

Annual Report for

AmPRS - Growth Fund

31 August 2023



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
Tai Terk Lin
Ng Chih Kaye
Jas Bir Kaur A/P Lol Singh
Goh Wee Peng

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Jas Bir Kaur A/P Lol Singh
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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 – Growth Fund ("Fund") for the financial year ended 31 August 2023.

Salient Information of the Fund

| | |
|----------------------------------|--|
| Name | AmPRS – Growth Fund ("Fund") |
| Category/ Type | Core (Growth) / Growth |
| Objective | <p>AmPRS – Growth Fund aims to provide Long Term capital growth by investing primarily in equities, equity-related securities and/or REITs.</p> <p><i>Note: Any material change to the investment objective of the Fund would require Members' approval.</i></p> |
| Performance Benchmark | <ul style="list-style-type: none">• 30% FTSE Bursa Malaysia Top 100 Index ("30% FBM Top 100")• 30% MSCI AC Asia Pacific ex Japan Index ("30% MSCI AC AP ex-Japan")• 40% Quantshop Medium* MGS Index ("40% MMGS") (Available at www.aminvest.com) <p><i>Notes: *Medium means the duration is between three (3) years to seven (7) years.</i></p> <p><i>Source: FTSE International Limited ("FTSE") © FTSE 2023. "FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence. "BURSA MALAYSIA" is a trade mark of Bursa Malaysia Berhad ("BURSA MALAYSIA"). All intellectual property rights in the index values and constituent list vests in FTSE and BURSA MALAYSIA. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and / or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.</i></p> <p><i>Source: MSCI. The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com).</i></p> |

The blended returns are calculated by AmFunds Management Berhad using end of day index level values licensed from MSCI ("MSCI Data"). For the avoidance of doubt, MSCI is not the benchmark "administrator" for, or a "contributor", "submitter" or "supervised contributor" to, the blended returns, and the MSCI Data is not considered a "contribution" or "submission" in relation to the blended returns, as those terms may be defined in any rules, laws, regulations, legislation or international standards. MSCI Data is provided "AS IS" without warranty or liability and no copying or distribution is permitted. MSCI does not make any representation regarding the advisability of any investment or strategy and does not sponsor, promote, issue, sell or otherwise recommend or endorse any investment or strategy, including any financial products or strategies based on, tracking or otherwise utilizing any MSCI Data, models, analytics or other materials or information.

Note: Blended return refers to returns from blending the end of day index level values of:

- (i) one or more MSCI Index(es); and
- (ii) one or more non MSCI index (es).

| | |
|-----------------------------------|---|
| Income Distribution Policy | Subject to availability of income, distribution (if any) is incidental. Note: Income distribution (if any) will be in the form of units. |
|-----------------------------------|---|

Fund Performance Data

| Portfolio Composition | Details of portfolio composition of the Fund as at 31 August are as follows: | | | |
|--|---|-----------------|---------------|-----------|
| | | As at 31 August | | |
| | | 2023 % | 2022 % | 2021 % |
| | Consumer discretionary | 11.48 | 1.74 | 3.84 |
| | Consumer staples | 3.26 | 1.81 | 1.03 |
| | Energy | 0.53 | 3.71 | 1.60 |
| | Financials | 7.93 | 8.14 | 8.77 |
| | Health care | 2.00 | 1.38 | 1.30 |
| | Industrials | 2.83 | 3.79 | 7.13 |
| | Information technology | 13.46 | 13.05 | 17.73 |
| | Materials | 1.07 | 8.33 | 9.56 |
| | Real estate/REITs | 1.13 | 4.66 | 3.33 |
| | Telecommunication services | 9.01 | 3.66 | 4.59 |
| | Utilities | 1.10 | 0.17 | - |
| | Collective investment schemes | 9.94 | 14.45 | 18.98 |
| Corporate bonds | 28.25 | 22.54 | 14.37 | |
| Money market deposits and cash equivalents | 8.01 | 12.57 | 7.77 | |
| Total | 100.00 | 100.00 | 100.00 | |
| | Note: The abovementioned percentages are calculated based on total net asset value. | | | |

Performance Details

Performance details of the Fund for the financial years ended 31 August are as follows:

| | FYE 2023 | FYE 2022 | FYE 2021 |
|---|--------------|-------------|------------|
| Net asset value (RM) | | | |
| - Class D | 8,754,477* | 7,861,525 | 7,969,960 |
| - Class I | 81,079,204* | 65,218,762 | 59,617,602 |
| Units in circulation | | | |
| - Class D | 16,143,725* | 14,678,565 | 13,079,393 |
| - Class I | 143,532,855* | 117,194,511 | 95,677,325 |
| Net asset value per unit (RM) | | | |
| - Class D | 0.5423* | 0.5356 | 0.6094 |
| - Class I | 0.5649* | 0.5565 | 0.6231 |
| Highest net asset value per unit (RM) | | | |
| - Class D | 0.5607* | 0.6164 | 0.6952 |
| - Class I | 0.5832* | 0.6303 | 0.7087 |
| Lowest net asset value per unit (RM) | | | |
| - Class D | 0.5044* | 0.5261 | 0.5954 |
| - Class I | 0.5243* | 0.5391 | 0.6084 |
| Benchmark performance (%) | | | |
| - Class D | 1.80 | 0.72 | -5.32 |
| - Class I | 1.80 | 0.72 | -5.32 |
| Total return (%) ⁽¹⁾ | | | |
| - Class D | 1.59 | -10.62 | -1.20 |
| - Class I | 1.85 | -10.38 | -0.97 |
| Capital growth (%) | | | |
| - Class D | 1.59 | -12.26 | -9.41 |
| - Class I | 1.85 | -10.83 | -9.03 |
| Income distribution (%) | | | |
| - Class D | - | 1.64 | 8.21 |
| - Class I | - | 0.45 | 8.06 |
| Gross distribution (sen per unit) | | | |
| - Class D | - | 1.00 | 5.50 |
| - Class I | - | 0.28 | 5.50 |
| Net distribution (sen per unit) | | | |
| - Class D | - | 1.00 | 5.50 |
| - Class I | - | 0.28 | 5.50 |
| Total expense ratio (%) ⁽²⁾ | | | |
| | 1.31 | 1.43 | 1.14 |
| Portfolio turnover ratio (times) ⁽³⁾ | | | |
| | 0.63 | 0.56 | 1.34 |

* Above prices and net asset value per unit are not shown as ex-distribution.

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 0.12% as compared to 1.43% per annum for the financial year ended 31 August 2022 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 increase in the PTR for 2023 and decrease in 2022 were due mainly to investing activities.

Average Total Return (as at 31 August 2023)

| | AmPRS - Growth Fund ^(a) % | 30% FBM Top 100, 30% MSCI AC AP ex-Japan, 40% MMGS ^(b) % |
|-----------------------------|---|--|
| One year | | |
| - Class D | 1.59 | 1.80 |
| - Class I | 1.85 | 1.80 |
| Three years | | |
| - Class D | -3.56 | -0.98 |
| - Class I | -3.31 | -0.98 |
| Five years | | |
| - Class D | -0.77 | 0.70 |
| - Class I | -0.52 | 0.70 |
| Ten years | | |
| - Class D | 2.24 | 2.76 |
| - Class I | 2.49 | 2.76 |
| Since launch (8 April 2013) | | |
| - Class D | 1.79 | 2.78 |
| - Class I | 2.04 | 2.78 |

Annual Total Return

| Financial Years Ended (31 August) | AmPRS - Growth Fund ^(a) % | 30% FBM Top 100, 30% MSCI AC AP ex-Japan, 40% MMGS ^(b) % |
|-----------------------------------|---|--|
| 2023 | | |
| - Class D | 1.59 | 1.80 |
| - Class I | 1.85 | 1.80 |
| 2022 | | |
| - Class D | -10.62 | 0.72 |
| - Class I | -10.38 | 0.72 |
| 2021 | | |
| - Class D | -1.20 | -5.32 |
| - Class I | -0.97 | -5.32 |
| 2020 | | |
| - Class D | 5.44 | 10.22 |
| - Class I | 5.70 | 10.22 |
| 2019 | | |
| - Class D | 1.71 | -2.84 |
| - Class I | 1.97 | -2.84 |

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

(b) 30% FTSE Bursa Malaysia Top 100 Index ("FBM Top 100"), 30% MSCI AC Asia Pacific ex Japan Index ("MSCI AC AP ex-Japan"), 40% Quantshop Medium* MGS Index ("MMGS"). (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 1.59%^(a) which is entirely capital growth in nature.

Thus, the Fund's return of 1.59% has underperformed the benchmark's return of 1.80% by 0.21%.

As compared with the financial year ended 31 August 2022, the net asset value ("NAV") per unit of the Fund increased by 1.25% from RM0.5356 to RM0.5423, while units in circulation increased by 9.98% from 14,678,565 units to 16,143,725 units.

(a) Price based on published price (last business day).

Class I

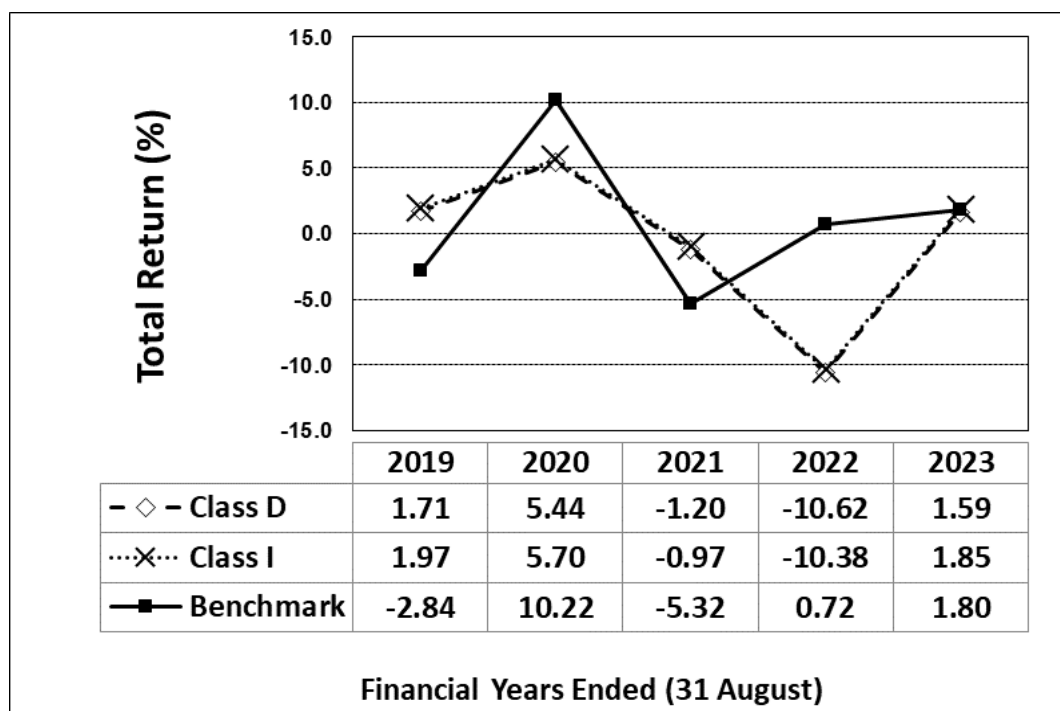
For the financial year under review, the Fund registered a return of 1.85%^(a) which is entirely capital growth in nature.

Thus, the Fund's return of 1.85% has outperformed the benchmark's return of 1.80% by 0.05%.

As compared with the financial year ended 31 August 2022, the net asset value ("NAV") per unit of the Fund increased by 1.51% from RM0.5565 to RM0.5649, while units in circulation increased by 22.47% from 117,194,511 units to 143,532,855 units.

(a) Price based on published price (last business day).

The following line chart shows comparison between the annual performances of AmPRS - Growth Fund for Class D and Class I and its benchmark, 30% FBM Top 100, 30% MSCI AC AP ex-Japan and 40% MMGS 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 equities and/or equity-related securities, fixed income instruments, REITs, and liquid assets.

The securities that the Fund invests in will be traded and/or listed in the following countries, which includes but not limited to Australia, Hong Kong, Malaysia, New Zealand, Singapore, South Korea, Taiwan and Thailand. For AmPRS – Growth Fund, foreign investments (if any) will be limited to 50% of the Fund’s NAV.

The Fund may also invest in derivatives for the purpose of hedging (subject to PRS Guidelines) if it is deemed necessary to do so.

Portfolio Structure

The table below is the asset allocation of the Fund as at 31 August 2023 and 31 August 2022.

| | As at 31.08.2023 % | As at 31.08.2022 % | Changes % |
|--|-----------------------------------|-----------------------------------|----------------------|
| Consumer discretionary | 11.48 | 1.74 | 9.74 |
| Consumer staples | 3.26 | 1.81 | 1.45 |
| Energy | 0.53 | 3.71 | -3.18 |
| Financials | 7.93 | 8.14 | -0.21 |
| Health care | 2.00 | 1.38 | 0.62 |
| Industrials | 2.83 | 3.79 | -0.96 |
| Information technology | 13.46 | 13.05 | 0.41 |
| Materials | 1.07 | 8.33 | -7.26 |
| Real estate/REITs | 1.13 | 4.66 | -3.53 |
| Telecommunication services | 9.01 | 3.66 | 5.35 |
| Utilities | 1.10 | 0.17 | 0.93 |
| Collective investment schemes | 9.94 | 14.45 | -4.51 |
| Corporate bonds | 28.25 | 22.54 | 5.71 |
| Money market deposits and cash equivalents | 8.01 | 12.57 | -4.56 |
| Total | 100.00 | 100.00 | |

For the financial year under review, there were some changes to the sector weights, the most notable being in materials, collective investment schemes, real estate/ REITs, energy, industrials and financials where weighting decreased by 7.26%, 4.51%, 3.53%, 3.18%, 0.96% and 0.21% respectively, whereas the Fund had increased weight in consumer discretionary, corporate bonds, telecommunications services, consumer staples, utilities, health care and information technology by 9.74%, 5.71%, 5.35%, 1.45%, 0.93%, 0.62% and 0.41% respectively.

Securities Lending / Repurchase Transactions

The Fund has not undertaken any securities lending or repurchase transactions (collectively referred to as “securities financing transactions”).

Cross Trade

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

| | |
|--|---|
| Distribution/ Unit splits | There is no income distribution and unit split declared for the financial year under review. |
| State of Affairs | 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. |
| Rebates and Soft Commission | <p>During the year, 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 12 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>Investors turned cautious in September and October 2022 with the MSCI Asia Pacific ex-Japan Index declining consecutively at 12.92% and 4.24%, respectively, dragged by China due to COVID-19 flare-ups and policy uncertainty post-Congress that weighed on risk sentiment. In addition, the Federal Reserve revised upward interest rate forecast dot plot signaling higher federal reserve fund rate for 2022 also did not bode well to the stock markets.</p> <p>In November, the MSCI Asia Pacific ex-Japan Index rebounded strongly, gaining 17.41%, with all North Asia markets recording double-digit growth. The positive sentiment was supported by potentially earlier-than-expected relaxation in Covid restriction policies in China, as well as announcement by the Chinese government to support the housing market, and eased concerns over United States (US) - China relations after the Biden-Xi Bali meeting. After the strong rebound, the markets went marginally down in December, declining 0.67%.</p> <p>The equity market started positively in 2023, with the MSCI Asia Pacific ex-Japan Index jumping 8.69% in January 2023, helped by prospects of a softer monetary tightening by Federal Reserve amid cooling inflation data. The positive momentum was also lifted by optimism of a re-rating in economic growth prospects on the back of strong revival in demand as China reopened its borders.</p> <p>However, the positive sentiment was short-lived, as the MSCI Asia Pacific ex-Japan Index declined 6.87% in February on concerns over the Federal Reserve's rate hikes following strong job report and inflation numbers in the U.S., as well as heightened geopolitical tension and concern over sustainability of China's economic recovery.</p> <p>In March, the MSCI Asia Pacific ex-Japan Index rebounded 2.45% on receding concerns over the contagion effect from the US and European banks on Asian banks. Dragged by Hong Kong and China markets, the index fell in April and May, declining 1.79% and 2.65%, respectively, as recovery in China was slower than expected with the purchasing managers index for manufacturing sector contracting to 48.8 points in May from 49.2 points a month ago.</p> |

| | |
|-------------------------------|---|
| | <p>The MSCI Asia Pacific ex-Japan Index rebounded in May and June, gaining 2.61% and 5.39%, respectively, supported by targeted stimulus by the Chinese government, as well as positive investor sentiment towards the politburo meeting policy and persisted interest in information technology sector, especially in artificial intelligence (AI) thematic names in Taiwan.</p> <p>However, the positive sentiment took a hit in August, as a surprise downgrade of the US's long-term credit rating by Fitch along with an increase in the size of debt sales announced by the United States Treasury (UST) weighed on equities. The MSCI Asia Pacific ex-Japan Index declined 6.37% for the month to close at 507.2098 points to register a decline of 2.44% (+1.10% in Ringgit terms) for the financial year under review.</p> |
| Market Outlook | <p>Market is expected to remain volatile, due to lingering concern on looming recession amid the Federal Reserve keeping interest rate higher- for- longer. Meanwhile, rising geopolitical tensions between the United States and China and Russia-Ukraine conflict may potentially increase the volatility in the global financial market further. To ride through the macro headwinds, the fund will adopt barbell strategy to balance value/growth vs. defensiveness, as well as focus on geographies and sectors which are expected to experience growth/resilience.</p> |
| Additional Information | <p>The following information was updated:</p> <ol style="list-style-type: none"> 1) En Izad Shahadi Bin Mohd Sallehuddin, an Independent Non-Executive Director of AmIslamic Funds Management Sdn Bhd ('AIFM'), has resigned from the Investment Committee with effect from 30 June 2023. 2) Ms Tracy Chen Wee Keng, the Chief Executive Officer of AmInvestment Bank Berhad has been appointed as Member of the Investment Committee with effect from 30 June 2023. 3) Pn Azian Binti Kassim has been appointed as an Independent Non-Executive Director of AIFM and a member of the Fund Management Division's Audit and Risk Management Committee with effect 30 June 2023. 4) The Second Supplementary Disclosure Document dated 31 August 2023 has been registered with the Securities Commission Malaysia. The issuance of the Second Supplementary Disclosure Document is to be in line with the revised Guidelines on Private Retirement Scheme. Notice of the changes for the Second Supplementary Disclosure Document dated 31 August 2023 has been published on our website at www.aminvest.com and sent to the Members on 16 August 2023. |

Kuala Lumpur, Malaysia
AmFunds Management Berhad

19 October 2023

Independent auditors' report to the members of AmPRS – Growth Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of AmPRS – Growth Fund (“the Fund”), which comprise the statement of financial position as at 31 August 2023 and the statement of comprehensive income, statement of changes in net assets attributable to members and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 13 to 56.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 August 2023 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 *Auditor’s 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 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 is responsible for the other information. The other information comprises the information in the annual report of the Fund, but does not include the financial statements of the Fund and 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 – Growth 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 Trustees 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 to do so.

The Trustee is 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.

Auditor's 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 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 – Growth Fund (cont'd.)**

Auditor's 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 planning and performance of 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 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 – Growth 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 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. 03276/07/2024 J
Chartered Accountant

Kuala Lumpur, Malaysia
19 October 2023

AmPRS – Growth Fund

**STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2023**

| | Note | 2023 RM | 2022 RM |
|---|----------|-------------------|-------------------|
| ASSETS | | | |
| Investments | 4 | 82,637,207 | 63,846,552 |
| Dividend/Distribution receivables | 4 | 44,626 | 75,876 |
| Amount due from Provider | 5(a) | 30,857 | 9,455 |
| Capital repayment receivables | 6 | - | 7,211 |
| Tax recoverable | | 203,971 | 203,971 |
| Cash at banks | | 7,497,629 | 9,038,026 |
| TOTAL ASSETS | | <u>90,414,290</u> | <u>73,181,091</u> |
| LIABILITIES | | | |
| Amount due to Provider | 5(b) | 113,225 | 81,890 |
| Amount due to brokers | 7 | 451,390 | - |
| Amount due to Trustee | 8 | 3,032 | 2,556 |
| Amount due to Private Pension Administrator (“PPA”) | 9 | 3,032 | 2,556 |
| Sundry payables and accruals | | 9,930 | 13,802 |
| TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO MEMBERS) | | <u>580,609</u> | <u>100,804</u> |
| NET ASSET VALUE (“NAV”) OF THE FUND ATTRIBUTABLE TO MEMBERS | | <u>89,833,681</u> | <u>73,080,287</u> |
| NET ASSETS ATTRIBUTABLE TO MEMBERS OF THE FUND COMPRISE: | | | |
| Members’ contribution | 11(a)(b) | 94,802,772 | 79,158,683 |
| Accumulated losses | 11(c)(d) | (4,969,091) | (6,078,396) |
| | | <u>89,833,681</u> | <u>73,080,287</u> |
| NET ASSET VALUE | | | |
| - Class D | | 8,754,477 | 7,861,525 |
| - Class I | | 81,079,204 | 65,218,762 |
| | | <u>89,833,681</u> | <u>73,080,287</u> |
| UNITS IN CIRCULATION | | | |
| - Class D | 11(a) | 16,143,725 | 14,678,565 |
| - Class I | 11(b) | 143,532,855 | 117,194,511 |
| NAV PER UNIT (RM) | | | |
| - Class D | | 0.5423 | 0.5356 |
| - Class I | | <u>0.5649</u> | <u>0.5565</u> |

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

AmPRS – Growth Fund

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

| | Note | 2023 RM | 2022 RM |
|--|-------|--------------------|--------------------|
| INVESTMENT INCOME/(LOSS) | | | |
| Dividend/Distribution income | | 1,926,690 | 1,674,913 |
| Interest income | | 942,892 | 598,638 |
| Other income | | 461 | - |
| Net gain/(loss) from investments: | | | |
| - Financial assets at fair value through profit or loss (“FVTPL”) | 10 | 626,322 | (7,637,119) |
| Other net realised losses on foreign currency exchange | | (874,290) | (654,223) |
| Other net unrealised gain/(loss) on foreign currency exchange | | 1,327 | (356) |
| | | <u>2,623,402</u> | <u>(6,018,147)</u> |
| EXPENDITURE | | | |
| Management fee | 5 | (912,757) | (777,699) |
| Trustee’s fee | 8 | (32,061) | (27,772) |
| PPA administrative fee | 9 | (32,051) | (27,770) |
| Audit fee | | (5,000) | (5,000) |
| Tax agent’s fee | | (16,449) | (101,022) |
| Brokerage and other transaction fees | | (327,398) | (243,663) |
| Custodian’s fee | | (46,037) | (45,351) |
| Other expenses | | (6,581) | (9,486) |
| | | <u>(1,378,334)</u> | <u>(1,237,763)</u> |
| Net income/(loss) before finance cost and taxation | | 1,245,068 | (7,255,910) |
| Finance cost – distribution to members | | | |
| - Class D | 14(a) | - | (143,921) |
| - Class I | 14(b) | - | (326,530) |
| | | - | <u>(470,451)</u> |
| Net income/(loss) before taxation | | 1,245,068 | (7,726,361) |
| Taxation | 13 | <u>(135,763)</u> | <u>(137,759)</u> |
| Net income/(loss) after taxation, representing total comprehensive income/(loss) for the financial year | | <u>1,109,305</u> | <u>(7,864,120)</u> |
| Total comprehensive income/(loss) comprises the following: | | | |
| Realised losses | 11(c) | (2,350,276) | (496,584) |
| Unrealised gain/(loss) | 11(d) | 3,459,581 | (7,367,536) |
| | | <u>1,109,305</u> | <u>(7,864,120)</u> |
| Distribution for the financial year | | | |
| Net distribution | 11(c) | - | <u>470,451</u> |

AmPRS – Growth Fund

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023 (CONT'D.)**

| | Note | 2023 RM | 2022 RM |
|-----------------------------------|-------------|--------------------|--------------------|
| Gross distribution per unit (sen) | | | |
| - Class D | 14(a) | - | 1.00 |
| - Class I | 14(b) | - | 0.28 |
| Net distribution per unit (sen) | | | |
| - Class D | 14(a) | - | 1.00 |
| - Class I | 14(b) | - | 0.28 |

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

AmPRS – Growth Fund

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

| | Note | Members' - contribution Class D RM | Members' - contribution Class I RM | (Accumulated losses)/ Retained earnings RM | Total RM |
|---|-----------------------|---|---|---|---------------------|
| At 1 September 2022 | | 8,523,911 | 70,634,772 | (6,078,396) | 73,080,287 |
| Total comprehensive income for the financial year | | - | - | 1,109,305 | 1,109,305 |
| Creation of units | 11(a)(b) | 850,295 | 16,314,483 | - | 17,164,778 |
| Cancellation of units | 11(a)(b) | (67,567) | (1,453,122) | - | (1,520,689) |
| Balance at 31 August 2023 | | <u>9,306,639</u> | <u>85,496,133</u> | <u>(4,969,091)</u> | <u>89,833,681</u> |
| At 1 September 2021 | | 7,600,206 | 58,201,632 | 1,785,724 | 67,587,562 |
| Total comprehensive loss for the financial year | | - | - | (7,864,120) | (7,864,120) |
| Creation of units | 11(a)(b) | 875,147 | 13,086,710 | - | 13,961,857 |
| Reinvestment of distribution | 11(a)(b), 14(a)(b) | 143,921 | 326,530 | - | 470,451 |
| Cancellation of units | 11(a)(b) | (95,363) | (980,100) | - | (1,075,463) |
| Balance at 31 August 2022 | | <u>8,523,911</u> | <u>70,634,772</u> | <u>(6,078,396)</u> | <u>73,080,287</u> |

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

AmPRS – Growth Fund**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

| | 2023 | 2022 |
|---|-------------------------|-------------------------|
| | RM | RM |
| CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES | | |
| Proceeds from sale of investments | 40,007,134 | 33,459,339 |
| Purchase of investments | (58,626,279) | (43,294,586) |
| Capital repayments received | 35,632 | 649 |
| Dividend/Distribution received | 1,822,959 | 1,487,790 |
| Interest received | 946,928 | 621,097 |
| Other income received | 461 | - |
| Management fee paid | (889,016) | (767,049) |
| Trustee's fee paid | (31,585) | (27,509) |
| PPA administrative fee paid | (31,575) | (27,507) |
| Tax agent's fee paid | (16,449) | (101,022) |
| Tax paid | - | (203,971) |
| Custodian's fee paid | (46,037) | (45,351) |
| Payments for other expenses | <u>(342,851)</u> | <u>(252,360)</u> |
| Net cash used in operating and investing activities | <u>(17,170,678)</u> | <u>(9,150,480)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from creation of units | 17,143,376 | 13,966,549 |
| Payments for cancellation of units | <u>(1,513,095)</u> | <u>(1,076,884)</u> |
| Net cash generated from financing activities | <u>15,630,281</u> | <u>12,889,665</u> |
| NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS | (1,540,397) | 3,739,185 |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR | <u>9,038,026</u> | <u>5,298,841</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR | <u>7,497,629</u> | <u>9,038,026</u> |
| Cash and cash equivalents comprise: | | |
| Cash at banks | <u>7,497,629</u> | <u>9,038,026</u> |

AmPRS – Growth Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

1. GENERAL INFORMATION

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

The Fund aims to provide long term capital growth by investing primarily in equities, equity-related securities and/or REITs. As provided in the Deed, 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 19 October 2023.

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 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 |
|--|---|
| Amendments to MFRSs contained in the document entitled “Annual Improvements to MFRS Standards 2018-2020” Reference to the Conceptual Framework (Amendments to MFRS 3 <i>Business Combinations</i>)* | 1 January 2022 |
| Property, Plant and Equipment – Proceeds before Intended Use (Amendments to MFRS 116 <i>Property, Plant and Equipment</i>)* | 1 January 2022 |
| Onerous Contracts - Cost of Fulfilling a Contract (Amendments to MFRS 137 <i>Provisions, Contingent Liabilities and Contingent Assets</i>) | 1 January 2022 |
| Extension of the Temporary Exemption from applying MFRS 9 (Amendments to MFRS 4 <i>Insurance Contracts</i>)* | 1 January 2022 |

AmPRS – Growth Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

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

Standards issued but not yet effective

The standards and amendments to 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 |
|--|---|
| MFRS 17 <i>Insurance Contracts</i> and Amendments to MFRS 17* Initial Application of MFRS 17 and MFRS 9 - <i>Comparative Information</i> (<i>Amendments to MFRS 17 Insurance Contracts</i>)* | 1 January 2023 1 January 2023 |
| Amendments to MFRS 101 <i>Presentation of Financial Statements:</i> <i>Classification of Liabilities as Current or Non-Current</i> | 1 January 2023 |
| Amendments to MFRS 101 <i>Presentation of Financial Statements:</i> <i>Disclosure of Accounting Policies</i> | 1 January 2023 |
| Amendments to MFRS 108 <i>Accounting policies, Changes in Accounting</i> <i>Estimates and Errors: Definition of Accounting Estimates</i> | 1 January 2023 |
| Amendments to MFRS 112 <i>Income Taxes: Deferred Tax related to</i> <i>Assets and Liabilities arising from a Single Transaction</i> | 1 January 2023 |
| Amendments to MFRS 16 <i>Leases: Lease Liability in a Sale and</i> <i>Leaseback*</i> | 1 January 2024 |
| Amendments to MFRS 101 <i>Presentation of Financial Statements:</i> <i>Non-Current Liabilities with Covenants</i> | 1 January 2024 |
| Amendments to MFRS 107 <i>Statement of Cash Flows and MFRS 7</i> <i>Financial Instruments: Disclosures: Supplier Finance Arrangements</i> | 1 January 2024 |
| Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution</i> <i>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 SIGNIFICANT 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

3. SUMMARY OF SIGNIFICANT 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

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

3.4 Foreign currency transactions

Transactions in currencies other than the Fund's functional currency (foreign currencies) are recorded in the functional currency using exchange rates prevailing at the transaction dates. At each reporting date, foreign currency monetary items are translated into RM at exchange rates ruling at the reporting date. All exchange gains or losses are recognised in profit or loss.

3.5 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.

3.6 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 for which further details are disclosed in Note 11.

3.7 Distribution

Distributions are at the discretion of the Provider. A distribution to the Fund's members is accounted for as a deduction from the retained earnings and realised income as finance cost - distribution to members and recognised in the statement of comprehensive income, as the members' contribution are classified as financial liability as per Note 3.6. Realised income is the income earned from dividend/distribution income, interest income, other 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

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

3.8 Capital repayments received

Capital repayments received are cash received by the Fund as a result of capital reduction, a corporate action executed by a REIT entities in which the Fund is holding units of shares as its investments. A capital reduction is made out of an entity's contributed share capital. The shareholders will receive a return of capital and the cost of the shareholder's investments are reduced accordingly by the amount of capital returned.

Capital repayments received is a financial asset and reduces the Fund's cost of investment on the REIT entity.

3.9 Financial assets – 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.

(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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

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

3.10 Financial assets – classification and subsequent measurement

(i) Debt instruments

The classification and subsequent measurement of debt instruments held by the Fund are determined based on their business model and cash flow characteristics.

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.

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.

(ii) Equity instruments and collective investment schemes ("CIS")

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

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

3.11 Financial assets under MFRS 9

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.

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 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

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

3.11 Financial assets under MFRS 9 (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/distribution revenue and interest earned elements of such instruments are recorded separately in “Dividend/distribution income” and “Interest income” respectively. Exchange differences on financial assets at FVTPL are not recognised separately in profit or loss but are included in net gain or net loss on changes in fair value of financial assets at FVTPL.

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.

3.12 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 holder. 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.

3.13 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:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

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

3.13 Derecognition of financial instruments (cont'd)

(i) Derecognition of financial asset (cont'd)

- 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.

3.14 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 2023**

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

3.15 Determination of fair value

For the investments in local quoted securities, fair value is determined based on the closing price quoted on Bursa Malaysia Berhad. For investments in foreign listed securities, which are quoted in the respective stock exchanges, fair value will be determined based on the published market price quoted by the respective stock exchanges at the end of each business day. For investments in CIS, fair value is determined based on the closing NAV per unit of the CIS. Purchased cost is the quoted price that the Fund paid when buying its investments. For investments in local 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.

3.16 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 the weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount.

3.17 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

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

3.17 Significant accounting estimates and judgments (cont'd.)

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.

4. INVESTMENTS

| | 2023 | 2022 |
|--|-------------------|-------------------|
| | RM | RM |
| Financial assets at FVTPL | | |
| Quoted equity securities - local | 9,301,071 | 6,571,079 |
| Quoted equity securities - foreign | 38,004,097 | 27,813,197 |
| Quoted CIS - local | 172,040 | 172,960 |
| Quoted CIS - foreign | 845,965 | 2,260,166 |
| Unquoted CIS - local | 8,933,202 | 10,559,084 |
| Unquoted fixed income securities - local | 25,380,832 | 16,470,066 |
| | <u>82,637,207</u> | <u>63,846,552</u> |

Details of investments as at 31 August 2023 are as follows:

| Name of company | Number of shares | Fair value RM | Purchased cost RM | Fair value as a percentage of NAV % |
|---|-----------------------------|------------------------------|----------------------------------|--|
| Quoted equity securities - local | | | | |
| Consumer discretionary | | | | |
| Genting Berhad | 420,000 | 1,835,400 | 1,881,389 | 2.04 |
| Genting Malaysia Berhad | 370,000 | 950,900 | 992,355 | 1.06 |
| | <u>790,000</u> | <u>2,786,300</u> | <u>2,873,744</u> | <u>3.10</u> |
| Consumer staples | | | | |
| Genting Plantations Berhad | 49,000 | 263,620 | 350,012 | 0.30 |
| QL Resources Berhad | 155,000 | 837,000 | 837,534 | 0.93 |
| | <u>204,000</u> | <u>1,100,620</u> | <u>1,187,546</u> | <u>1.23</u> |
| Financials | | | | |
| CIMB Group Holdings Berhad | 158,000 | 889,540 | 894,732 | 0.99 |
| Malayan Banking Berhad | 50,000 | 455,500 | 434,397 | 0.51 |
| RHB Bank Berhad | 36,900 | 207,009 | 215,263 | 0.23 |
| | <u>244,900</u> | <u>1,552,049</u> | <u>1,544,392</u> | <u>1.73</u> |

AmPRS – Growth Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

4. INVESTMENTS (CONT'D.)

Details of investments as at 31 August 2023 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 - local (cont'd.) | | | | |
| Industrials | | | | |
| Frontken Corporation Berhad | 324,500 | 1,135,750 | 1,068,122 | 1.26 |
| Malaysia Airports Holdings Berhad | 180,000 | 1,326,600 | 1,213,938 | 1.48 |
| | <u>504,500</u> | <u>2,462,350</u> | <u>2,282,060</u> | <u>2.74</u> |
| Materials | | | | |
| PETRONAS Chemicals Group Berhad | 92,300 | 657,176 | 716,285 | 0.73 |
| Real estate | | | | |
| Matrix Concepts Holdings Berhad | 50 | 76 | 67 | ** |
| Telecommunication services | | | | |
| Time dotCom Berhad | 135,000 | 742,500 | 665,688 | 0.83 |
| Total quoted equity securities - local | <u>1,970,750</u> | <u>9,301,071</u> | <u>9,269,782</u> | <u>10.36</u> |
| Quoted equity securities - foreign | | | | |
| Australia | | | | |
| Financials | | | | |
| ANZ Group Holdings Limited | 8,632 | 656,580 | 747,480 | 0.73 |
| Macquarie Group Limited. | 721 | 384,368 | 443,526 | 0.43 |
| | <u>9,353</u> | <u>1,040,948</u> | <u>1,191,006</u> | <u>1.16</u> |
| Health care | | | | |
| CSL Limited | 914 | 750,744 | 764,904 | 0.84 |
| Telecommunication services | | | | |
| Telstra Group Limited | 34,000 | 409,416 | 434,745 | 0.46 |
| Total in Australia | <u>44,267</u> | <u>2,201,108</u> | <u>2,390,655</u> | <u>2.46</u> |

AmPRS – Growth Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

4. INVESTMENTS (CONT'D.)

Details of investments as at 31 August 2023 are as follows: (cont'd.)

| Name of company | Number of shares | Fair value RM | Purchased cost RM | Fair value as a percentage of NAV % |
|--|------------------|-------------------|----------------------|--|
| Hong Kong | | | | |
| Consumer discretionary | | | | |
| Alibaba Group Holding Limited | 39,000 | 2,082,894 | 1,982,921 | 2.32 |
| Galaxy Entertainment Group Limited | 5,000 | 153,650 | 138,057 | 0.17 |
| JD.com, Inc. | 13,590 | 1,036,409 | 1,519,695 | 1.15 |
| Shenzhou International Group Holdings Limited | 41,000 | 1,954,231 | 2,221,164 | 2.18 |
| Trip.Com Group Limited | 600 | 109,918 | 92,450 | 0.12 |
| Yum China Holdings, Inc. | 5,100 | 1,262,242 | 1,270,249 | 1.40 |
| | <u>104,290</u> | <u>6,599,344</u> | <u>7,224,536</u> | <u>7.34</u> |
| Consumer staples | | | | |
| China Resources Beer (Holdings) Company Limited | 32,000 | 873,468 | 993,833 | 0.97 |
| Financials | | | | |
| AIA Group Limited | 10,000 | 421,576 | 484,642 | 0.47 |
| China Merchants Bank Co., Ltd. | 40,000 | 734,206 | 956,004 | 0.81 |
| CITIC Securities Company Limited | 164,000 | 1,487,643 | 1,552,757 | 1.66 |
| | <u>214,000</u> | <u>2,643,425</u> | <u>2,993,403</u> | <u>2.94</u> |
| Health care | | | | |
| Wuxi Biologics (Cayman) Inc. | 40,000 | 1,045,651 | 1,061,909 | 1.16 |
| Information Technology | | | | |
| Sunny Optical Technology (Group) Company Limited | 30,100 | 1,142,406 | 1,489,139 | 1.27 |
| Xiaomi Corporation | 75,000 | 548,878 | 535,314 | 0.61 |
| | <u>105,100</u> | <u>1,691,284</u> | <u>2,024,453</u> | <u>1.88</u> |
| Telecommunication services | | | | |
| Baidu, Inc. | 7,200 | 594,280 | 535,110 | 0.66 |
| Kingsoft Corporation Limited | 2,000 | 37,065 | 39,927 | 0.04 |
| Tencent Holdings Limited | 7,000 | 1,347,031 | 1,530,979 | 1.50 |
| | <u>16,200</u> | <u>1,978,376</u> | <u>2,106,016</u> | <u>2.20</u> |
| Total in Hong Kong | <u>511,590</u> | <u>14,831,548</u> | <u>16,404,150</u> | <u>16.49</u> |

AmPRS – Growth Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

4. INVESTMENTS (CONT'D.)

Details of investments as at 31 August 2023 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 - foreign (cont'd.) | | | | |
| Indonesia | | | | |
| Financials | | | | |
| PT Bank Central Asia Tbk. | 177,500 | 495,734 | 452,741 | 0.55 |
| Industrials | | | | |
| Pt Astra International Tbk | 40,500 | 79,517 | 68,318 | 0.09 |
| Telecommunication services | | | | |
| PT Telkom Indonesia (Persero) Tbk | 971,700 | 1,103,280 | 1,149,895 | 1.23 |
| Total in Indonesia | 1,189,700 | 1,678,531 | 1,670,954 | 1.87 |
| Philippines | | | | |
| Consumer discretionary | | | | |
| Jollibee Foods Corp. | 48,000 | 931,330 | 876,692 | 1.04 |
| Utilities | | | | |
| Acen Corporation | 9,780 | 4,011 | 6,567 | ** |
| Manila Electric Co. | 35,000 | 984,545 | 927,483 | 1.10 |
| | 44,780 | 988,556 | 934,050 | 1.10 |
| Total in Philippines | 92,780 | 1,919,886 | 1,810,742 | 2.14 |
| Singapore | | | | |
| Financials | | | | |
| DBS Group Holdings Ltd. | 4,000 | 457,316 | 464,117 | 0.51 |
| Telecommunication services | | | | |
| Singapore Telecommunications Limited | 185,000 | 1,511,682 | 1,518,029 | 1.68 |
| Total in Singapore | 189,000 | 1,968,998 | 1,982,146 | 2.19 |

AmPRS – Growth Fund

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

4. INVESTMENTS (CONT'D.)

Details of investments as at 31 August 2023 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 - foreign (cont'd.) | | | | |
| South Korea | | | | |
| Energy | | | | |
| SK Innovation Co., Ltd. | 13 | 8,076 | 11,519 | 0.01 |
| Information technology | | | | |
| LG Innotek Co.,Ltd | 945 | 893,025 | 875,833 | 1.00 |
| Samsung Electronics Co., Ltd. | 15,980 | 3,741,717 | 3,664,040 | 4.17 |
| SK Hynix Inc. | 701 | 298,836 | 288,539 | 0.33 |
| | <u>17,626</u> | <u>4,933,578</u> | <u>4,828,412</u> | <u>5.50</u> |
| Materials | | | | |
| LG Chem Ltd. | 148 | 301,994 | 441,399 | 0.34 |
| Telecommunication services | | | | |
| Kakao Corp. | 6,107 | 1,028,114 | 1,492,681 | 1.14 |
| NAVER Corporation | 992 | 744,744 | 930,391 | 0.83 |
| | <u>7,099</u> | <u>1,772,858</u> | <u>2,423,072</u> | <u>1.97</u> |
| Total in South Korea | <u>24,886</u> | <u>7,016,506</u> | <u>7,704,402</u> | <u>7.82</u> |
| Taiwan | | | | |
| Information technology | | | | |
| Hon Hai Precision Industry Co., Ltd. | 58,000 | 898,766 | 929,546 | 1.00 |
| MediaTek Inc. | 6,000 | 615,474 | 725,372 | 0.69 |
| Taiwan Semiconductor Manufacturing Company Limited | 36,000 | 2,875,702 | 2,787,673 | 3.20 |
| United Microelectronics Corp. | 60,000 | 397,220 | 458,681 | 0.44 |
| Zhen Ding Technology Holding Limited | 48,000 | 675,362 | 808,460 | 0.75 |
| | <u>208,000</u> | <u>5,462,524</u> | <u>5,709,732</u> | <u>6.08</u> |
| Total in Taiwan | <u>208,000</u> | <u>5,462,524</u> | <u>5,709,732</u> | <u>6.08</u> |

AmPRS – Growth Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

4. INVESTMENTS (CONT'D.)

Details of investments as at 31 August 2023 are as follows: (cont'd.)

| Name of company/trust | Number of shares/ units | Fair value RM | Purchased cost RM | Fair value as a percentage of NAV % |
|--|-------------------------------|---------------------|-------------------------|---|
| Quoted equity securities - foreign (cont'd.) | | | | |
| Thailand | | | | |
| Consumer staples | | | | |
| CP All Public Company Limited | 110,000 | 950,918 | 949,219 | 1.06 |
| Energy | | | | |
| PTT Public Company Limited | 100,900 | 464,532 | 611,551 | 0.52 |
| Financials | | | | |
| Kasikornbank Public Company Limited | 54,000 | 937,206 | 1,007,257 | 1.04 |
| Telecommunication services | | | | |
| Advanced Info Service Public Company Limited | 20,000 | 572,340 | 561,082 | 0.64 |
| Total in Thailand | 284,900 | 2,924,996 | 3,129,109 | 3.26 |
| Total in quoted equity securities - foreign | 2,545,123 | 38,004,097 | 40,801,890 | 42.31 |
| Quoted CIS - local | | | | |
| REITs | | | | |
| Axis Real Estate Investment Trust | 92,000 | 172,040 | 163,760 | 0.19 |
| Total quoted CIS - local | 92,000 | 172,040 | 163,760 | 0.19 |
| Quoted CIS - foreign | | | | |
| Singapore | | | | |
| REITs | | | | |
| Frasers Centrepoint Trust | 110,000 | 845,965 | 824,178 | 0.94 |
| Total in Singapore | 110,000 | 845,965 | 824,178 | 0.94 |
| Total quoted CIS - foreign | 110,000 | 845,965 | 824,178 | 0.94 |

AmPRS – Growth Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

4. INVESTMENTS (CONT'D.)

Details of investments as at 31 August 2023 are as follows: (cont'd.)

| Name of trust | Number of units | Fair value RM | Purchased cost RM | Fair value as a percentage of NAV % |
|-----------------------------------|------------------|------------------|-------------------|-------------------------------------|
| Unquoted CIS - local | | | | |
| AmBon Islam* | 3,020,383 | 3,921,062 | 3,876,695 | 4.36 |
| AmBond* | 2,863,012 | 3,802,652 | 3,755,641 | 4.23 |
| AmConservative* | 240,538 | 275,320 | 243,864 | 0.31 |
| AmIslamic Global SRI* | 848,472 | 934,168 | 847,857 | 1.04 |
| Total unquoted CIS - local | 6,972,405 | 8,933,202 | 8,724,057 | 9.94 |

| 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 - local | | | | | | |
| Corporate bonds | | | | | | |
| 31.10.2023 | Selangor State Development Corporation | AA | 650,000 | 661,752 | 662,719 | 0.74 |
| 16.02.2024 | UEM Sunrise Berhad | AA | 2,200,000 | 2,198,183 | 2,204,434 | 2.45 |
| 04.07.2025 | Kapar Energy Ventures Sdn. Bhd. | AA | 1,200,000 | 1,229,002 | 1,241,757 | 1.37 |
| 05.09.2025 | Fortune Premiere Sdn. Bhd. | AA | 2,000,000 | 2,086,035 | 2,111,450 | 2.32 |
| 19.09.2025 | UEM Sunrise Berhad | AA | 1,000,000 | 1,004,016 | 1,019,287 | 1.12 |
| 28.08.2026 | Mtt Shipping Sdn. Bhd. | AA | 2,000,000 | 2,000,551 | 2,000,571 | 2.23 |
| 20.04.2028 | UMW Holdings Berhad | AA | 1,000,000 | 1,098,972 | 1,111,719 | 1.22 |
| 06.04.2029 | MMC Port Holdings Sdn. Bhd. | AA | 900,000 | 932,161 | 916,546 | 1.04 |
| 20.04.2029 | S P Setia Berhad | AA | 1,000,000 | 1,037,305 | 1,016,505 | 1.15 |

AmPRS – Growth Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

4. INVESTMENTS (CONT'D.)

Details of investments as at 31 August 2023 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 - local (cont'd.) | | | | | | |
| Corporate bonds (cont'd.) | | | | | | |
| 11.01.2030 | Projek Lebuhraya Usahasama Berhad | AAA | 2,000,000 | 2,065,059 | 2,012,799 | 2.30 |
| 03.05.2030 | Genm Capital Berhad | AA | 3,200,000 | 3,277,128 | 3,255,816 | 3.65 |
| 02.06.2032 | TNB Power Generation Sdn. Bhd. | AAA | 700,000 | 737,687 | 708,202 | 0.82 |
| 27.07.2032 | Sarawak Petchem Sdn. Bhd. | AAA | 700,000 | 748,958 | 703,528 | 0.83 |
| 12.01.2033 | Projek Lebuhraya Usahasama Berhad | AAA | 2,800,000 | 2,931,258 | 2,857,810 | 3.26 |
| 22.02.2033 | Petroleum Sarawak Exploration & Production Sdn. Bhd. | AAA | 1,000,000 | 1,020,074 | 1,005,093 | 1.14 |
| 02.06.2037 | TNB Power Generation Sdn. Bhd. | AAA | 700,000 | 766,171 | 708,813 | 0.85 |
| 05.10.2040 | Solarpack Suria Sungai Petani Sdn. Bhd. | AA | 1,500,000 | 1,586,520 | 1,547,499 | 1.76 |
| Total unquoted fixed income securities - local | | | 24,550,000 | 25,380,832 | 25,084,548 | 28.25 |
| Total financial assets at FVTPL | | | | 82,637,207 | 84,868,215 | 91.99 |
| Shortfall of fair value over purchased/ adjusted cost | | | | (2,231,008) | | |

* These CIS are managed by the Provider.

** Represents less than 0.01%.

AmPRS – Growth Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

4. INVESTMENTS (CONT'D.)

The weighted average effective yield on investments are as follows:

| | Effective yield | |
|-----------------|-----------------|-------------|
| | 2023 | 2022 |
| | % | % |
| Corporate bonds | <u>4.55</u> | <u>4.54</u> |

Analysis of the remaining maturity of investments as at 31 August 2023 and 31 August 2022 are as follows:

| | Less than 1 year RM | 1 year to 5 years RM | More than 5 years RM |
|-------------------|---------------------------|----------------------------|----------------------------|
| 2023 | | | |
| At nominal value: | | | |
| Corporate bonds | <u>2,850,000</u> | <u>7,200,000</u> | <u>14,500,000</u> |
| 2022 | | | |
| At nominal value: | | | |
| Corporate bonds | <u>900,000</u> | <u>10,200,000</u> | <u>5,000,000</u> |

5. AMOUNT DUE FROM/TO PROVIDER

| | Note | 2023 RM | 2022 RM |
|------------------------------|-------|----------------|---------------|
| (a) Due from Provider | | | |
| Creation of units | (i) | <u>30,857</u> | <u>9,455</u> |
| (b) Due to Provider | | | |
| Redemption of units | (ii) | 13,397 | 5,803 |
| Management fee payable | (iii) | <u>99,828</u> | <u>76,087</u> |
| | | <u>113,225</u> | <u>81,890</u> |

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

(ii) The amount represents amount payable to the Provider for units redeemed.

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

AmPRS – Growth Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

5. AMOUNT DUE FROM/TO PROVIDER (CONT'D.)

- (iii) Management fee is at a rate of 1.50% (2022: 1.50%) per annum for Class D and 1.25% (2022: 1.25%) per annum for Class I on the NAV of the Fund, calculated on a daily basis. As the Fund invested in the CIS, the management fee related to the CIS has been charged by the Provider.

According to Securities Commission Malaysia's Guidelines on Private Retirement Schemes, the management fee can only be charged once and hence, no management fee can be charged on the NAV of the unquoted CIS of this Fund to avoid double charging of management fee.

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

6. CAPITAL REPAYMENT RECEIVABLES

The amount relates to the capital repayment as the result of corporate action from its investment in securities.

7. AMOUNT DUE TO BROKERS

Amount due to brokers relates to the amount payable to brokers arose from the purchase of investments. The settlement period is within two business days from the transaction date.

8. AMOUNT DUE TO TRUSTEE

Trustee's fee is at rate of 0.04% (2022: 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% (2022: 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.

AmPRS – Growth Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

10. NET GAIN/(LOSS) FROM INVESTMENTS

| | 2023 RM | 2022 RM |
|---|----------------|--------------------|
| Net gain/(loss) on financial assets at FVTPL comprised: | | |
| – Net realised losses on sale of investments | (3,057,776) | (215,347) |
| – Net realised gain/(loss) on foreign currency exchange | 225,844 | (54,592) |
| – Net unrealised gain/(loss) on changes in fair value of investments | 2,546,108 | (7,531,573) |
| – Net unrealised gains on foreign currency fluctuation of investments denominated in foreign currency | 912,146 | 164,393 |
| | <u>626,322</u> | <u>(7,637,119)</u> |

11. NAV ATTRIBUTABLE TO MEMBERS

Total NAV attributable to members is represented by:

| | Note | 2023 RM | 2022 RM |
|---------------------------------|------|-------------------|-------------------|
| Members' contribution – Class D | (a) | 9,306,639 | 8,523,911 |
| Members' contribution – Class I | (b) | 85,496,133 | 70,634,772 |
| Accumulated losses | | | |
| – Realised losses | (c) | (2,738,713) | (388,437) |
| – Unrealised losses | (d) | (2,230,378) | (5,689,959) |
| | | <u>89,833,681</u> | <u>73,080,287</u> |

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

| Classes of | Currency denomination | Categories of members | Distribution policy |
|------------|-----------------------|---|---------------------|
| Class D | RM | Distributor appointed by the PRS Provider | Incidental |
| Class I | RM | Employer-Sponsored Retirement Scheme 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 fees charges

AmPRS – Growth Fund

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

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

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

| | 2023 | | 2022 | |
|---|-------------------|------------------|-------------------|------------------|
| | Number of units | RM | Number of units | RM |
| At beginning of the financial year | 14,678,565 | 8,523,911 | 13,079,393 | 7,600,206 |
| Creation during the financial year | 1,590,838 | 850,295 | 1,502,654 | 875,147 |
| Reinvestment of distribution [Note 14(a)] | - | - | 268,860 | 143,921 |
| Cancellation during the financial year | (125,678) | (67,567) | (172,342) | (95,363) |
| At end of the financial year | <u>16,143,725</u> | <u>9,306,639</u> | <u>14,678,565</u> | <u>8,523,911</u> |

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

| | 2023 | | 2022 | |
|---|--------------------|-------------------|--------------------|-------------------|
| | Number of units | RM | Number of units | RM |
| At beginning of the financial year | 117,194,511 | 70,634,772 | 95,677,325 | 58,201,632 |
| Creation during the financial year | 28,938,430 | 16,314,483 | 22,598,549 | 13,086,710 |
| Reinvestment of distribution [Note 14(b)] | - | - | 587,073 | 326,530 |
| Cancellation during the financial year | (2,600,086) | (1,453,122) | (1,668,436) | (980,100) |
| At end of the financial year | <u>143,532,855</u> | <u>85,496,133</u> | <u>117,194,511</u> | <u>70,634,772</u> |

(c) Realised

| | 2023 RM | 2022 RM |
|--|--------------------|------------------|
| At beginning of the financial year | (388,437) | 108,147 |
| Realised losses for the financial year | (2,350,276) | (26,133) |
| Finance cost – distribution to members | - | (470,451) |
| Net realised losses for the financial year | <u>(2,350,276)</u> | <u>(496,584)</u> |
| At end of the financial year | <u>(2,738,713)</u> | <u>(388,437)</u> |

AmPRS – Growth Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

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

(d) Unrealised – non-distributable

| | 2023 RM | 2022 RM |
|---|--------------------|--------------------|
| At beginning of the financial year | (5,689,959) | 1,677,577 |
| Net unrealised gain/(loss) for the financial year | 3,459,581 | (7,367,536) |
| At end of the financial year | <u>(2,230,378)</u> | <u>(5,689,959)</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

There are no units held by the Provider or any related party as at 31 August 2023 and 31 August 2022.

13. TAXATION

| | 2023 RM | 2022 RM |
|-------------|----------------|----------------|
| Local tax | 846 | 345 |
| Foreign tax | 134,917 | 137,414 |
| | <u>135,763</u> | <u>137,759</u> |

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.

Withholding tax refer to taxable dividend/distribution income derived from countries including Australia, Hong Kong, Indonesia, Malaysia, Philippines, Singapore, South Korea, Taiwan and Thailand calculated at the rates prevailing in these countries.

AmPRS – Growth Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

13. TAXATION (CONT'D.)

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

| | 2023 RM | 2022 RM |
|--|------------------|--------------------|
| Net income/(loss) before taxation | <u>1,245,068</u> | <u>(7,726,361)</u> |
| Taxation at Malaysian statutory rate of 24% (2022: 24%) | 298,816 | (1,854,327) |
| Tax effects of: | | |
| Income not subject to tax | (1,110,912) | (405,952) |
| Effect of different tax rates in other countries | (326,643) | (41,396) |
| Loss not allowed for tax deduction | 943,701 | 2,029,461 |
| Restriction on tax deductible expenses | 183,296 | 169,927 |
| Non-permitted expenses for tax purposes | 110,538 | 221,165 |
| Permitted expenses not used and not available for future financial years | <u>36,967</u> | <u>18,881</u> |
| Tax expense for the financial year | <u>135,763</u> | <u>137,759</u> |

14. DISTRIBUTION

No distribution has been declared to members during the current financial year.

Distribution to members for the previous financial year are from the following sources:

(a) Class D

| | 2022 RM |
|---|-----------------|
| Dividend/Distribution income | 215,237 |
| Interest income | <u>76,655</u> |
| | 291,892 |
| Less: Expenses | (133,152) |
| Taxation | <u>(14,819)</u> |
| Total amount of distribution | <u>143,921</u> |
| Gross distribution per unit (sen) | <u>1.00</u> |
| Net distribution per unit (sen) | <u>1.00</u> |
| Distribution made out of: | |
| - Realised income | <u>143,921</u> |
| Comprising: | |
| Reinvestment of distribution [Note 11(a)] | <u>143,921</u> |

AmPRS – Growth Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

14. DISTRIBUTION (CONT'D.)

Distribution to members for the previous financial year are from the following sources: (cont'd.)

(b) Class I

| | 2022 RM |
|---|--------------------|
| Dividend/Distribution income | 1,145,956 |
| Interest income | 408,127 |
| | <u>1,554,083</u> |
| Less: Expenses | (1,104,613) |
| Taxation | (122,940) |
| Total amount of distribution | <u>326,530</u> |
| | |
| Gross distribution per unit (sen) | <u>0.28</u> |
| | |
| Net distribution per unit (sen) | <u>0.28</u> |
| | |
| Distribution made out of: | |
| - Realised income | <u>326,530</u> |
| | |
| Comprising: | |
| Reinvestment of distribution [Note 11(b)] | <u>326,530</u> |

Details of distribution to members for the previous financial year are as follows:

Financial year ended 31 August 2022

| Distribution Ex-date | Gross distribution per unit RM (sen) | Net distribution per unit RM (sen) | Total distribution RM |
|---------------------------------|---|---|--------------------------------------|
| | | | |
| (a) Class D | | | |
| 24 August 2022 | <u>1.00</u> | <u>1.00</u> | <u>143,921</u> |
| | | | |
| (b) Class I | | | |
| 24 August 2022 | <u>0.28</u> | <u>0.28</u> | <u>326,530</u> |

Gross distribution per unit is derived from gross realised income less expenses divided by the number of units in circulation, while net distribution per unit is derived from gross realised income less expenses and taxation divided by the number of units in circulation.

The distribution declared for the financial year ended 31 August 2022 has been proposed before taking into account the net unrealised loss of RM7,367,536 arising during the financial year which is carried forward to the next financial year.

AmPRS – Growth Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

15. TOTAL EXPENSE RATIO (“TER”)

The Fund’s TER is as follows:

| | 2023 % p.a. | 2022 % p.a. |
|------------------------|----------------|----------------|
| Management fee | 1.14 | 1.12 |
| Trustee’s fee | 0.04 | 0.04 |
| PPA administrative fee | 0.04 | 0.04 |
| Fund’s other expenses | 0.09 | 0.23 |
| Total TER | <u>1.31</u> | <u>1.43</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.

16. 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 0.63 times (2022: 0.56 times).

17. 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 three segments:

- A portfolio of equity instruments;
- A portfolio of CIS; and
- A portfolio of fixed income instrument.

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.

| | Equity portfolio RM | CIS portfolio RM | Fixed income portfolio RM | Total RM |
|---|---------------------------|------------------------|------------------------------------|-------------|
| 2023 | | | | |
| Dividend/Distribution income | 1,465,914 | 460,776 | - | 1,926,690 |
| Interest income | - | - | 942,892 | 942,892 |
| Other income | 461 | - | - | 461 |
| Net gains from investments: | | | | |
| - Financial assets at FVTPL | 48,083 | 157,902 | 420,337 | 626,322 |
| Other net realised losses on foreign currency exchange | (874,268) | (22) | - | (874,290) |

AmPRS – Growth Fund

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

17. SEGMENTAL REPORTING (CONT'D.)

| | Equity portfolio RM | CIS portfolio RM | Fixed income portfolio RM | Total RM |
|--|---------------------------|------------------------|------------------------------------|--------------------|
| 2023 (cont'd.) | | | | |
| Other net unrealised gains on foreign currency exchange | 1,170 | 157 | - | 1,327 |
| Total segment investment income for the financial year | <u>641,360</u> | <u>618,813</u> | <u>1,363,229</u> | <u>2,623,402</u> |
| Financial assets at FVTPL | 47,305,168 | 9,951,207 | 25,380,832 | 82,637,207 |
| Dividend/Distribution receivables | 44,626 | - | - | 44,626 |
| Total segment assets | <u>47,349,794</u> | <u>9,951,207</u> | <u>25,380,832</u> | <u>82,681,833</u> |
| Amount due to brokers | 451,390 | - | - | 451,390 |
| Total segment liabilities | <u>451,390</u> | <u>-</u> | <u>-</u> | <u>451,390</u> |
| 2022 | | | | |
| Dividend/Distribution income | 1,336,932 | 337,981 | - | 1,674,913 |
| Interest income | - | - | 598,638 | 598,638 |
| Net losses from investments: | | | | |
| - Financial assets at FVTPL | (6,894,259) | (575,650) | (167,210) | (7,637,119) |
| Other net realised loss on foreign currency exchange | (654,223) | - | - | (654,223) |
| Other net unrealised losses on foreign currency exchange | (240) | (116) | - | (356) |
| Total segment investment income for the financial year | <u>(6,211,790)</u> | <u>(237,785)</u> | <u>431,428</u> | <u>(6,018,147)</u> |
| Financial assets at FVTPL | 34,384,276 | 12,992,210 | 16,470,066 | 63,846,552 |
| Dividend/Distribution receivables | 51,034 | 24,842 | - | 75,876 |
| Total segment assets | <u>34,435,310</u> | <u>13,017,052</u> | <u>16,470,066</u> | <u>63,922,428</u> |

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/(loss) and net income/(loss) after taxation:

| | 2023 RM | 2022 RM |
|---|--------------------|--------------------|
| Net reportable segment investment income/(loss) | 2,623,402 | (6,018,147) |
| Less: Expenses | <u>(1,378,334)</u> | <u>(1,237,763)</u> |
| Net income/(loss) before taxation | 1,245,068 | (7,255,910) |
| Finance cost – distributions | - | (470,451) |
| Taxation | <u>(135,763)</u> | <u>(137,759)</u> |
| Net income/(loss) after taxation | <u>1,109,305</u> | <u>(7,864,120)</u> |

AmPRS – Growth Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

17. SEGMENTAL REPORTING (CONT'D.)

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.

| | 2023 RM | 2022 RM |
|-------------------------------|-------------------|-------------------|
| Total segment assets | 82,681,833 | 63,922,428 |
| Amount due from Provider | 30,857 | 9,455 |
| Capital repayment receivables | - | 7,211 |
| Tax recoverable | 203,971 | 203,971 |
| Cash at banks | 7,497,629 | 9,038,026 |
| Total assets of the Fund | <u>90,414,290</u> | <u>73,181,091</u> |
| Total segment liabilities | 451,390 | - |
| Amount due to Provider | 113,225 | 81,890 |
| Amount due to Trustee | 3,032 | 2,556 |
| Amount due to PPA | 3,032 | 2,556 |
| Sundry payables and accruals | 9,930 | 13,802 |
| Total liabilities of the Fund | <u>580,609</u> | <u>100,804</u> |

18. TRANSACTIONS WITH THE PROVIDER, BROKERS AND FINANCIAL INSTITUTIONS

Details of transactions with the Provider, brokers and financial institutions for the financial year ended 31 August 2023 are as follows:

| Provider/Brokers/Financial institutions | Transaction value | | Brokerage fee, stamp duty and clearing fee | |
|--|-------------------|---------------|--|---------------|
| | RM | % | RM | % |
| Macquarie Securities (Australia) Limited | 19,605,248 | 19.78 | 79,149 | 24.17 |
| Credit Suisse (Hong Kong) Limited | 13,495,229 | 13.62 | 52,017 | 15.88 |
| Masterlink Securities Co. Ltd | 7,860,912 | 7.93 | 35,298 | 10.78 |
| Daishin Securites Co., Ltd | 7,776,720 | 7.85 | 29,126 | 8.89 |
| CIMB Bank Berhad | 6,882,123 | 6.94 | - | - |
| Dbv Vickers Securities (Singapore) Pte Ltd | 6,077,453 | 6.13 | 21,503 | 6.57 |
| Maybank Investment Bank Berhad | 5,447,036 | 5.50 | 26,136 | 7.98 |
| RHB Investment Bank Berhad | 5,223,962 | 5.27 | 15,486 | 4.73 |
| CLSA Limited (Hong Kong) | 4,549,431 | 4.59 | 22,692 | 6.93 |
| AmBank (M) Berhad* | 4,208,291 | 4.24 | - | - |
| Other brokers and financial institutions# | 17,988,979 | 18.15 | 46,075 | 14.07 |
| Total | <u>99,115,384</u> | <u>100.00</u> | <u>327,482</u> | <u>100.00</u> |

* A financial institution related to the Provider.

AmPRS – Growth Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

18. TRANSACTIONS WITH THE PROVIDER, BROKERS AND FINANCIAL INSTITUTIONS (CONT'D.)

Included in the category of other brokers and financial institutions were transactions amounting to RM1,244,807 with a related party, AmInvestment Bank Berhad.

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 listed securities, CIS and fixed income securities. Transactions in unquoted CIS and fixed income securities do not involve any commission or brokerage.

19. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The significant 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.

| | Financial assets at FVTPL RM | Financial assets at amortised cost RM | Financial liabilities at amortised cost RM | Total RM |
|--------------------------------------|---------------------------------------|---|--|-------------------|
| 2023 | | | | |
| Assets | | | | |
| Investments | 82,637,207 | - | - | 82,637,207 |
| Dividend/Distribution receivables | - | 44,626 | - | 44,626 |
| Amount due from Provider | - | 30,857 | - | 30,857 |
| Cash at banks | - | 7,497,629 | - | 7,497,629 |
| Total financial assets | <u>82,637,207</u> | <u>7,573,112</u> | <u>-</u> | <u>90,210,319</u> |
| Liabilities | | | | |
| Amount due to Provider | - | - | 113,225 | 113,225 |
| Amount due to brokers | - | - | 451,390 | 451,390 |
| Amount due to Trustee | - | - | 3,032 | 3,032 |
| Amount due to PPA | - | - | 3,032 | 3,032 |
| Total financial liabilities | <u>-</u> | <u>-</u> | <u>570,679</u> | <u>570,679</u> |

AmPRS – Growth Fund

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

19. FINANCIAL INSTRUMENTS (CONT'D.)

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

| | Financial assets at FVTPL RM | Financial assets at amortised cost RM | Financial liabilities at amortised cost RM | Total RM |
|--|---------------------------------------|---|--|-------------------|
| 2022 | | | | |
| Assets | | | | |
| Investments | 63,846,552 | - | - | 63,846,552 |
| Dividend/Distribution receivables | - | 75,876 | - | 75,876 |
| Amount due from Provider | - | 9,455 | - | 9,455 |
| Capital repayment receivables | - | 7,211 | - | 7,211 |
| Cash at banks | - | 9,038,026 | - | 9,038,026 |
| Total financial assets | <u>63,846,552</u> | <u>9,130,568</u> | <u>-</u> | <u>72,977,120</u> |
| Liabilities | | | | |
| Amount due to Provider | - | - | 81,890 | 81,890 |
| Amount due to Trustee | - | - | 2,556 | 2,556 |
| Amount due to PPA | - | - | 2,556 | 2,556 |
| Total financial liabilities | <u>-</u> | <u>-</u> | <u>87,002</u> | <u>87,002</u> |
| | | | Income, expenses, gains and losses | |
| | | | 2023 | 2022 |
| | | | RM | RM |
| Net gain/(loss) from financial assets at FVTPL | | | 626,322 | (7,637,119) |
| Income, of which derived from: | | | | |
| – Gross dividend/distribution income from financial assets at FVTPL | | | 1,926,690 | 1,674,913 |
| – Interest income from financial assets at amortised cost | | | 942,892 | 598,638 |
| – Other income | | | 461 | - |
| – Other net realised losses on foreign currency exchange | | | (874,290) | (654,223) |
| – Other net unrealised gain/(loss) on foreign currency exchange | | | <u>1,327</u> | <u>(356)</u> |

AmPRS – Growth Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023

19. FINANCIAL INSTRUMENTS (CONT'D.)

(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 |
|---------------------------|-------------------|-------------------|---------------|-------------------|
| 2023 | | | | |
| Financial assets at FVTPL | <u>48,323,173</u> | <u>34,314,034</u> | <u>-</u> | <u>82,637,207</u> |
| 2022 | | | | |
| Financial assets at FVTPL | <u>36,817,402</u> | <u>27,029,150</u> | <u>-</u> | <u>63,846,552</u> |

(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:

- Dividend/Distribution receivables
- Amount due from/to Provider
- Capital repayment receivables
- Cash at banks
- Amount due to brokers
- 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

20. 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, country 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 investments restrictions as stipulated by the Capital Market 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.

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 | |
|-----------------------------------|-------------------------------|------------------|
| | 2023 RM | 2022 RM |
| -5.00% | (2,862,819) | (2,368,824) |
| +5.00% | <u>2,862,819</u> | <u>2,368,824</u> |

(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:

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

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

(a) Market risk (cont'd.)

(ii) Interest rate risk (cont'd.)

| Parallel shift in yield curve by: | Sensitivity of the Fund's NAV, or theoretical value | |
|-----------------------------------|--|------------|
| | 2023 RM | 2022 RM |
| +100bps | (1,174,838) | (558,124) |
| -100bps | 1,278,553 | 594,996 |

(iii) Currency risk

Currency risk is associated with the Fund's assets and liabilities that are denominated in currencies other than the Fund's functional currency. Currency risk refers to the potential loss the Fund might face due to unfavorable fluctuations of currencies other than the Fund's functional currency against the Fund's functional currency.

The result below summarised the currency risk sensitivity of the Fund's NAV due to appreciation/depreciation of the Fund's functional currency against currencies other than the Fund's functional currency.

| Percentage movements in currencies other than the Fund's functional currency: | Sensitivity of the Fund's NAV | |
|---|-------------------------------|-------------|
| | 2023 RM | 2022 RM |
| -5.00% | (2,008,068) | (1,573,114) |
| +5.00% | 2,008,068 | 1,573,114 |

The net unhedged financial assets of the Fund that are not denominated in Fund's functional currency are as follows:

| Assets denominated in | 2023 | | 2022 | |
|--------------------------|------------------|-------------|------------------|-------------|
| | RM equivalent | % of NAV | RM equivalent | % of NAV |
| Australian Dollar | | | | |
| Investments | 2,201,108 | 2.46 | 4,713,836 | 6.46 |
| Dividend receivables | 8,678 | 0.01 | 22,574 | 0.03 |
| Cash at bank | 99,470 | 0.11 | 101,560 | 0.14 |
| | <u>2,309,256</u> | <u>2.58</u> | <u>4,837,970</u> | <u>6.63</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

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

(a) Market risk (cont'd.)

(iii) Currency risk (cont'd.)

The net unhedged financial assets of the Fund that are not denominated in Fund's functional currency are as follows: (cont'd.)

| Assets/(liabilities) denominated in | 2023 | | 2022 | |
|--|--------------------------|---------------------|--------------------------|---------------------|
| | RM equivalent | % of NAV | RM equivalent | % of NAV |
| Hong Kong Dollar | | | | |
| Investments | 14,831,548 | 16.49 | 5,189,461 | 7.11 |
| Dividend receivables | 8,067 | 0.01 | - | - |
| Cash at bank | 218,740 | 0.25 | - | - |
| Amount due to brokers | (218,740) | (0.25) | - | - |
| | <u>14,839,615</u> | <u>16.50</u> | <u>5,189,461</u> | <u>7.11</u> |
| Indonesian Rupiah | | | | |
| Investments | <u>1,678,531</u> | <u>1.87</u> | <u>1,735,321</u> | <u>2.39</u> |
| New Taiwan Dollar | | | | |
| Investments | 5,462,524 | 6.08 | 5,538,174 | 7.56 |
| Cash at bank | 1,399,842 | 1.56 | 1,219,222 | 1.67 |
| | <u>6,862,366</u> | <u>7.64</u> | <u>6,757,396</u> | <u>9.23</u> |
| Philippine Peso | | | | |
| Investments | 1,919,886 | 2.14 | 598,131 | 0.82 |
| Dividend receivables | 18,342 | 0.02 | - | - |
| | <u>1,938,228</u> | <u>2.16</u> | <u>598,131</u> | <u>0.82</u> |
| Singapore Dollar | | | | |
| Investments | 2,814,963 | 3.13 | 4,917,534 | 6.73 |
| Dividend/Distribution receivables | - | - | 19,076 | 0.03 |
| Capital repayment receivables | - | - | 1,613 | -* |
| | <u>2,814,963</u> | <u>3.13</u> | <u>4,938,223</u> | <u>6.76</u> |
| South Korean Won | | | | |
| Investments | 7,016,506 | 7.82 | 5,103,658 | 6.99 |
| Dividend receivables | - | - | 6,064 | 0.01 |
| Amount due to brokers | (232,650) | (0.26) | - | - |
| | <u>6,783,856</u> | <u>7.56</u> | <u>5,109,722</u> | <u>7.00</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

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

(a) Market risk (cont'd.)

(iii) Currency risk (cont'd.)

The net unhedged financial assets of the Fund that are not denominated in Fund's functional currency are as follows: (cont'd.)

| Assets denominated in | 2023 | | 2022 | |
|----------------------------------|--------------------------|---------------------|--------------------------|---------------------|
| | RM equivalent | % of NAV | RM equivalent | % of NAV |
| Thai Baht | | | | |
| Investments | 2,924,996 | 3.26 | 1,438,083 | 1.96 |
| Dividend receivables | 9,539 | 0.01 | - | - |
| | <u>2,934,535</u> | <u>3.27</u> | <u>1,438,083</u> | <u>1.96</u> |
| United States Dollar | | | | |
| Investments | - | - | 839,166 | 1.14 |
| Dividend receivables | - | - | 13,209 | 0.02 |
| Capital repayment receivables | - | - | 5,598 | 0.01 |
| Cash at bank | 5 | -* | - | - |
| | <u>5</u> | <u>-</u> | <u>857,973</u> | <u>1.17</u> |

* represents less than 0.01%

(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 short-term deposits and dividend/distribution 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

20. 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 2023 and 31 August 2022:

| Credit rating | RM | As a % of debt securities | As a % of NAV |
|----------------------|-------------------|--|------------------------------|
| 2023 | | | |
| AAA | 8,269,207 | 32.58 | 9.20 |
| AA | 17,111,625 | 67.42 | 19.05 |
| | <u>25,380,832</u> | <u>100.00</u> | <u>28.25</u> |
| 2022 | | | |
| AA | 2,186,547 | 13.28 | 3.00 |
| A | 14,283,519 | 86.72 | 19.54 |
| | <u>16,470,066</u> | <u>100.00</u> | <u>22.54</u> |

Cash at banks are held for liquidity purposes and are not exposed to significant credit risk.

(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 2023 and 31 August 2022:

| Sector | RM | As a % of debt securities | As a % of NAV |
|-------------------------------|-------------------|--|--------------------------|
| 2023 | | | |
| Consumer discretionary | 4,376,100 | 17.24 | 4.87 |
| Energy and utilities | 6,088,412 | 23.99 | 6.77 |
| Transportation and storage | 7,929,029 | 31.24 | 8.83 |
| Real estate | 6,987,291 | 27.53 | 7.78 |
| | <u>25,380,832</u> | <u>100.00</u> | <u>28.25</u> |
| 2022 | | | |
| Diversified holdings | 1,094,012 | 6.64 | 1.50 |
| Industrial products | 727,972 | 4.42 | 1.00 |
| Infrastructures and utilities | 4,622,795 | 28.07 | 6.33 |
| Property and real estate | 10,025,287 | 60.87 | 13.71 |
| | <u>16,470,066</u> | <u>100.00</u> | <u>22.54</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

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

(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 asset. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its 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 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.

The following table presents the undiscounted contractual cash flows from different asset and liability classes in the Fund:

| | Contractual cash flows (undiscounted) | | | | | |
|------------------------------|--|------------------|------------------|----------------|------------------|-------------------|
| | 0 – 1 | 1 – 2 | 2 – 3 | 3 – 4 | 4 – 5 | More than |
| | year | years | years | years | years | 5 years |
| | RM | RM | RM | RM | RM | RM |
| 2023 | | | | | | |
| Financial assets | | | | | | |
| Investments | 4,002,608 | 2,288,405 | 5,957,887 | 782,031 | 1,785,019 | 17,528,413 |
| Dividends receivable | 44,626 | - | - | - | - | - |
| Amount due from Provider | 30,857 | - | - | - | - | - |
| Tax recoverable | 203,971 | - | - | - | - | - |
| Cash at banks | 7,497,629 | - | - | - | - | - |
| Total assets | 11,779,691 | 2,288,405 | 5,957,887 | 782,031 | 1,785,019 | 17,528,413 |
| Financial liabilities | | | | | | |
| Amount due to Provider | 113,225 | - | - | - | - | - |
| Amount due to brokers | 451,390 | - | - | - | - | - |

AmPRS – Growth Fund

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

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

(c) Liquidity risk (cont'd.)

The following table presents the undiscounted contractual cash flows from different asset and liability 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 (cont'd.) | | | | | | |
| Financial liabilities (cont'd.) | | | | | | |
| Amount due to Trustee | 3,032 | - | - | - | - | - |
| Amount due to PPA | 3,032 | - | - | - | - | - |
| Sundry payables and accruals | 9,930 | - | - | - | - | - |
| Total liabilities | 580,609 | - | - | - | - | - |
| 2022 | | | | | | |
| Financial assets | | | | | | |
| Investments | 1,654,647 | 3,524,530 | 4,249,855 | 3,993,622 | 256,160 | 5,938,356 |
| Dividends receivable | 75,876 | - | - | - | - | - |
| Amount due from Provider | 9,455 | - | - | - | - | - |
| Capital repayments receivable | 7,211 | - | - | - | - | - |
| Tax recoverable | 203,971 | - | - | - | - | - |
| Cash at banks | 9,038,026 | - | - | - | - | - |
| Total assets | 10,989,186 | 3,524,530 | 4,249,855 | 3,993,622 | 256,160 | 5,938,356 |
| Financial liabilities | | | | | | |
| Amount due to Provider | 81,890 | - | - | - | - | - |
| Amount due to Trustee | 2,556 | - | - | - | - | - |
| Amount due to PPA | 2,556 | - | - | - | - | - |
| Sundry payables and accruals | 13,802 | - | - | - | - | - |
| Total liabilities | 100,804 | - | - | - | - | - |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2023**

20. 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) Country risk

The risk of price fluctuation in foreign securities may arise due to political, financial and economic events in foreign countries. If this occurs, there is possibility that the NAV of the Fund may be adversely affected.

(g) Management risk

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

(h) Non-compliance risk

This is the risk of the Provider or the Trustee not complying with their respective internal policies, the Deed and its Supplemental Deed, securities law or guidelines issued by the regulators relevant to each party, which may adversely affect the performance of the Fund.

21. CAPITAL MANAGEMENT

The primary objective of the Fund's capital management is to ensure that it maximises members' value by expanding its fund size to benefit from economies of scale and achieving growth in NAV from the performance of its investments.

The Fund manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Fund may issue new or bonus units, make distribution payment, or return capital to members by way of redemption of units.

No changes were made in the objective, policies or processes during the financial years ended 31 August 2023 and 31 August 2022.

AmPRS – Growth 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 – Growth Fund (“the Fund”) as at 31 August 2023 and 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

19 October 2023

THE SCHEME TRUSTEE'S REPORT

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

We have acted as the Scheme Trustee of the Fund for the financial year ended 31 August 2023 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
19 October 2023

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.*

