

**RHB RETIREMENT SERIES –
GROWTH FUND**

SEMI-ANNUAL REPORT 2023

For the financial period ended 30 November 2023

GENERAL INFORMATION ABOUT THE FUND

Name, Category and Type

Fund Name	-	RHB Retirement Series – Growth Fund
Fund Category	-	Core (Growth) Fund
Fund Type	-	Private Retirement Scheme

Investment Objective, Policy and Strategy

Objective of the Fund

The Fund seeks to provide capital growth.

Strategy

The Fund will invest up to 100% of its Net Asset Value (“NAV”) in equities listed in Malaysia and foreign markets and up to 50% of its NAV in fixed income instruments and/or liquid assets.

The Fund may invest in foreign equities listed in the Asia Pacific ex-Japan markets (including, but not limited to, Malaysia, Australia, China, Hong Kong, India, Indonesia, New Zealand, South Korea, the Philippines, Singapore, Taiwan and Thailand) including equities of Asia Pacific ex-Japan companies that are listed on or traded in non-Asia ex-Japan markets. There will be no restriction on country allocation.

The Fund may also opt to invest in the equities either directly or via collective investment schemes of the PRS Provider or other collective investment schemes (including real estate investment trusts and exchange traded funds).

For the fixed income portion, the Fund may invest in fixed income instruments provided that at the point of purchasing the instruments, the issuers or financial institutions carry a minimum rating of ‘A3’ as rated by any reputable Domestic Rating Agencies^{^^} or a minimum rating of ‘BBB-’ as rated by any reputable Global Rating Agencies^{^^^}, without restriction on the tenure of these fixed income instruments.

^{^^} “Domestic Rating Agencies” refer to local credit assessment institutions that are recognised by the Securities Commission Malaysia.

^{^^^} “Global Rating Agencies” refer to global credit assessment institutions that are recognised in line with relevant laws.

The Fund will also invest in liquid assets including money market instruments, deposits with financial institutions and collective investment schemes investing in money market instruments and/or deposits with financial institutions.

The asset allocation of the Fund will be as follows:-

Up to 100% of - Investments in equities
Net Asset Value

Up to 50% of - Investments in fixed income instruments and/or liquid assets
Net Asset Value

Performance Benchmark

Weighted average of FTSE Bursa Malaysia Emas Index (70%) and MSCI AC Asia Pacific ex-Japan Index (30%).

Permitted Investments

This Fund may invest in securities of companies listed in the Eligible Markets; unlisted securities of companies in the Eligible Markets; collective investment schemes; Government securities; Cagamas bonds, Bank Negara Malaysia certificates, treasury bills, Government investment certificates and other Government approved/guaranteed securities; fixed income instruments and corporate bonds; warrants that carry the right in respect of a security traded in the eligible markets; deposits and money market instruments; and any other form of investments as may be agreed upon by the PRS Provider and the Scheme Trustee from time to time that is in line with the Fund's objective.

Distribution Policy

Distribution is incidental and is subject to the availability of income at the end of the financial year. Distribution, if any, will be automatically reinvested into the Fund based on the NAV per unit of the business day on which the distribution is declared.

All distributions (if any) will be reinvested into additional Units based on the prevailing Net NAV per Unit of the Business Day on which the distributions are declared. No Sales Charge or costs shall be incurred or payable by the Members for the reinvestment.

PRS PROVIDER'S REPORT

MARKET REVIEW

The FTSE Bursa Malaysia Kuala Lumpur Composite Index (“FBM KLCI”) increased by 4.73% during the financial period under review, while the Morgan Stanley Capital International All-Country World Index Asia Pacific Ex Japan index increased by 1.05% United States Dollar (“USD”) during the same period.

Market sentiment remained negative due to “higher for longer” statement by the United States (“US”) Federal Reserve (“Fed”) as inflation remains high. Weak Chinese economy and the continuing headwinds from the China’s Property sector have also affected the sentiment of the market. The high interest rate and the recent rise in the oil price have also raised concerns on the global economy growth trajectory. However, Malaysia registered positive return in third quarter year 2023 (“3Q23”) but other equity markets fell more than 2.00% to 6.00%. Malaysia’s economy is slowing down after registering strong growth in year 2022 which is in line with the global slowdown in the economy. The Standard and Poor Global Malaysia Manufacturing Purchasing Managers’ Index fell to 46.80 in September 2023 from 47.80 a month earlier. Malaysia’s manufacturing activities continue to fall further in September 2023 which was the lowest since January 2023. This was the 13th straight month of drop in the Manufacturing sector as global economy falters. Nevertheless, the recent recovery in the US and China’s manufacturing activities might indicate that the manufacturing activities could have found the bottom.

Exports from Malaysia plunged by 18.60% Year-on-Year (“YoY”) to Malaysia ringgit (“MYR”) 115.16 billion (“bn”) in August year 2023, coming in worse than market forecasts of 16.30% fall. This marked the sixth straight month of decline in exports and the steepest pace since May year 2020 due to weakening global demand and moderating commodity prices. Among key trading partners, exports dropped in Singapore (19.30%), China (20.30%), the US (9.70%) and the European Union (-4.60%). However, labour market conditions, particularly employment and wages, remains favorable which is an important factor that supports households' ability to spend. Retail trade in Malaysia rose to 5.50% YoY in July 2023, easing slightly from a 5.80% growth in the previous month. However, on a monthly basis, retail trade increased by 0.50%, following a 1.00% gain in June 2023. The economy is expected to be supported by domestic-oriented activities due to multiple headwinds on the global fronts, ranging from high policy rates, elevated inflation and moderating global trade.

The FBM Small Cap index remained positive in September 2023 despite weak global market and the small cap index outperformed the FBM KLCI and the FBM EMAS Index Year-to-date as well. Quarter-on-Quarter also saw FBM Small Cap outperformed the FBM KLCI and FBM EMAS Index. Only four sectors registered

positive returns in September 2023 which are Energy (due to rising oil price), Construction (policy driven), Property (policy driven) and Health Care (value).

The MSCI Asia Pacific ex Japan index posted a slightly positive return over the six-month period to November 2023. Investor's sentiment was negatively impacted as bond yields reached multi-year highs, geopolitical tensions rose and interest rates were expected to remain 'higher for longer'. This led to investors selling out of Asian markets during most of the periods with only a rebound in the month of November 2023. Chinese and Hong Kong equities slid sharply due to weaker than expected macroeconomic data with only a slight recovery in the month of November 2023. Only technology-focused markets, including South Korea and Taiwan, also ended in positive territory. Australian's equities slid in line with the broader market. On a positive note, Indian stocks witnessed a strong rally and outperformed the broader Asian market as the country remained a favoured spot for foreign investors over the year. India's robust foreign exchange reserves; low debt levels, including foreign debt; and well-contained fiscal and current account deficit means that its balance sheet is strong. Within Association of Southeast Asian Nations, all regions including the Philippines, Indonesia, Singapore and Thailand ended in negative territory except for Malaysia. Within fixed income, USD denominated Asian investment grade bonds posted negative returns as United States Treasury yields rose. At the latest Federal Open Market Committee meeting, the US Fed announced that it would keep interest rates steady, but suggested that rates might remain higher for longer than was previously expected. Interest rates remained volatile, while yields rose during the period amid various news headlines, including the collapse of First Republic Bank and some other regional banks, and concerns around the potential default of the US government if a debt ceiling agreement could not be reached. In Asia, concerns around China's economic recovery resurfaced as domestic demand weakened. USD denominated Asian high yield bonds also posted negative returns as investors focused on profit-taking and risk exposure adjustments against a challenging market backdrop. Nonetheless, investor's sentiment improved in September 2023 as Chinese policymakers unveiled targeted macroeconomic support measures to stimulate the economy and restore market confidence amid growing concerns over its economic recovery.

MARKET OUTLOOK AND STRATEGY GOING FORWARD

The Fund Manager noted that the FBM KLCI index has not been able to trade higher than mean valuation since September 2020 and the index average price to earnings ratio is 14 times for the past 3 years. The Fund Manager believe that the Index is cheap and there is more upside than downside. Corporate earnings downgrade might have bottomed but unfortunately there are no upgrades either. Hence, in order to have meaningful rebound for the Index, the market needs to see improvement in the corporate earnings growth. Foreign institutions turned net buy in the 3Q2023 with RM2.2 billion inflows. There is an expectation that there is now an increased likelihood of a soft landing in US, where inflation stabilizes without economic growth taking a significant downturn for the US, which means that a recession would likely be avoided. Should US able to achieve a soft landing, commodity-based country like Malaysia should benefit and would also help MYR to recover and drive inbound in-flows of funds.

The global interest rates hike cycle might be nearing an end. However, the Fed is expected to hold the interest rate at current high level due to strong US labour market and possibility of inflation would remain high due to higher oil price. The Fed is expected to cut the interest rate when the job market starts to decline and US economy goes into recession which would be positive for Malaysia and Asian equities. Probability is around 55.00% that US economy would go into recession in year 2024. In the longer run, the expectation that USD is likely to weaken would push investors to lean towards assets in Asia given its cheaper valuation and undervalued market from fundamental valuations and economic perspective.

Bank Negara Malaysia is likely to maintain interest rate at current level due to benign inflation and would focus on growth. In addition, the government is also expecting to announce more supports to help the B40 and M40 categories which would likely benefit the Consumer sector. Domestic consumption would be supported by improving labour market but the gradual pace of subsidy rationalization would have an impact on discretionary consumption. Structural reforms play a crucial role in achieving sustain economic growth and the government has recently implemented these reforms by launching the Madani Economic Framework, the New Industrial Masterplan year 2030, and the National Energy Transition Roadmap. However, low foreign holdings couple with bottoming earnings downward revision would provide the support to the Index. The Fund Manager would take the opportunity to position the portfolio on market weakness for decent returns in longer run due to expectations of better corporate earnings in year 2024 and cheap market valuation.

REVIEW OF FUND PERFORMANCE AND STRATEGY DURING THE FINANCIAL PERIOD

For the financial period under review, the Fund registered a negative return of 1.40%* against its benchmark return of 3.19%*. The fund underperformed its benchmark by 4.59% over the period under review. The Net Asset Value per unit of the Fund was RM 0.3385 (31 May 2023: RM 0.3433) as at 30 November 2023.

During the financial period under review, the exposure to Malaysia was the top contributor to the fund's performance, while the main detractor was the exposure to China. Sector wise, the Financial Services sector was the main contributor to the fund's performance while the Health Care sector was the main drag.

The investment strategy and policy employed during the financial period under review were in line with the investment strategy and policy as stated in the prospectus.

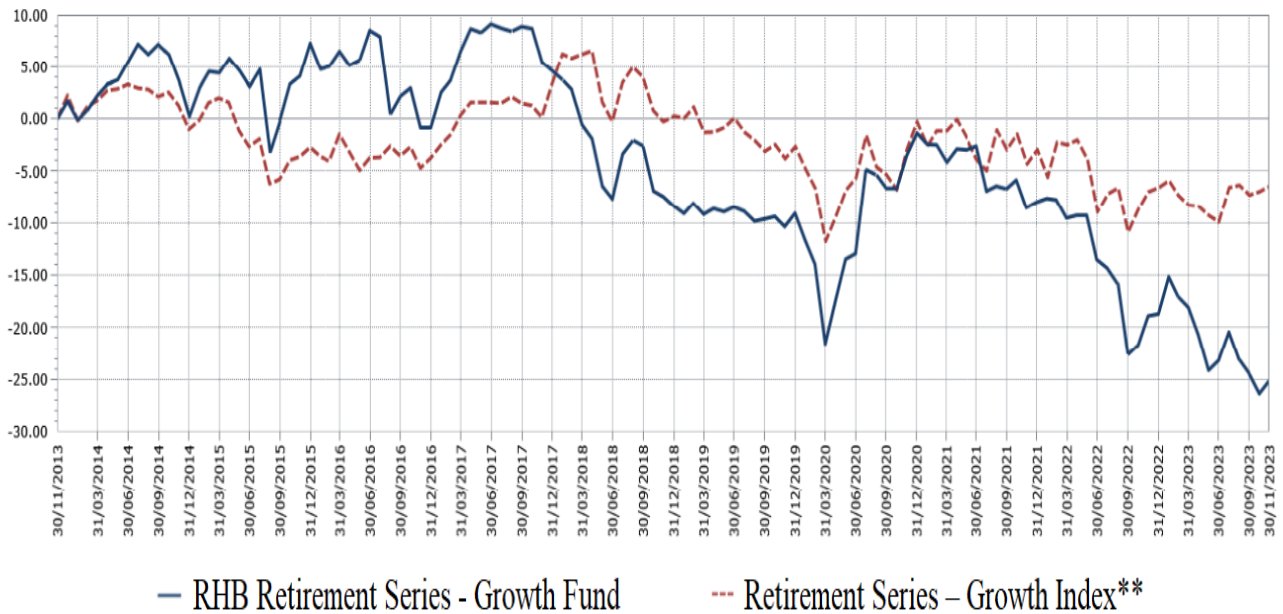
** Source: Lipper Investment Management ("Lipper IM"), 12 December 2023*

PERFORMANCE DATA

	31.05.2023- 30.11.2023 %	Annual Total Returns Financial Year Ended 31 May				
		2023 %	2022 %	2021 %	2020 %	2019 %
RHB Retirement Series – Growth Fund						
- Capital Return	(1.40)	(16.37)	(6.45)	12.17	(5.00)	(2.67)
- Income Return	-	-	-	-	-	-
- Total Return	(1.40)	(16.37)	(6.45)	12.17	(5.00)	(2.67)
Retirement Series – Growth Index**	3.19	(5.64)	(2.09)	5.33	(6.02)	(2.38)

	Average Annual Returns			
	1 Year 30.11.2022 - 30.11.2023 %	3 Years 30.11.2020 - 30.11.2023 %	5 Years 30.11.2018 - 30.11.2023 %	10 Years 30.11.2013 - 30.11.2023 %
RHB Retirement Series – Growth Fund	(7.79)	(8.12)	(4.15)	(2.86)
Retirement Series – Growth Index**	0.60	(1.21)	(1.27)	(0.66)

**Performance of RHB Retirement Series - Growth Fund
for the period from 30 November 2013 to 30 November 2023
Cumulative Return Over The Period (%)**



Source: Lipper IM, 12 December 2023

The abovementioned performance figures are indicative returns based on daily Net Asset Value of a unit (as per Lipper Database) since 30 November 2013.

The calculation of the above returns is based on computation methods of Lipper.

***Effective 1 December 2020, the Fund’s composite benchmark (Retirement Series – Growth Index) was changed from weighted average of FTSE Bursa Malaysia Kuala Lumpur Composite Index (“FBM KLCI”) (70%) and Malayan Banking Berhad’s (“Maybank”) 12 months fixed deposit rate (30%) to weighted average FTSE Bursa Malaysia EMAS Index (70%) and MSCI AC Asia Pacific ex-Japan Index (30%). The Fund’s composite benchmark performance has been adjusted to reflect the new benchmark.*

A combination of benchmark/composite benchmark has been used for the performance computation as follow:

From 7 January 2013 – 30 November 2020	Weighted average of FBM KLCI (70%) and Maybank 12 months fixed deposit rate (30%)
1 December 2020 onwards	Weighted average FTSE Bursa Malaysia Emas Index (70%) and MSCI AC Asia Pacific ex-Japan Index (30%).

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

The abovementioned performance computations have been adjusted to reflect distribution payments and unit splits wherever applicable.

Fund Size	As at 30 November 2023	As at 31 May		
		2023	2022	2021
Net Asset Value (RM million)	17.28	17.49	20.14	21.67
Units In Circulation (million)	51.06	50.96	49.07	49.37
Net Asset Value Per Unit (RM)	0.3385	0.3433	0.4105	0.4388

Historical Data	01.06.2023- 30.11.2023	Financial Year Ended 31 May		
		2023	2022	2021
Unit Prices				
NAV - Highest (RM)	0.3636	0.4090	0.4415	0.4535
- Lowest (RM)	0.3304	0.3433	0.3884	0.3901
Distribution and Unit Split	-	-	-	-
Others				
Total Expense Ratio (TER) (%) #	1.11	2.14	2.14	1.77
Portfolio Turnover Ratio (PTR) (times) ##	1.43	3.20	3.20	1.87

The TER for the financial period was lower compared with the previous financial period due to lower expenses incurred for the financial period under review.

The PTR for the financial period was lower compared with previous financial period due to lesser investment activities for the financial period under review.

DISTRIBUTION

For the financial period under review, no distribution has been proposed by the Fund.

PORTFOLIO STRUCTURE

The asset allocations of the Fund as at reporting date were as follows:

Sectors	As at	As at 31 May		
	30 November 2023	2023	2022	2021
	%	%	%	%
Equities				
Agriculture	-	-	0.62	-
Basic Materials	3.58	2.75	5.42	7.21
Communication	-	5.93	1.65	1.04
Construction	-	-	0.81	-
Consumer	-	2.76	1.45	-
Consumer Products and Services	14.95	25.00	4.13	20.46
Consumer Staples	1.90	-	-	-
Energy	11.77	1.59	3.39	3.99
Financial Services	7.77	13.79	29.03	8.13
Health Care	2.73	4.89	3.64	-
Industrial Products and Services	9.76	3.68	6.74	8.62
Information Technology	4.53	3.31	1.57	2.08
Consumer Discretionary	1.96	-	-	-
Mining	-	-	0.59	-
Plantation	-	-	3.98	-
Property	2.65	-	-	-
Retail	-	0.91	1.71	-
Technology	21.00	13.13	4.99	20.13
Telecommunications and Media	1.81	6.99	5.01	2.84
Transportation and Logistics	-	2.16	1.81	-
Utilities	-	2.01	1.45	-
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	84.41	88.90	77.99	74.50
Unquoted fixed income securities	8.35	8.18	18.19	20.76
Liquid assets and other net current assets	7.24	2.92	3.82	4.74
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	100.00	100.00	100.00	100.00

The asset allocation was reflective of the PRS Provider's stance to risk manage its portfolio in an environment of volatile markets.

SECURITIES FINANCING TRANSACTIONS

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

CROSS TRADE

The Fund has not carried out any cross trade transactions for the financial period under review.

SOFT COMMISSION

Soft commissions were received by the PRS Provider for the financial period under review from brokers/dealers who have also executed trades for other funds or investment managed by the PRS Provider. The soft commissions were utilised for research data and materials that assist in the decision making process relating to the Fund's investment. The soft commissions received were for the benefit of the funds and there were no churning of trades.

RHB RETIREMENT SERIES – GROWTH FUND
UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2023

	<u>Note</u>	<u>30.11.2023</u> RM	<u>31.05.2023</u> RM
ASSETS			
Bank balances	5	584,900	357,844
Deposits with licensed financial institutions	5	139,011	883,215
Investments	6	16,032,367	16,982,596
Amount due from brokers		691,163	110,452
Amount due from PRS Provider		17,286	8,303
Dividend receivables		-	16,270
Tax recoverable		15,865	-
TOTAL ASSETS		<u>17,480,592</u>	<u>18,358,680</u>
LIABILITIES			
Amount due to brokers		149,571	807,994
Accrued management fee		21,201	22,958
Amount due to Scheme Trustee		565	612
Amount due to Private Pension Administrator (“PPA”)		565	612
Tax payable		-	1,655
Other payables and accruals		25,938	31,988
TOTAL LIABILITIES		<u>197,840</u>	<u>865,819</u>
NET ASSET VALUE		<u>17,282,752</u>	<u>17,492,861</u>
MEMBERS’ FUNDS			
Members’ capital		25,338,493	25,304,171
Accumulated losses		(8,055,741)	(7,811,310)
		<u>17,282,752</u>	<u>17,492,861</u>
UNITS IN CIRCULATION (UNITS)	7	<u>51,058,026</u>	<u>50,958,026</u>
NET ASSET VALUE PER UNITS (RM)		<u>0.3385</u>	<u>0.3433</u>

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

RHB RETIREMENT SERIES – GROWTH FUND
UNAUDITED STATEMENT OF INCOME AND EXPENSES
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2023

	<u>Note</u>	<u>01.06.2023-</u> <u>30.11.2023</u> RM	<u>01.06.2022-</u> <u>30.11.2022</u> RM
INCOME/(LOSS)			
Dividend income		197,079	192,632
Interest income from deposits with licensed financial institutions		3,353	3,164
Interest income from unquoted fixed income securities		33,142	66,044
Net realised loss on disposal		(919,741)	(1,960,097)
Net unrealised gain on changes in fair value		911,060	112,640
Net foreign currency exchange loss		(75,214)	(64,503)
		<u>149,679</u>	<u>(1,650,120)</u>
EXPENSES			
Management fee	8	(132,432)	(138,667)
Scheme Trustee's fee	9	(3,531)	(3,698)
PPA's fee	10	(3,531)	(3,698)
Audit fee		(2,847)	(2,727)
Tax agent's fee		(7,922)	(9,380)
Transaction costs		(179,031)	(262,860)
Other expenses		(64,816)	(56,286)
		<u>(394,110)</u>	<u>(477,316)</u>
Net loss before taxation		(244,431)	(2,127,436)
Taxation	11	-	(3,545)
Net loss after taxation		<u>(244,431)</u>	<u>(2,130,981)</u>
Net loss after taxation is made up as follows:			
Realised amount		(1,154,850)	(2,244,640)
Unrealised amount		910,419	113,659
		<u>(244,431)</u>	<u>(2,130,981)</u>

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

RHB RETIREMENT SERIES – GROWTH FUND
UNAUDITED STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2023

	<u>Members’ capital</u> RM	<u>Accumulated losses</u> RM	<u>Total net asset value</u> RM
Balance as at 1 June 2022	24,613,849	(4,469,301)	20,144,548
Movement in net asset value:			
Net loss after taxation	-	(2,130,981)	(2,130,981)
Creation of units arising from applications	301,018	-	301,018
Cancellation of units	(104,610)	-	(104,610)
Balance as at 30 November 2022	<u>24,810,257</u>	<u>(6,600,282)</u>	<u>18,209,975</u>
Balance as at 1 June 2023	25,304,171	(7,811,310)	17,492,861
Movement in net asset value:			
Net loss after taxation	-	(244,431)	(244,431)
Creation of units arising from applications	238,911	-	238,911
Cancellation of units	(204,589)	-	(204,589)
Balance as at 30 November 2023	<u>25,338,493</u>	<u>(8,055,741)</u>	<u>17,282,752</u>

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

RHB RETIREMENT SERIES – GROWTH FUND
UNAUDITED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2023

	<u>01.06.2023-</u> <u>30.11.2023</u> RM	<u>01.06.2022-</u> <u>30.11.2022</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sale of investments	24,593,707	33,267,998
Purchase of investments	(25,074,157)	(33,335,100)
Dividend received	193,912	232,705
Interest received from deposits with licensed financial institutions	3,353	3,164
Interest received from unquoted fixed income securities	29,276	76,938
Management fee paid	(134,189)	(141,772)
Scheme Trustee’s fee paid	(3,578)	(3,781)
Payment for other fees and expenses	(65,938)	(72,194)
Net realised foreign exchange loss	(66,551)	(66,201)
Tax paid	(17,520)	-
Net cash used in operating activities	<u>(541,685)</u>	<u>(38,243)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash proceeds from units created	229,928	268,219
Cash paid for units cancelled	<u>(204,589)</u>	<u>(104,610)</u>
Net cash generated from financing activities	<u>25,339</u>	<u>163,609</u>
Net decrease in cash and cash equivalents	(516,346)	(125,366)
Foreign currency translation differences	(802)	893
Cash and cash equivalents at the beginning of the financial period	<u>1,241,059</u>	<u>1,048,493</u>
Cash and cash equivalents at the end of the financial period	<u><u>723,911</u></u>	<u><u>1,174,752</u></u>

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

**RHB RETIREMENT SERIES – GROWTH FUND
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2023**

1. THE FUND, THE PRS PROVIDER AND THEIR PRINCIPAL ACTIVITIES

The RHB Retirement Series – Growth Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of a Deed (RHB Retirement Series Scheme) dated 28 November 2012 as modified via its supplemental deed dated 23 September 2014, second supplemental deed dated 6 January 2015, third supplemental deed dated 28 September 2015, fourth supplemental deed dated 3 December 2015 and fifth supplemental deed dated 15 April 2019, between RHB Asset Management Sdn Bhd (“the PRS Provider”) and Deutsche Trustees Malaysia Berhad prior to 1 December 2020. The sixth supplemental deed dated 7 August 2020, seventh supplemental deed dated 14 July 2021 and eighth supplemental deed dated 22 June 2023 (collectively referred to as the “Deeds”) were entered into between the PRS Provider and CIMB Commerce Trustee Berhad (“the Scheme Trustee”) in relation to the replacement of trustee for the Scheme with effective date 1 December 2020.

The Fund was launched on 18 December 2012 and will continue its operations until terminated according to the conditions provided in the Deeds. The principal activity of the Fund is to invest in Permitted Investments as defined in the Deeds.

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

The main objective of the Fund is to seek to provide capital growth.

The PRS Provider, a company incorporated in Malaysia, is a wholly-owned subsidiary of RHB Investment Bank Berhad, effective 6 January 2003. Its principal activities include rendering of investment management services, management of unit trust funds and private retirement schemes and provision of investment advisory services.

These financial statements were authorised for issue by the PRS Provider on 16 January 2024.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of the financial statements

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss, except those as disclosed in this summary of significant accounting policies, and in accordance with Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

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 income and expenses during the financial period. It also requires the PRS Provider to exercise its 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. There were no areas involving higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements.

(a) Standards and amendments to existing standards effective 1 June 2023

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

(b) New standards, amendments and interpretations effective after 1 June 2023 and have not been early adopted

A number of new standards and amendments to standards and interpretations are effective for the financial period beginning after 1 June 2023. None of these is expected to have a significant effect on the financial statements of the Fund, except the following set out below:

- Amendments to MFRS 101 ‘Classification of liabilities as current or non-current’ clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity’s expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

The amendment is effective for the annual financial reporting period beginning on or after 1 June 2024.

The amendment shall be applied retrospectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Financial assets

Classification

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

- those to be measured subsequently at fair value through profit or loss (“FVTPL”), 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 financial assets measured at fair value through other comprehensive income. The contractual cash flows of the Fund’s debt securities are solely principal and interest, 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. 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 brokers, amount due from PRS Provider and dividend receivables as financial assets measured at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

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. Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of income and expenses.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Financial assets (continued)

Recognition and measurement (continued)

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains or losses arising from changes in the fair value of the ‘financial assets at fair value through profit or loss’ category are presented in statement of income and expenses within net gain or losses on investments in the period in which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of income and expenses within dividend income when the Fund’s right to receive payments is established.

Interest on debt securities at fair value through profit or loss is recognised in the statement of income and expenses.

Quoted investments are initially recognised at fair value and subsequently re-measured at fair value based on the market price quoted on the relevant stock exchanges at the close of the business on the valuation day, where the close price falls within the bid-ask spread. In circumstances where the close 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.

If a valuation based on the market price does not represent the fair value of the 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 securities for a period exceeding 14 days, or such shorter period as agreed by the Scheme Trustee, then the securities are valued as determined in good faith by the PRS Provider, based on the methods or bases approved by the Scheme Trustee after appropriate technical consultation.

Unquoted fixed income securities denominated in Ringgit Malaysia 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 Private Retirement Schemes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Financial assets (continued)

Recognition and measurement (continued)

Where such quotations are not available or where the PRS Provider is of the view that the price quoted by the BPA for a specific unquoted fixed income security differs from the market price by more than 20 basis points, the PRS Provider may use the market price, provided that the PRS Provider:

- (i) Records its basis for using a non-BPA price;
- (ii) Obtains necessary internal approvals to use the non-BPA price; and
- (iii) Keeps an audit trail of all decisions and basis for adopting the market price.

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 the statement of financial position, which is a reasonable estimate of fair value due to the short-term nature of the deposits.

Financial assets at amortised cost are subsequently carried at amortised cost using the effective interest method.

Impairment of financial assets

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. PRS Provider considers both historical analysis and forward-looking information in determining any expected credit loss. PRS Provider considers 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 the 12-month expected credit losses 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 PRS Provider as any contractual payment which is more than 30 days past due or a counterparty credit rating which has fallen below BBB/Baa.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Financial assets (continued)

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 the 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.

2.3 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of MFRS 9, 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.

The Fund's financial liabilities which include amount due to brokers, accrued management fee, amount due to Scheme Trustee, amount due to PPA, and other payables and accruals are recognised initially at fair value plus directly attributable transaction cost and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in statement of income and expenses when the liabilities are derecognised, and through the amortisation process.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Members' capital

The members' contributions to the Fund meet the criteria of the definition of puttable instruments to be classified as equity instruments under MFRS 132 "Financial Instruments: Presentation". Those criteria include:

- the units entitle the holder to a proportionate share of the Fund's net asset value;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligation to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the statement of income and expenses of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial period if members exercise the right to put the units back to the Fund.

Units are created and cancelled at prices based on the Fund's net asset value per unit at the time of creation or cancellation. The Fund's net asset value per unit is calculated by dividing the net assets attributable to members with the total number of outstanding units.

2.5 Income recognition

Dividend income from quoted investments is recognised when the Fund's right to receive payment is established. Dividend income is received from financial assets measured at FVTPL.

Interest income from deposits with licensed financial institutions and unquoted fixed income securities are recognised on an accrual basis using the effective interest method.

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 assets (after deduction of the loss allowance).

Realised gain or loss on sale of quoted investments is arrived at after accounting for cost of investments, determined on the weighted average cost method.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Income recognition (continued)

Realised gain or loss on sale of unquoted fixed income securities are measured by the difference between disposal proceeds and the carrying amount of investments (adjusted for accretion of discount or amortisation of premium).

Net income or loss is the total of income less expenses.

2.6 Taxation

Current tax expense is determined according to Malaysian tax laws at the current rate and includes all taxes based upon the taxable income earned during the financial period.

2.7 Cash and cash equivalents

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

2.8 Amount due from/to brokers

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

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amounts due from brokers at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the brokers, probability that the brokers will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Presentation and functional 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 Ringgit Malaysia (“RM”), which is the Fund’s presentation and functional 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 RM primarily due to the following factors:

- Part of the Fund’s cash is denominated in RM for the purpose of making settlement of the creation and cancellation.
- The Fund’s units are denominated in RM.
- The Fund’s expenses are denominated in RM.

2.10 Foreign currency translation

Foreign currency transactions in the Fund are accounted for at exchange rates prevailing at the transaction dates. Foreign currency monetary assets and liabilities are translated at exchange rates prevailing at the reporting date. Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are recognised in statement of income and expenses.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

Market risk

Securities may decline in value due to factors affecting securities markets generally or particular industries represented in the securities markets. The value of a security may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investors' sentiment generally. They may also decline due to factors that affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry. Equity securities generally have greater price volatility than fixed income securities. The market price of securities owned by the Fund might go down or up, sometimes rapidly or unpredictably.

Price risk

Price risk is the risk that the fair value of an investment of the Fund will fluctuate because of changes in market prices.

The Fund is exposed to equity securities (other than those arising from interest rate risk) price risk for its investments of RM14,588,931 (31 May 2023: RM RM15,551,132) in equity securities.

The Fund is exposed to price risk arising from interest rate risk in relation to its investments of RM 1,443,436 (31 May 2023: RM1,431,464) in unquoted fixed income securities. The Fund's exposure to price risk arising from interest rate risk and the related sensitivity analysis are disclosed in "Interest rate risk" below.

The sensitivity analysis is based on the assumption that the price of the quoted securities investment fluctuate by +/-(-) 5% with all other variables held constant, the impact on the statement of income and expenses and net asset value is +/-(-) RM729,447 (31 May 2023: +/-(-) RM777,557).

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Interest rate risk

In general, when interest rates rise, unquoted fixed income securities prices will tend to fall and vice versa. Therefore, the net asset value of the Fund may also tend to fall when interest rates rise or are expected to rise. 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.

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 coupon rates are more susceptible to interest rate movements.

The table below summarises the sensitivity of the Fund's profit or loss and net asset value as at reporting date to movements in prices of unquoted fixed income securities held by the Fund as a result of movement in interest rate fluctuation by +/- 1% with all other variables held constant.

<u>% Change in interest rate</u>	Impact on profit or loss after taxation and net asset value	
	<u>30.11.2023</u>	<u>31.05.2023</u>
	RM	RM
+1%	(5,057)	(5,290)
-1%	5,087	5,323

The Fund's exposure to interest rate risk arises from investment in money market instruments is expected to be minimal as the Fund's investments comprise mainly short term deposits with approved licensed financial institutions.

Currency risk

Currency risk is associated with financial instruments that are quoted and/or priced in foreign currency denomination. Malaysian based investor should be aware that if the Ringgit Malaysia appreciates against the currencies in which the portfolio of the investment is denominated, this will have an adverse effect on the net asset value of

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Currency risk

Currency risk is associated with financial instruments that are quoted and/or priced in foreign currency denomination. Malaysian based investor should be aware that if the Ringgit Malaysia appreciates against the currencies in which the portfolio of the investment is denominated, this will have an adverse effect on the net asset value of the Fund and vice versa. The Fund did not have any significant financial liabilities denominated in foreign currencies as at the financial period end date.

The PRS Provider or its fund management delegate could utilise two pronged approaches in order to mitigate the currency risk; firstly by spreading the investments across different currencies (i.e. diversification) and secondly, by hedging the currencies when it deemed necessary.

The analysis is based on the assumption that the foreign exchange rate fluctuates by +/- 5%, with all other variables remain constants, the impact on statement of income and expenses and net asset value is +/- RM399,253 (31 May 2023: RM497,882).

The following table sets out the currency risk concentration of the Fund:

	<u>Investments</u> RM	<u>Cash and cash equivalents</u> RM	<u>Other financial assets/ (liabilities)*</u> RM	<u>Total</u> RM
<u>30.11.2023</u>				
Australian Dollar	530,093	-	-	530,093
Chinese Yuan	711,075	-	-	711,075
Hong Kong Dollar	1,412,260	1	21,115	1,433,376
Indonesian Rupiah	1,503,684	-	-	1,503,684
South Korean Won	2,128,197	-	(372)	2,127,825
Taiwan Dollar	1,091,872	-	(49,123)	1,042,749
Thai Baht	102,335	-	-	102,335
United States Dollar	-	533,920	-	533,920
	<u>7,479,516</u>	<u>533,921</u>	<u>(28,380)</u>	<u>7,985,057</u>

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Currency risk (continued)

	<u>Investments</u> RM	<u>Cash and cash equivalents</u> RM	<u>Other financial assets/ (liabilities)*</u> RM	<u>Total</u> RM
<u>31.05.2023</u>				
Australian Dollar	255,329	-	-	255,329
Chinese Yuan	1,566,600	-	(47,293)	1,519,307
Hong Kong Dollar	4,183,672	1	(251,598)	3,932,075
Indonesian Rupiah	1,041,707	-	(267,219)	774,488
Philippines Peso	483,173	-	-	483,173
South Korean Won	2,017,295	-	(358)	2,016,937
Taiwan Dollar	668,707	-	-	668,707
United States Dollar	-	307,627	-	307,627
	10,216,483	307,628	(566,468)	9,957,643

* Comprise of amount due from/(to) brokers, dividend receivables, and other payables and accruals.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk

Credit risk refers to the possibility that the issuer of a particular investment will not be able to make timely or full payments of principal or income due on that investment. For investments in fixed income securities, risk is minimised by spreading its maturity profile. The credit risk arising from cash and cash equivalents is managed by ensuring that the Fund will only maintain cash balances and place deposits with reputable licensed financial institutions. For amount due from brokers, the settlement terms are governed by the relevant rules and regulations as prescribed by the Bursa Malaysia Securities Berhad (“Bursa Malaysia”). The settlement terms of the proceeds from the creation of units receivable from the PRS Provider are governed by the SC Guidelines on Private Retirement Schemes.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

The following table sets out the credit risk concentrations of the Fund:

	<u>Investments</u> RM	<u>Cash and cash equivalents</u> RM	<u>Other financial assets*</u> RM	<u>Total</u> RM
<u>30.11.2023</u>				
AAA	-	723,911	-	723,911
AA1	447,738	-	-	447,738
A2	995,698	-	-	995,698
Others	-	-	708,449	708,449
	1,443,436	723,911	708,449	2,875,796
<u>31.05.2023</u>				
AAA	-	1,241,059	-	1,241,059
AA1	444,721	-	-	444,721
A2	986,743	-	-	986,743
Others	-	-	135,025	135,025
	1,431,464	1,241,059	135,025	2,807,548

* Comprise of amount due from PRS Provider, amount due from brokers and dividend receivables.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk

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

Liquidity risk exists when particular investments are difficult to sell. As such, the Fund may not be able to sell such illiquid investments at an advantageous time or price to meet its liquidity requirements. Private Retirement Schemes with principal investment strategies that involve securities or securities with substantial market and/or credit risk tend to have the greater exposure to liquidity risk. As part of its risk management, the PRS Provider will attempt to manage the liquidity of the Fund through asset allocation and diversification strategies within the portfolio. The PRS Provider will also conduct constant fundamental research and analysis to forecast future liquidity of its investments.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period from the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Less than 1 month RM	Between 1 month to 1 year RM
<u>30.11.2023</u>		
Amount due to brokers	149,571	-
Accrued management fee	21,201	-
Amount due to Scheme Trustee	565	-
Amount due to PPA	565	-
Other payables and accruals	-	25,938
	171,902	25,938
<u>31.05.2023</u>		
Amount due to brokers	807,994	-
Accrued management fee	22,958	-
Amount due to Scheme Trustee	612	-
Amount due to PPA	612	-
Other payables and accruals	-	31,988
	832,176	31,988

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Capital risk

The capital of the Fund is represented by members' funds consisting of members' capital of RM25,338,493 (31 May 2023: RM25,304,171) and accumulated losses of RM8,055,741 (31 May 2023: RM7,811,310). The amount of members' funds can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of 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 for members and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

4. 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 value of financial assets and financial liabilities traded in an active market (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the financial period end date.

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

The fair value of financial assets and financial liabilities that are not traded in an active market is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each financial period end date. Valuation techniques used for non-standardised financial instruments such as options, currency swaps and other over-the-counter derivatives, include the use of comparable recent transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

The fair values are based on the following methodologies and assumptions:

- (i) For bank balances and deposits with licensed financial institutions with maturities less than 1 year, the carrying value is a reasonable estimate of fair value.

4. FAIR VALUE ESTIMATION (CONTINUED)

- (ii) The carrying value of receivables and payables are assumed to approximate their fair values due to their short term nature.

Fair value hierarchy

The Fund adopted MFRS 13 “Fair Value Measurement” in respect of disclosures about the degree of reliability of fair value measurement. This requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities
- Level 2: 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 3: Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs)

The following table analyses within the fair value hierarchy the Fund’s financial assets at fair value through profit or loss (by class) measured at fair value:

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>30.11.2023</u>				
Financial assets FVTPL:				
- Quoted investments	14,588,931	-	-	14,588,931
- Unquoted fixed income securities	-	1,443,436	-	1,443,436
	<u>14,588,931</u>	<u>1,443,436</u>	<u>-</u>	<u>16,032,367</u>
<u>31.05.2023</u>				
Financial assets FVTPL:				
- Quoted investments	15,551,132	-	-	15,551,132
- Unquoted fixed income securities	-	1,431,464	-	1,431,464
	<u>15,551,132</u>	<u>1,431,464</u>	<u>-</u>	<u>16,982,596</u>

Investments in active listed equities, i.e. quoted investments whose values are based on quoted market prices in active markets are classified within Level 1. The Fund does not adjust the quoted prices for these instruments.

4. FAIR VALUE ESTIMATION (CONTINUED)

Fair value hierarchy (continued)

Financial instruments that trade in markets that are 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 2.2.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise:

	<u>30.11.2023</u>	<u>31.05.2023</u>
	RM	RM
Bank balances	584,900	357,844
Deposits with licensed financial institutions	139,011	883,215
	<u>723,911</u>	<u>1,241,059</u>

6. INVESTMENTS

	<u>30.11.2023</u>	<u>31.05.2023</u>
	RM	RM
Investments:		
- Quoted investments - local	7,109,415	5,334,649
- Quoted investments - foreign	7,479,516	10,216,483
- Unquoted fixed income securities	1,443,436	1,431,464
	<u>16,032,367</u>	<u>16,982,596</u>

6. INVESTMENTS (CONTINUED)

Investments as at 30 November 2023 are as follows:

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of</u> <u>Net</u> <u>Asset</u> <u>Value</u> %
QUOTED INVESTMENTS - LOCAL				
Consumer Products and Services				
DRB Hicom Berhad	321,000	494,059	449,400	2.60
Genting Berhad	129,700	581,708	606,996	3.51
		<u>1,075,767</u>	<u>1,056,396</u>	<u>6.11</u>
Energy				
Bumi Armada Berhad	1,203,300	646,133	643,766	3.72
Dayang Enterprise Holdings Berhad	293,900	524,264	476,118	2.75
Hibiscus Petroleum Berhad	261,800	720,931	659,736	3.82
Wasco Berhad (fka Wah Seong Corporation Berhad)	261,200	254,670	255,976	1.48
		<u>2,145,998</u>	<u>2,035,596</u>	<u>11.77</u>
Financial Services				
CIMB Group Holdings Berhad	122,200	664,548	690,430	3.99
Health Care				
Hartalega Holdings Berhad	51,200	129,832	122,880	0.71
Top Glove Corporation Berhad	289,400	260,228	234,414	1.36
		<u>390,060</u>	<u>357,294</u>	<u>2.07</u>
Industrial Products and Services				
Kelington Group Berhad	365,700	569,840	687,516	3.98
Nationgate Holdings Berhad	203,000	262,573	263,900	1.53
Pantech Group Holdings Berhad	294,000	256,244	252,840	1.46
Solarvest Holdings Berhad	101,200	129,718	127,512	0.74
CPE Technology Berhad	19,800	21,186	21,186	0.12
		<u>1,239,561</u>	<u>1,352,954</u>	<u>7.83</u>

6. INVESTMENTS (CONTINUED)

Investments as at 30 November 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of</u> <u>Net</u> <u>Asset</u> <u>Value</u> <u>%</u>
QUOTED INVESTMENTS - LOCAL				
(CONTINUED)				
Property				
Sime Darby Property Berhad	558,900	365,099	357,696	2.07
Technology				
Elsoft Research Berhad	102,300	59,774	53,708	0.31
Frontken Corp Berhad	106,100	338,835	337,398	1.95
Genetec Technology Berhad	73,900	182,126	175,143	1.01
Greatech Technology Berhad	40,000	181,400	186,800	1.08
Mi Technovation Berhad	179,800	319,682	330,832	1.92
UWC Berhad	47,600	173,002	175,168	1.01
		1,254,819	1,259,049	7.28
TOTAL QUOTED INVESTMENTS - LOCAL		7,135,852	7,109,415	41.12
QUOTED INVESTMENTS - FOREIGN				
<u>AUSTRALIA</u>				
Basic Materials				
Northern Star Resources Ltd	13,477	472,323	530,093	3.07
TOTAL AUSTRALIA		472,323	530,093	3.07
<u>CHINA</u>				
Health Care				
Shenzhen Mindray Bio-Medical Electronics Co Ltd	600	111,943	113,719	0.66

6. INVESTMENTS (CONTINUED)

Investments as at 30 November 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair</u> <u>Value</u> RM	<u>% of</u> <u>Net</u> <u>Asset</u> <u>Value</u> %
QUOTED INVESTMENTS - FOREIGN				
(CONTINUED)				
<u>CHINA (CONTINUED)</u>				
Information Technology				
Foxconn Industrial Interne-A	12,400	125,840	122,006	0.71
Maxscend Microelectronics Co Ltd	2,800	236,122	252,690	1.46
Zhongji Innolight Co Ltd	3,600	248,936	222,660	1.29
		610,898	597,356	3.46
TOTAL CHINA		722,841	711,075	4.12
<u>HONG KONG</u>				
Basic Materials				
Zijin Mining Group Co Ltd	12,000	91,566	88,646	0.51
Consumer Discretionary				
New Oriental Education & Tec	4,200	134,736	158,012	0.91
Consumer Products and Services				
Alibaba Group Holding Ltd	7,800	385,844	338,597	1.96
Anta Sports Products Ltd	5,800	307,320	281,887	1.63
Sands China Ltd	15,600	230,291	178,351	1.03
Trip.Com Group Ltd	550	92,465	90,119	0.52
		1,015,920	888,954	5.14
Property				
Ke Holdings Inc-CI A	4,100	103,917	101,039	0.58
Telecommunications and Media				
Tencent Holdings Ltd	900	180,848	175,609	1.02
TOTAL HONG KONG		1,526,987	1,412,260	8.16

6. INVESTMENTS (CONTINUED)

Investments as at 30 November 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of</u> <u>Net</u> <u>Asset</u> <u>Value</u> %
QUOTED INVESTMENTS - FOREIGN				
(CONTINUED)				
<u>INDONESIA</u>				
Consumer Discretionary				
PT Bukalapak.com Tbk	2,895,500	214,785	181,101	1.05
Consumer Products and Services				
Pt Mitra Adiperkasa Tbk	648,300	357,211	340,177	1.97
Consumer Staples				
Pt Mayora Indah Tbk	428,400	346,104	328,491	1.90
Financial Services				
PT Bank Central Asia Tbk	242,300	668,608	653,915	3.78
TOTAL INDONESIA		1,586,708	1,503,684	8.70
<u>KOREA</u>				
Consumer Products and Services				
Hotel Shilla Co Ltd	326	95,285	77,247	0.45
Hyundai Motor Co	333	241,069	221,681	1.28
		336,354	298,928	1.73
Industrial Products and Services				
HD Korea Shipbuilding & Offshore Engineering Co Ltd	573	212,544	231,189	1.34

6. INVESTMENTS (CONTINUED)

Investments as at 30 November 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of</u> <u>Net</u> <u>Asset</u> <u>Value</u> %
QUOTED INVESTMENTS - FOREIGN				
(CONTINUED)				
<u>KOREA (CONTINUED)</u>				
Technology				
LG Innotek Co Ltd	101	86,140	86,828	0.50
Samsung Electronics Co Ltd	2,804	654,060	737,342	4.27
Samsung SDI Co Ltd	60	107,548	102,294	0.59
SK Hynix Inc	1,109	461,984	536,379	3.10
		<u>1,309,732</u>	<u>1,462,843</u>	<u>8.46</u>
Telecommunications and Media				
NAVER Corp	180	131,761	135,237	0.79
		<u>1,990,391</u>	<u>2,128,197</u>	<u>12.32</u>
TOTAL KOREA				
<u>TAIWAN</u>				
Information Technology				
Chroma Ate Inc	4,000	126,006	128,140	0.74
Elite Material Co Ltd	1,000	60,928	56,620	0.33
		<u>186,934</u>	<u>184,760</u>	<u>1.07</u>
Technology				
Hon Hai Precision Industry Co Ltd	8,000	122,058	120,988	0.70
Lite-On Technology Corp	6,000	99,543	98,340	0.57
Taiwan Semiconductor Manufacturing Co Ltd	8,000	635,646	687,784	3.98
		<u>857,247</u>	<u>907,112</u>	<u>5.25</u>
		<u>1,044,181</u>	<u>1,091,872</u>	<u>6.32</u>
TOTAL TAIWAN				

6. INVESTMENTS (CONTINUED)

Investments as at 30 November 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of</u> <u>Net</u> <u>Asset</u> <u>Value</u> %
QUOTED INVESTMENTS - FOREIGN (CONTINUED)				
<u>THAILAND</u>				
Industrial Products & Services				
Airports of Thailand PCL	13,000	106,130	102,335	0.59
TOTAL THAILAND		106,130	102,335	0.59
TOTAL QUOTED INVESTMENTS - FOREIGN		7,449,560	7,479,516	43.29

6. INVESTMENTS (CONTINUED)

Investments as at 30 November 2023 are as follows: (continued)

Name of Instruments	Rating	Nominal Value RM	Cost RM	Fair Value RM	% of Net Asset Value %
UNQUOTED FIXED INCOME SECURITIES					
Unquoted Bond					
3.00% MEX I IMTN Tranche 13 21/01/2037	A2	36,861	31,805	38,973	0.22
3.00% MEX I IMTN Tranche 14 21/01/2038	A2	96,923	83,515	102,927	0.60
3.00% MEX I IMTN Tranche 15 21/01/2039	A2	387,078	323,283	414,057	2.40
3.00% MEX I IMTN Tranche 16 23/01/2040	A2	410,417	342,105	439,741	2.54
6.40% MEX II Sdn Bhd IMTN 28/04/2034 – Issue No.14	D	356,000	382,322	-	-
3.00% United Oversea Bank (Malaysia) MTN 02/08/2030	AA1	450,000	454,438	447,738	2.59
			<u>1,617,468</u>	<u>1,443,436</u>	<u>8.35</u>
TOTAL UNQUOTED FIXED INCOME SECURITIES			<u>1,617,468</u>	<u>1,443,436</u>	<u>8.35</u>
TOTAL INVESTMENTS			<u>16,202,880</u>	<u>16,032,367</u>	<u>92.76</u>

6. INVESTMENTS (CONTINUED)

Investments as at 31 May 2023 are as follows:

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of</u> <u>Net</u> <u>Asset</u> <u>Value</u> %
QUOTED INVESTMENTS - LOCAL				
Consumer Products and Services				
Guan Chong Berhad	225,300	601,803	565,503	3.23
Padini Holdings Berhad	90,200	340,456	335,544	1.92
		942,259	901,047	5.15
Energy				
Wasco Berhad (fka Wah Seong Corporation Berhad)	315,200	274,665	278,952	1.59
Financial Services				
CIMB Group Holdings Berhad	163,100	890,623	786,142	4.49
Public Bank Berhad	291,300	1,217,655	1,109,853	6.34
		2,108,278	1,895,995	10.83
Health Care				
IHH Healthcare Berhad	63,800	374,736	368,126	2.10
Industrial Products and Services				
Ann Joo Resources Berhad	261,900	321,857	261,900	1.50
Petronas Chemicals Group Berhad	25,200	175,803	165,312	0.95
		497,660	427,212	2.45
Technology				
Frontken Corp Berhad	46,400	143,279	144,304	0.82
Globetronics Technology Berhad	228,800	259,801	269,984	1.54
Pentamaster Corp Berhad	28,600	141,776	143,000	0.82
		544,856	557,288	3.18

6. INVESTMENTS (CONTINUED)

Investments as at 31 May 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of</u> <u>Net</u> <u>Asset</u> <u>Value</u> %
QUOTED INVESTMENTS - LOCAL (CONTINUED)				
Telecommunications and Media				
Telekom Malaysia Berhad	34,700	180,246	176,970	1.01
Transportation and Logistics				
MISC Berhad	51,800	373,913	378,140	2.16
Utilities				
Tenaga Nasional Berhad	36,900	357,193	350,919	2.01
TOTAL QUOTED INVESTMENTS - LOCAL		5,653,806	5,334,649	30.48
QUOTED INVESTMENTS - FOREIGN				
<u>AUSTRALIA</u>				
Basic Materials				
BHP Group Ltd	2,037	269,227	255,329	1.46
TOTAL AUSTRALIA		269,227	255,329	1.46
<u>CHINA</u>				
Consumer Products and Services				
China Tourism Group Duty Free Corp Ltd	3,600	431,537	286,725	1.64
Healthcare				
Aier Eye Hospital Group Co Ltd	28,100	561,263	487,243	2.79

6. INVESTMENTS (CONTINUED)

Investments as at 31 May 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of</u> <u>Net</u> <u>Asset</u> <u>Value</u> %
QUOTED INVESTMENTS - FOREIGN				
(CONTINUED)				
<u>CHINA (CONTINUED)</u>				
Industrial Products and Services				
Contemporary Amperex Technology Co Ltd	1,500	230,907	214,645	1.23
Information Technology				
Montage Technology Co Ltd	6,180	251,543	255,102	1.46
Wingtech Technology Co Ltd	10,001	368,306	322,885	1.85
		619,849	577,987	3.31
TOTAL CHINA		1,843,556	1,566,600	8.97
<u>HONG KONG</u>				
Basic Materials				
Zijin Mining Group Co Ltd	36,000	274,140	225,148	1.29
Communication				
Baidu Inc	5,900	435,612	414,856	2.37
Consumer Products and Services				
Alibaba Group Holding Ltd	15,200	740,943	697,305	3.99
Anta Sports Products Ltd	8,400	452,717	395,493	2.26
Haier Smart Home Co Ltd	32,200	459,445	425,710	2.43
JD.com Inc	3,950	312,673	292,863	1.67
Meituan	5,100	408,186	330,974	1.89
Sands China Ltd	24,000	362,961	358,287	2.05
		2,736,925	2,500,632	14.29
Financial Services				
AIA Group Ltd	5,800	262,170	256,513	1.47

6. INVESTMENTS (CONTINUED)

Investments as at 31 May 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of</u> <u>Net</u> <u>Asset</u> <u>Value</u> %
QUOTED INVESTMENTS - FOREIGN				
(CONTINUED)				
<u>HONG KONG (CONTINUED)</u>				
Telecommunications and Media				
Tencent Holdings Ltd	4,300	864,477	786,523	4.50
TOTAL HONG KONG		4,573,324	4,183,672	23.92
<u>INDONESIA</u>				
Communication				
PT Telkom Indonesia Persero Tbk	501,100	602,756	621,909	3.56
Financial Services				
PT Bank Central Asia Tbk	93,800	266,428	260,779	1.49
Retail				
PT Bukalapak.com Tbk	2,441,700	190,750	159,019	0.91
TOTAL INDONESIA		1,059,934	1,041,707	5.96
<u>KOREA</u>				
Consumer Products and Services				
Hotel Shilla Co Ltd	1,309	361,159	351,549	2.01
LG H&H Co Ltd	182	378,548	333,666	1.91
		739,707	685,215	3.92
Technology				
Samsung Electronics Co Ltd	2,176	462,322	540,489	3.09
Samsung SDI Co Ltd	213	502,972	532,027	3.04
		965,294	1,072,516	6.13

6. INVESTMENTS (CONTINUED)

Investments as at 31 May 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of</u> <u>Net</u> <u>Asset</u> <u>Value</u> %
QUOTED INVESTMENTS - FOREIGN (CONTINUED)				
<u>KOREA (CONTINUED)</u>				
Telecommunications and Media				
NAVER Corp	374	276,520	259,564	1.48
TOTAL KOREA		1,981,521	2,017,295	11.53
<u>PHILIPPINES</u>				
Consumer				
Jollibee Foods Corp	25,010	460,632	483,173	2.76
TOTAL PHILIPPINES		460,632	483,173	2.76
<u>TAIWAN</u>				
Technology				
Taiwan Semiconductor Co Ltd	8,000	608,569	668,707	3.82
TOTAL TAIWAN		608,569	668,707	3.82
TOTAL QUOTED INVESTMENTS - FOREIGN		10,796,763	10,216,483	58.42

6. INVESTMENTS (CONTINUED)

Investments as at 31 May 2023 are as follows: (continued)

Name of Instruments	Rating	Nominal Value RM	Cost RM	Fair Value RM	% of Net Asset Value %
UNQUOTED FIXED INCOME SECURITIES					
Unquoted Bond					
3.00% MEX I IMTN Tranche 13 21/01/2037	A2*	36,861	31,641	38,750	0.22
3.00% MEX I IMTN Tranche 14 21/01/2038	A2*	96,923	83,117	102,260	0.59
3.00% MEX I IMTN Tranche 15 21/01/2039	A2*	387,078	321,656	409,957	2.34
3.00% MEX I IMTN Tranche 16 23/01/2040	A2*	410,417	340,501	435,776	2.49
6.40% MEX II Sdn Bhd IMTN 28/04/2034 – Issue No.14	D**	356,000	382,322	-	-
3.00% United Oversea Bank (Malaysia) MTN 02/08/2030	AA1	450,000	454,364	444,721	2.54
			<u>1,613,601</u>	<u>1,431,464</u>	<u>8.18</u>
TOTAL UNQUOTED FIXED INCOME SECURITIES			<u>1,613,601</u>	<u>1,431,464</u>	<u>8.18</u>
TOTAL INVESTMENTS			<u>18,064,170</u>	<u>16,982,596</u>	<u>97.08</u>

6. INVESTMENTS (CONTINUED)

* MEX I Capital Berhad (“MEX I Capital”) RM1.126 billion Sukuk Musharakah

The restructuring of the Sukuk Musharakah (“Existing Sukuk”) involving its redemption via an exchange with a new Sukuk Musharakah of RM1.126 billion in nominal value (“New Sukuk”), was completed on 21 January 2022.

RAM Ratings has assigned a rating of A2 to the New Sukuk on 19 January 2022, with a stable outlook premised on the cash flow generation of the Expressway vis-à-vis Sukuk payment obligations and the more restrictive covenants in place to govern the transaction.

In approving the restructuring on 13 October 2021, Sukukholders had agreed that any prevailing claims against the Issuer, Maju Expressway Sdn Bhd (“MESB”) and/or Maju Holdings Sdn Bhd (“Maju Holdings”) should be nullified once the Existing Sukuk is exchanged with the New Sukuk. Upon the completion of the restructuring, the Sukukholders via the Scheme Trustee have withdrawn the notice of appeal for the claims on 18 February 2022.

** MEX II Sdn Bhd (“MEX II”) RM1.30 billion Sukuk Murabahah Programme

On 18 October 2019, MARC had downgraded the rating of MEX II RM1.3 billion Sukuk Murabahah Programme from AA- to A whilst maintaining the rating on a negative outlook premised on rising completion risk and increased uncertainty with regard to completion and associated tolling date of the 16.8-km Lebuhraya KLIA (i.e. MEX Extension) project. MARC further placed MEX II’s ratings on MARCWatch Negative on 22 May 2020 due to the lack of construction progress at the Expressway.

On 30 October 2020, MEX II fulfilled its obligation on the Sukuk with a full and timely profit payment of circa RM39 million from monies previously ring-fenced for the sole benefit of Sukukholders in a reserve account.

On 18 November 2020, MARC downgraded MEX II’s ratings to BBB from A and the rating remained on MARCWatch Negative following concerns on MEX II’s timely ability to obtain additional financing to meet its debt obligations in April 2021 and complete a sukuk restructuring exercise.

On 9 February 2021, MARC further downgraded the rating to BB from BBB while maintaining the rating on MARCWatch Negative due to escalating risk that MEX II might not be able to obtain a liquidity line in time to meet Sukuk principal and profit payments of RM68.7 million due on 29 April 2021.

6. INVESTMENTS (CONTINUED)

** MEX II Sdn Bhd (“MEX II”) RM1.30 billion Sukuk Murabahah Programme (continued)

On 26 March 2021, MARC downgraded MEX II’s rating to C from BB while maintaining the rating on MARCWatch Negative due to mounting liquidity pressure and the risk of missing the upcoming Sukuk payments on 29 April 2021, further highlighting that MEX II’s viability rests on a successful Sukuk restructuring through which additional funding would be available to complete the Expressway.

On 26 April 2021, Sukukholders holding in aggregate not less than 75% of the nominal value of the Sukuk had consented to the deferment of Sukuk principal and profit amounting to RM68.7 million originally due on (i) 28 April 2021 (i.e., principal repayment of RM30 million and the profit payment in respect of this tranche only) and (ii) 30 April 2021 (i.e., profit payments in respect of the other tranches) for 4 months until 27 August 2021.

On 24 August 2021, Sukukholders voted to approve the deferment of Sukuk obligations falling due on 27 August 2021 and 29 October 2021 to 31 December 2021 to buy more time for the proposed restructuring. On 3 January 2022, the Scheme Trustee formally declared an Event of Default when MEX II failed to remit the deferred amount on due date of 31 December 2021 upon which the Dissolution Amount of RM1,378,113,337.59 became immediately due and payable to Sukukholders. Resolutions for the Trustee to declare an Event of Default and to subsequently appoint a receiver were passed by Sukukholders earlier. Sukukholders had also earlier formally rejected MEX II’s request to extend the deferment period beyond 31 December 2021 as well as rejected the company’s restructuring proposal.

On 5 January 2022, MEX II applied for a Judicial Management Order (“JM Application”), resulting in an automatic moratorium against enforcement and such other creditor action. The Court had earlier fixed a Hearing on 23 February 2022 for the JM Application as well as for the Scheme Trustee (acting for and behalf of the Sukukholders) to seek leave of Court to proceed with enforcement/appointment of a receiver during the automatic moratorium period.

The Court Hearing, however, was postponed several times due to adjournments sought by the legal representative of MEX II and allowed by the Court for the parties to file further documents, from originally 23 February 2022 to 28 February 2022 then to 4 March 2022 and subsequently continued on 8 March 2022. The Judge then decided to reserve his decision to 26 April 2022.

6. INVESTMENTS (CONTINUED)

** MEX II Sdn Bhd (“MEX II”) RM1.30 billion Sukuk Murabahah Programme (continued)

On 26 April 2022, the Court dismissed the Issuer’s application for JM Application order and further allowed the Scheme Trustee’s Leave Application. Pursuant to the favorable outcome, Ernst & Young (“EY”) was appointed as the Receiver and Manager (“R&M”) of the secured property via Extraordinary Resolutions in Writing on 29 April 2022.

On 29 April 2022, Notice of Appeals (“Appeals”) were filed by the Issuer against the High Court’s decision and pursuant to case management on 1 September 2022, the High Court has fixed the cases to be heard on 15 May 2023.

On 10 May 2022, the Issuer served Notices of Motion (“NOM”) to preserve its assets until full and final dispose of the Appeal. On 12 August 2022, the Court of Appeal ruled in favour of Sukukholders by dismissing the NOMs.

EY had resigned on 13 February 2023, and BDO Consulting Sdn Bhd (“BDO”) has been appointed to replace EY as the R&M with effect from 27 February 2023. BDO would work with Sukukholders as well as the relevant government authorities and parties to expedite the restructuring of the Sukuk.

On 15 May 2023, the Court of Appeal has ruled in favour of the Sukukholders whereby the appeal sought by MEX II has been unsuccessful. On 15 Jun 2023, MEX II filed Motions to Appeal to Federal Court. A hearing took place on 26 Sep 2023, where the Appeal by MEX II was dismissed, exhausting all legal options for MEX II. The R&M continues to work on a restructuring proposal for MEX II.

7. UNITS IN CIRCULATION

	<u>30.11.2023</u>	<u>31.05.2023</u>
	Units	Units
At the beginning of the financial period/year	50,958,026	49,073,026
Creation of units arising from applications during the financial period/year	693,000	2,591,000
Cancellation of units during the financial period/year	(593,000)	(706,000)
At the end of the financial period/year	<u>51,058,026</u>	<u>50,958,026</u>

8. MANAGEMENT FEE

In accordance with the Disclosure Documents, the management fee provided in the financial statements is 1.50% (01.06.2022 - 30.11.2022: 1.50%) per annum based on the net asset value of the Fund, calculated on a daily basis for the financial period.

9. SCHEME TRUSTEE'S FEE

In accordance with the Disclosure Documents, the Scheme Trustee's fee provided in the financial statement is shall be entitled to a fee at a rate agreed 0.04% (01.06.2022 - 30.11.2022: 0.04%) per annum based on the net asset value of the Fund, calculated on a daily basis for the financial period.

10. PPA'S FEE

The PPA's fee provided in the financial statements is 0.04% (01.06.2022 - 30.11.2022: 0.04%) per annum based on the net asset value of the Fund, calculated on a daily basis for the financial period.

11. TAXATION

(a) Tax charge for the financial period

	<u>01.06.2023-</u> <u>30.11.2023</u>	<u>01.06.2022-</u> <u>30.11.2022</u>
	RM	RM
Current taxation	-	3,545

11. TAXATION (CONTINUED)

(b) Numerical reconciliation of income tax expense

The numerical reconciliation between the net loss before taxation multiplied by the Malaysian statutory income tax rate and the tax expense of the Fund is as follows:

	<u>01.06.2023-</u> <u>30.11.2023</u>	<u>01.06.2022-</u> <u>30.11.2022</u>
	RM	RM
Net loss before taxation	<u>(244,431)</u>	<u>(2,127,436)</u>
Tax calculated at statutory income tax rate of 24%	(58,663)	(510,585)
Tax effects of:		
- (Income not subject to tax)/Loss not deductible for tax purpose	(35,923)	396,029
- Expenses not deductible for tax purposes	61,512	79,055
- Restriction on tax deductible expenses	33,074	35,501
- Income subject to different tax rate	-	3,545
Tax expense	<u>-</u>	<u>3,545</u>

12. TOTAL EXPENSE RATIO (“TER”)

	<u>01.06.2023-</u> <u>30.11.2023</u>	<u>01.06.2022-</u> <u>30.11.2022</u>
	%	%
TER	<u>1.11</u>	<u>1.12</u>

The TER ratio is calculated based on total expenses excluding investment transaction related costs of the Fund to the average net asset value of the Fund calculated on a daily basis.

13. PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>01.06.2023- 30.11.2023</u>	<u>01.06.2022- 30.11.2022</u>
PTR (times)	<u>1.43</u>	<u>1.86</u>

The PTR ratio is calculated based on average of acquisition and disposals of the Fund for the financial period to the average net asset value of the Fund calculated on a daily basis.

14. UNITS HELD BY THE PRS PROVIDER AND PARTIES RELATED TO THE PRS PROVIDER

The number of units held by the PRS Provider is as follows:

	<u>30.11.2023</u>		<u>31.05.2023</u>	
	Units	RM	Units	RM
The PRS Provider	<u>33,454</u>	<u>11,324</u>	<u>5,421</u>	<u>1,861</u>

The units are held beneficially by the PRS Provider for booking purposes. The PRS Provider is of the opinion that all transactions with the related parties have been entered into in the normal course of business at agreed terms between the related parties.

The number of units held by the Directors of the PRS Provider are as follows:

	<u>30.11.2023</u>		<u>31.05.2023</u>	
	Units	RM	Units	RM
Chin Yoong Kheong	<u>50,234</u>	<u>17,004</u>	<u>50,234</u>	<u>17,245</u>

Other than the above, there were no units held by parties related to the PRS Provider.

The holding company and the ultimate holding company of the PRS Provider is RHB Investment Bank Berhad and RHB Bank Berhad respectively. The PRS Provider treats RHB Bank Berhad group of companies including RHB Investment Bank Berhad and its subsidiaries as related parties.

15. TRANSACTIONS BY THE FUND

Details of transactions by the Fund for the financial period ended 30 November 2023 are as follows:

Brokers/ <u>Financial institutions</u>	Value of <u>trades</u> RM	Percentage of total <u>trades</u> %	Brokerage <u>fees</u> RM	Percentage of total brokerage <u>fees</u> %
Maybank Investment Bank Berhad	14,858,912	29.96	33,756	28.48
RHB Investment Bank Berhad	7,307,655	14.73	21,923	18.50
Affin Hwang Investment Bank Berhad	4,390,079	8.85	13,170	11.11
CGS-CIMB Securities (Korea) Sdn Bhd	4,308,771	8.69	8,617	7.27
CGS-CIMB Securities Sdn Bhd	3,926,046	7.92	10,241	8.64
China International Capital Corporation	3,468,134	6.99	6,936	5.85
Macquarie Securities Australia	2,271,707	4.58	5,024	4.24
Instinet Singapore Services Pte Ltd	2,021,369	4.08	4,043	3.41
CLSA Securities - Taiwan	1,293,979	2.61	2,588	2.18
UOB Kay Hian Securities (M) Sdn Bhd	1,270,347	2.56	2,541	2.14
Others	4,481,196	9.03	9,691	8.18
	49,598,195	100.00	118,530	100.00

15. TRANSACTIONS BY THE FUND (CONTINUED)

Details of transactions by the Fund for the financial year ended 31 May 2023 are as follows:

Brokers/ <u>Financial institutions</u>	Value of <u>trades</u> RM	Percentage of total <u>trades</u> %	Brokerage <u>fees</u> RM	Percentage of total brokerage <u>fees</u> %
Maybank Investment Bank Berhad	30,376,990	26.22	70,895	25.07
RHB Investment Bank Berhad*	26,918,998	23.24	76,064	26.90
CSG-CIMB Securities Sdn Bhd	16,345,518	14.11	40,600	14.36
China International Capital Corporation	8,132,744	7.02	16,265	5.75
Macquarie Securities Australia Ltd	5,495,065	4.75	11,548	4.08
MIDF Amanah Investment Bank Berhad	5,465,835	4.72	16,398	5.80
KAF Equities Sdn Bhd	4,112,426	3.55	11,172	3.95
CGS-CIMB Securities (Korea) Sdn Bhd	3,371,988	2.91	6,744	2.38
Affin Hwang Investment Bank Berhad	3,305,542	2.85	9,917	3.51
United Overseas Bank Kay Hian Securities (M) Sdn Bhd	3,084,577	2.66	6,169	2.18
Others	9,235,643	7.97	17,026	6.02
	115,845,326	100.00	282,798	100.00

* Included in transactions by the Fund are trades with RHB Investment Bank Berhad, the holding company of the PRS Provider. The PRS Provider is of the opinion that all transactions with the related parties have been entered into in the normal course of business at agreed terms between the related parties.

16. FINANCIAL INSTRUMENTS BY CATEGORIES

	<u>30.11.2023</u>	<u>31.05.2023</u>
	RM	RM
Financial assets		
Financial assets at FVTPL		
• Quoted investments - local	7,109,415	5,334,649
• Quoted investments - foreign	7,479,516	10,216,483
• Unquoted fixed income securities	1,443,436	1,431,464
	<u>16,032,367</u>	<u>16,982,596</u>
Financial assets at amortised cost		
• Bank balances	584,900	357,844
• Deposits with licensed financial institutions	139,011	883,215
• Amount due from brokers	691,163	110,452
• Amount due from PRS Provider	17,286	8,303
• Dividend receivables	-	16,270
	<u>1,432,360</u>	<u>1,376,084</u>
Financial liabilities		
Financial liabilities at amortised cost		
• Amount due to brokers	149,571	807,994
• Accrued management fee	21,201	22,958
• Amount due to Scheme Trustee	565	612
• Amount due to PPA	565	612
• Other payables and accruals	25,938	31,988
	<u>197,840</u>	<u>864,164</u>

**STATEMENT BY PRS PROVIDER
RHB RETIREMENT SERIES – GROWTH FUND**

We, Dato' Darawati Hussain and Mohd Farid Bin Kamarudin , two of the Directors of RHB Asset Management Sdn Bhd, do hereby state that in the opinion of the Directors of the PRS Provider, the accompanying unaudited statement of financial position, unaudited statement of income and expenses, unaudited statement of changes in net asset value, unaudited statement of cash flows and the accompanying notes, 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 the Fund as at 30 November 2023 and of its financial performance and cash flows for the financial period then ended and comply with the provisions of the Deeds.

On behalf of the PRS Provider,

Dato' Darawati Hussain
Director

Mohd Farid Bin Kamarudin
Director

16 January 2024

SCHEME TRUSTEE'S REPORT

To the members of RHB Retirement Series – Growth Fund (“Fund”)

We have acted as Scheme Trustee of the Fund for the financial period ended 30 November 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, **RHB Asset Management Sdn Bhd** 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 requirements.

For and on behalf of
CIMB Commerce Trustee Berhad

Datin Ezreen Eliza binti Zulkiplee
Chief Executive Officer

Kuala Lumpur, Malaysia
16 January 2024

CORPORATE INFORMATION

PRS PROVIDER

RHB Asset Management Sdn Bhd

REGISTERED OFFICE

Level 10, Tower One, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur

PRINCIPAL AND BUSINESS OFFICE

Level 8, Tower Two & Three, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur

Email address: rhbam@rhbgroup.com

Tel: 03 – 9205 8000

Fax: 03 – 9205 8100

Website: www.rhbgroup.com

BOARD OF DIRECTORS

Mr Yap Chee Meng (*Independent Non-Executive Chairman*)

(*Resigned with effect from 22 May 2023*)

Mr Chin Yoong Kheong (*Independent Non-Executive Chairman*)

(*Redesignated with effect from 22 May 2023*)

YBhg Dato' Darawati Hussain (*Senior Independent Non-Executive Director*)

(*Redesignated with effect from 22 May 2023*)

Tuan Syed Ahmad Taufik Albar (*Non-Independent Non-Executive Director*)

Encik Mohd Farid Bin Kamarudin (*Chief Executive Officer / Managing Director*)

(*Appointed with effect from 1 August 2023*)

Puan Hijah Arifakh Binti Othman (*Independent Non-Executive Director*)

(*Resigned with effect from 1 June 2023*)

Puan Sharizad Binti Juma'at (*Independent Non-Executive Director*)

(*Appointed with effect from 22 May 2023*)

INVESTMENT COMMITTEE MEMBERS

Mr Yap Chee Meng (*Independent Chairman*)

(*Resigned with effect from 22 May 2023*)

YBhg Dato' Darawati Hussain (*Independent Chairperson*)

(*Redesignated with effect from 22 May 2023*)

Puan Hijah Arifakh Binti Othman

(*Resigned with effect from 1 June 2023*)

Mr Chin Yoong Kheong (*Appointed with effect from 22 May 2023*)

Puan Sharizad Binti Juma'at (*Appointed with effect from 22 May 2023*)

CORPORATE INFORMATION (CONTINUED)

CHIEF EXECUTIVE OFFICER / MANAGING DIRECTOR

Encik Mohd Farid Bin Kamarudin (*Appointed with effect from 1 August 2023*)

SECRETARIES

Encik Azman Shah Md Yaman (LS No. 0006901)

Izafaniz Binti Abdullah Kamir (MACS01851)

Filza Zainal Abidin (LS No: 0008413)

AUDIT COMMITTEE MEMBERS

YBhg Dato' Darawati Hussain (*Independent Chairperson*)

(*Redesignated with effect from 22 May 2023*)

Mr Chin Yoong Kheong (*Redesignated with effect from 22 May 2023*)

Puan Hijah Arifakh Binti Othman

(*Resigned with effect from 1 June 2023*)

Puan Sharizad Binti Juma'at (*Appointed with effect from 22 May 2023*)

BRANCH OFFICE

Shah Alam Office	B-3-1, 1st Floor Jalan Serai Wangi G16/G, Alam Avenue Persiaran Selangor, Section 16 40200 Shah Alam Tel: 03-5523 1909 Fax: 03-5524 3471
Sri Petaling Office	Level 1 & 2, No 53 Jalan Radin Tengah Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel: 03-9054 2470 Fax: 03-9054 0934
Ipoh Office	No.7A, Persiaran Greentown 9 Pusat Perdagangan Greentown 30450 Ipoh, Perak Tel: 05-242 4311 Fax: 05-242 4312
Johor Bahru Office	No 34 Jalan Kebun Teh 1 Pusat Perdagangan Kebun Teh 80250 Johor Bahru, Johor Tel: 07-221 0129 Fax: 07-221 0291
	2nd Floor, 21 & 23 Jalan Molek 1/30, Taman Molek 81100 Johor Bahru, Johor Tel: 07-358 3587 Fax: 07-358 3581
Kuantan Office	1st Floor, Lot 10, Jalan Putra Square 1 Putra Square 25300 Kuantan, Pahang Tel: 09-517 3611/ 09-517 3612/ 09-531 6213 Fax: 09-517 3615
Kuching Office	Lot 133, Section 20, Sublot 2 & 3 1st Floor, Jalan Tun Ahmad Zaidi Adruce 93200 Kuching, Sarawak Tel: 082-550 838 Fax: 082-550 508
	Yung Kong Abell, Units 1-10 2nd Floor Lot 365 Section 50 Jalan Abell 93100 Kuching, Sarawak Tel: 082-245 611 Fax: 082-230 326

Kota Bharu Office	Ground Floor, No 3486-G Jalan Sultan Ibrahim 15050 Kota Bharu, Kelantan Tel: 09-740 6891 Fax: 09-740 6890
Kota Kinabalu Office	Lot No. C-02-04, 2nd Floor Block C, Warisan Square Jalan Tun Fuad Stephens 88000 Kota Kinabalu Sabah Tel: 088-528 686/ 088-528 692 Fax: 088-528 685
Melaka Office	581B, Taman Melaka Raya 75000 Melaka Tel: 06-284 4211/ 06-281 4110 Fax: 06-292 2212
Penang Office	3rd Floor, 44 Lebuhraya 10300 Georgetown, Penang Tel: 04-264 5639 Fax: 04-264 5640
Prai Office	No 38, First Floor Jalan Todak 2 Seberang Jaya 13700 Perai, Penang Tel: 04-386 6670 Fax: 04-386 6528

SCHEME TRUSTEE	CIMB Commerce Trustee Berhad
BANKER	RHB Bank Berhad
AUDITORS	PricewaterhouseCoopers PLT
TAX ADVISER	PricewaterhouseCoopers Taxation Services Sdn Bhd
PRIVATE PENSION ADMINISTRATOR	Private Pension Administrator Malaysia
INSTITUTIONAL/ CORPORATE PRIVATE RETIREMENT SCHEME ADVISERS	RHB Asset Management Sdn Bhd RHB Bank Berhad iFAST Capital Sdn Bhd Kenanga Investment Bank Berhad Phillip Mutual Berhad UOB Kay Hian Securities (M) Sdn Bhd VKA Wealth Planners Sdn Bhd Whitman Independent Advisors Sdn Bhd

RHB ♦ Asset Management

RHB Asset Management Sdn Bhd 198801007231 (174588-X)

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