

**PRINCIPAL PRS PLUS GROWTH**

**UNAUDITED SEMI-ANNUAL REPORT**

**FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 JULY 2023**

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**MEMBERS' LETTER**

Dear Valued Member,

Greetings from Principal Asset Management Berhad ("Principal Malaysia") and thank you for investing with us!

We are pleased to bring you a copy of the Unaudited Semi-Annual Fund Report of the Principal PRS Plus Growth for the financial period ended 31 July 2023. You may also download this report from our website at [www.principal.com.my](http://www.principal.com.my).

We won three accolades at Alpha Southeast Asia's 14th Annual Fund Management Awards 2023. The awards were for Best Online & Mobile Platform (Asset Manager), Best Absolute Return Strategy and Best Fund Manager for Pension Mandates. Principal Malaysia was also honoured with multiple awards at the FSMOne Recommended Unit Trusts Awards 2023/2024 including Investors' Choice Fund House of the year 2023.

Please continue to check out our website ([www.principal.com.my](http://www.principal.com.my)), like our Facebook page (@PrincipalAssetMY), follow us on our Instagram account (@principalassetmanagement\_my), and LinkedIn page (Principal Asset Management Berhad) for the latest updates, market insights and investment articles.

We appreciate your continuous support and the trust you place in us.

Yours faithfully,  
for **Principal Asset Management Berhad**

**Munirah Khairuddin**  
Country Head and Chief Executive Officer, Malaysia  
Non-Independent Executive Director

## PRS PROVIDER'S REPORT

### FUND OBJECTIVE AND POLICY

#### What is the investment objective of the Fund?

The Fund seeks to provide capital growth over the long-term by investing in a portfolio of primarily equities with some exposure in fixed income instruments.

#### Has the Fund achieved its objective?

The Fund has achieved capital appreciation over long term by investing in a portfolio of primarily equities with some exposure in fixed income instruments.

#### What are the Fund investment policy and principal investment strategy?

The Fund will invest in a portfolio of mixed assets, primarily in equities with some exposure in fixed income instruments, to provide capital growth to the Fund. The fixed income portion will provide capital stability to the Fund whilst the equity portion will provide the added return in a rising market. The Fund may opt to invest in fixed income instruments and equities either directly or via collective investment schemes ("CIS").

The investments by the Fund in equities which include foreign exposure may be up to 90% of the Fund's NAV and investments in local and/or foreign fixed income instruments will be at least 10% of its NAV with a minimum credit rating of "BBB3" or "P2" by RAM Rating Services Berhad ("RAM") or equivalent rating by Malaysian rating Corporation Bhd ("MARC") or "BBB" or "A-2" by Standard & Poor's ("S&P") or equivalent rating by any other international rating agencies. Notwithstanding, the Fund may also invest up to 10% of its NAV in unrated fixed income instruments.

The asset allocation strategy for this Fund is as follows:

- At least 10% of the Fund's NAV will be invested in fixed income instruments;
- Up to 10% of the Fund's NAV may be invested in unrated fixed income instruments;
- Up to 90% of the Fund's NAV may be invested in equities; and
- Up to 5% of the Fund's NAV may be invested in liquid assets for liquidity purpose.

#### Fund category/type

Mixed asset

#### When was the Fund launched?

Name of Class	Launch Date
Class A	12 November 2012
Class C	12 November 2012
Class X	12 November 2012

#### What was the size of the Fund as at 31 July 2023?

RM30.79 million (43.62 million units)

#### What is the Fund's benchmark?

90% FTSE Bursa Malaysia ("FBM") Top 100 + 10% Quant shop Malaysian Government Securities ("MGS") Short Index.

*Note: The Fund's benchmark is for performance comparison purpose only. The risk profile of the Fund is not the same as the risk profile of the benchmark.*

#### What is the Fund distribution policy?

The Fund is not expected to pay any distribution. All income earned by members will automatically be reinvested into the Fund.

#### What was the net income distribution for the six months financial period 31 July 2023?

There was no distribution made for the six months financial period ended 31 July 2023.

**PERFORMANCE DATA**

Details of portfolio composition of the Fund for the last three unaudited financial periods were as follows:

	<b>31.07.2023</b>	<b>31.07.2022</b>	<b>31.07.2021</b>
	%	%	%
Quoted securities			
- Communication Services	7.80	10.29	9.21
- Consumer Discretionary	18.97	9.99	11.22
- Consumer Staples	3.17	-	1.16
- Energy	5.03	6.24	2.04
- Financials	17.89	14.48	11.39
- Health Care	1.46	3.64	3.31
- Industrials	7.09	8.71	11.65
- Information Technology	15.02	19.62	18.41
- Materials	4.18	5.60	14.09
- Real Estate	1.78	1.34	-
- Utilities	-	0.74	-
Unquoted securities	12.83	11.54	12.49
Cash and other assets	5.01	7.98	5.19
Liabilities	(0.23)	(0.17)	(0.16)
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

Performance details of the Fund for the last three unaudited financial periods were as follows:

	<b>31.07.2023</b>	<b>31.07.2022</b>	<b>31.07.2021</b>
NAV (RM Million)			
- Class A	18.01	34.33	39.92
- Class C	5.14	4.71	5.03
- Class X	7.64	52.92	55.88
Units in circulation (Million)			
- Class A	25.51	51.10	47.56
- Class C	7.31	7.04	6.00
- Class X	10.80	78.75	66.56
NAV per unit (RM)			
- Class A	0.7058	0.6718	0.8393
- Class C	0.7031	0.6694	0.8376
- Class X	0.7073	0.6719	0.8395
Highest NAV per unit (RM)			
- Class A	0.7173	0.7623	0.8862
- Class C	0.7146	0.7602	0.8848
- Class X	0.7188	0.7625	0.8863
Lowest NAV per unit (RM)			
- Class A	0.6654	0.6531	0.8076
- Class C	0.6629	0.6507	0.8061
- Class X	0.6669	0.6532	0.8077
Total return (%)			
- Class A	2.59	(8.35)	2.04
- Class C	2.55	(8.41)	2.01
- Class X	2.58	(8.35)	2.05
Capital growth (%)			
- Class A	2.59	(8.35)	2.04
- Class C	2.55	(8.41)	2.01
- Class X	2.58	(8.35)	2.05

**PERFORMANCE DATA (CONTINUED)**

	01.02.2023 to 31.07.2023	01.02.2022 to 31.07.2022	01.02.2021 to 31.07.2021
Income distribution (%)			
- Class A	-	-	-
- Class C	-	-	-
- Class X	-	-	-
Total Expense Ratio ("TER") (%) ^	0.86	0.76	0.79
Portfolio Turnover Ratio ("PTR") (times) #	0.19	0.20	0.16

^ The Fund's TER has increased from 0.76% to 0.86% due to decrease in average NAV during the financial period under review.

# The Fund's PTR declined slight from 0.20 to 0.19 times over the past year. The trading environment was similar over the past year.

	31.07.2023 %	31.07.2022 %	31.07.2021 %	31.07.2020 %	31.07.2019 %
Annual total return					
- Class A	7.30	(17.40)	19.65	2.85	4.13
- Class C	7.22	(17.53)	19.56	2.77	4.06
- Class X	7.40	(17.41)	19.64	2.87	4.12

(Launch date: 12 November 2012)

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up. All performance figures for the financial period have been extracted from Lipper.

**MARKET REVIEW (1 FEBRUARY 2023 TO 31 JULY 2023)**

**Equities**

For the period under review, Asian markets, as measured by Morgan Stanley Capital International ("MSCI") Asia ex-Japan Index, rose by 6.8% in US Dollar ("USD") terms. Topical issues were: a) Sustained high inflation leading to accelerated pace in tightening of monetary policy, b) ongoing conflict between Russia-Ukraine complicating the inflation situation, c) China's muted economic growth despite re-opening and d) receding recession fears in the United States ("US").

The US Federal Reserve Board ("Fed") embarked on the path to tightened monetary policy to combat inflation starting in early 2022. US headline inflation peaked at 9.1% in June 2022 and has since declined steadily. Nonetheless, the Fed remains steadfast in tightening monetary policy with the inflation still relatively sticky with the tight labor market. This tightening path is the most aggressive monetary tightening cycle since the early 1980s. By June 2023, the US Federal Open Market Committee lifted its benchmark interest rate to a target range of 5.00% to 5.25%. This has acted as a headwind for risk assets.

Another issue for investors is the question of a possible recession in the US. Despite the collapse of a number of financial institutions in the US & Europe and the subsequent tightening of lending standards, the US economy is held up remarkably well. Instead of a likely recession starting in the 3<sup>rd</sup> quarter of this year, it is possible that the US could see a soft landing instead.

**MARKET REVIEW (1 FEBRUARY 2023 TO 31 JULY 2023) (CONTINUED)**

**Equities (continued)**

On the other hand, China has been easing interest rates and loosening policies as the government grappled with the weak economy. Despite the re-opening, China's economy has not led to a self-sustaining growing momentum. Consumer and corporate confidence have waned with the heightened geopolitical tensions with the US, weak property sector and the high youth unemployment. Stocks in China and Hong Kong SAR has consequently declined after a strong rally initially after re-opening late last year. and corporate confidence have waned with the heightened geopolitical tensions with the US, weak property sector and the high youth unemployment. Stocks in China and Hong Kong SAR has subsequently declined.

**Fixed Income**

In the first three months of 2023, the Monetary Policy Committee ("MPC") maintained the Overnight Policy Rate ("OPR") at 2.75% throughout the two meetings held in January 2023 and March 2023. This was after a total of 100 basis points was increased in 2022. The committee then unexpectedly raised its OPR to 3.00% in its May 2023 meeting which was on 3 May 2023. The move was to pre-emptively ward off inflationary pressures amid strong domestic demand and potential subsidy cuts. Meanwhile, at the most recent meeting held in early July 2023, the committee decided to maintain the OPR at 3.00%. They mentioned that the monetary policy stance is slightly accommodative and remains supportive of the economy while continues to see limited risks of future financial imbalances.

The Consumer Price Index ("CPI") continued to decelerate to 3.7% in January 2023 after being in a deceleration pace from the last few months of 2022. It continued to remain at 3.7% in the month of February 2023. In the month of March 2023, it eased further to 3.4% and 3.3% in the month of April 2023. Continuing its easing pace, inflation in the month of May 2023 was at 2.8% whilst June 2023 recorded a slower pace of 2.4%. The slower increment in June 2023 was driven by the lower increase in components such as restaurants and hotels, food and non-alcoholic beverages and household equipment and routine household maintenance.

Meanwhile, the first quarter of 2023 bode well for the fixed income market despite continued volatility seen. For the first quarter of 2023, the Quantshop GII Long Index was the best performer Year to Date ("YTD") with a return of positive 3.35% and the Boind Pricing Agency Malaysia ("BPAM") Corporates All Bond (1 year to 3 years) Index recorded the lowest return of positive 1.41% during the period. In the second quarter of 2023, the best performing index was the BPAM Corporates (7 years over) Index which was also the best performing index on a year-to-date basis returning 6.16%. Meanwhile the worst performing index for the year was the Quantshop Malaysian Government Securities ("MGS") Short Index which returned 2.04% for the year. In July 2023, the best performing index was the BPAM Corporates Sukuk (7 years over) index with returns of 0.93% while the worst performer was the Quantshop MGS Short Index which recorded a return of 0.30%. The 3 years, 5 years, 7 years, 10 years, 15 years, 20 years and 30-years benchmarks closed at 3.50%, 3.63%, 3.79%, 3.84%, 4.04%, 4.12% and 4.23% respectively at the end of July 2023.

**FUND PERFORMANCE**

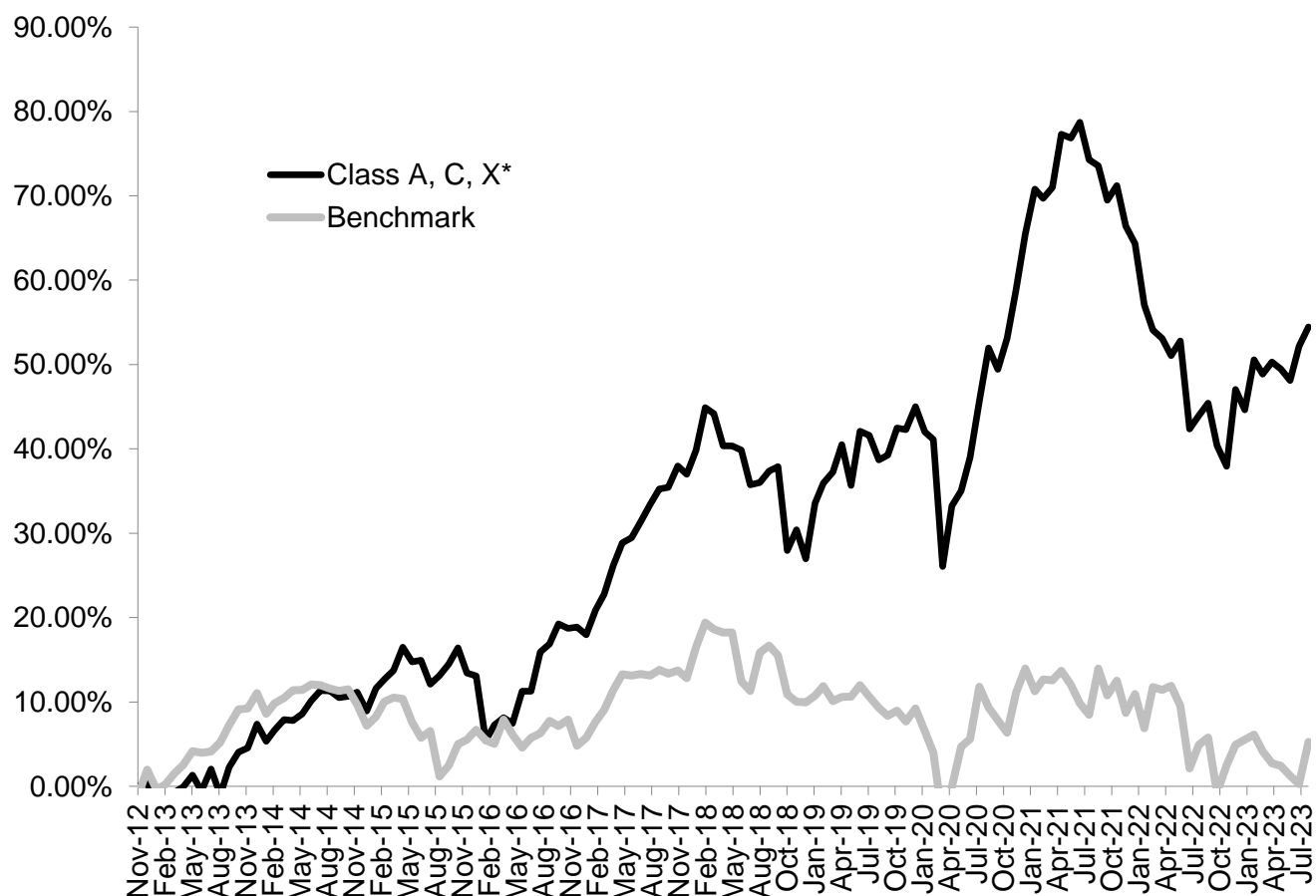
	<b>6 months to 31.07.2023</b>	<b>1 year to 31.07.2023</b>	<b>3 years to 31.07.2023</b>	<b>5 years to 31.07.2023</b>	<b>Since inception to 31.07.2023</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Income Distribution					
- Class A	-	2.13	9.42	9.42	9.42
- Class C	-	2.08	9.35	9.35	9.35
- Class X	-	2.03	9.31	9.31	9.31
Capital Growth					
- Class A	2.59	5.06	(3.09)	3.79	41.16
- Class C	2.55	5.03	(3.33)	3.38	40.62
- Class X	2.58	5.27	(2.91)	3.98	41.46

PERFORMANCE (CONTINUED)

	6 months to 31.07.2023 %	1 year to 31.07.2023 %	3 years to 31.07.2023 %	5 years to 31.07.2023 %	Since inception to 31.07.2023 %
Total Return					
- Class A	2.59	7.30	6.04	13.57	54.46
- Class C	2.55	7.22	5.71	13.05	53.77
- Class X	2.58	7.40	6.13	13.66	54.62
Benchmark					
- Class A	(0.80)	0.35	(6.94)	(9.12)	5.28
- Class C	(0.80)	0.35	(6.94)	(9.12)	5.28
- Class X	(0.80)	0.35	(6.94)	(9.12)	5.28
Average Total Return					
- Class A	5.24	7.30	1.97	2.58	4.14
- Class C	5.17	7.22	1.87	2.48	4.09
- Class X	5.23	7.40	2.00	2.59	4.15

During the financial period under review, the Fund made a return of 2.59%, 2.55% & 2.58% for classes A, C & X respectively. This is due to the better market conditions during the review period.

Since inception



\* Performance of Class A, Class C and Class X are almost the same. Slight variation was due to different timing of units created for each of the class.



**PERFORMANCE (CONTINUED)**

**Changes in NAV**

	<b>31.07.2023</b>	<b>31.01.2023 Audited</b>	<b>Changes %</b>
<b>CLASS A</b>			
NAV (RM Million)	18.01	17.84	0.95
NAV/Unit (RM)	0.7058	0.6880	2.59
<b>CLASS C</b>			
NAV (RM Million)	5.14	5.01	2.59
NAV/Unit (RM)	0.7031	0.6856	2.55
<b>CLASS X</b>			
NAV (RM Million)	7.64	6.96	9.77
NAV/Unit (RM)	0.7073	0.6895	2.58

The NAV gained 0.95%, 2.59% & 9.77% for the A, C & X classes respectively while the NAV per unit gained 2.59%, 2.55% & 2.58% for the A, C & X classes respectively. Class A NAV had some redemptions while Class X had subscriptions.

Performance data represents the combined income and capital return as a result of holding units in the Fund for the specified length of time, based on NAV to NAV price. The performance data assumes that all earnings from the Fund are reinvested and are net of management and trustee fees. Past performance is not reflective of future performance and income distributions are not guaranteed. Unit prices and income distributions, if any, may fall and rise. All performance figures for the financial period have been extracted from Lipper.

**PORTFOLIO STRUCTURE**

**Asset allocation**

<b>(% of NAV)</b>	<b>31.07.2023</b>	<b>31.01.2023 Audited</b>
Quoted securities	82.39	81.20
Unquoted fixed income securities	12.83	14.94
Cash and other assets	5.01	6.04
Liabilities	(0.23)	(2.18)
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>

As at 31 July 2023, the Fund held 82.39% in quoted securities, 12.83% in unquoted fixed income with the rest in cash and other assets.

**MARKET OUTLOOK\***

**Equities**

We are positive on Asian equities for the next two years. Asia has stable domestic demand, continued Foreign direct investment (“FDI”) inflows, easing inflation, gradual recovery in Chinese outbound tourism, and a bottoming of the semiconductor cycle. Asia’s economic growth is expected to outgrow other regions. Valuations appear reasonable for Asia equities. Asia equities offer a compound 2 years Earnings per share (“EPS”) growth of 8% per annum., 3% dividend yields and inexpensive valuations at 14 times Price earning ratio (“PER”) for 2023.

**MARKET OUTLOOK\* (CONTINUED)****Fixed Income**

At the end of February 2023, we saw Budget 2023 being re-tabled by Prime Minister Anwar, who also serves as the country's Minister of Finance. It is expected that the re-tabled budget deficit of RM93.9 billion versus previous RM99.0 billion will see lower gross issuance of RM175 billion in 2023 (vs previous earlier projection of RM180 billion).

The projected decline in the fiscal deficit to 5.0% of Gross Domestic Product ("GDP") (from 5.6% of GDP in 2022) augurs well for the long-term trajectory of reducing public debt with the commitment of the new government to further reduce its fiscal deficit to 3.2% in 2025. The international rating agencies, S&P and Moody's have reiterated that they are willing to overlook higher debt levels in the short term if this is balanced by a healthy growth outlook. As such, we expect Malaysia's credit ratings to remain stable in the medium terms with S&P reaffirming the country's ratings recently as well.

Meanwhile, at the end of March 2023, BNM released their 2022 Annual Report whereby they projected for Malaysia's real GDP to grow by 4% to 5% in 2023 which is in line with the Ministry of Finance's expectation.

We continue to see foreign investors being net buyers of Malaysian bonds with YTD June 2023 inflows remain sizeable with cumulative inflows for all Malaysian Ringgit ("MYR/RM") debts totalling increase RM21.2 billion and total foreign holdings rose to RM267.9 billion at end June 2023 (end May 2023: 262.7 billion). This sentiment bodes well for the local fixed income market and is expected to continue in the coming months.

In terms of net issuances, it has been front loaded slightly with around 53.7% funded in the first half 2023. The highest supply was seen in first quarter 2023 which saw the highest supply of RM29.38 billion while the lowest was seen in second quarter 2023. In 2023, there will be RM80.9 billion with the bulk of maturity being in the months of March 2023 and August 2023.

Overall, we remain positive for the domestic bond market as we believe BNM will keep its OPR unchanged for now unless growth and inflationary outlook continue to surprise market on the upside. We believe the local bond market will remain well supported for now with volatility mainly coming from global yield movements.

\* This market outlook does not constitute an offer, invitation, commitment, advice or recommendation to make a purchase of any investment. The information given in this article represents the views of Principal Asset Management Berhad ("Principal Malaysia") or based on data obtained from sources believed to be reliable by Principal Malaysia. Whilst every care has been taken in preparing this, Principal Malaysia makes no guarantee, representation or warranty and is under no circumstances liable for any loss or damage caused by reliance on, any opinion, advice or statement made in this market outlook.

**INVESTMENT STRATEGY****Equities**

In the short-term, we are building exposure to different investment themes like India's private sector revival, consumption recovery, "picks and shovels" for Artificial Intelligence, energy under-investment and peaking interest rates.

We will continue to focus on quality companies which have good earnings visibility, robust balance sheet, long term winners, market share gainers and those with pricing power to overcome cost pressures.

**Fixed Income**

We continue to prefer corporate bonds driven by the compelling potential for a more favorable total return. We maintain our defensive stance in our credit selections on the back of potential implications for economic growth and credit conditions.

## **SOFT COMMISSIONS AND REBATES**

Principal Asset Management Berhad (the “PRS Provider”), the Sub-Manager and the Trustee will not retain any form of rebate from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission will be directed to the account of the Principal Malaysia Funds (“Funds”). The PRS Provider may retain goods and services (soft commission) provided by any broker or dealer if the following conditions are met:

- (a) the soft commission bring direct benefit or advantage to the management of the Fund and may include research and advisory related services;
- (b) any dealings with the broker or dealer is executed on terms which are the most favourable for the Funds; and
- (c) the availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and we or the Sub-Manager will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.

During the financial period under review, the PRS Provider, the Sub-Manager and Trustee did not receive any rebates from the brokers or dealers, but the PRS Provider has retained soft commission in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Funds. The PRS Provider confirms that the goods and services received were for the benefit of the Fund, the trades were made on a best execution basis and there was no churning of trades.

## **SECURITIES FINANCING TRANSACTIONS**

The Fund has not undertaken any securities lending or repurchase transactions during the financial period under review.

## **STATE OF AFFAIR OF THE FUND**

There were no significant changes in the state of affairs of the Fund during the financial period up to the date of PRS Provider’s report, not otherwise disclosed in the financial statements.

## **CIRCUMSTANCES THAT MATERIALLY AFFECT ANY INTEREST OF MEMBERS**

There were no circumstances that had materially affected the interest of the members during the financial period under review.

## **CROSS TRADE**

No cross-trade transactions have been carried out during the financial period under review.

## **UNIT SPLIT**

No unit split exercise have been carried out during the financial period under review.

**STATEMENT BY THE PRS PROVIDER TO THE MEMBERS OF  
PRINCIPAL PRS PLUS GROWTH**

We, being the Directors of Principal Asset Management Berhad (the “PRS Provider”), do hereby state that, in the opinion of the PRS Provider, the accompanying unaudited financial statements set out on pages 3 to 34 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 July 2023 and of its financial performance, changes in net assets attributable to members and cash flows for the financial period then ended in accordance with the provisions of the Malaysian Financial Reporting Standards (“MFRS”) 134 - Interim Financial Reporting and International Accounting Standards (“IAS”) 34 - Interim Financial Reporting.

For and on behalf of the PRS Provider

**Principal Asset Management Berhad (Company No.: 199401018399 (304078-K))**

**MUNIRAH KHAIRUDDIN**

Country Head and Chief Executive Officer, Malaysia  
Non-Independent Executive Director

**UDAY JAYARAM**

Executive Managing Director,  
Head of Southeast Asia  
Non-Independent Executive Director

Kuala Lumpur  
25 September 2023

**TRUSTEE'S REPORT  
TO THE MEMBERS OF PRINCIPAL PRS PLUS GROWTH ("Fund")**

We have acted as the Scheme Trustee of the Fund for the financial period ended 31 July 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Principal Asset Management Berhad has operated and managed the Fund during the period 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  
20 September 2023

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 JULY 2023**

	Note	01.02.2023 to 31.07.2023 RM	01.02.2022 to 31.07.2022 RM
<b>INCOME/(LOSS)</b>			
Dividend income		386,792	1,601,362
Interest income from deposits with licensed financial institutions at amortised cost		11,674	30,648
Interest income from unquoted fixed income securities at fair value through profit or loss		86,213	191,659
Net gain/(loss) on financial assets at fair value through profit or loss	7	463,641	(8,883,101)
Net foreign exchange gain/(loss)		178,211	(98,579)
		<u>1,126,531</u>	<u>(7,158,011)</u>
<b>EXPENSES</b>			
Management fee	4	211,535	644,625
Private Pension Administrator administration fees	4	5,973	18,350
Trustee and custodian fee	5	5,973	18,350
Audit fee		3,972	4,050
Tax agent's fee		16,633	2,500
Transaction costs		35,311	89,467
Other expenses		57,048	185,959
		<u>336,445</u>	<u>963,303</u>
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		790,086	(8,121,312)
Taxation	6	-	-
<b>PROFIT/(LOSS) AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL PERIOD</b>		<u>790,086</u>	<u>(8,121,312)</u>
Profit/(loss) after taxation is made up as follows:			
Realised amount		(121,172)	1,263,686
Unrealised amount		911,258	(9,384,998)
		<u>790,086</u>	<u>(8,121,312)</u>

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

UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 31 JULY 2023

		31.07.2023	31.01.2023
	Note	RM	Audited RM
<b>ASSETS</b>			
Cash and cash equivalents	9	1,451,744	947,143
Financial assets at fair value through profit or loss	8	29,315,392	28,673,637
Amount due from stockbrokers		-	773,814
Amount due from the PRS Provider			
- creation of units		75,500	76,980
Dividend receivable		13,364	1,640
<b>TOTAL ASSETS</b>		<u>30,856,000</u>	<u>30,473,214</u>
<b>LIABILITIES</b>			
Amount due to stockbrokers		-	593,385
Amount due to the PRS Provider			
- cancellation of units		8,361	5,144
- management fee		36,680	35,561
Amount due to Private Pension Administrator		1,036	1,004
Amount due to Trustee		1,036	1,004
Other payables and accruals		23,925	17,500
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO MEMBERS)</b>		<u>71,038</u>	<u>653,598</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>30,784,962</u>	<u>29,819,616</u>
<b>NET ASSETS ATTRIBUTABLE TO MEMBERS</b>		<u>30,784,962</u>	<u>29,819,616</u>
<b>REPRESENTED BY:</b>			
<b>FAIR VALUE OF OUTSTANDING UNITS</b>			
- Class A		18,009,587	17,840,708
- Class C		5,136,796	5,014,458
- Class X		7,638,579	6,964,450
		<u>30,784,962</u>	<u>29,819,616</u>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>			
- Class A		25,513,128	25,929,544
- Class C		7,304,989	7,313,266
- Class X		10,798,427	10,100,075
	10	<u>43,616,544</u>	<u>43,342,885</u>
<b>NET ASSET VALUE PER UNIT (RM)</b>			
- Class A		0.7058	0.6880
- Class C		0.7031	0.6856
- Class X		<u>0.7073</u>	<u>0.6895</u>

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

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 JULY 2023**

	<b>01.02.2023 to 31.07.2023 RM</b>	<b>01.02.2022 to 31.07.2022 RM</b>
<b>NET ASSETS ATTRIBUTABLE TO MEMBERS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	<u>29,819,616</u>	<u>95,343,047</u>
Movement due to units created and cancelled during the financial period:		
Creation of units from applications		
- Class A	281,625	1,172,967
- Class C	127,180	195,169
- Class X	500,334	6,134,765
	<u>909,139</u>	<u>7,502,901</u>
Cancellation of units		
- Class A	(582,107)	(978,887)
- Class C	(132,038)	(42,659)
- Class X	(19,734)	(1,737,239)
	<u>(733,879)</u>	<u>(2,758,785)</u>
Total comprehensive income/(loss) for the financial	<u>790,086</u>	<u>(8,121,312)</u>
<b>NET ASSETS ATTRIBUTABLE TO MEMBERS AT THE END OF THE FINANCIAL PERIOD</b>	<u>30,784,962</u>	<u>91,965,851</u>

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



**UNAUDITED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 JULY 2023**

	<b>01.02.2023 to 31.07.2023 RM</b>	<b>01.02.2022 to 31.07.2022 RM</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from disposal of quoted securities	5,426,590	12,828,911
Proceeds from disposal of unquoted fixed income securities	773,814	2,155,383
Proceeds of redemption of unquoted fixed income securities	500,000	5,125,000
Purchase of quoted securities	(6,574,555)	(16,674,089)
Purchase of unquoted fixed income securities	-	(6,944,867)
Dividend income received	333,326	1,368,029
Interest income received from deposits with licensed financial institutions	11,674	30,648
Interest income received from unquoted fixed income securities	107,961	239,665
Management fee paid	(210,416)	(654,516)
Private Pension Administrator administration fees paid	(5,941)	(18,631)
Trustee and custodian paid	(5,941)	(18,631)
Payments for other fees and expenses	(29,009)	(17,817)
Payment of other foreign exchange loss	(15,728)	(16,165)
<b>Net cash generated from/ (used in) operating activities</b>	<b>311,775</b>	<b>(2,596,080)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash proceeds from units created	910,618	7,310,587
Payments for cancellation of units	(730,663)	(2,739,394)
<b>Net cash generated from financing activities</b>	<b>179,955</b>	<b>4,571,193</b>
Net increase in cash and cash equivalents	491,730	1,974,113
Effects of foreign exchange differences	12,871	5,693
Cash and cash equivalents at the beginning of the financial period	947,143	4,342,497
Cash and cash equivalents at the end of the financial period	<u>1,451,744</u>	<u>6,322,303</u>
<u>Cash and cash equivalents comprised of:</u>		
Deposits with licensed financial institutions	703,059	2,810,654
Bank balances	748,685	3,511,649
Cash and cash equivalents at the end of the financial period	<u>1,451,744</u>	<u>6,322,303</u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 JULY 2023****1. THE FUND, THE PRS PROVIDER AND ITS PRINCIPAL ACTIVITIES**

Principal PRS Plus Growth (the “Fund”) is governed by a Deed dated 8 November 2012, a First Supplemental Deed dated 2 January 2014, a Second Supplemental Deed dated 25 November 2014 and a Third Supplemental Deed dated 3 February 2020, a Fourth Supplemental Deed dated 17 December 2021, a Fifth Supplemental Deed dated 12 July 2022 and a Sixth Supplemental Deed dated 14 June 2023 (collectively referred to as the “Deeds”) made between Principal Asset Management Berhad (the “PRS Provider”) and Deutsche Trustees Malaysia Berhad (the “Trustee”).

The Fund offers three classes of units known respectively as Class A, Class C and Class X. In accordance with the Disclosure Document, subject to the PRS Provider’s absolute discretion, Class A and Class C are for an individual who has attained the age 18 years as of the date of opening a private pension account while Class X is for Member who participates via his/her employer. Class A and Class C have different Sales Charge and Management Fee while Class X has no Sales Charge.

The Fund will invest in a portfolio of mixed assets, primarily in equities with some exposure in fixed income instruments, to provide capital growth to the Fund. The fixed income portion will provide capital stability to the Fund whilst the equity portion will provide the added return in a rising market. The Fund may opt to invest in fixed income instruments and equities either directly or via CIS.

The investments by the Fund in equities which include foreign exposure may be up to 90% of the Fund’s NAV and investments in local and/or foreign fixed income instruments will be at least 10% of its NAV with a minimum credit rating of “BBB3” or “P2” by RAM or equivalent rating by MARC or “BBB” or “A-2” by S&P or equivalent rating by any other international rating agencies. Notwithstanding, the Fund may also invest up to 10% of its NAV in unrated fixed income instruments.

The asset allocation strategy for this Fund is as follows:

- At least 10% of the Fund’s NAV will be invested in fixed income instruments;
- Up to 10% of the Fund’s NAV may be invested in unrated fixed income instruments;
- Up to 90% of the Fund’s NAV may be invested in equities; and
- Up to 5% of the Fund’s NAV may be invested in liquid assets for liquidity purpose.

Principal Asset Management (S) Pte Ltd (“Principal Singapore”) was appointed as the Sub-Adviser of the Fund. Principal Singapore will provide investment research and stock recommendation to Principal Malaysia in accordance with the investment objective and within the investment restrictions of the Fund.

All investments are subjected to the Securities Commission Malaysia’s (“SC”) Guidelines on Private Retirement Schemes (“PRS”), SC requirements, the Deeds, except where exemptions or variations have been approved by the SC, internal policies and procedures and the Fund’s objective.

The PRS Provider, is a joint venture between Principal Financial Group®, a member of the FORTUNE 500® and a Nasdaq-listed global financial services and CIMB Group Holdings Berhad, one of Southeast Asia’s leading universal banking groups. The principal activities of the PRS Provider are the establishment and management of unit trust funds and fund management activities.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements:

### (a) Basis of preparation

The financial statements have been prepared in accordance with the provisions of the MFRS as issued by the Malaysian Accounting Standards Board (“MASB”) and IFRS as issued by the International Accounting Standards Board (“IASB”).

The financial statements have been prepared under the historical cost convention, as modified by financial assets at fair value through profit or loss.

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period.

It also requires the PRS Provider to exercise their judgement in the process of applying the Fund’s accounting policies. Although these estimates and judgement are based on the PRS Provider’s best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(k).

There are no other standards, amendments to standards or interpretations that are effective for financial periods beginning on 1 February 2023 that have a material effect on the financial statements of the Fund.

None of the standards, amendments to standards or interpretations that are effective for the financial period beginning on/after 1 August 2023 are applicable to the Fund.

### (b) Financial assets and financial liabilities

#### Classification

The Fund classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value profit or loss, and
- those to be measured at amortised cost.

The Fund classifies its investments based on both the Fund’s business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions.

The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income (“OCI”).

The contractual cash flows of the Fund’s debt securities are solely principal and interest (“SPPI”). However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(b) Financial assets and financial liabilities (continued)**Classification (continued)

The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from the PRS Provider - creation of units and dividends receivable at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

All of the Fund's financial liabilities are measured at amortised cost.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income.

Financial instruments are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Unrealised gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss are presented in the statement of comprehensive income within net gain or loss on financial assets at fair value through profit or loss in the financial period which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income when the Fund's right to receive payments is established.

Foreign quoted securities are valued at the last traded market price quoted on the respective foreign stock exchanges at the close of the business day of the respective foreign stock exchanges.

If a valuation based on the market price does not represent the fair value of the quoted securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the quoted securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the quoted securities are valued as determined in good faith by the PRS Provider, based on the methods or basis approved by the Trustee after appropriate technical consultation.

Unquoted fixed income securities denominated in MYR/RM are revalued on a daily basis based on fair value prices quoted by a Bond Pricing Agency ("BPA") registered with the SC as per the SC Guidelines on PRS. Refer to Note 2(k) for further explanation.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(b) Financial assets and financial liabilities (continued)**Recognition and measurement (continued)

Deposits with licensed financial institutions are stated at cost plus accrued interest calculated on the effective interest method over the period from the date of placement to the date of maturity of the respective deposits.

Financial assets at amortised cost and other financial liabilities are carried at amortised cost using the effective interest method.

Impairment for assets carried at amortised costs

The Fund measures credit risk and expected credit losses (“ECL”) using probability of default, exposure at default and loss given default. The PRS Provider consider both historical analysis and forward-looking information in determining any ECL. The PRS Provider consider the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month ECL as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

A significant increase in credit risk is defined by the PRS Provider as any contractual payment which is more than 30 days past due.

Definition of default and credit-impaired financial assets

Any contractual payment which is more than 90 days past due is considered credit impaired.

Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor’s sources of income or assets to generate sufficient future cash flows to repay the amount. The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial period.

**(c) Income recognition**

Dividend income is recognised on the ex-dividend date when the right to receive payment is established.

Interest income from deposits with licensed financial institution and unquoted fixed income securities are recognised on a time proportionate basis using the effective interest rate method on an accrual basis.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(c) Income recognition (continued)**

Realised gain or loss on disposal of quoted securities is accounted for as the difference between the net disposal proceeds and the carrying amount of quoted securities, determined on a weighted average cost basis.

Realised gain or loss on disposal of unquoted fixed income securities is accounted for as the difference between the net disposal proceeds and the carrying amount of unquoted fixed income securities, determined on cost adjusted for accretion of discount or amortisation of premium.

**(d) Foreign currency****Functional and presentation currency**

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). The financial statements are presented in MYR/RM, which is the Fund’s functional and presentation currency.

Due to mixed factors in determining the functional currency of the Fund, the PRS Provider has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in MYR/RM primarily due to the following factors:

- i) The Fund’s units are denominated in MYR/RM; and
- ii) Significant portion of the Fund’s expenses are denominated in MYR/RM.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income.

**(e) Members’ contributions**

The members’ contributions to the Fund meet the definition of puttable instruments classified as financial liability under MFRS 132 “Financial Instruments: Presentation”.

The Fund issues cancellable units, in three classes of units, known respectively as the Class A, Class C and Class X, which are cancelled at the member’s option and do not have identical features subject to restrictions as stipulated in the Disclosure Document and SC Guidelines on PRS. The units are classified as financial liabilities. Cancellable units can be reinvested to the Fund at any time for cash equal to a proportionate share of the Fund’s NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the member exercises the right to reinvest the unit to the Fund.

Units are created and cancelled at the member’s option at prices based on the Fund’s NAV per unit of respective classes at the close of business on the relevant dealing day.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(e) Members' contributions (continued)**

The Fund's NAV per unit of respective classes is calculated by dividing the net assets attributable to members of respective classes with the total number of outstanding units of respective classes.

**(f) Transactions costs**

Transaction costs are costs incurred to acquire or dispose financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisors, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

**(g) Cash and cash equivalents**

For the purpose of statement of cash flows, cash and cash equivalents comprise bank balance and deposits with licensed financial institutions held in highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(h) Taxation**

Current tax expense is determined according to Malaysian tax laws at the current rate based upon the taxable profit earned during the financial year.

Tax on dividend income from foreign quoted securities is based on the tax regime of the respective countries that the Fund invests in.

Withholding taxes on investment income from investment are based on tax regime of the respective countries that the Fund invests in. They are presented within the other expenses line in the statement of comprehensive income.

**(i) Amount due from/to dealer/stockbroker**

Amount due from/to dealer/stockbroker represent receivables for investments sold and payables for investments purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. The amount due from dealer/stockbroker balance is held for collection.

**(j) Realised and unrealised portions of profit or loss after taxation**

The analysis of realised and unrealised portions of profit or loss after taxation as presented on the statement of comprehensive income is prepared in accordance with SC Guidelines on PRS.

**(k) Critical accounting estimates and judgements in applying accounting policies**

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgements are continually evaluated by the PRS Provider and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (k) Critical accounting estimates and judgements in applying accounting policies (continued)

#### Estimate of fair value of unquoted fixed income securities

In undertaking any of the Fund's investment, the PRS Provider will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the SC Guidelines on PRS.

MYR/RM-denominated unquoted fixed income securities are valued using fair value prices quoted by a BPA. Where the PRS Provider is of the view that the price quoted by BPA for a specific unquoted fixed income securities differs from the market price by more than 20 bps, the PRS Provider may use market price, provided that the PRS Provider records its basis for using a non-BPA price, obtains necessary internal approvals to use the non-BPA price, and keeps an audit trail of all decisions and basis for adoption the use of non-BPA price.

## 3. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund seeks to provide capital growth over the long-term by investing in a portfolio of primarily equities with some exposure in fixed income instruments.

The Fund is exposed to a variety of risks which include market risk (inclusive of price risk, interest rate risk and currency risk), credit risk and liquidity risk.

Financial risk management is carried out through internal control process adopted by the PRS Provider and adherence to the investment restrictions as stipulated in the Deeds and SC Guidelines on PRS.

### (a) Market risk

#### (i) Price risk

This is the risk that the fair value of the Fund's investment in quoted securities and unquoted fixed income securities will fluctuate because of changes in market prices. The value of investments may fluctuate according to the activities of individual companies, sector and overall political and economic conditions. Such fluctuation may cause the Fund's NAV and prices of units to fall as well as rise, and income produced by the Fund may also fluctuate.

The price risk is managed through diversification and selection of investments and other financial instruments within specified limits according to the Deeds.

The Fund is exposed to price risk arising from interest rate fluctuation in relation to its investments in unquoted fixed income securities. The Fund's exposure to price risk arising from interest rate fluctuation and the related sensitivity analysis are disclosed in "interest rate risk" below.

#### (ii) Interest rate risk

In general, when interest rates rise, unquoted fixed income securities prices will tend to fall and vice versa. Therefore, the NAV of the Fund may also tend to fall when interest rates rise or are expected to rise. However, investors should be aware that should the Fund holds an unquoted fixed income securities till maturity, such price fluctuations would dissipate as it approaches maturity, and thus the growth of the NAV shall not be affected at maturity.



**3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)****(a) Market risk (continued)****(ii) Interest rate risk (continued)**

In order to mitigate interest rates exposure of the Fund, the PRS Provider will manage the duration of the portfolio via shorter or longer tenured assets depending on the view of the future interest rate trend of the PRS Provider, which is based on its continuous fundamental research and analysis.

Investors should note that the movement in prices of unquoted fixed income securities and money market instruments are benchmarked against interest rates. As such, the investments are exposed to the movement of the interest rates.

This risk is crucial since unquoted fixed income securities portfolio management depends on forecasting interest rate movements. Prices of unquoted fixed income securities move inversely to interest rate movements, therefore as interest rates rise, the prices of unquoted fixed income securities decrease and vice versa. Furthermore, unquoted fixed income securities with longer maturity and lower yield interest rates are more susceptible to interest rate movements.

Such investments may be subject to unanticipated rise in interest rates which may impair the ability of the issuers to meet the obligation under the instrument, especially if the issuers are highly leveraged. An increase in interest rates may therefore increase the potential for default by an issuer.

The Fund's exposure to interest rate risk associated with deposits with licensed financial institution is not material as the deposits are held on short-term basis.

**(iii) Currency risk**

Currency risk of the Fund is associated with investments that are quoted and/or priced in foreign currency denomination. Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The PRS Provider will evaluate the likely directions of a foreign currency versus MYR/RM based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels, and technical chart considerations.

**(b) Credit risk**

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Fund.

Investment in unquoted fixed income securities may involve a certain degree of credit/default risk with regards to the issuers. Generally, credit risk or default risk is the risk of loss due to the issuer's non-payment or untimely payment of the investment amount as well as the returns on investment.

This will cause a decline in value of the defaulted unquoted fixed income securities and subsequently depress the NAV of the Fund. Usually credit risk is more apparent for an investment with a longer tenure, i.e. the longer the duration, the higher the credit risk.

**3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)****(b) Credit risk (continued)**

Credit risk can be managed by performing continuous fundamental credit research and analysis to ascertain the creditworthiness of its issuer. In addition, the PRS Provider imposes a minimum rating requirement as rated by either local and/or foreign rating agencies and manages the duration of the investment in accordance with the objective of the Fund. For this Fund, the unquoted fixed income securities must satisfy a minimum rating requirement of at least “BBB3” or “P2” by RAM or equivalent rating by MARC or “BBB” by S&P or equivalent rating by Moody’s or Fitch.

The credit risk arising from placements of deposits in licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions.

For amount due from the PRS Provider, the settlement terms of the proceeds from the creation of units’ receivable from the PRS Provider are governed by the SC Guidelines on PRS.

**(c) Liquidity risk**

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations.

The PRS Provider manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by members. Liquid assets comprise bank balances and deposits with licensed financial institutions, which are capable of being converted into cash within 7 business days. Generally, all investments are subject to a certain degree of liquidity risk depending on the nature of the investment instruments, market, sector and other factors. For the purpose of the Fund, the PRS Provider will attempt to balance the entire portfolio by investing in a mix of assets with satisfactory trading volume and those that occasionally could encounter poor liquidity. This is expected to reduce the risks for the entire portfolio without limiting the Fund’s growth potential.

**(d) Capital risk management**

The capital of the Fund is represented by net assets attributable to members. The amount of net assets attributable to members can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of the members. The Fund’s objective when managing capital is to safeguard the Fund’s ability to continue as a going concern in order to provide returns to the members and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

**(e) Fair value estimation**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

The fair values of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the financial period end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the PRS Provider will determine the point within the bid-ask spread that is most representative of the fair value.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques.

(i) Fair value hierarchy

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active market for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)
- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (Level 3)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety.

If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>31.07.2023</b>				
Financial assets at fair value through profit or loss:				
- Quoted securities	25,364,754	-	-	25,364,754
- Unquoted fixed income securities	-	3,950,638	-	3,950,638
	<u>25,364,754</u>	<u>3,950,638</u>	<u>-</u>	<u>29,315,392</u>

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(i) Fair value hierarchy (continued)

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>31.01.2023</b>				
<b>Audited</b>				
Financial				
assets at fair				
value through				
profit or loss:				
- Quoted				
securities	24,216,919	-	-	24,216,919
- Unquoted				
fixed income				
securities	-	4,456,718	-	4,456,718
	24,216,919	4,456,718	-	28,673,637

Investments which values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed securities. The Fund does not adjust the quoted prices for these instruments. The Fund's policies on valuation of these financial assets are stated in Note 2(b).

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. This includes unquoted fixed income securities. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. The Fund's policies on valuation of these financial assets are stated in Note 2(b).

- (ii) The carrying values of cash and cash equivalents, amount due from stockbrokers, amount due from the PRS Provider - creation of units, dividend receivable and all current liabilities are a reasonable approximation of their fair values due to their short-term nature.

4. MANAGEMENT FEE AND PRIVATE PENSION ADMINISTRATOR ADMINISTRATION FEE

In accordance with the Deeds, the PRS Provider is entitled to a maximum management fee of 3.00% per annum for each unit class, calculated daily based on the NAV of the Fund.

For the six months financial period ended 31 July 2023 and 31 July 2022, the management fee for the respective classes is recognised at the following rates:

Class A	Class C	Class X
1.40%	1.50%	1.40%

The Private Pension Administrator administration fee is recognised at a rate of 0.04% per annum (31.07.2022: 0.04% per annum) for each unit class, calculated daily based on the NAV of the Fund.

There is no further liability in respect of management fee and Private Pension Administrator administration fee other than the amount recognised above.

**5. TRUSTEE AND CUSTODIAN FEE**

In accordance with the Deeds, the Trustee is entitled to a maximum fee of 0.04% per annum for each unit class, calculated daily based on the NAV of the Fund. The Trustee fee includes local custodian fees and charges but excludes foreign sub-custodian fees and charges.

For the six months financial period ended 31 July 2023, the Trustee fee is recognised at a rate of 0.04% per annum (31.07.2022: 0.04% per annum) for each unit class.

There is no further liability to the Trustee in respect of Trustee fee other than the amount recognised above.

**6. TAXATION**

	<b>01.02.2023 to 31.07.2023</b>	<b>01.02.2022 to 31.07.2022</b>
	<b>RM</b>	<b>RM</b>
Tax charged for the financial period:		
- Current taxation	-	-

Income from PRS approved by the SC in accordance with the Capital Markets and Services Act 2007 is exempted from tax in accordance with Schedule 6, Paragraph 20 of the Income Tax Act, 1967 ("ITA").

A numerical reconciliation between the profit/(loss) before taxation multiplied by the Malaysian statutory income tax rate and tax expense of the Fund was as follows:

Profit/(loss) before taxation	790,086	(8,147,881)
Taxation at Malaysian statutory rate of 24%	189,621	(1,955,492)
Tax effects of:		
- (Income not subject to tax)/loss not deductible for tax purpose	(270,368)	1,724,299
- Expenses not deductible for tax purposes	29,006	75,511
- Restriction on tax deductible expenses for PRS Funds	51,741	155,682
Taxation	-	-

**7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	<b>31.07.2023</b>	<b>31.01.2023</b>
	<b>RM</b>	<b>Audited RM</b>
At fair value through profit or loss:		
- Quoted securities	25,364,754	24,216,919
- Unquoted fixed income securities	3,950,638	4,456,718
	<u>29,315,392</u>	<u>28,673,637</u>
	<b>01.02.2023 to 31.07.2023</b>	<b>01.02.2022 to 31.07.2022</b>
	<b>RM</b>	<b>RM</b>
Net gain/(loss) on financial assets at fair value through profit or loss:		
- Realised (loss)/gain on disposals	(433,066)	513,549
- Unrealised fair value gain/(loss)	896,707	(9,396,650)
	<u>463,641</u>	<u>(8,883,101)</u>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.07.2023</b>				
<b>QUOTED SECURITIES</b>				
<b>AUSTRALIA</b>				
<b>Consumer Discretionary</b>				
Aristocrat Leisure Ltd	4,266	388,338	506,433	1.65
Aristocrat Leisure Ltd- Institutional Offering	645	84,087	-	-
	<u>4,911</u>	<u>472,425</u>	<u>506,433</u>	<u>1.65</u>
<b>Financials</b>				
Macquarie Group Ltd	<u>22,259</u>	<u>599,864</u>	<u>555,191</u>	<u>1.81</u>
<b>Health Care</b>				
CSL Ltd	<u>553</u>	<u>464,011</u>	<u>448,207</u>	<u>1.46</u>
<b>Industrials</b>				
Seven Group Holdings Ltd	<u>5,149</u>	<u>316,466</u>	<u>407,504</u>	<u>1.32</u>
<b>Materials</b>				
James Hardie Industries Northern Star Resources Ltd	2,467	304,295	323,769	1.05
	<u>3,551</u>	<u>148,376</u>	<u>123,368</u>	<u>0.4</u>
	<u>6,018</u>	<u>452,671</u>	<u>447,137</u>	<u>1.45</u>
<b>Real Estate</b>				
GOODMAN GROUP	<u>5,222</u>	<u>256,980</u>	<u>323,753</u>	<u>1.05</u>
<b>TOTAL AUSTRALIA</b>	<u>44,112</u>	<u>2,562,417</u>	<u>2,688,225</u>	<u>8.74</u>
<b>CAYMAN ISLANDS</b>				
<b>Consumer Discretionary</b>				
Alibaba Group Holding Ltd	<u>20,600</u>	<u>1,622,811</u>	<u>1,160,110</u>	<u>3.77</u>
<b>TOTAL CAYMAN ISLANDS</b>	<u>20,600</u>	<u>1,622,811</u>	<u>1,160,110</u>	<u>3.77</u>
<b>CHINA</b>				
<b>Energy</b>				
China Petroleum & Chemical	<u>108,000</u>	<u>293,408</u>	<u>271,356</u>	<u>0.88</u>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.07.2023 (CONTINUED)</b>				
<b>QUOTED SECURITIES</b>				
<b>CHINA (CONTINUED)</b>				
<b>Financials</b>				
Ping An Insurance Group Co.	162,340	482,106	471,105	1.53
<b>Industrials</b>				
NARI Tech Dev Co Ltd A	39,240	597,968	601,888	1.96
<b>Consumer Staples</b>				
KWEICHOW MOUTAI CO LTD	600	684,467	711,649	2.31
<b>TOTAL CHINA</b>	<b>310,180</b>	<b>2,057,949</b>	<b>2,055,998</b>	<b>6.68</b>
<b>HONG KONG, CHINA</b>				
<b>Communication Services</b>				
Tencent Holding Ltd	5,900	1,349,591	1,207,738	3.92
China Mobile Ltd	5,500	210,362	203,633	0.66
	11,400	1,559,953	1,411,371	4.58
<b>Consumer Discretionary</b>				
Galaxy Entertainment Group Ltd	30,000	825,818	980,765	3.19
Meituan	9,190	1,081,694	776,581	2.52
Yum China Holdings Inc	2,100	438,296	578,582	1.88
Chow Tai Fook Jewellery	32,200	294,860	251,827	0.82
Samsonite International SA	10,800	146,681	144,100	0.47
	84,290	2,787,349	2,731,855	8.88
<b>Energy</b>				
CNOOC Ltd	176,000	866,654	1,278,853	4.15
<b>Financials</b>				
AIA Group Ltd	16,800	598,446	751,065	2.44
Hong Kong Exchanges & Clearing	3,093,995	695,476	639,819	2.08
	3,110,795	1,293,922	1,390,884	4.52
<b>Industrials</b>				
Techtronic Industries Co	11,500	411,952	584,863	1.90

## 7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.07.2023 (CONTINUED)</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>HONG KONG, CHINA (CONTINUED)</b>				
<b>TOTAL HONG KONG, CHINA</b>	<b>3,393,985</b>	<b>6,919,830</b>	<b>7,397,826</b>	<b>24.03</b>
<b>INDONESIA</b>				
<b>Consumer Discretionary</b>				
Mitra Adiperkasa TBK PT	1,347,900	467,989	796,915	2.59
<b>Financials</b>				
PT Bank Negara Indonesia	2,094,300	459,091	483,904	1.57
Bank Rakyat Indonesia	195,900	329,632	330,501	1.07
	2,290,200	788,723	814,405	2.64
<b>Consumer Staples</b>				
Mayora Indah TBK	367,900	310,231	265,849	0.86
<b>TOTAL INDONESIA</b>	<b>4,006,000</b>	<b>1,566,943</b>	<b>1,877,169</b>	<b>6.09</b>
<b>MALAYSIA</b>				
<b>Industrials</b>				
CTOS Digital Bhd	160,400	282,527	224,560	0.73
<b>TOTAL MALAYSIA</b>	<b>160,400</b>	<b>282,527</b>	<b>224,560</b>	<b>0.73</b>
<b>SINGAPORE</b>				
<b>Industrials</b>				
Singapore Technologies Enginee	28,800	357,420	363,920	1.18
<b>Real Estate</b>				
Capitaland Investment Ltd	48,300	214,860	224,604	0.73
<b>TOTAL SINGAPORE</b>	<b>77,100</b>	<b>572,280</b>	<b>588,524</b>	<b>1.91</b>



7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.07.2023 (CONTINUED)</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>SOUTH KOREA</b>				
<b>Consumer Discretionary</b>				
KIA Corporation	1,231	300,980	359,845	1.17
<b>Information Technology</b>				
Samsung Electronics Co. Ltd	8,736	1,307,908	1,526,963	4.96
SK Hynix Inc	949	389,139	413,937	1.34
	<u>9,685</u>	<u>1,697,047</u>	<u>1,940,900</u>	<u>6.3</u>
<b>Materials</b>				
LG Chem Ltd	367	705,363	840,607	2.73
<b>TOTAL SOUTH KOREA</b>	<b><u>11,283</u></b>	<b><u>2,703,390</u></b>	<b><u>3,141,352</u></b>	<b><u>10.2</u></b>
<b>TAIWAN</b>				
<b>Information Technology</b>				
E Ink Holding Inc	23,000	602,863	741,060	2.41
Taiwan Semiconductor Manufacturing Co	47,000	1,567,167	1,941,792	6.31
	<u>70,000</u>	<u>2,170,030</u>	<u>2,682,852</u>	<u>8.72</u>
<b>TOTAL TAIWAN</b>	<b><u>70,000</u></b>	<b><u>2,170,030</u></b>	<b><u>2,682,852</u></b>	<b><u>8.72</u></b>
<b>THAILAND</b>				
<b>Communication Services</b>				
Advanced Info Service PCL	15,800	447,364	471,035	1.53
<b>Consumer Discretionary</b>				
Central Retail Corp PCL	51,700	272,976	281,321	0.9
<b>Financials</b>				
Bangkok Bank PCL	28,600	581,411	647,020	2.1
VFMVN Diamond ETF	221,700	561,615	633,736	2.06
	<u>250,300</u>	<u>1,143,026</u>	<u>1,280,756</u>	<u>4.16</u>
<b>TOTAL THAILAND</b>	<b><u>317,800</u></b>	<b><u>1,863,366</u></b>	<b><u>2,033,112</u></b>	<b><u>6.59</u></b>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.07.2023 (CONTINUED)</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>UNITED STATES</b>				
<b>Communication Services</b>				
SEA Ltd	1,735	699,093	519,933	1.69
<b>Financials</b>				
HDFC Bank Ltd	4,970	825,330	995,093	3.25
<b>TOTAL UNITED STATES</b>	<b>6,705</b>	<b>1,524,423</b>	<b>1,515,026</b>	<b>4.94</b>
<b>TOTAL QUOTED SECURITIES</b>	<b>8,418,165</b>	<b>23,845,966</b>	<b>25,364,754</b>	<b>82.39</b>

**ACCUMULATED  
UNREALISED GAIN ON  
FINANCIAL ASSETS AT  
FAIR VALUE THROUGH  
PROFIT OR LOSS**

**1,518,788**

**TOTAL FINANCIAL  
ASSETS AT FAIR  
VALUE THROUGH  
PROFIT OR LOSS**

**25,364,754**

Name of counter	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.07.2023 (CONTINUED)</b>				
<b>UNQUOTED FIXED INCOME SECURITIES</b>				
Fortune Premiere Sdn Bhd IMTN 3.98% 11/09/2026	525,000	521,477	529,081	1.72
IJM Land Bhd 4.73% 17/03/2119	100,000	101,779	100,114	0.33
MMC Corporation Bhd 5.64% 27/4/2027	150,000	153,767	158,533	0.51
MMC Corporation Bhd 5.80% 12/11/2025	1,000,000	1,041,644	1,046,881	3.40
Perbadanan Kemajuan Negeri Selangor IMTN 5.01% 31.10.2023	150,000	152,159	152,160	0.49
Perbadanan Kemajuan Negeri Selangor IMTN 5.15% 10.08.2023	775,000	794,079	794,142	2.58

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.07.2023 (CONTINUED)</b>				
<b>UNQUOTED FIXED INCOME SECURITIES</b>				
Press Metal Aluminium Holding Bhd 4.10% 17/10/2024	250,000	253,858	253,309	0.82
Quantum Solar Park Green SRI Sukuk 5.24% 6/10/23	200,000	204,030	203,805	0.66
UEM Sunrise Bhd IMTN 4.75% 22/03/2024	700,000	714,644	712,613	2.32
<b>TOTAL UNQUOTED FIXED INCOME SECURITIES</b>	<b><u>3,850,000</u></b>	<b><u>3,937,437</u></b>	<b><u>3,950,638</u></b>	<b><u>12.83</u></b>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>13,202</u></b>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>3,950,638</u></b>		
Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.01.2023</b>				
<b>Audited</b>				
<b>QUOTED SECURITIES</b>				
<b>AUSTRALIA</b>				
<b>Consumer Discretionary</b>				
Aristocrat Leisure Ltd	2,641	192,697	268,231	0.90
Aristocrat Leisure Ltd- Institutional Offering	645	84,087	-	-
	<u>3,286</u>	<u>276,784</u>	<u>268,231</u>	<u>0.90</u>
<b>Energy</b>				
Santos Ltd	<u>13,520</u>	<u>294,381</u>	<u>287,488</u>	<u>0.96</u>
<b>Financials</b>				
Macquarie Group Ltd	<u>1,051</u>	<u>599,864</u>	<u>588,852</u>	<u>1.97</u>
<b>Health Care</b>				
CSL Ltd	<u>553</u>	<u>464,011</u>	<u>492,982</u>	<u>1.65</u>

## 7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.01.2023</b>				
<b>Audited (CONTINUED)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>AUSTRALIA</b>				
<b>(CONTINUED)</b>				
<b>Industrials</b>				
ALS Ltd	15,453	439,153	603,109	2.02
Seven Group Holdings Ltd	5,149	316,466	349,098	1.17
	<u>20,602</u>	<u>755,619</u>	<u>952,207</u>	<u>3.19</u>
<b>Real Estate</b>				
Goodman Group	<u>5,222</u>	<u>256,980</u>	<u>311,880</u>	<u>1.05</u>
<b>TOTAL AUSTRALIA</b>	<b><u>44,234</u></b>	<b><u>2,647,639</u></b>	<b><u>2,901,640</u></b>	<b><u>9.72</u></b>
<b>CAYMAN ISLANDS</b>				
<b>Consumer Discretionary</b>				
Alibaba Group Holding Ltd	<u>19,100</u>	<u>1,537,937</u>	<u>1,118,624</u>	<u>3.75</u>
<b>TOTAL CAYMAN ISLANDS</b>	<b><u>19,100</u></b>	<b><u>1,537,937</u></b>	<b><u>1,118,624</u></b>	<b><u>3.75</u></b>
<b>CHINA</b>				
<b>Consumer Staples</b>				
Kweichow Moutai Co Ltd	<u>600</u>	<u>684,467</u>	<u>698,915</u>	<u>2.34</u>
<b>Financials</b>				
Ping An Insurance Group Co	<u>22,000</u>	<u>731,471</u>	<u>726,858</u>	<u>2.44</u>
<b>Industrials</b>				
NARI Technology Dev Co Ltd	32,700	597,968	544,610	1.83
Shanghai International Airport	<u>16,400</u>	<u>589,019</u>	<u>626,177</u>	<u>2.10</u>
	<u>49,100</u>	<u>1,186,987</u>	<u>1,170,787</u>	<u>3.93</u>
<b>Information Technology</b>				
LONGi Green Energy Technology	<u>8,700</u>	<u>351,887</u>	<u>264,371</u>	<u>0.89</u>
<b>TOTAL CHINA</b>	<b><u>80,400</u></b>	<b><u>2,954,812</u></b>	<b><u>2,860,931</u></b>	<b><u>9.60</u></b>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.01.2023</b>				
<b>Audited (CONTINUED)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>HONG KONG, CHINA</b>				
<b>Communication Services</b>				
Tencent Holding Ltd	5,900	1,349,591	1,227,386	4.12
<b>Consumer Discretionary</b>				
Chow Tai Fook Jewellery Galaxy Entertainment Grp Ltd	32,200	294,860	293,393	0.98
Meituan	29,000	796,007	858,688	2.88
Yum China Holdings Inc	8,490	1,019,871	806,845	2.71
	2,100	438,296	541,797	1.81
	71,790	2,549,034	2,500,723	8.38
<b>Consumer Staples</b>				
China Mengniu Dairy Co Ltd	22,000	433,400	452,041	1.52
<b>Energy</b>				
CNOOC Ltd	157,000	745,409	970,770	3.26
<b>Financials</b>				
AIA Group Ltd	16,800	598,446	809,722	2.72
Hong Kong Exchanges & Clearing	3,400	695,476	652,158	2.19
	20,200	1,293,922	1,461,880	4.91
<b>Industrials</b>				
Techtronic Industries Co	11,500	411,952	629,701	2.11
<b>TOTAL HONG KONG, CHINA</b>	<b>288,390</b>	<b>6,783,308</b>	<b>7,242,501</b>	<b>24.30</b>
<b>INDONESIA</b>				
<b>Consumer Discretionary</b>				
Mitra Adiperkasa TBK PT	1,202,700	401,461	444,662	1.49
<b>Financials</b>				
PT Bank Negara Indonesia	182,600	459,091	475,173	1.59
<b>TOTAL INDONESIA</b>	<b>1,385,300</b>	<b>860,552</b>	<b>919,835</b>	<b>3.08</b>

## 7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.01.2023</b>				
<b>Audited (CONTINUED)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>MALAYSIA</b>				
<b>Industrials</b>				
CTOS Digital Bhd	180,900	318,635	278,586	0.93
<b>TOTAL MALAYSIA</b>	<b>180,900</b>	<b>318,635</b>	<b>278,586</b>	<b>0.93</b>
<b>SINGAPORE</b>				
<b>Communication Services</b>				
Singapore Telecommunications	30,200	220,390	245,530	0.82
<b>Financials</b>				
DBS Group Holdings Ltd	4,900	417,264	568,044	1.90
<b>Industrials</b>				
Singapore Technologies Enginee	28,800	357,420	343,293	1.15
<b>Real Estate</b>				
Capitaland Investment Ltd	19,500	208,031	250,123	0.84
<b>TOTAL SINGAPORE</b>	<b>83,400</b>	<b>1,203,105</b>	<b>1,406,990</b>	<b>4.71</b>
<b>SOUTH KOREA</b>				
<b>Information Technology</b>				
Samsung Electronics Co. Ltd	5,172	1,071,780	1,091,760	3.66
<b>Materials</b>				
LG Chem Ltd	367	705,363	876,302	2.94
<b>TOTAL SOUTH KOREA</b>	<b>5,539</b>	<b>1,777,143</b>	<b>1,968,062</b>	<b>6.60</b>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.01.2023</b>				
<b>Audited (CONTINUED)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>TAIWAN</b>				
<b>Information Technology</b>				
E Ink Holding Inc	36,000	506,770	793,210	0.83
Hon Hai Precision Industry Co.	86,000	1,470,030	1,319,309	1.38
MediaTek Inc.	10,000	1,077,786	1,616,800	1.70
Taiwan Semiconductor Manufacturing Co	70,000	4,674,031	6,695,808	7.02
	<u>202,000</u>	<u>7,728,617</u>	<u>10,425,127</u>	<u>10.93</u>
<b>TOTAL TAIWAN</b>	<b><u>202,000</u></b>	<b><u>7,728,617</u></b>	<b><u>10,425,127</u></b>	<b><u>10.93</u></b>
<b>THAILAND</b>				
<b>Consumer Discretionary</b>				
Central Retail Corp PCL - NVDR <sup>1</sup>	<u>40,000</u>	<u>207,109</u>	<u>220,317</u>	<u>0.74</u>
<b>Financials</b>				
Bangkok Bank PCL - NVDR <sup>1</sup>	<u>17,800</u>	<u>358,338</u>	<u>365,635</u>	<u>1.23</u>
<b>Health Care</b>				
Bangkok Dusit Medical Service - NVDR <sup>1</sup>	<u>77,900</u>	<u>251,197</u>	<u>300,347</u>	<u>1.01</u>
<b>TOTAL THAILAND</b>	<b><u>135,700</u></b>	<b><u>816,644</u></b>	<b><u>886,299</u></b>	<b><u>2.98</u></b>
<b>UNITED STATES</b>				
<b>Communication Services</b>				
SEA LTD	<u>1,099</u>	<u>468,439</u>	<u>302,128</u>	<u>1.01</u>
<b>Financials</b>				
HDFC Bank Ltd	3,235	825,330	929,493	3.12
ICICI Bank Ltd	<u>3,581</u>	<u>385,860</u>	<u>318,173</u>	<u>1.07</u>
	<u>6,816</u>	<u>1,211,190</u>	<u>1,247,666</u>	<u>4.19</u>
<b>TOTAL UNITED STATES</b>	<b><u>7,915</u></b>	<b><u>1,679,629</u></b>	<b><u>1,549,794</u></b>	<b><u>5.20</u></b>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.01.2023</b>				
<b>Audited (CONTINUED)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>TOTAL QUOTED SECURITIES</b>	<b><u>2,312,878</u></b>	<b>23,579,169</b>	<b><u>24,216,919</u></b>	<b><u>81.20</u></b>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>637,750</u></b>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>24,216,919</u></b>		
Name of counter	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.01.2023</b>				
<b>Audited (CONTINUED)</b>				
<b>UNQUOTED FIXED INCOME SECURITIES</b>				
Fortune Premiere Sdn Bhd 3.985% 11/09/2026 (AA)	525,000	519,853	522,025	1.75
Fortune Premiere Sdn Bhd 4.80% 13/3/2023 (AA)	500,000	510,055	509,922	1.71
IJM Land Bhd 4.73% 17/03/2119 (A2)	100,000	101,791	99,170	0.33
MMC Corporation Bhd 5.64% 27/04/2027 (AA3)	150,000	153,975	157,654	0.53
MMC Corporation Bhd 5.80% 12/11/2025 (AA3)	1,000,000	1,047,220	1,047,623	3.50
Perbadanan Kemajuan Negeri Selangor 5.02% 31/10/2023 (AA3)	150,000	152,714	152,805	0.51
Perbadanan Kemajuan Negeri Selangor 5.15% 10/08/2023 (AA3)	775,000	796,776	797,832	2.68
Press Metal Aluminium Holdings Bhd 4.10% 17/10/2024 (AA)	250,000	254,240	253,477	0.85
Quantum Solar Park Green SRI Sukuk 5.24% 06/10/2023 (AA3)	200,000	205,904	204,982	0.69
UEM Sunrise Bhd 4.75% 22/03/2024 (AA3)	700,000	716,657	711,228	2.39



7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.01.2023</b>				
<b>Audited (CONTINUED)</b>				
<b>UNQUOTED FIXED INCOME SECURITIES</b>				
<b>TOTAL UNQUOTED FIXED INCOME SECURITIES</b>	<u>4,350,000</u>	4,459,185	<u>4,456,718</u>	<u>14.94</u>
<b>ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u>(2,467)</u>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u>4,456,718</u>		

8. CASH AND CASH EQUIVALENTS

	31.07.2023 RM	31.01.2023 Audited RM
Deposits with licensed financial institutions	703,059	165,013
Bank balances	748,685	782,130
	<u>1,451,744</u>	<u>947,143</u>

9. NUMBER OF UNITS IN CIRCULATION (UNITS)

	01.02.2023 to 31.07.2023	01.02.2022 to 31.01.2023 Audited
	No. of units	No. of units
Class A (i)	25,513,128	25,929,544
Class C (ii)	7,304,989	7,313,266
Class X (iii)	10,798,427	10,100,075
	<u>43,616,544</u>	<u>43,342,885</u>

(i) Class A

At the beginning of the financial period/year	25,929,544	50,809,756
Add : Creation of units from applications	407,962	4,426,306
Add : Creation of units from distribution	-	1,089,945
Less : Cancellation of units	(824,378)	(30,396,463)
At the end of the financial period/year	<u>25,513,128</u>	<u>25,929,544</u>

9. NUMBER OF UNITS IN CIRCULATION (UNITS) (CONTINUED)

	01.02.2023 to 31.07.2023	01.02.2022 to 31.01.2023 Audited
	No. of units	No. of units
(ii) Class C		
At the beginning of the financial period/year	7,313,266	6,818,848
Add : Creation of units from applications	184,394	958,350
Add : Creation of units from distribution	-	146,799
Less : Cancellation of units	<u>(192,671)</u>	<u>(610,731)</u>
At the end of the financial period/year	<u>7,304,989</u>	<u>7,313,266</u>
(iii) Class X		
At the beginning of the financial period/year	10,100,075	72,428,520
Add : Creation of units from applications	727,208	11,312,220
Add : Creation of units from distribution	-	1,585,987
Less : Cancellation of units	<u>(28,856)</u>	<u>(75,226,652)</u>
At the end of the financial period/year	<u>10,798,427</u>	<u>10,100,075</u>

10. TOTAL EXPENSE RATIO (“TER”)

	01.02.2023 to 31.07.2023 %	01.02.2022 to 31.07.2022 %
TER	<u>0.86</u>	<u>0.76</u>

TER is derived from the following calculation:

$$\text{TER} = \frac{(A + B + C + D + E + F) \times 100}{G}$$

A	=	Management fee
B	=	Private Pension Administrator administration fee
C	=	Trustee and custodian fee
D	=	Audit fee
E	=	Tax agent’s fee
F	=	Other expenses excluding withholding tax and CDS transfer fee
G	=	Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis is RM 30,109,843 (31.07.2022: RM92,638,728).

11. PORTFOLIO TURNOVER RATIO (“PTR”)

	01.02.2023 to 31.07.2023	01.02.2022 to 31.07.2022
PTR (times)	<u>0.19</u>	<u>0.20</u>

**11. PORTFOLIO TURNOVER RATIO (“PTR”) (CONTINUED)**

PTR is derived based on the following calculation:

$$\frac{(\text{Total acquisition for the financial period} + \text{total disposal for the financial period}) \div 2}{\text{Average NAV of the Fund for the financial period calculated on a daily basis}}$$

where:

total acquisition for the financial period	=	RM5,996,649 (31.07.2022: RM22,564,963)
total disposal for the financial period	=	RM5,558,702 (31.07.2022: RM14,411,866)

**12. UNITS HELD BY THE PRS PROVIDER AND PARTIES RELATED TO THE PRS PROVIDER, AND SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES**

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

<u>Related parties</u>	<u>Relationship</u>
Principal Asset Management Berhad	The PRS Provider
Principal Financial Group, Inc.	Ultimate holding company of shareholder of the PRS Provider
Principal International (Asia) Ltd	Shareholder of the PRS Provider
Subsidiaries and associates of Principal Financial Group Inc., other than above, as disclosed in its financial statements	Fellow subsidiary and associated companies of the ultimate holding company of shareholder of the PRS Provider
CIMB Group Holdings Bhd	Ultimate holding company of shareholder of the PRS Provider
CIMB Group Sdn Bhd	Shareholder of the PRS Provider
CIMB Bank Bhd	Fellow related party to PRS Provider
CGS-CIMB Securities (Singapore) Pte Ltd	Fellow related party to PRS Provider
Subsidiaries and associates of CIMB Group Holdings Bhd, other than above, as disclosed in its financial statements	Fellow subsidiary and associated companies of the ultimate holding company of the shareholder of the PRS Provider

Units held by the PRS Provider and parties related to the PRS Provider

There were no units held by the PRS Provider or parties related to the PRS Provider as at the end of each financial period/year.

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The PRS Provider is of the opinion that all transactions with the related companies have been entered into in the normal course of business at agreed terms between the related parties.

12. UNITS HELD BY THE PRS PROVIDER AND PARTIES RELATED TO THE PRS PROVIDER, AND SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES (CONTINUED)

	01.02.2023 to 31.07.2023 RM	01.02.2022 to 31.07.2022 RM
<u>Significant related party transactions</u>		
Dividend income:		
- CIMB Group Holdings Bhd	-	24,247

There were no related party balances as at the end of the financial period/year, apart from those mentioned elsewhere in the financial statements.

13. TRANSACTIONS WITH BROKERS/DEALERS

Details of transactions with the top 10 brokers/dealers for the six months financial period ended 31 July 2023 were as follows:

Brokers/Dealers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
CGS-CIMB Securities (Singapore) Pte Ltd #	4,444,761	38.46	9,580	36.32
Instinet Pacific Limited	2,141,031	18.53	4,995	18.94
CLSA Ltd	1,235,138	10.69	4,268	16.18
Jefferies International Ltd	1,168,673	10.11	2,337	8.86
JP Morgan Securities (Asia Pacific Ltd)	783,167	6.78	2,159	8.19
Macquarie Securities AU Ltd	538,128	4.66	1,614	6.12
Citigroup Global Markets Ltd	466,069	4.03	457	1.73
Credit Suisse (Hong Kong) Ltd	300,980	2.60	903	3.42
J.P. Morgan Sec (M) Sdn Bhd	26,820	0.23	61	0.24
Others	450,584	3.91	-	-
	<u>11,555,351</u>	<u>100.00</u>	<u>26,374</u>	<u>100.00</u>

13. TRANSACTIONS WITH BROKERS/DEALERS (CONTINUED)

Details of transactions with the top 10 brokers/dealers for the six months financial period ended 31 July 2022 were as follows:

<b>Brokers/Dealers</b>	<b>Value of trades RM</b>	<b>Percentage of total trades %</b>	<b>Brokerage fees RM</b>	<b>Percentage of total brokerage fees %</b>
CGS-CIMB Securities (Singapore) Pte Ltd #	4,593,080	12.42	10,159	15.01
Hong Leong Investment Bank Bhd	3,589,613	9.71	-*	-
Instinet Pacific Ltd	3,476,193	9.40	8,690	12.84
Citigroup Global Markets Ltd	3,298,339	8.92	4,486	6.63
Macquarie Securities AU Ltd	2,529,004	6.84	7,587	11.21
Credit Suisse (Hong Kong) Ltd	2,268,767	6.14	5,306	7.84
Sanford C Bernstein & Co LLC	2,247,183	6.08	5,920	8.75
Morgan Stanley	2,233,234	6.04	5,583	8.25
CLSA Ltd	2,122,351	5.74	5,250	7.76
JP Morgan Securities (Asia Pacific Ltd)	1,932,991	5.23	6,766	10.00
Others	8,686,074	23.48	7,914	11.71
	<u>36,976,829</u>	<u>100.00</u>	<u>67,661</u>	<u>100.00</u>

\* Zero brokerage fee as these were trades in relation to unquoted fixed income securities

# Included in the transactions by the Fund are trades conducted with CGS-CIMB Securities (Singapore) Pte Ltd, related party to the PRS Provider amounting to RM4,444,761 (31.07.2022: RM4,593,080). The PRS Provider is of the opinion that all transactions have been entered into in the normal course of business at agreed terms between the related parties.

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