perda
14000 Bukit Mertajam
Penang
Tel : 04 537 7231
Fax : 04 537 8231
- **IPOH**
Unit No. A-G-1 & A-2-1
Ground & 2nd Floor, Greentown Square
Jalan Dato' Seri Ahmad Said
30450 Ipoh
Perak Darul Ridzuan
Tel : 05 241 9752
Fax : 05 241 6898

Allianz Life Insurance Malaysia Berhad Support Network



Southern & East Coast Region

- **KOTA BHARU**
 Lot 1184, 1st Floor Jalan Kebun Sultan
 15350 Kota Bharu
 Kelantan Darul Naim
 Tel : 09 748 4496
 Fax : 09 748 5596
- **TEMERLOH**
 No. 6, Pusat Komersil Temerloh
 Jalan Dato' Bahaman 3
 28000 Temerloh
 Pahang Darul Makmur
 Tel : 09 296 9292
 Fax : 09 296 0254
- **KUANTAN**
 No. 4 & 4a, 6 & 6a (Construction Town)
 Jalan Putra Square 6, Putra Square
 25200 Kuantan
 Pahang Darul Makmur
 Tel : 09 5159 098
 Fax : 09 5159 096
- **JOHOR BAHRU**
 #03-01, #03-02, Block C
 #04-01, #04-02, #04-03, Block C
 Komersil Southkey Mozek
 Persiaran Southkey 1, Kota Southkey
 80150 Johor Bahru
 Johor Darul Takzim
 Tel : 07 338 3285
 Fax : 07 336 3473
- **KLUANG**
 No. 5, Ground Floor
 Jalan Persiaran Yayasan
 86000 Kluang
 Johor Darul Takzim
 Tel : 07 771 5588
 Fax : 07 773 8097
- **MUAR**
 No. 1, Ground, 1st & 2nd Floor
 Pusat Dagangan Bakri
 Jalan Bakri
 84000 Muar
 Johor Darul Takzim
 Tel : 06 954 5689
 Fax : 06 954 5684
- **BATU PAHAT**
 No.1-2, 1-2B, Ground & 2nd Floor
 Jalan Maju, Taman Maju
 83000 Batu Pahat
 Johor Darul Takzim
 Tel : 07 434 3313
 Fax : 07 433 2166
- **MELAKA**
 No. 374, Ground & 2nd Floor
 Jalan Melaka Raya 6
 Taman Melaka Raya
 75000 Melaka
 Tel : 06 282 3377
 Fax : 06 282 0793

Allianz Life Insurance Malaysia Berhad Support Network



Sabah & Sarawak Region

- **KUCHING**

Sublot 3, Ground Floor, Block 10
 Jalan Laksamana Cheng Ho
 Kuching Central Land District
 93350 Kuching
 Sarawak
 Tel : 082 24 6515
 Fax : 082 24 6713

- **MIRI**

Lot 3544, 1st Floor
 Lot 3545, Ground Floor
 Section 5, M.C.L.D Jalan Miri-Pujut
 98000 Miri
 Sarawak
 Tel : 085 32 0470
 Fax : 085 32 4920

- **SIBU**

Lot 1726, No. 12-H
 1st & 2nd Floor
 Jalan Kampung Datu
 96000 Sibu
 Sarawak
 Tel : 084 34 6515
 Fax : 084 32 6448

- **KOTA KINABALU**

B-1-73, B-1-73a, B-1-75 & B-1-76
 Riverson@Sembulan, Block B
 First Level, Riverson Walk
 Unit No. R-6-01, R-06-02 & Part of Unit
 No. R-6-05, Level 6, Riverson Suites
 Lorong Riverson@Sembulan
 Off Coastal Highway
 88100 Kota Kinabalu
 Sabah
 Tel : 088 22 4551
 Fax : 088 22 4506

- **SANDAKAN**

Lot 8, Ground Floor, Block 2
 Bandar Indah
 Mile 4 North Road, W.D.T. No. 291
 90000 Sandakan
 Sabah
 Tel : 089 27 4842

- **TAWAU**

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 Sabah
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