

Annual Report for

AmPRS - Conservative Fund

31 August 2024



AmInvest

Growing Your Investments in a Changing World

TRUST DIRECTORY

PRS Provider

AmFunds Management Berhad
9th & 10th Floor, Bangunan AmBank Group
55 Jalan Raja Chulan
50200 Kuala Lumpur

Board of Directors

Jeyaratnam A/L Tamotharam Pillai
Ng Chih Kaye
Jas Bir Kaur A/P Lol Singh
Arnold Lim Boon Lay
Goh Wee Peng

Investment Committee

Arnold Lim Boon Lay
Tracy Chen Wee Keng
Goh Wee Peng

Audit and Risk Management Committee

Ng Chih Kaye
Zainal Abidin Bin Mohd Kassim
Jas Bir Kaur A/P Lol Singh
Azian Binti Kassim

Trustee

Deutsche Trustees Malaysia Berhad

Auditors and Reporting Accountants

Ernst & Young PLT

Taxation Adviser

Deloitte Tax Services Sdn Bhd

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PRS PROVIDER'S REPORT

Dear Members,

We are pleased to present you the PRS Provider's report and the audited accounts of AmPRS – Conservative Fund ("Fund") for the financial year ended 31 August 2024.

Salient Information of the Fund

Name	AmPRS – Conservative Fund ("Fund")
Category/Type	Core (Conservative) / Growth
Objective	AmPRS – Conservative Fund aims to preserve* capital by investing primarily in fixed income securities and money market instruments. <i>Note:</i> <i>* Please note that Members' capital is neither guaranteed nor protected. Any material change to the investment objective of the Fund would require Members' approval.</i>
Performance Benchmark	1-year Malayan Banking Berhad Conventional Fixed Deposit Rate ("MBB"). (Available at www.aminvest.com)
Income Distribution Policy	Subject to availability of income, distribution (if any) is incidental. <i>Note: Income distribution (if any) will be in the form of units.</i>

Fund Performance Data

Portfolio Composition	Details of portfolio composition of the Fund as at 31 August are as follows:			
		As at 31 August		
		2024 %	2023 %	2022 %
	Corporate bonds	52.67	64.36	69.51
	Consumer discretionary	2.55	1.72	-
	Consumer staples	0.59	0.85	-
	Financials	4.46	3.62	1.48
	Industrials	3.10	2.36	1.79
	Information technology	-	-	2.29
	Materials	-	-	0.76
	Real estate	-	-	0.19
	Telecommunication services	-	1.00	0.37
	Utilities	1.79	-	-
	Money market deposits and cash equivalents	34.84	26.09	23.61
Total	100.00	100.00	100.00	
	<i>Note: The abovementioned percentages are calculated based on total net asset value.</i>			
Performance Details	Performance details of the Fund for the financial years ended 31 August are as follows:			

	FYE 2024	FYE 2023	FYE 2022
Net asset value (RM)			
- Class D	6,486,750	6,099,426	5,622,464
- Class I	20,529,542	19,330,616	18,328,511
Units in circulation			
- Class D	10,175,026	10,110,784	9,669,603
- Class I	32,177,089	32,018,632	31,497,041
Net asset value per unit (RM)			
- Class D	0.6375	0.6033	0.5815
- Class I	0.6380	0.6037	0.5819
Highest net asset value per unit (RM)			
- Class D	0.6375	0.6033	0.6083
- Class I	0.6380	0.6037	0.6087
Lowest net asset value per unit (RM)			
- Class D	0.6022	0.5767	0.5809
- Class I	0.6027	0.5772	0.5813
Benchmark performance (%)			
- Class D	2.70	2.81	1.98
- Class I	2.70	2.81	1.98
Total return (%) ⁽¹⁾			
- Class D	5.69	3.73	-1.39
- Class I	5.68	3.75	-1.39
- Capital growth (%)			
- Class D	5.69	3.73	-3.87
- Class I	5.68	3.75	-3.87
- Income distribution (%)			
- Class D	-	-	2.48
- Class I	-	-	2.48
Gross distribution (sen per unit)			
- Class D	-	-	1.50
- Class I	-	-	1.50
Net distribution (sen per unit)			
- Class D	-	-	1.50
- Class I	-	-	1.50
Total expense ratio (%) ⁽²⁾			
	1.14	1.15	1.15
Portfolio turnover ratio (times) ⁽³⁾			
	0.17	0.24	0.51

Note:

- (1) Total return is the actual return of the Fund for the respective financial years computed based on the net asset value per unit and net of all fees.
- (2) Total expense ratio ("TER") is calculated based on the total fees and expenses incurred by the Fund divided by the average fund size calculated on a daily basis. The TER decreased by 0.01% as compared to 1.15% per annum for the financial year ended 31 August 2023 mainly due to increase in average fund size.
- (3) Portfolio turnover ratio ("PTR") is calculated based on the average of the total acquisitions and total disposals of investment securities of the Fund divided by the average fund size calculated on a daily basis. The decrease in the PTR for 2024 and 2023 were due mainly to investing activities.

Average Total Return (as at 31 August 2024)

	AmPRS - Conservative Fund ^(a) %	MBB ^(b) %
One year		

	AmPRS - Conservative Fund ^(a) %	MBB ^(b) %
- Class D	5.69	2.70
- Class I	5.68	2.70
Three years		
- Class D	2.63	2.49
- Class I	2.64	2.49
Five years		
- Class D	3.09	2.39
- Class I	3.10	2.39
Ten years		
- Class D	4.00	2.81
- Class I	4.01	2.81

Annual Total Return

Financial Years Ended (31 August)	AmPRS - Conservative Fund ^(a) %	MBB ^(b) %
2024		
- Class D	5.69	2.70
- Class I	5.68	2.70
2023		
- Class D	3.73	2.81
- Class I	3.75	2.81
2022		
- Class D	-1.39	1.98
- Class I	-1.39	1.98
2021		
- Class D	1.36	1.85
- Class I	1.35	1.85
2020		
- Class D	6.25	2.62
- Class I	6.31	2.62

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

b) 1-year Malayan Banking Berhad Conventional Fixed Deposit Rate ("MBB")
(Available at www.aminvest.com)

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

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

Fund Performance

Class D

For the financial year under review, the Fund registered a return of 5.69% which is entirely capital growth in nature.

Thus, the Fund's return of 5.69% has outperformed the benchmark's return of 2.70% by 2.99%.

As compared with the financial year ended 31 August 2023, the net asset value ("NAV") per unit of the Fund increased by 5.67% from RM0.6033 to RM0.6375, while units in circulation increased by 0.64% from 10,110,784 units to 10,175,026

units.

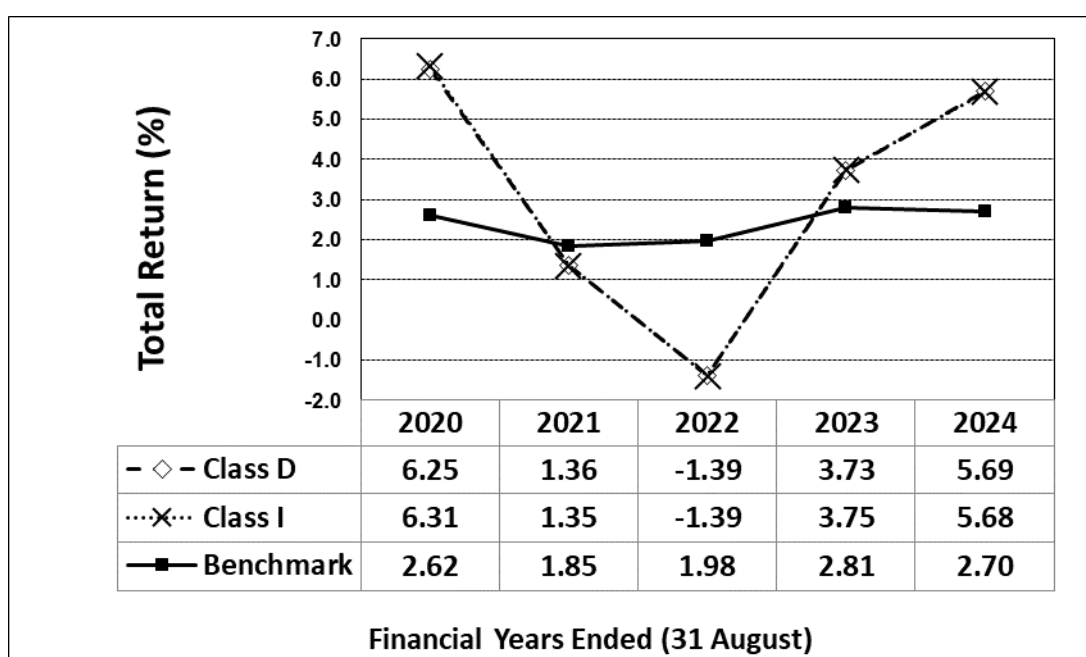
Class I

For the financial year under review, the Fund registered a return of 5.68% which is entirely capital growth in nature.

Thus, the Fund’s return of 5.68% has outperformed the benchmark’s return of 2.70% by 2.98%.

As compared with the financial year ended 31 August 2023, the net asset value (“NAV”) per unit of the Fund increased by 5.68% from RM0.6037 to RM0.6380, while units in circulation increased by 0.49% from 32,018,632 units to 32,177,089 units.

The following line chart shows comparison between the annual performances of AmPRS-Conservative Fund for Class D and Class I and its benchmark, MBB, for the financial years ended 31 August.



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

Strategies and Policies Employed

For the financial year under review, the Fund invested its asset into a well-diversified portfolio comprising fixed income securities, money market instruments, deposits, equities and/or equity-related securities and REITs.

The Fund will be restricted to investment in Malaysia and local currency investments.

Portfolio Structure

The table below is the asset allocation of the Fund as at 31 August 2024 and 31 August 2023.

	As at 31.08.2024 %	As at 31.08.2023 %	Changes %
Corporate bonds	52.67	64.36	-11.69
Consumer discretionary	2.55	1.72	0.83
Consumer staples	0.59	0.85	-0.26

		As at 31.08.2024 %	As at 31.08.2023 %	Changes %
	Financials	4.46	3.62	0.84
	Industrials	3.10	2.36	0.74
	Telecommunication services	-	1.00	-1.00
	Utilities	1.79	-	1.79
	Money market deposits and cash equivalents	34.84	26.09	8.75
		100.00	100.00	
	<p>For the financial year under review, investments in corporate bonds stood at 52.67%. Meanwhile, money market deposits and cash equivalents increased to 34.84% from 26.09%. There were some changes to equities' sector weights, most notable being the increase in consumer discretionary, financials, industrials and utilities to 2.55%, 4.46%, 3.10% and 1.79% respectively.</p>			
Securities Lending / Repurchase Transactions	<p>The Fund has not undertaken any securities lending or repurchase transactions (collectively referred to as "securities financing transactions").</p>			
Cross Trades	<p>There were no cross trades undertaken during the financial year under review.</p>			
Distribution/ Unit splits	<p>There is no income distribution and unit split declared for the financial year under review.</p>			
State of Affairs	<p>There has been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the members during the financial year under review.</p>			
Rebates and Soft Commission	<p>During the period, the private retirement scheme provider received soft commissions by virtue of transactions conducted for the Fund, in the form of research services, systems and services relating to performance measurement of portfolios and subscription fees for fund's benchmark indices. All of these assist in the investment decision making process which are of demonstrable benefit to members of the Fund.</p> <p>The provider has soft commission arrangement with a total of 11 brokers, who execute trades for the Fund and other funds or investments managed by the provider. The soft commission received would be in the form of research services, systems and services relating to performance measurement of portfolios and/or subscription fees for fund's benchmark indices. All of these assist in the investment decision making process which are of demonstrable benefit to members of the Fund and other funds or investments managed by the provider.</p> <p>Soft commissions received were for the benefit of the Fund and there was no churning of trades.</p>			
Market Review	<p>In the beginning of the period under review, domestic bond market was volatile. The lack of catalyst in the local bond market sent Malaysian Government Securities (MGS) yields to slowly drift higher as global bond market sentiment weakened when the "higher for longer" narrative in United States (US) took center stage. Both 10-year and 30-year United States Treasuries (UST) briefly touching the 5.00% psychological level in October 2023.</p> <p>However, sentiment in the local bond market shifted to a positive stance in</p>			

	<p>November 2023, buoyed by a subsequent rally in UST on the back of a slew of underwhelming macro data releases, the Israel-Hamas crisis and a dovish guidance from the December Federal Open Market Committee (FOMC). The bullish sentiment and strong domestic liquidity continued to lend support to the bond market in 1Q2024 until MGS yields repriced higher in April 2024 following a sell-off in UST on stronger than expected inflation and job data.</p> <p>The sell-off in the local bond market was then reversed in end-April, tracked the better performance in the UST. Economic data releases from the US were generally supportive of the bond market, indicating a cooling labour market and a continued disinflation trend. Moving towards the month of August 2024, investors digested comments from Federal Reserve Chair Jerome Powell, who suggested a September rate cut was on the table, along with a jump in U.S. jobless claims, the 10-year UST yield fell below 4% for the first time since February. Overall, the MGS curve ended lower year-on-year (YoY) driven by ample domestic liquidity and movement in the UST.</p>
<p>Market Outlook</p>	<p>All eyes will be on the upcoming US Fed meeting where consensus is that the Fed will finally cut interest rates. We expect emerging bond markets to rally on the back of strengthening local currencies attracting foreign inflows and that globally, central banks would also embark on rates easing.</p> <p>Although the domestic bond market has rallied since the beginning of the year, we expect sentiments to remain bullish owing to ample market liquidity with strong demand on bonds on an extended pause on the Overnight Policy Rate (OPR) by Bank Negara Malaysia (BNM).</p>
<p>Additional Information</p>	<p>The following information was updated:</p> <ol style="list-style-type: none"> 1) The Third Supplementary Disclosure Document dated 2 September 2024 for AmPRS has been issued to inform Members of the following, but not limited to: <ul style="list-style-type: none"> • the updates to the definitions section; • the updates to the corporate directory section; • the updates to the distribution policy of the fund; • the updates to the investment strategy and asset allocation of AmPRS – Conservative Fund; • the updates to the additional investment limits of AmPRS – Conservative Fund; and • the updates to the specific risks associated with the fund. 2) The updates to the definition of "Unclaimed Moneys" should be read as follows: <p>"Any moneys payable to you which remains unclaimed (hereinafter referred to as unclaimed amount) for the last twenty-four (24) months or such period as may be advised from the date of payment will be paid to the Registrar of Unclaimed Moneys in accordance with the requirements of the Unclaimed Moneys Act 1965. Thereafter, all claims need to be made to the Registrar of Unclaimed Moneys.</p> <p>Where a Member of PRS has not made any transaction or instruction in relation to any PRS for more than twenty-four (24) months subsequent to attaining the age of 100 years, the Trustee may pay any unclaimed accrued benefit held by the Trustee (upon instruction and PPA's approval is obtained by the PRS Provider) to the Registrar of Unclaimed Moneys in accordance with the requirements of the Unclaimed Moneys Act 1965. Members may claim the unclaimed amount from the Registrar of Unclaimed Moneys."</p>

Kuala Lumpur, Malaysia
AmFunds Management Berhad

24 October 2024

**Independent auditors' report to the members of
AmPRS – Conservative Fund**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of AmPRS – Conservative Fund (the “Fund”), which comprise the statement of financial position as at 31 August 2024, and statement of comprehensive income, statement of changes in net assets attributable to members and statement of cash flows of the Fund for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 12 to 46.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 August 2024, and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Basis for opinion

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

Independence and other ethical responsibilities

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

Information other than the financial statements and auditors' report thereon

The Provider of the Fund (the “Provider”) is responsible for the other information. The other information comprises the information included in the annual report of the Fund, but does not include the financial statements of the Fund and in our auditors' report thereon.

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

**Independent auditors' report to the members of
AmPRS – Conservative Fund (cont'd.)**

Information other than the financial statements and auditors' report thereon (cont'd.)

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

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

Responsibilities of the Provider and the Trustee for the financial statements

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

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

The Trustee is responsible for overseeing the Fund's financial reporting process. The Trustee is also responsible for ensuring that the Provider maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

Auditors' responsibilities for the audit of the financial statements

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

**Independent auditors' report to the members of
AmPRS – Conservative Fund (cont'd.)**

Auditors' responsibilities for the audit of the financial statements (cont'd.)

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

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

We communicate with the Provider 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.

**Independent auditors' report to the members of
AmPRS – Conservative Fund (cont'd.)**

Other matters

This report is made solely to the members of the Fund, as a body, in accordance with the Guidelines on Private Retirement Schemes issued by the Securities Commission Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Ng Sue Ean
No. 03276/07/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
24 October 2024

AmPRS – Conservative Fund

STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2024

	Note	2024 RM	2023 RM
ASSETS			
Investments	4	17,603,949	18,794,196
Amount due from Provider	5(a)	128,394	21,783
Amount due from brokers	6	1,258	-
Dividend receivable		780	-
Deposits with licensed financial institutions	7	9,789,066	6,636,252
Cash at bank		11,028	12,681
TOTAL ASSETS		<u>27,534,475</u>	<u>25,464,912</u>
LIABILITIES			
Amount due to Provider	5(b)	24,160	24,386
Amount due to brokers	6	483,772	-
Amount due to Trustee	8	908	864
Amount due to Private Pension Administrator (“PPA”)	9	908	864
Sundry payables and accruals		8,435	8,756
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO MEMBERS)		<u>518,183</u>	<u>34,870</u>
NET ASSET VALUE (“NAV”) OF THE FUND ATTRIBUTABLE TO MEMBERS		<u>27,016,292</u>	<u>25,430,042</u>
NET ASSETS ATTRIBUTABLE TO MEMBERS OF THE FUND COMPRISE:			
Members’ contribution	11(a)(b)	24,610,037	24,453,626
Retained earnings	11(c)(d)	2,406,255	976,416
	11	<u>27,016,292</u>	<u>25,430,042</u>
NET ASSET VALUE			
- Class D		6,486,750	6,099,426
- Class I		20,529,542	19,330,616
		<u>27,016,292</u>	<u>25,430,042</u>
UNITS IN CIRCULATION			
- Class D	11(a)	10,175,026	10,110,784
- Class I	11(b)	32,177,089	32,018,632
NAV PER UNIT (RM)			
- Class D		0.6375	0.6033
- Class I		<u>0.6380</u>	<u>0.6037</u>

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

AmPRS – Conservative Fund

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

	Note	2024 RM	2023 RM
INVESTMENT INCOME			
Dividend income		96,535	82,357
Interest income		988,979	958,781
Net gains from investments:			
– Financial assets at fair value through profit or loss (“FVTPL”)	10	649,836	176,434
		<u>1,735,350</u>	<u>1,217,572</u>
EXPENDITURE			
Management fee	5	(259,032)	(248,321)
Trustee’s fee	8	(10,361)	(9,933)
PPA administrative fee	9	(10,361)	(9,931)
Audit fee		(5,000)	(5,000)
Tax agent’s fee		(3,000)	(3,000)
Brokerage and other transaction fees		(10,716)	(13,178)
Other expenses		(7,041)	(7,557)
		<u>(305,511)</u>	<u>(296,920)</u>
Net income before taxation		1,429,839	920,652
Taxation	13	-	-
Net income after taxation, representing total comprehensive income for the financial year		<u>1,429,839</u>	<u>920,652</u>
Total comprehensive income comprises the following:			
Realised income	11(c)	805,970	343,878
Unrealised gains	11(d)	623,869	576,774
		<u>1,429,839</u>	<u>920,652</u>

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

AmPRS – Conservative Fund**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024**

	Note	Members' contribution – Class D RM	Members' contribution – Class I RM	Retained earnings RM	Total RM
At 1 September 2023		5,857,734	18,595,892	976,416	25,430,042
Total comprehensive income for the financial year		-	-	1,429,839	1,429,839
Creation of units	11(a)(b)	629,329	2,450,908	-	3,080,237
Cancellation of units	11(a)(b)	(596,687)	(2,327,139)	-	(2,923,826)
Balance at 31 August 2024		<u>5,890,376</u>	<u>18,719,661</u>	<u>2,406,255</u>	<u>27,016,292</u>
At 1 September 2022		5,601,398	18,293,813	55,764	23,950,975
Total comprehensive income for the financial year		-	-	920,652	920,652
Creation of units	11(a)(b)	640,958	2,707,363	-	3,348,321
Cancellation of units	11(a)(b)	(384,622)	(2,405,284)	-	(2,789,906)
Balance at 31 August 2023		<u>5,857,734</u>	<u>18,595,892</u>	<u>976,416</u>	<u>25,430,042</u>

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

AmPRS – Conservative Fund**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024**

	Note	2024 RM	2023 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES			
Proceeds from sale of investments		5,239,435	5,686,648
Purchases of investments		(2,961,961)	(6,060,118)
Proceeds from maturity of deposits with licensed financial institutions		8,000,000	1,100,000
Placement of deposits with licensed financial institutions		(13,000,000)	-
Dividend/distribution received		95,755	84,499
Interest received		998,633	1,020,355
Management fee paid		(259,258)	(246,191)
Trustee's fee paid		(10,317)	(9,907)
PPA administrative fee paid		(10,317)	(9,905)
Tax agent's fee paid		(3,000)	(3,000)
Payments for other expenses		<u>(23,078)</u>	<u>(29,050)</u>
Net cash (used in)/generated from operating and investing activities		<u>(1,934,108)</u>	<u>1,533,331</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		2,973,626	3,336,100
Payments for cancellation of units		<u>(2,923,826)</u>	<u>(2,789,906)</u>
Net cash generated from financing activities		<u>49,800</u>	<u>546,194</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(1,884,308)	2,079,525
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		<u>6,648,933</u>	<u>4,569,408</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR		<u>4,764,625</u>	<u>6,648,933</u>
Cash and cash equivalents comprise:			
Short-term deposits with licensed financial institutions	7	4,753,597	6,636,252
Cash at bank		<u>11,028</u>	<u>12,681</u>
		<u>4,764,625</u>	<u>6,648,933</u>

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

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

1. GENERAL INFORMATION

AmPRS – Conservative Fund (the “Fund”) was established pursuant to a Deed dated 4 December 2012 as amended by Deeds supplemental thereto (the “Deeds”), between AmFunds Management Berhad as the PRS Provider (the “Provider”), Deutsche Trustees Malaysia Berhad as the Trustee and all members.

The Fund aims to preserve capital by investing primarily in fixed income securities and money market instruments. As provided in the Deeds, the financial year shall end on 31 August and the units in the Fund were first offered for sale on 8 April 2013.

The financial statements were authorised for issue by the Provider on 24 October 2024.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Fund have been prepared on a historical cost basis, except as otherwise stated in the accounting policies and comply with Malaysian Financial Reporting Standards (“MFRS”) as issued by the Malaysian Accounting Standards Board (“MASB”) and International Financial Reporting Standards (“IFRS”).

Standards effective during the financial year

The adoption of the following MFRS and amendments to MFRS which became effective during the financial year did not have any material financial impact to the financial statements.

Description	Effective for financial periods beginning on or after
MFRS 17 <i>Insurance Contracts</i> and Amendments to MFRS 17*	1 January 2023
Initial Application of MFRS 17 and MFRS 9 - <i>Comparative Information</i> (Amendments to MFRS 17 <i>Insurance Contracts</i>)*	1 January 2023
Amendments to MFRS 101 <i>Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current</i>	1 January 2023
Amendments to MFRS 101 <i>Presentation of Financial Statements: Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 112 <i>Income Taxes: International Tax Reform - Pillar Two Model Rules</i>	1 January 2023

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D.)

Standards issued but not yet effective

The new and amended standards that have been issued but not yet effective up to the date of issuance of the Fund's financial statements are disclosed below. The Fund intends to adopt these new pronouncements, if applicable, when they become effective.

Description	Effective for financial periods beginning on or after
Amendments to MFRS 16 <i>Leases: Lease Liability in a Sale and Leaseback*</i>	1 January 2024
Amendments to MFRS 101 <i>Presentation of Financial Statements: Non-Current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 <i>Statement of Cash Flows</i> and MFRS 7 <i>Financial Instruments: Disclosures: Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 121 <i>The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 <i>Financial Instruments</i> and MFRS 7 <i>Financial Instruments: Disclosures: Amendments to the Classifications and Measurement of Financial Instruments</i>	1 January 2026
Amendments that are part of Annual Improvements - Volume 11: Amendments to MFRS 1 <i>First-time Adoption of Malaysian Financial Reporting Standards</i>	1 January 2026
Amendments to MFRS 7 <i>Financial Instruments: Disclosures</i>	
Amendments to MFRS 9 <i>Financial Instruments</i>	
Amendments to MFRS 10 <i>Consolidated Financial Statements*</i>	
Amendments to MFRS 107 <i>Statement of Cash Flows</i>	
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures*</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*</i>	Deferred

* These MFRS and Amendments to MFRSs are not relevant to the Fund.

3. SUMMARY OF ACCOUNTING POLICIES

3.1 Income recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at the fair value of consideration received or receivable.

(i) Dividend income

Dividend income is recognised when the Fund's right to receive payment is established.

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)

3.1 Income recognition (cont'd.)

(ii) Interest income

For all interest-bearing financial assets, interest income is calculated using the effective interest method. Effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not future credit losses.

Once the recorded value of a financial asset or a group of similar financial assets has been reduced due to an impairment loss, interest income continues to be recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

(iii) Gain or loss on disposal of investments

On disposal of investments, the net realised gain or loss on disposal is measured as the difference between the net disposal proceeds and the carrying amount of the investments. The net realised gain or loss is recognised in profit or loss.

3.2 Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

3.3 Functional and presentation currency

Functional currency is the currency of the primary economic environment in which the Fund operates that most faithfully represents the economic effects of the underlying transactions. The functional currency of the Fund is Ringgit Malaysia (“RM”) which reflects the currency in which the Fund competes for funds, issues and redeems units. The Fund has also adopted RM as its presentation currency.

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)

3.4 Statement of cash flows

The Fund adopts the direct method in the preparation of the statement of cash flows.

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to cash with insignificant risk of changes in value.

3.5 Members' contribution

The members' contribution of the Fund are classified as liabilities under the requirements of MFRS 132 *Financial Instruments: Presentation* ("MFRS 132").

Under MFRS 132, a unit trust fund with one common class of members is classified as equity as it meets the requirement of having identical features. In a multi-unit class fund, if any one class (or a group of classes) can be differentiated in terms of their features, then all the classes will be classified as liability.

The Fund issues cancellable units in two classes. Details are disclosed in Note 11.

3.6 Distribution

Distribution is at the discretion of the Provider. A distribution to the Fund's members is accounted for as a deduction from realised income and recognised in the statement of comprehensive income, as the members' contribution are classified as financial liability as per Note 3.5. Realised income is the income earned from dividend income, interest income and net gain on disposal of investments after deducting expenses and taxation. A proposed distribution is recognised as a liability in the period in which it is approved. Distribution is either reinvested or paid in cash to the members on the distribution payment date. Reinvestment of units is based on the NAV per unit on the distribution payment date, which is also the time of creation.

3.7 Financial instruments – initial recognition and measurement

(i) Initial recognition

Financial assets and financial liabilities are recognised when the Fund becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised using trade date accounting or settlement date accounting. The method used is applied consistently for all purchases and sales of financial assets that belong to the same category of financial assets.

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)

3.7 Financial instruments – initial recognition and measurement (cont'd.)

(ii) Initial measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at FVTPL, transaction costs that are attributable to the acquisition of the financial asset. All financial liabilities are recognised initially at fair value and, in the case of financial liabilities not recorded at FVTPL, net of directly attributable transaction costs.

(iii) “Day 1” profit or loss

At initial measurement, if the transaction price differs from the fair value, the Fund immediately recognises the difference between the transaction price and fair value (a “Day 1” profit or loss) in profit or loss provided that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. Level 1 input) or based on a valuation technique that uses only data from observable markets. In all other cases, the difference between the transaction price and model value is recognised in profit or loss on a systematic and rational basis that reflects the nature of the instrument over its tenure.

3.8 Financial assets

Classification and measurement

The classification of financial assets depends on the Fund’s business model of managing the financial assets in order to generate cash flows (“business model test”) and the contractual cash flow characteristics of the financial instruments (“SPPI test”). The business model test determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both and the assessment is performed on a portfolio basis. The SPPI test determines whether the contractual cash flows are solely for payments of principal and interest and the assessment is performed on a financial instrument basis.

Business model

The business model reflects how the Fund manages the financial assets in order to generate cash flows. That is, whether the Fund’s objective is solely to collect the contractual cash flows from the assets, or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. the financial assets are held for trading purposes), then the financial assets are classified as part of “other” business model. Factors considered by the Fund in determining the business model for a portfolio of assets include past experience on how the cash flows for these assets were collected, how the asset’s performance is evaluated and reported to key management personnel, and how risks are assessed and managed.

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)

3.8 Financial assets (cont'd.)

Classification and measurement (cont'd.)

Cash flow characteristics

Where the business model is to hold the financial assets to collect contractual cash flows, or to collect contractual cash flows and sell, the Fund assesses whether the financial assets' contractual cash flows represent solely payment of principal and interest ("SPPI"). In making this assessment, the Fund considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI.

The Fund may classify its financial assets under the following categories:

Financial assets at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets include in this category are deposits with licensed financial institutions, cash at banks, amount due from Target Fund Manager, amount due from Provider, amount due from brokers/financial institutions, dividend/distribution receivables and other receivables.

Financial assets at FVOCI

A financial asset is measured at fair value through other comprehensive income ("FVOCI") if its business model is both to hold the asset to collect contractual cash flows and to sell the financial asset. In addition, the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding principal.

These investments are initially recorded at fair value and transaction costs are expensed in the profit or loss. Subsequent to initial recognition, these investments are remeasured at fair value. All fair value adjustments are initially recognised through OCI. Debt instruments at FVOCI are subject to impairment assessment.

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)

3.8 Financial assets (cont'd.)

Classification and measurement (cont'd.)

The Fund may classify its financial assets under the following categories: (cont'd.)

Financial assets at FVTPL

Any financial assets that are not measured at amortised cost or FVOCI are measured at FVTPL. Subsequent to initial recognition, financial assets at FVTPL are measured at fair value. Changes in the fair value of those financial instruments are recorded in “Net gain or loss on financial assets at FVTPL”. Dividend revenue and interest earned elements of such instruments are recorded separately in “Dividend income” and “Interest income” respectively.

Instruments that qualify for amortised cost or FVOCI may be irrevocably designated as FVTPL, if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Equity instruments are normally measured at FVTPL, nevertheless, the Fund is allowed to irrevocably designate equity instruments that are not held for trading as FVOCI, with no subsequent reclassification of gains or losses to profit or loss.

The Fund subsequently measures its investments in equity investments at FVTPL. Dividends earned whilst holding the investments are recognised in profit or loss when the right to the payment has been established. Gains and losses on the investments, realised and unrealised, are included in profit or loss.

3.9 Financial liabilities – classification and subsequent measurement

Financial liabilities issued by the Fund are classified as financial liabilities at amortised cost, where the substance of the contractual arrangement results in the Fund having an obligation either to deliver cash or another financial asset to the members. After initial measurement, financial liabilities are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)

3.10 Derecognition of financial instruments

(i) Derecognition of financial asset

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired, or
- the Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either:
 - the Fund has transferred substantially all the risks and rewards of the asset, or
 - the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

For investments classified as FVOCI - debt instruments, the cumulative fair value change recognised in OCI is recycled to profit or loss.

(ii) Derecognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Gains and losses are recognised in profit or loss when the liabilities are recognised, and through the amortisation process.

3.11 Financial instruments – expected credit losses (“ECL”)

The Fund assesses the ECL associated with its financial assets at amortised cost using simplified approach. Therefore, the Fund does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The ECL in respect of financial assets at amortised cost, if any, is recognised in profit or loss.

Financial assets together with the associated allowance are written off when it has exhausted all practical recovery efforts and there is no realistic prospect of future recovery. The Fund may also write-off financial assets that are still subject to enforcement activity when there is no reasonable expectation of full recovery. If a write-off is later recovered, the recovery is credited to profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024**

3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)

3.12 Determination of fair value

For the investments in local quoted equity securities, fair value is determined based on the closing price quoted on Bursa Malaysia Berhad. Purchased cost is the price that the Fund paid when buying its investments. For investments in unquoted fixed income securities, nominal value is the face value of the securities and fair value is determined based on the indicative prices from Bond Pricing Agency Malaysia Sdn. Bhd. plus accrued interest, which includes the accretion of discount and amortisation of premium. Adjusted cost of investments relates to the purchased cost plus accrued interest, adjusted for amortisation of premium and accretion of discount, if any, calculated over the period from the date of acquisition to the date of maturity of the respective securities as approved by the Provider and the Trustee. The difference between purchased/adjusted cost and fair value is treated as unrealised gain or loss and is recognised in profit or loss. Unrealised gains or losses recognised in profit or loss are not distributable in nature.

3.13 Classification of realised and unrealised gains and losses

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

Realised gains and losses on disposals of financial instruments classified at FVTPL are calculated using weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount.

3.14 Significant accounting estimates and judgments

The preparation of the Fund's financial statements requires the Provider to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in the future.

The Fund classifies its investments as financial assets at FVTPL as the Fund may sell its investments in the short-term for profit-taking or to meet members' cancellation of units.

No major judgments have been made by the Provider in applying the Fund's accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

4. INVESTMENTS

	2024 RM	2023 RM
Financial assets at FVTPL		
Unquoted fixed income securities	14,228,707	16,367,154
Quoted equity securities	3,375,242	2,427,042
	<u>17,603,949</u>	<u>18,794,196</u>

Details of investments as at 31 August 2024 are as follows:

Maturity date	Issuer	Credit rating	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
Unquoted fixed income securities						
Corporate bonds						
12.12.2024	DRB-HICOM Berhad	A	1,500,000	1,518,221	1,515,146	5.62
19.09.2025	UEM Sunrise Berhad	AA	1,000,000	1,024,236	1,019,187	3.79
28.08.2026	MTT Shipping Sdn. Bhd.	AA	1,500,000	1,515,833	1,500,428	5.61
21.12.2026	MBSB Bank Berhad	A	1,000,000	1,036,520	1,010,500	3.84
16.11.2027	Dialog Group Berhad	A	1,000,000	1,006,189	1,012,279	3.72
20.04.2028	UMW Holdings Berhad	AA	500,000	548,377	546,843	2.03
11.07.2028	GENM Capital Berhad	AA	1,000,000	1,037,121	1,011,580	3.84
17.11.2028	RHB Bank Berhad	AA	350,000	361,641	354,494	1.34
06.04.2029	MMC Port Holdings Sdn. Bhd.	AA	400,000	420,620	407,456	1.56
20.04.2029	S P Setia Berhad	AA	600,000	629,837	610,133	2.33
11.01.2030	Projek Lebuhraya Usahasama Berhad	AAA	500,000	522,480	503,200	1.93

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

4. INVESTMENTS (CONT'D.)

Details of investments as at 31 August 2024 are as follows: (cont'd.)

Maturity date	Issuer	Credit rating	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
Unquoted fixed income securities (cont'd.)						
Corporate bonds (cont'd.)						
03.05.2030	GENM Capital Berhad	AA	300,000	317,234	305,189	1.17
21.06.2030	S P Setia Berhad	AA	1,000,000	1,042,060	1,024,412	3.86
02.06.2032	TNB Power Generation Sdn. Bhd.	AAA	500,000	533,600	505,730	1.98
12.01.2033	Projek Lebuhraya Usahasama Berhad	AAA	700,000	745,939	710,524	2.76
22.02.2033	Petroleum Sarawak Exploration & Production Sdn. Bhd.	AAA	250,000	263,379	251,191	0.98
02.06.2037	TNB Power Generation Sdn. Bhd.	AAA	500,000	558,527	506,157	2.07
26.10.2038	SMJ Sdn. Bhd.	AAA	500,000	541,298	508,188	2.00
28.06.2047	Tenaga Nasional Berhad	AAA	500,000	605,595	522,668	2.24
Total corporate bonds			13,600,000	14,228,707	13,825,305	52.67
Total unquoted fixed income securities			13,600,000	14,228,707	13,825,305	52.67

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

4. INVESTMENTS (CONT'D.)

Details of investments as at 31 August 2024 are as follows: (cont'd.)

Name of company	Number of shares	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
Quoted equity securities				
Consumer discretionary				
Genting Berhad	100,000	432,000	446,160	1.60
Mr D.I.Y. Group (M) Berhad	125,000	257,500	260,793	0.95
	<u>225,000</u>	<u>689,500</u>	<u>706,953</u>	<u>2.55</u>
Consumer staples				
QL Resources Berhad	24,800	161,200	132,348	0.59
Financials				
CIMB Group Holdings Berhad	54,000	442,800	311,545	1.64
Malayan Banking Berhad	43,400	467,852	403,083	1.73
Public Bank Berhad	61,000	294,020	254,103	1.09
	<u>158,400</u>	<u>1,204,672</u>	<u>968,731</u>	<u>4.46</u>
Industrials				
99 Speed Mart Retail Holding	50,000	82,500	82,500	0.31
Malaysia Airports Holdings Berhad	35,000	367,500	233,253	1.36
Sunway Berhad	50,000	205,000	189,213	0.76
UWC Berhad	72,700	181,750	307,845	0.67
	<u>207,700</u>	<u>836,750</u>	<u>812,811</u>	<u>3.10</u>
Utilities				
Tenaga Nasional Berhad	33,000	483,120	371,240	1.79
Total quoted equity securities	<u>648,900</u>	<u>3,375,242</u>	<u>2,992,083</u>	<u>12.49</u>
Total financial assets at FVTPL		<u>17,603,949</u>	<u>16,817,388</u>	<u>65.16</u>
Excess of fair value over purchased/ adjusted cost		<u>786,561</u>		

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

4. INVESTMENTS (CONT'D.)

The weighted average effective yield on investments are as follows:

	Effective yield	
	2024 %	2023 %
Corporate bonds	4.12	4.53

Analysis of the remaining maturity of investments as at 31 August 2024 and 31 August 2023 are as follows:

	Less than 1 year RM	1 year to 5 years RM	More than 5 years RM
2024			
At nominal value:			
Corporate bonds	1,500,000	7,350,000	4,750,000
2023			
At nominal value:			
Corporate bonds	2,500,000	8,700,000	4,750,000

5. AMOUNT DUE FROM/TO PROVIDER

	Note	2024 RM	2023 RM
(a) Due from Provider			
Creation of units	(i)	128,394	21,783
(b) Due to Provider			
Management fee payable	(ii)	24,160	24,386

(i) This represents amount receivable from the Provider for units created.

The normal credit period in the previous and current financial years for creation of units are three business days.

(ii) Management fee is at a rate of 1.00% (2023: 1.00%) per annum for Class D and 1.00% (2023: 1.00%) per annum for Class I on the NAV of the Fund, calculated on a daily basis.

The normal credit period in the previous and current financial years for management fee payable is one month.

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

6. AMOUNT DUE FROM/TO BROKERS

Amount due from/to brokers arose from the sale/purchase of investments. The settlement period is within three business days from the transaction date.

7. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

	2024	2023
	RM	RM
At nominal value:		
Fixed deposits	5,000,000	-
Short term deposits	4,748,000	6,624,000
	<u>9,748,000</u>	<u>6,624,000</u>
At carrying value:		
Fixed deposits	5,035,469	-
Short term deposits	4,753,597	6,636,252
	<u>9,789,066</u>	<u>6,636,252</u>

Details of deposits with licensed financial institutions are as follows:

Maturity date	Financial Institutions	Nominal value RM	Carrying value RM	Carrying value as a percentage of NAV %
2024				
Fixed deposits				
18.09.2024	CIMB Bank Berhad	1,000,000	1,017,386	3.77
19.09.2024	Hong Leong Bank Berhad	1,000,000	1,007,603	3.73
21.10.2024	Public Bank Berhad	2,000,000	2,009,162	7.44
19.11.2024	CIMB Bank Berhad	1,000,000	1,001,318	3.70
Total fixed deposits		<u>5,000,000</u>	<u>5,035,469</u>	<u>18.64</u>
Short-term deposits				
02.09.2024	Hong Leong Bank Berhad	1,748,000	1,748,287	6.47
15.10.2024	Public Bank Berhad	3,000,000	3,005,310	11.12
Total short-term deposits		<u>4,748,000</u>	<u>4,753,597</u>	<u>17.59</u>
Total deposits		<u>9,748,000</u>	<u>9,789,066</u>	<u>36.23</u>

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

7. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS (CONT'D.)

The weighted average effective interest rate and weighted average remaining maturities of fixed deposits and short-term deposits are as follows:

	Weighted average effective interest rate		Weighted average remaining maturities	
	2024	2023	2024	2023
	%	%	Days	Days
Fixed deposits	3.77	-	44	-
Short-term deposits	3.51	3.66	34	55

8. AMOUNT DUE TO TRUSTEE

Trustee's fee is at a rate of 0.04% (2023: 0.04%) per annum for both Class D and Class I on the NAV of the Fund, calculated on a daily basis.

The normal credit period in the previous and current financial years for Trustee's fee payable is one month.

9. AMOUNT DUE TO PPA

PPA administrative fee is at a rate of 0.04% (2023: 0.04%) per annum for both Class D and Class I on the NAV of the Fund, calculated on a daily basis.

The normal credit period in the previous and current financial years for PPA's administrative fee payable is one month.

10. NET GAINS FROM INVESTMENTS

	2024	2023
	RM	RM
Net gains on financial assets at FVTPL comprised:		
– Net realised gain/(loss) on sale of investments	25,967	(400,340)
– Net unrealised gains on changes in fair value of investments	623,869	576,774
	<u>649,836</u>	<u>176,434</u>

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

11. NAV ATTRIBUTABLE TO MEMBERS

Total NAV attributable to members is represented by:

	Note	2024 RM	2023 RM
Members' contribution			
– Class D	(a)	5,890,376	5,857,734
– Class I	(b)	18,719,661	18,595,892
Retained earnings			
– Realised income	(c)	1,619,694	813,724
– Unrealised gains	(d)	786,561	162,692
		<u>27,016,292</u>	<u>25,430,042</u>

The Fund issues cancellable units in two classes as detailed below:

Classes of units	Currency denomination	Category of investors	Distribution policy
Class D	RM	Distributor appointed by the PRS Provider	Incidental
Class I	RM	Employer-Sponsored Retirement Schemes and also employees of any employers with prior arrangement with the PRS Provider	Incidental

The different charges and features for each class are as follows:

- (i) Sales charge
- (ii) Management fee charges

(a) Members' contribution/Units in circulation – Class D

	2024		2023	
	Number of units	RM	Number of units	RM
At beginning of the financial year	10,110,784	5,857,734	9,669,603	5,601,398
Creation during the financial year	1,025,533	629,329	1,093,817	640,958
Cancellation during the financial year	(961,291)	(596,687)	(652,636)	(384,622)
At end of the financial year	<u>10,175,026</u>	<u>5,890,376</u>	<u>10,110,784</u>	<u>5,857,734</u>

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

11. NAV ATTRIBUTABLE TO MEMBERS (CONT'D.)

(b) Members' contribution/Units in circulation – Class I

	2024		2023	
	Number of units	RM	Number of units	RM
At beginning of the financial year	32,018,632	18,595,892	31,497,041	18,293,813
Creation during the financial year	3,930,659	2,450,908	4,574,488	2,707,363
Cancellation during the financial year	(3,772,202)	(2,327,139)	(4,052,897)	(2,405,284)
At end of the financial year	<u>32,177,089</u>	<u>18,719,661</u>	<u>32,018,632</u>	<u>18,595,892</u>

(c) Realised – distributable

	2024 RM	2023 RM
At beginning of the financial year	813,724	469,846
Net realised income for the financial year	<u>805,970</u>	<u>343,878</u>
At end of the financial year	<u>1,619,694</u>	<u>813,724</u>

(d) Unrealised – non-distributable

	2024 RM	2023 RM
At beginning of the financial year	162,692	(414,082)
Net unrealised gains for the financial year	<u>623,869</u>	<u>576,774</u>
At end of the financial year	<u>786,561</u>	<u>162,692</u>

12. SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES

The related parties and their relationships with the Fund are as follows:

Related parties

AmFunds Management Berhad
AmInvestment Bank Berhad
AMMB Holdings Berhad ("AMMB")
Subsidiaries and associates of AMMB
as disclosed in its financial statements

Relationships

The Provider
Holding company of the Provider
Ultimate holding company of the Provider
Subsidiaries and associate companies
of the ultimate holding company of the
Provider

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

12. SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES (CONT'D)

There were no units held by the Provider or any other related party as at 31 August 2024 and 31 August 2023.

Other than those disclosed elsewhere in the financial statements, the significant related party transactions as at reporting date are as follows:

	2024 RM	2023 RM
Significant related party transactions		
<u>AmBank (M) Berhad</u>		
Interest income	23,321	11,032

13. TAXATION

Pursuant to Paragraph 20 of Schedule 6 to the Income Tax Act (“ITA”), any income received by an approved scheme as defined under Section 2 of the ITA is exempted from income tax.

A reconciliation of income tax expense applicable to net income before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Fund is as follows:

	2024 RM	2023 RM
Net income before taxation	1,429,839	920,652
Taxation at Malaysian statutory rate of 24% (2023: 24%)	343,161	220,956
Tax effects of:		
Income not subject to tax	(418,589)	(388,302)
Losses not allowed for tax deduction	2,105	96,085
Restriction on tax deductible expenses	57,031	54,717
Non-permitted expenses for tax purposes	9,955	10,464
Permitted expenses not used and not available for future financial years	6,337	6,080
Tax expense for the financial year	-	-

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

14. TOTAL EXPENSE RATIO (“TER”)

The Fund’s TER is as follows:

	2024	2023
	% p.a.	% p.a.
Management fee	1.00	1.00
Trustee’s fee	0.04	0.04
PPA administrative fee	0.04	0.04
Fund’s other expenses	0.06	0.07
Total TER	<u>1.14</u>	<u>1.15</u>

The TER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis.

15. PORTFOLIO TURNOVER RATIO (“PTR”)

The PTR of the Fund, which is the ratio of average total acquisitions and disposals of investments to the average NAV of the Fund calculated on a daily basis, is 0.17 times (2023: 0.24 times).

16. SEGMENTAL REPORTING

The Provider and Investment Committee of the Fund are responsible for allocating resources available to the Fund in accordance with the overall investment strategies as set out in the Investment Guidelines of the Fund. The Fund is managed by two segments:

- A portfolio of equity instruments; and
- A portfolio of unquoted fixed income instruments, including deposits with licensed financial institutions.

The investment objective of each segment is to achieve consistent returns from the investments in each segment while safeguarding capital by investing in diversified portfolios. There have been no changes in reportable segments in the current financial year.

AmPRS – Conservative Fund

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024**

16. SEGMENTAL REPORTING (CONT'D.)

	Equity portfolio RM	Fixed income portfolio RM	Total RM
2024			
Dividend income	96,535	-	96,535
Interest income	-	988,979	988,979
Net gains from investments:			
- Financial assets at FVTPL	414,961	234,875	649,836
Total segment investment income for the financial year	<u>511,496</u>	<u>1,223,854</u>	<u>1,735,350</u>
Financial assets at FVTPL	3,375,242	14,228,707	17,603,949
Amount due from brokers	1,258	-	1,258
Dividend receivable	780	-	780
Deposits with licensed financial institutions	-	9,789,066	9,789,066
Total segment assets	<u>3,377,280</u>	<u>24,017,773</u>	<u>27,395,053</u>
Amount due to brokers	<u>483,772</u>	-	<u>483,772</u>
Total segment liability	<u>483,772</u>	-	<u>483,772</u>
2023			
Dividend income	82,357	-	82,357
Interest income	-	958,781	958,781
Net gains from investments:			
- Financial assets at FVTPL	12,356	164,078	176,434
Total segment investment income for the financial year	<u>94,713</u>	<u>1,122,859</u>	<u>1,217,572</u>
Financial assets at FVTPL	2,427,042	16,367,154	18,794,196
Deposits with licensed financial institutions	-	6,636,252	6,636,252
Total segment assets	<u>2,427,042</u>	<u>23,003,406</u>	<u>25,430,448</u>

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

16. SEGMENTAL REPORTING (CONT'D.)

Expenses of the Fund are not considered part of the performance of any investment segment. The following table provides reconciliation between the net reportable segment income and net income after taxation:

	2024	2023
	RM	RM
Net reportable segment investment income	1,735,350	1,217,572
Less: Expenses	<u>(305,511)</u>	<u>(296,920)</u>
Net income before taxation	1,429,839	920,652
Taxation	-	-
Net income after taxation	<u>1,429,839</u>	<u>920,652</u>

In addition, certain assets and liabilities are not considered to be part of the net assets or liabilities of an individual segment. The following table provides reconciliation between the net reportable segment assets and liabilities and total assets and liabilities of the Fund.

	2024	2023
	RM	RM
Total segment assets	27,395,053	25,430,448
Amount due from Provider	128,394	21,783
Cash at bank	<u>11,028</u>	<u>12,681</u>
Total assets of the Fund	<u>27,534,475</u>	<u>25,464,912</u>
Total segment liabilities	483,772	-
Amount due to Provider	24,160	24,386
Amount due to Trustee	908	864
Amount due to PPA	908	864
Sundry payables and accruals	<u>8,435</u>	<u>8,756</u>
Total liabilities of the Fund	<u>518,183</u>	<u>34,870</u>

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

17. TRANSACTIONS WITH THE PROVIDER AND BROKERS

Details of transactions with the Provider and brokers for the financial year ended 31 August 2024 are as follows:

	Transaction value		Brokerage fee, stamp duty and clearing fee	
	RM	%	RM	%
Hong Leong Bank Berhad	277,784,252	65.39	-	-
CIMB Bank Berhad	107,763,000	25.37	-	-
Public Bank Berhad	33,545,000	7.90	-	-
RHB Investment Bank Berhad	2,436,574	0.57	363	3.36
AmInvestment Bank Berhad*	1,972,564	0.46	7,540	69.89
AmBank (M) Berhad*	500,000	0.12	-	-
Affin Investment Berhad	259,098	0.06	1,115	10.34
Hong Leong Investment Bank Berhad	202,017	0.05	-	-
Public Investment Bank Berhad	160,050	0.04	609	5.65
Kaf Seagroatt & Campbell Securities Sdn. Bhd.	82,500	0.02	891	8.26
Others	65,014	0.02	270	2.50
Total	<u>424,770,069</u>	<u>100.00</u>	<u>10,788</u>	<u>100.00</u>

* Financial institutions related to the Provider.

The Provider is of the opinion that the above transactions have been entered in the normal course of business and have been established under terms that are no less favourable than those arranged with independent third parties.

The above transactions are in respect of equity securities, fixed income securities and money market deposits. Transactions in fixed income securities and money market deposits do not involve any commission or brokerage fee.

18. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities of the Fund in the statement of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

18. FINANCIAL INSTRUMENTS (CONT'D.)

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
2024				
Financial assets				
Investments	17,603,949	-	-	17,603,949
Amount due from Provider	-	128,394	-	128,394
Amount due from brokers	-	1,258	-	1,258
Dividend receivable	-	780	-	780
Deposits with licensed financial institutions	-	9,789,066	-	9,789,066
Cash at bank	-	11,028	-	11,028
Total financial assets	17,603,949	9,930,526	-	27,534,475
Financial liabilities				
Amount due to Provider	-	-	24,160	24,160
Amount due to brokers	-	-	483,772	483,772
Amount due to Trustee	-	-	908	908
Amount due to Private Pension Administrator (“PPA”)	-	-	908	908
Total financial liabilities	-	-	509,748	509,748
2023				
Financial assets				
Investments	18,794,196	-	-	18,794,196
Amount due from Provider	-	21,783	-	21,783
Deposits with licensed financial institutions	-	6,636,252	-	6,636,252
Cash at bank	-	12,681	-	12,681
Total financial assets	18,794,196	6,670,716	-	25,464,912
Financial liabilities				
Amount due to Provider	-	-	24,386	24,386
Amount due to Trustee	-	-	864	864
Amount due to Private Pension Administrator (“PPA”)	-	-	864	864
Total financial liabilities	-	-	26,114	26,114

AmPRS – Conservative Fund

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024**

18. FINANCIAL INSTRUMENTS (CONT'D.)

(a) Classification of financial instruments (cont'd.)

	Income, expenses, gains and losses	
	2024	2023
	RM	RM
Net gains from financial assets at FVTPL	649,836	176,434
Income, of which derived from:		
– Dividend income from financial assets at FVTPL	96,535	82,357
– Interest income from financial assets at FVTPL	694,550	733,452
– Interest income from financial assets at amortised cost	<u>294,429</u>	<u>225,329</u>

(b) Financial instruments that are carried at fair value

The Fund's financial assets and liabilities are carried at fair value.

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable; either directly or indirectly; or

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows an analysis of financial instruments recorded at fair value by the level of the fair value hierarchy:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2024				
Financial assets at FVTPL	<u>3,375,242</u>	<u>14,228,707</u>	<u>-</u>	<u>17,603,949</u>
2023				
Financial assets at FVTPL	<u>2,427,042</u>	<u>16,367,154</u>	<u>-</u>	<u>18,794,196</u>

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

18. FINANCIAL INSTRUMENTS (CONT'D.)

(c) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value due to their short period to maturity or short credit period:

- Amount due from/to Provider
- Amount due from/to brokers
- Dividend receivable
- Deposits with licensed financial institutions
- Cash at bank
- Amount due to Trustee
- Amount due to PPA

There are no financial instruments which are not carried at fair value and whose carrying amounts are not reasonable approximation of their respective fair value.

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks that include market risk, credit risk, liquidity risk, single issuer risk, regulatory risk, management risk and non-compliance risk.

Risk management is carried out by closely monitoring, measuring and mitigating the above said risks, careful selection of investments coupled with stringent compliance to investment restrictions as stipulated by the Capital Markets and Services Act 2007, Securities Commission Malaysia's Guidelines on Private Retirement Schemes and the Deed as the backbone of risk management of the Fund.

(a) Market risk

The Fund's principal exposure to market risk arises primarily due to changes in the market environment, global economic and geo-political developments.

The Fund's market risk is affected primarily by the following risks:

(i) Price risk

Price risk refers to the uncertainty of an investment's future prices. In the event of adverse price movements, the Fund might endure potential loss on its quoted investments. In managing price risk, the Provider actively monitors the performance and risk profile of the investment portfolio.

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(a) Market risk (cont'd.)

(i) Price risk (cont'd.)

The result below summarised the price risk sensitivity of the Fund's NAV due to movements of price by -5.00% and +5.00% respectively:

Percentage movements in price by:	Sensitivity of the Fund's NAV	
	2024 RM	2023 RM
-5.00%	(168,762)	(121,352)
+5.00%	168,762	121,352

(ii) Interest rate risk

Interest rate risk will affect the value of the Fund's investments, given the interest rate movements, which are influenced by regional and local economic developments as well as political developments.

Domestic interest rates on deposits and placements with licensed financial institutions are determined based on prevailing market rates.

The result below summarized the interest rate sensitivity of the Fund's NAV, or theoretical value due to the parallel movement assumption of the yield curve by +100bps and -100bps respectively:

Parallel shift in yield curve by:	Sensitivity of the Fund's NAV, or theoretical value	
	2024 RM	2023 RM
+100bps	(587,944)	(604,579)
-100bps	615,908	668,745

(b) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge an obligation. Credit risk applies to fixed deposits, short-term deposits and dividend receivables. The issuer of such instruments may not be able to fulfill the required interest payments or repay the principal invested or amount owing. These risks may cause the Fund's investments to fluctuate in value.

AmPRS – Conservative Fund

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024**

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(b) Credit risk (cont'd.)

(i) Credit quality of financial assets

The following table analyses the Fund's portfolio of debt securities by rating category as at 31 August 2024 and 31 August 2023:

Credit rating	RM	As a % of debt securities	As a % of NAV
2024			
AAA	3,770,818	26.50	13.96
AA	6,896,959	48.47	25.53
A	3,560,930	25.03	13.18
	<u>14,228,707</u>	<u>100.00</u>	<u>52.67</u>
2023			
AAA	3,150,994	19.25	12.38
AA	7,166,800	43.79	28.19
A	6,049,360	36.96	23.79
	<u>16,367,154</u>	<u>100.00</u>	<u>64.36</u>

For deposits with licensed financial institutions, the Fund only makes placements with financial institutions with sound rating. The following table presents the Fund's portfolio of deposits by rating category as at 31 August 2024 and 31 August 2023:

Credit rating	RM	As a % of deposits	As a % of NAV
2024			
P1/MARC-1	<u>9,789,066</u>	<u>100.00</u>	<u>36.23</u>
2023			
P1/MARC-1	<u>6,636,252</u>	<u>100.00</u>	<u>26.09</u>

Cash at bank is held for liquidity purposes and is not exposed to significant credit risk.

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(b) Credit risk (cont'd.)

(ii) Credit risk concentration

Concentration of risk is monitored and managed based on sectorial distribution. The table below analyses the Fund's portfolio of debt securities by sectorial distribution as at 31 August 2024 and 31 August 2023:

Sector	RM	As a % of debt securities	As a % of NAV
2024			
Consumer discretionary	3,420,953	24.04	12.66
Energy and utilities	3,508,588	24.66	12.99
Financial	1,398,161	9.83	5.18
Real estate	2,696,133	18.95	9.98
Transportation and storage	3,204,872	22.52	11.86
	<u>14,228,707</u>	<u>100.00</u>	<u>52.67</u>
2023			
Consumer discretionary	3,397,504	20.76	13.36
Energy and utilities	3,416,559	20.86	13.43
Financial	3,573,899	21.84	14.05
Health care and social work	205,914	1.26	0.81
Industrials	983,093	6.01	3.87
Real estate	1,626,399	9.94	6.40
Transportation and storage	3,163,786	19.33	12.44
	<u>16,367,154</u>	<u>100.00</u>	<u>64.36</u>

(c) Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its financial liabilities or redeem its units earlier than expected. The Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellations of units by members. Liquid assets comprise of cash at banks, deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 5 to 7 days. The Fund's policy is to always maintain a prudent level of liquid assets so as to reduce liquidity risk.

AmPRS – Conservative Fund

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024**

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(c) Liquidity risk (cont'd.)

The following table presents the undiscounted contractual cash flows from different financial assets and financial liabilities classes in the Fund:

	Contractual cash flows (undiscounted)					
	0 – 1 year RM	1 – 2 years RM	2 – 3 years RM	3 – 4 years RM	4 – 5 years RM	More than 5 years RM
2024						
Financial assets						
Investments	2,124,828	3,069,485	1,443,180	2,897,646	1,633,997	5,975,126
Amount due from Provider	128,394	-	-	-	-	-
Amount due from brokers	1,258	-	-	-	-	-
Dividend receivable	780	-	-	-	-	-
Deposits with licensed financial institutions	9,824,990	-	-	-	-	-
Cash at bank	11,028	-	-	-	-	-
Total financial assets	12,091,278	3,069,485	1,443,180	2,897,646	1,633,997	5,975,126
Financial liabilities						
Amount due to Provider	24,160	-	-	-	-	-
Amount due to broker	483,772	-	-	-	-	-
Amount due to Trustee	908	-	-	-	-	-
Amount due to PPA	908	-	-	-	-	-
Total financial liabilities	509,748	-	-	-	-	-

AmPRS – Conservative Fund

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024**

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(c) Liquidity risk (cont'd.)

The following table presents the undiscounted contractual cash flows from different financial assets and financial liabilities classes in the Fund: (cont'd.)

	Contractual cash flows (undiscounted)					
	0 – 1 year RM	1 – 2 years RM	2 – 3 years RM	3 – 4 years RM	4 – 5 years RM	More than 5 years RM
2023						
Financial assets						
Investments	3,234,951	3,096,278	3,021,488	1,594,808	2,840,694	6,175,598
Amount due from Provider	21,783	-	-	-	-	-
Deposits with licensed financial institutions	6,636,252	-	-	-	-	-
Cash at bank	12,681	-	-	-	-	-
Total financial assets	9,905,667	3,096,278	3,021,488	1,594,808	2,840,694	6,175,598
Financial liabilities						
Amount due to Provider	24,386	-	-	-	-	-
Amount due to Trustee	864	-	-	-	-	-
Amount due to PPA	864	-	-	-	-	-
Total financial liabilities	26,114	-	-	-	-	-

AmPRS – Conservative Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2024

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(d) Single issuer risk

Internal policy restricts the Fund from investing in securities issued by any issuer of not more than a certain percentage of its NAV. Under such restriction, the risk exposure to the securities of any single issuer is diversified and managed based on internal/external ratings.

(e) Regulatory risk

Any changes in national policies and regulations may have effects on the capital market and the NAV of the Fund.

(f) Management risk

Poor management of the Fund may cause considerable losses to the Fund that in turn may affect the NAV of the Fund.

(g) Non-compliance risk

This is the risk of the Provider or the Trustee not complying with the respective internal policies, the Deeds, securities laws or guidelines issued by the regulators relevant to each party, which may adversely affect the performance of the Fund.

20. CAPITAL MANAGEMENT

The capital of the Fund can vary depending on the demand for creation and cancellation of units to the Fund.

The Fund's objectives for managing capital are:

- (a) To invest in investments meeting the description, risk exposure and expected return indicated in its Disclosure Document;
- (b) To maintain sufficient liquidity to meet the expenses of the Fund, and to meet cancellation requests as they arise; and
- (c) To maintain sufficient fund size to make the operations of the Fund cost-efficient.

No changes were made to the capital management objectives, policies or processes during the current and previous financial years.

AmPRS – Conservative Fund

STATEMENT BY THE PROVIDER

I, Goh Wee Peng, being the Director of and on behalf of the Board of Directors of AmFunds Management Berhad (the “Provider”), do hereby state that, in the opinion of the Provider, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of AmPRS – Conservative Fund (the “Fund”) as at 31 August 2024 and of the comprehensive income, the changes in net assets attributable to members and cash flows for the financial year then ended.

For and on behalf of the Provider

GOH WEE PENG

Executive Director

Kuala Lumpur, Malaysia

24 October 2024

THE SCHEME TRUSTEE’S REPORT

TO THE MEMBERS OF AMPRS – CONSERVATIVE FUND (“Fund”)

We have acted as the Scheme Trustee of the Fund for the financial year ended 31 August 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AmFunds Management Berhad has operated and managed the Fund during the year covered by these financial statements in accordance with the following:-

1. Limitations imposed on the investment powers of the PRS Provider under the deed, securities laws and the Guidelines on Private Retirement Schemes;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

For Deutsche Trustees Malaysia Berhad

Ng Hon Leong
Head, Fund Operations

Sylvia Beh
Chief Executive Officer

Kuala Lumpur
24 October 2024

DIRECTORY

Head Office 9th & 10th Floor, Bangunan AmBank Group
55, Jalan Raja Chulan, 50200 Kuala Lumpur
Tel: (03) 2032 2888 Facsimile: (03) 2031 5210
Email: enquiries@aminvest.com

Postal Address AmFunds Management Berhad
P.O Box 13611, 50816 Kuala Lumpur

Distributors

For more details on the list of distributors, please contact the PRS Provider.

*For enquiries about this Scheme and any other funds offered by the PRS Provider
Please call 2032 2888 between 8.45 a.m. to 5.45 p.m. (Monday-Thursday)
Friday 8.45 a.m. to 5.00 p.m.*

