

**RHB RETIREMENT SERIES –  
MODERATE 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 – Moderate Fund
Fund Category	-	Core (Moderate) Fund
Fund Type	-	Private Retirement Scheme

### Investment Objective, Policy and Strategy

#### Objective of the Fund

The Fund seeks to provide returns through a balanced mix of income\* and growth.

Note: \* Income will be automatically reinvested into the Fund.

#### Strategy

The Fund will invest up to 100% of its Net Asset Value (“NAV”) in equities listed in Malaysia and foreign markets with majority of the investment will be focus on high dividend yielding equities and up to 60% 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, 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<sup>^^</sup> or a minimum rating of ‘BBB-’ as rated by any reputable Global Rating Agencies<sup>^^^</sup>, without restriction on the tenure of these fixed income instruments.

<sup>^^</sup> “Domestic Rating Agencies” refer to local credit assessment institutions that are recognised by the Securities Commission Malaysia.

<sup>^^^</sup> “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 Net Asset Value | - Investments in equities with majority of the investment will be focus on high dividend yielding equities |
| Up to 60% of Net Asset Value  | - Investments in fixed income instruments and/or liquid assets   |

### **Performance Benchmark**

Weighted average of FTSE Bursa Malaysia Emas Index (30%), MSCI AC Asia Pacific ex-Japan Index (20%) and RHB Bank Berhad's 12 months fixed deposit rate (50%).

### **Permitted Investments**

This Fund may invest in securities of companies listed in the Eligible Markets; unlisted securities of companies in 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; 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 financial 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 of 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 Malaysian ringgit (“MYR”) 115.16 billion in August 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 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 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 3Q23 with MYR2.20 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 inflows 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 return of 1.94%\* against its benchmark return of 2.04%\*. The Fund thus underperformed its benchmark by 0.10% during the financial period under review. The Net Asset Value per unit of the Fund was RM0.4041 (31 May 2023: RM0.3964) 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 Consumer Staples 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.

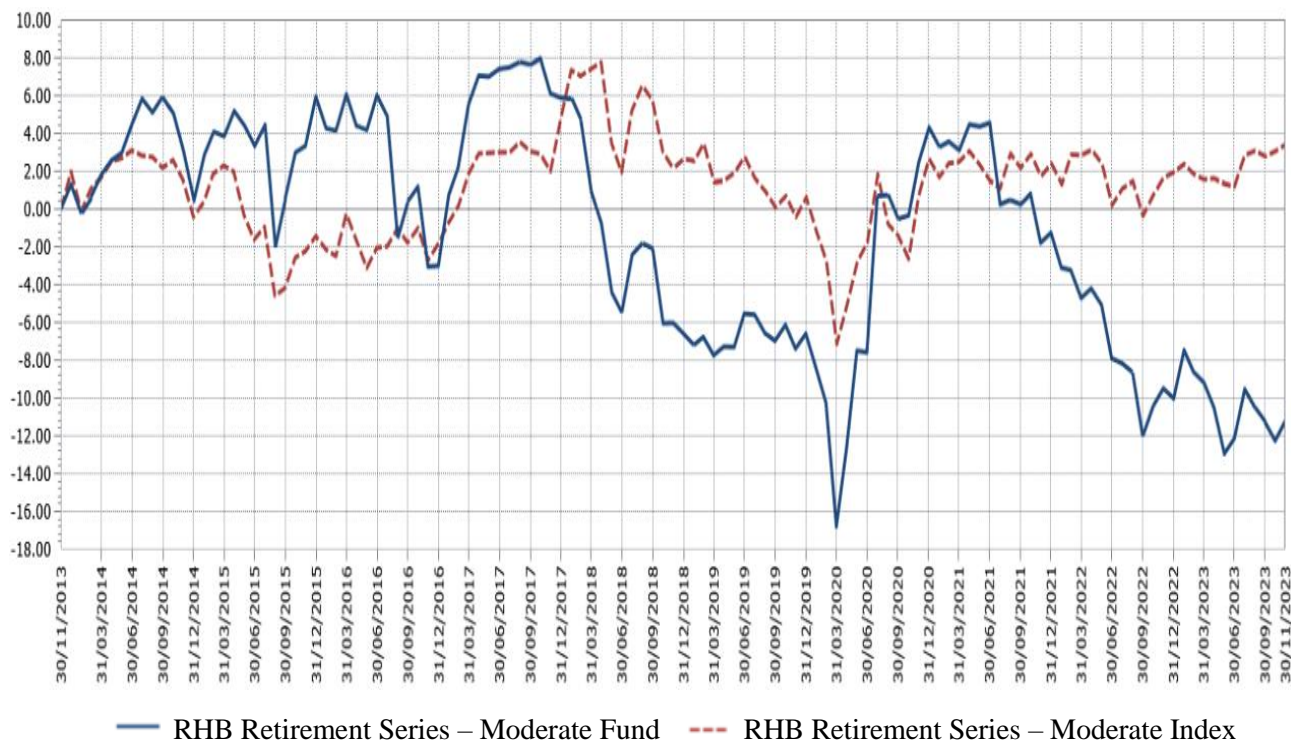
\* Source: Lipper Investment Management ("Lipper IM"), 12 December 2023

## PERFORMANCE DATA

	31.05.2023- 30.11.2023 %	Annual Total Returns Financial Year Ended 31 May				
		2023 %	2022 %	2021 %	2020 %	2019 %
RHB Retirement Series – Moderate Fund						
- Capital Return	1.94	(8.26)	(8.99)	12.73	(0.21)	(2.94)
- Income Return	-	-	-	-	-	-
- Total Return	1.94	(8.26)	(8.99)	12.73	(0.21)	(2.94)
RHB Retirement Series – Moderate Index	2.04	(1.01)	(0.04)	5.23	(4.58)	(1.50)

	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 – Moderate Fund	(1.94)	(4.65)	(1.14)	(1.18)
RHB Retirement Series – Moderate Index	1.75	0.88	0.24	0.33

**Performance of RHB Retirement Series – Moderate 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.

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)	16.96	16.81	17.95	20.03
Units In Circulation (million)	41.99	42.40	41.54	42.19
Net Asset Value Per Unit (RM)	0.4041	0.3964	0.4321	0.4748

Historical Data	01.06.2023- 30.11.2023	Financial Year Ended 31 May		
		2023	2022	2021
<b>Unit Prices</b>				
NAV - Highest (RM)	0.4119	0.4318	0.4772	0.4826
- Lowest (RM)	0.3963	0.3964	0.4147	0.4171
<b>Distribution and Unit Split</b>	-	-	-	-
<b>Others</b>				
Total Expense Ratio (TER) (%) #	1.03	2.10	2.16	1.80
Portfolio Turnover Ratio (PTR) (times) ##	0.90	2.00	2.80	1.69

# The TER for the financial period was lower compared with 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 investments 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:

	<b>As at 30 November 2023</b>	<b>As at 31 May</b>		
	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b>Sectors</b>				
<b>Equities</b>				
Agriculture	-	-	0.46	-
Basic Materials	3.27	1.64	4.29	6.62
Communications	-	3.55	1.34	-
Construction	1.17	1.10	0.69	0.97
Consumer Products & Services	13.71	18.38	5.10	17.09
Consumer Staples	1.71	1.57	-	1.96
Energy	8.70	0.74	2.06	3.79
Financial Services	15.16	17.78	23.48	7.50
Health Care	1.90	3.72	3.10	-
Industrial Products & Services	6.43	3.66	4.59	8.34
Information Technology	-	0.98	1.14	-
Mining	-	-	0.40	-
Plantation	2.22	-	3.51	-
Property	1.55	-	-	-
Retail	-	-	1.35	2.16
Technology	9.67	6.29	3.38	18.25
Telecommunications & Media	2.11	6.32	3.47	2.76
Transportations & Logistics	4.18	2.13	1.74	-
Utilities	2.04	4.26	1.57	0.02
	<hr/> 73.82	72.12	61.67	69.46
Unquoted fixed income securities	14.22	14.19	24.38	23.59
Collective investment schemes	4.06	3.75	-	-
Liquid assets and other net current assets	7.90	9.94	13.95	6.95
	<hr/> <hr/> 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 – MODERATE 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
<b>ASSETS</b>			
Bank balances	5	660,841	1,145,234
Deposits with licensed financial institutions	5	210,514	808,549
Investments	6	15,625,407	15,138,700
Amount due from brokers		594,607	161,953
Amount due from PRS Provider		15,361	3,597
Dividend receivables		583	10,604
Other receivables		-	1,807
Tax recoverable		5,614	-
<b>TOTAL ASSETS</b>		<u>17,112,927</u>	<u>17,270,444</u>
<b>LIABILITIES</b>			
Amount due to brokers		75,294	397,289
Amount due to PRS Provider		21,428	-
Accrued management fee		20,804	21,902
Amount due to Scheme Trustee		555	584
Amount due to Private Pension Administrator (“PPA”)		555	584
Tax payable		-	6,466
Other payables and accruals		29,366	35,040
<b>TOTAL LIABILITIES</b>		<u>148,002</u>	<u>461,865</u>
<b>NET ASSET VALUE</b>		<u>16,964,925</u>	<u>16,808,579</u>
<b>MEMBER’S FUNDS</b>			
Members’ capital		20,812,538	20,981,005
Accumulated losses		(3,847,613)	(4,172,426)
		<u>16,964,925</u>	<u>16,808,579</u>
<b>UNITS IN CIRCULATION (UNITS)</b>	7	<u>41,986,000</u>	<u>42,400,000</u>
<b>NET ASSET VALUE PER UNIT (RM)</b>		<u>0.4041</u>	<u>0.3964</u>

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

**RHB RETIREMENT SERIES – MODERATE 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
<b>INCOME/(LOSS)</b>			
Dividend income		220,231	139,295
Interest income from deposits with licensed financial institutions		4,299	12,048
Interest income from unquoted fixed income securities		58,044	80,383
Net realised loss on disposal		(211,302)	(849,685)
Net unrealised gain on changes in fair value		595,956	44,943
Net foreign currency exchange (loss)/gain		(37,421)	78,912
		<u>629,807</u>	<u>(494,104)</u>
<b>EXPENSES</b>			
Management fee	8	(127,987)	(129,064)
Scheme Trustee's fee	9	(3,413)	(3,442)
PPA's fee	10	(3,413)	(3,442)
Audit fee		(2,847)	(2,727)
Tax agent's fee		(7,922)	(9,980)
Transaction costs		(114,910)	(137,040)
Other expenses		(44,502)	(48,344)
		<u>(304,994)</u>	<u>(334,039)</u>
Net income/(loss) before taxation		324,813	(828,143)
Taxation	11	-	(2,899)
Net income/(loss) after taxation		<u>324,813</u>	<u>(831,042)</u>
Net income/(loss)after taxation is made up as follow:			
Realised amount		(229,054)	(841,135)
Unrealised amount		553,867	10,093
		<u>324,813</u>	<u>(831,042)</u>

The accompanying notes are an integral part of the financial statements

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

	<b><u>Member's</u></b> <b><u>capital</u></b> <b>RM</b>	<b><u>Accumulated</u></b> <b><u>losses</u></b> <b>RM</b>	<b><u>Total net</u></b> <b><u>asset value</u></b> <b>RM</b>
Balance as at 1 June 2022	20,627,133	(2,679,849)	17,947,284
Movement in net asset value:			
Net loss after taxation	-	(831,042)	(831,042)
Creation of units arising from applications	255,828	-	255,828
Cancellation of units	(233,536)	-	(233,536)
Balance as at 30 November 2022	<u>20,649,425</u>	<u>(3,510,891)</u>	<u>17,138,534</u>
Balance as at 1 June 2023	20,981,005	(4,172,426)	16,808,579
Movement in net asset value:			
Net income after taxation	-	324,813	324,813
Creation of units arising from applications	162,870	-	162,870
Cancellation of units	(331,337)	-	(331,337)
Balance as at 30 November 2023	<u>20,812,538</u>	<u>(3,847,613)</u>	<u>16,964,925</u>

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

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

	<b>01.06.2023- 30.11.2023</b>	<b>01.06.2022- 30.11.2022</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from redemption of investments	-	1,967,200
Proceeds from sale of investments	14,734,403	16,865,130
Purchase of investments	(15,708,340)	(17,677,370)
Dividends received	217,874	171,056
Interest received from deposits with licensed financial institutions	4,299	12,048
Interest received from unquoted fixed income securities	65,461	105,886
Management fee paid	(129,085)	(130,804)
Scheme Trustee's fee paid	(3,442)	(3,489)
Payment for other fees and expenses	(50,292)	(65,985)
Net realised foreign exchange (loss)/gain	(6,918)	106,972
Tax paid	(12,080)	-
Net cash (used in)/generated from operating activities	<u>(888,120)</u>	<u>1,350,644</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash proceeds from units created	151,106	216,709
Cash paid for units cancelled	(309,909)	(233,536)
Net cash used in financing activities	<u>(158,803)</u>	<u>(16,827)</u>
Net (decrease)/increase in cash and cash equivalents	(1,046,923)	1,333,817
Foreign currency translation differences	(35,505)	(34,517)
Cash and cash equivalents at the beginning of the financial period	<u>1,953,783</u>	<u>2,887,369</u>
Cash and cash equivalents at the end of the financial period	<u>871,355</u>	<u>4,186,669</u>

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

**RHB RETIREMENT SERIES – MODERATE 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 – Moderate 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 the 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 under 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 provide returns through a balanced mix of income and 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 year 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, dividend receivables and other 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 payment is established.

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

Quoted investments and collective investment schemes 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 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.

#### Definition of default and credit-impaired financial assets

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

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

### **2.2 Financial assets (continued)**

#### 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, amount due to PRS Provider, 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 costs 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 member 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 obligations 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 and collective investment schemes are 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 and collective investment schemes are 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 significant 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 the investments of the Fund will fluctuate because of changes in market prices.

The Fund is exposed to equity securities and collective investment schemes (other than those arising from interest rate risk) price risk for its investments of RM13,212,821 (31.05.2023: RM12,752,828) in equity securities and collective investment schemes.

The Fund is exposed to price risk arising from interest rate risk in relation to its investments of RM2,412,586 (31.05.2023: RM2,385,872) 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 and collective investment schemes fluctuate by +/- 5% with all other variables held constant, the impact on the statement of income and expenses and net asset value is +/- RM660,641 (31.05.2023: RM637,641).

### 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>	<b>Impact on profit or loss after taxation and net asset value</b>	
	<u>30.11.2023</u>	<u>31.05.2023</u>
	RM	RM
+1%	(7,218)	(7,792)
-1%	7,249	7,827

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.

### 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 +/- RM237,482 (31.05.2023: RM301,892).

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
<b>30.11.2023</b>				
Australian Dollar	553,963	-	-	553,963
Chinese Yuan	-	91	-	91
Hong Kong Dollar	632,736	1	-	632,737
Indonesian Rupiah	1,342,456	-	-	1,342,456
South Korean Won	1,094,423	-	-	1,094,423
Taiwan Dollar	449,757	-	(16,986)	432,771
Thailand Baht	82,655	-	-	82,655
United States Dollar	-	610,550	-	610,550
	<u>4,155,990</u>	<u>610,642</u>	<u>(16,986)</u>	<u>4,749,646</u>

### 3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### Currency risk (continued)

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

	<u>Investments</u> RM	<u>Cash and cash equivalents</u> RM	<u>Other financial assets/ (liabilities)*</u> RM	<u>Total</u> RM
<b><u>31.05.2023</u></b>				
Australian Dollar	162,323	-	-	162,323
Chinese Yuan	1,123,401	91	140	1,123,632
Hong Kong Dollar	1,219,659	1	(51,193)	1,168,467
Indonesian Rupiah	1,061,699	-	(170,359)	891,340
Philippine Peso	264,093	-	-	264,093
South Korean Won	1,029,217	-	-	1,029,217
Taiwan Dollar	334,354	-	(21,840)	312,514
United States Dollar	-	1,086,250	-	1,086,250
	<u>5,194,746</u>	<u>1,086,342</u>	<u>(243,252)</u>	<u>6,037,836</u>

\* Comprise amount due to brokers, dividend receivables and other payables and accruals.

#### 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 concentration of the Fund:

	<u>Investments</u> RM	<u>Cash and cash equivalents</u> RM	<u>Other financial assets*</u> RM	<u>Total</u> RM
<b><u>30.11.2023</u></b>				
AAA	-	871,355	-	871,355
AA1	447,738	-	-	447,738
AA3	1,964,848	-	-	1,964,848
Other	-	-	610,551	610,551
	<u>2,412,586</u>	<u>871,355</u>	<u>610,551</u>	<u>3,894,492</u>
<b><u>31.05.2023</u></b>				
AAA	-	1,953,783	-	1,953,783
AA1	444,721	-	-	444,721
AA3	1,941,151	-	-	1,941,151
Other	-	-	177,961	177,961
	<u>2,385,872</u>	<u>1,953,783</u>	<u>177,961</u>	<u>4,517,616</u>

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

#### 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.

### 3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### Liquidity risk (continued)

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.

	<b>Less than <u>1 month</u> RM</b>	<b>Between <u>1 month</u> to 1 year RM</b>
<b><u>30.11.2023</u></b>		
Amount due to brokers	75,294	-
Amount due to PRS Provider	21,428	-
Accrued management fee	20,804	-
Amount due to Scheme Trustee	555	-
Amount due to PPA	555	-
Other payables and accruals	-	29,366
	<u>118,636</u>	<u>29,366</u>
<b><u>31.05.2023</u></b>		
Amount due to brokers	397,289	-
Accrued management fee	21,902	-
Amount due to Scheme Trustee	584	-
Amount due to PPA	584	-
Other payables and accruals	-	35,040
	<u>420,359</u>	<u>35,040</u>

#### Capital risk

The capital of the Fund is represented by member's fund consisting of members' capital of RM20,812,538 (31.05.2023: RM20,981,005) and accumulated losses of RM3,847,613 (31.05.2023: RM4,172,426). The amount of member's fund 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.
- (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)

#### 4. FAIR VALUE ESTIMATION (CONTINUED)

##### Fair value hierarchy (continued)

- 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
<b><u>30.11.2023</u></b>				
<b>Financial assets at FVTPL:</b>				
- Quoted investments	12,523,289	-	-	12,523,289
- Collective investment schemes	689,532	-	-	689,532
- Unquoted fixed income securities	-	2,412,586	-	2,412,586
	<u>13,212,821</u>	<u>2,412,586</u>	<u>-</u>	<u>15,625,407</u>
<b><u>31.05.2023</u></b>				
<b>Financial assets at FVTPL:</b>				
- Quoted investments	12,121,571	-	-	12,121,571
- Collective investment schemes	631,257	-	-	631,257
- Unquoted fixed income securities	-	2,385,872	-	2,385,872
	<u>12,752,828</u>	<u>2,385,872</u>	<u>-</u>	<u>15,138,700</u>

Investments in active listed equities, i.e. quoted investments and collective investment schemes 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.

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	660,841	1,145,234
Deposits with licensed financial institutions	210,514	808,549
	<u>871,355</u>	<u>1,953,783</u>

## 6. INVESTMENTS

	<u>30.11.2023</u>	<u>31.05.2023</u>
	RM	RM
Investments:		
- Quoted investments - local	8,367,299	6,926,825
- Quoted investments - foreign	4,155,990	5,194,746
- Collective investment schemes - local	689,532	631,257
- Unquoted fixed income securities	2,412,586	2,385,872
	<u>15,625,407</u>	<u>15,138,700</u>

Investments as at 30 November 2023 are as follows:

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u>	<u>Fair</u>	<u>% of Net</u>
		RM	Value	Asset
			RM	Value
				%
<b>QUOTED INVESTMENTS - LOCAL</b>				
<b><u>MALAYSIA</u></b>				
<b>Construction</b>				
Gamuda Berhad	41,500	174,267	197,955	1.17
<b>Consumer Products &amp; Services</b>				
British American Tobacco				
Malaysia Berhad	54,800	588,199	512,928	3.02
DRB-Hicom Berhad	225,500	346,270	315,700	1.86
Genting Berhad	91,400	408,682	427,752	2.52
Guan Chong Berhad	27,300	73,382	51,870	0.31
		<u>1,416,533</u>	<u>1,308,250</u>	<u>7.71</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</u> <u>Value</u> RM	<u>% of Net</u> <u>Asset</u> <u>Value</u> %
<b>QUOTED INVESTMENTS - LOCAL (CONTINUED)</b>				
<b><u>MALAYSIA (CONTINUED)</u></b>				
<b>Financial Services</b>				
CIMB Group Holdings				
Berhad	146,420	780,847	827,273	4.88
Malayan Banking Berhad	19,457	167,395	174,724	1.03
Public Bank Berhad	179,500	745,809	766,465	4.52
		1,694,051	1,768,462	10.43
<b>Industrial Products &amp; Services</b>				
Kelington Group Berhad				
	286,900	443,859	539,372	3.18
NationGate Holdings				
Berhad	132,400	170,528	172,120	1.01
Pantech Group Holdings				
Berhad	193,200	168,079	166,152	0.98
		782,466	877,644	5.17
<b>Property</b>				
Sime Darby Property				
Berhad	411,200	265,936	263,168	1.55
<b>Technology</b>				
Frontken Corporation				
Berhad	78,000	249,477	248,040	1.46
Genetec Technology				
Berhad	58,000	142,557	137,460	0.81
Mi Technovation Berhad	88,700	170,526	163,208	0.96
		562,560	548,708	3.23
<b>Plantation</b>				
Sime Darby Plantation				
Berhad	58,200	254,277	262,482	1.55
Ta Ann Holdings Berhad	31,600	119,881	113,128	0.67
		374,158	375,610	2.22

## 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 Net</u> <u>Asset</u> <u>Value</u> %
<b>QUOTED INVESTMENTS - LOCAL (CONTINUED)</b>				
<b><u>MALAYSIA (CONTINUED)</u></b>				
<b>Health Care</b>				
IHH Healthcare Berhad	29,100	170,862	169,653	1.00
Top Glove Corporation Berhad	188,700	169,679	152,847	0.90
		340,541	322,500	1.90
<b>Telecommunications &amp; Media</b>				
Telekom Malaysia Berhad	32,500	166,473	171,275	1.01
<b>Transportation &amp; Logistics</b>				
Malaysia Airports Holdings Berhad	73,800	537,622	529,884	3.12
MISC Berhad	25,000	179,932	179,750	1.06
		717,554	709,634	4.18
<b>Energy</b>				
Bumi Armada Berhad	929,900	498,144	497,496	2.93
Dayang Enterprise Holdings Berhad	168,000	301,373	272,160	1.60
Hibiscus Petroleum Berhad	160,700	442,264	404,964	2.39
Wasco Berhad (fka Wah Seong Corporation Berhad)	309,000	301,224	302,820	1.78
		1,543,005	1,477,440	8.70
<b>Utilities</b>				
Tenaga Nasional Berhad	34,700	319,305	346,653	2.04
<b>TOTAL QUOTED INVESTMENTS - LOCAL</b>		<b>8,356,849</b>	<b>8,367,299</b>	<b>49.31</b>

## 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 Net</u> <u>Asset</u> <u>Value</u> %
<b>QUOTED INVESTMENTS - FOREIGN</b>				
<b><u>AUSTRALIA</u></b>				
<b>Basic Material</b>				
BHP Group Ltd	838	112,026	119,882	0.71
Northern Star Resources Ltd	11,036	387,833	434,081	2.56
		<u>499,859</u>	<u>553,963</u>	<u>3.27</u>
<b>TOTAL AUSTRALIA</b>		<b><u>499,859</u></b>	<b><u>553,963</u></b>	<b><u>3.27</u></b>
<b><u>HONG KONG</u></b>				
<b>Consumer Products &amp; Services</b>				
Alibaba Group Holding Ltd	3,900	198,628	169,299	1.00
ANTA Sports Products Ltd	3,000	160,570	145,804	0.86
Sands China Ltd	12,800	187,805	146,339	0.86
Trip.com Group Ltd	450	76,134	73,734	0.43
		<u>623,137</u>	<u>535,176</u>	<u>3.15</u>
<b>Telecommunications &amp; Media</b>				
Tencent Holdings Ltd	500	100,741	97,560	0.58
<b>TOTAL HONG KONG</b>		<b><u>723,878</u></b>	<b><u>632,736</u></b>	<b><u>3.73</u></b>
<b><u>INDONESIA</u></b>				
<b>Consumer Products &amp; Services</b>				
PT Mitra Adiperkasa Tbk	477,000	267,368	250,292	1.48
<b>Consumer Staples</b>				
PT Mayora Indah Tbk	379,200	306,000	290,765	1.71

## 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 Net</u> <u>Asset</u> <u>Value</u> %
<b>QUOTED INVESTMENTS - FOREIGN (CONTINUED)</b>				
<b><u>INDONESIA (CONTINUED)</u></b>				
<b>Financial Services</b>				
PT Bank Central Asia Tbk	173,300	478,068	467,699	2.76
PT Bank Mandiri Persero Tbk	189,700	287,891	333,700	1.97
		<u>765,959</u>	<u>801,399</u>	<u>4.73</u>
<b>TOTAL INDONESIA</b>		<b><u>1,339,327</u></b>	<b><u>1,342,456</u></b>	<b><u>7.92</u></b>
<b><u>KOREA</u></b>				
<b>Consumer Products &amp; Services</b>				
Hotel Shilla Co Ltd	241	71,408	57,106	0.34
Hyundai Motor Co	263	192,674	175,082	1.03
		<u>264,082</u>	<u>232,188</u>	<u>1.37</u>
<b>Industrial Products &amp; Services</b>				
HD Korea Shipbuilding & Offshore Engineering Co Ltd	325	120,772	131,128	0.77
<b>Technology</b>				
Samsung Electronics Co Ltd	1,690	397,679	444,404	2.62
Samsung SDI Co Ltd	39	69,906	66,492	0.39
SK Hynix Inc	272	127,235	131,556	0.78
		<u>594,820</u>	<u>642,452</u>	<u>3.79</u>
<b>Telecommunications &amp; Media</b>				
NAVER Corporation	118	85,841	88,655	0.52
<b>TOTAL KOREA</b>		<b><u>1,065,515</u></b>	<b><u>1,094,423</u></b>	<b><u>6.45</u></b>

## 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 Net</u> <u>Asset</u> <u>Value</u> %
<b>QUOTED INVESTMENTS - FOREIGN (CONTINUED)</b>				
<b><u>TAIWAN</u></b>				
<b>Technology</b>				
Hon Hai Precision Industry Co Ltd	7,000	106,800	105,865	0.62
Taiwan Semiconductor Manufacturing Co Ltd	4,000	323,813	343,892	2.03
		430,613	449,757	2.65
<b>TOTAL TAIWAN</b>		<b>430,613</b>	<b>449,757</b>	<b>2.65</b>
<b><u>THAILAND</u></b>				
<b>Industrial Products &amp; Services</b>				
Airports of Thailand PCL	10,500	85,721	82,655	0.49
<b>TOTAL THAILAND</b>		<b>85,721</b>	<b>82,655</b>	<b>0.49</b>
<b>TOTAL QUOTED INVESTMENT – FOREIGN</b>		<b>4,144,913</b>	<b>4,155,990</b>	<b>24.51</b>
<b>COLLECTIVE INVESTMENT SCHEMES - LOCAL</b>				
<b><u>MALAYSIA</u></b>				
<b>Real Estate Investment Trusts</b>				
AME Real Estate Investment Trust	36,000	40,680	46,080	0.27
IGB Real Estate Investment Trust	374,100	611,643	643,452	3.79
<b>TOTAL COLLECTIVE INVESTMENT SCHEMES - LOCAL</b>		<b>652,323</b>	<b>689,532</b>	<b>4.06</b>

## 6. INVESTMENTS (CONTINUED)

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

<u>Name of Instrument</u>	<u>Rating</u>	<u>Nominal Value</u> RM	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> %
<b>UNQUOTED FIXED INCOME SECURITIES</b>					
<b><u>MALAYSIA</u></b>					
3.00% UOBM MTN 02/08/2030	AA1	450,000	454,438	447,738	2.64
6.200% TBE IMTN 16/03/2032 (Tranche 22)	AA3	1,860,000	2,019,640	1,964,848	11.58
<b>TOTAL UNQUOTED FIXED INCOME SECURITIES</b>			<b>2,474,078</b>	<b>2,412,586</b>	<b>14.22</b>
<b>TOTAL INVESTMENTS</b>			<b>15,628,163</b>	<b>15,625,407</b>	<b>92.10</b>

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 Net Asset Value</u> %
<b>QUOTED INVESTMENTS - LOCAL</b>				
<b><u>MALAYSIA</u></b>				
<b>Construction</b>				
Gamuda Berhad	41,500	174,267	184,260	1.10
<b>Consumer Products &amp; Services</b>				
Berjaya Food Berhad	115,200	93,266	70,848	0.42
British American Tobacco Malaysia Berhad	65,800	718,788	675,108	4.02
Guan Chong Berhad	123,100	330,891	308,981	1.84
Padini Holdings Berhad	71,500	270,553	265,980	1.58
QL Resources Berhad	91,000	517,821	505,050	3.01
		<b>1,931,319</b>	<b>1,825,967</b>	<b>10.87</b>

## 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</u> <u>Value</u> RM	<u>% of Net</u> <u>Asset</u> <u>Value</u> %
<b>QUOTED INVESTMENTS – LOCAL (CONTINUED)</b>				
<b><u>MALAYSIA (CONTINUED)</u></b>				
<b>Energy</b>				
Wasco Berhad (fka Wah Seong Corporation Berhad)	140,000	121,996	123,900	0.74
<b>Financial Services</b>				
CIMB Group Holdings Berhad	172,220	931,318	830,100	4.94
Malayan Banking Berhad	19,457	167,395	168,303	1.00
Public Bank Berhad	307,300	1,279,704	1,170,813	6.97
		<u>2,378,417</u>	<u>2,169,216</u>	<u>12.91</u>
<b>Health Care</b>				
IHH Healthcare Berhad	58,900	345,834	339,853	2.02
<b>Industrial Products &amp; Services</b>				
Ann Joo Resources Berhad	93,400	119,705	93,400	0.56
Kelington Group Berhad	59,000	87,870	82,600	0.49
Malayan Cement Berhad	63,600	173,863	172,992	1.03
Petronas Chemicals Group Berhad	24,200	168,826	158,752	0.95
		<u>550,264</u>	<u>507,744</u>	<u>3.03</u>
<b>Technology</b>				
Frontken Corporation Berhad	27,800	85,844	86,458	0.51
Pentamaster Corporation Berhad	17,200	85,264	86,000	0.51
		<u>171,108</u>	<u>172,458</u>	<u>1.02</u>
<b>Telecommunications &amp; Media</b>				
Axiata Group Berhad	37,800	108,023	105,084	0.63
Telekom Malaysia Berhad	83,100	430,274	423,810	2.52
		<u>538,297</u>	<u>528,894</u>	<u>3.15</u>



## 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</u> <u>Value</u> RM	<u>% of Net</u> <u>Asset</u> <u>Value</u> %
<b>QUOTED INVESTMENTS - LOCAL (CONTINUED)</b>				
<b><u>MALAYSIA (CONTINUED)</u></b>				
<b>Transportation &amp; Logistics</b>				
MISC Berhad	49,100	353,387	358,430	2.13
<b>Utilities</b>				
Tenaga Nasional Berhad	75,300	694,629	716,103	4.26
<b>TOTAL QUOTED INVESTMENTS -</b>				
<b>LOCAL</b>		<b>7,259,518</b>	<b>6,926,825</b>	<b>41.23</b>
<b>QUOTED INVESTMENTS - FOREIGN</b>				
<b><u>AUSTRALIA</u></b>				
<b>Basic Material</b>				
BHP Group Ltd	1,295	171,158	162,323	0.97
<b>TOTAL AUSTRALIA</b>		<b>171,158</b>	<b>162,323</b>	<b>0.97</b>
<b><u>CHINA</u></b>				
<b>Basic Material</b>				
Zijin Mining Group Co Ltd	18,000	137,070	112,574	0.67
<b>Communication</b>				
Baidu Inc	3,150	237,208	221,491	1.32
<b>Consumer Products &amp; Services</b>				
Haier Smart Home Co Ltd	17,600	251,053	232,686	1.38
<b>Health Care</b>				
Aier Eye Hospital Group Co Ltd	16,500	329,402	286,103	1.70

## 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</u> <u>Value</u> RM	<u>% of Net</u> <u>Asset</u> <u>Value</u> %
<b>QUOTED INVESTMENTS - FOREIGN (CONTINUED)</b>				
<b><u>CHINA (CONTINUED)</u></b>				
<b>Industrial Products &amp; Services</b>				
Contemporary Amperex Technology Co Ltd	740	114,422	105,892	0.63
<b>Information Technology</b>				
Wingtech Technology Co Ltd	5,100	186,480	164,655	0.98
<b>TOTAL CHINA</b>		<b>1,255,635</b>	<b>1,123,401</b>	<b>6.68</b>
<b><u>HONG KONG</u></b>				
<b>Consumer Products &amp; Services</b>				
Alibaba Group Holding Ltd	7,100	347,044	325,715	1.94
ANTA Sports Products Ltd	4,000	215,511	188,330	1.12
JD.com Inc	2,300	182,110	170,528	1.01
		744,665	684,573	4.07
<b>Financial Services</b>				
AIA Group Ltd	3,000	135,605	132,679	0.79
<b>Telecommunications &amp; Media</b>				
Tencent Holdings Ltd	2,200	439,871	402,407	2.39
<b>TOTAL HONG KONG</b>		<b>1,320,141</b>	<b>1,219,659</b>	<b>7.25</b>
<b><u>INDONESIA</u></b>				
<b>Communication</b>				
PT Telkom Indonesia Persero Tbk	302,500	382,977	375,429	2.23

## 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</u> <u>Value</u> RM	<u>% of Net</u> <u>Asset</u> <u>Value</u> %
<b>QUOTED INVESTMENTS - FOREIGN (CONTINUED)</b>				
<b><u>INDONESIA (CONTINUED)</u></b>				
<b>Financial Services</b>				
PT Bank Central Asia Tbk	59,800	169,855	166,254	0.99
PT Bank Mandiri Persero Tbk	335,200	477,687	520,016	3.09
		647,542	686,270	4.08
<b>TOTAL INDONESIA</b>		<b>1,030,519</b>	<b>1,061,699</b>	<b>6.31</b>
<b><u>KOREA</u></b>				
<b>Consumer Products &amp; Services</b>				
Hotel Shilla Co Ltd	686	189,519	184,235	1.10
LG H&H Co Ltd	88	183,748	161,333	0.96
		373,267	345,568	2.06
<b>Technology</b>				
Samsung Electronics Co Ltd	1,098	233,573	272,728	1.62
Samsung SDI Co Ltd	112	264,190	279,751	1.66
		497,763	552,479	3.28
<b>Telecommunications &amp; Media</b>				
NAVER Corporation	189	139,739	131,170	0.78
<b>TOTAL KOREA</b>		<b>1,010,769</b>	<b>1,029,217</b>	<b>6.12</b>
<b><u>PHILIPPINES</u></b>				
<b>Consumer Staples</b>				
Jollibee Foods Corporation	13,670	251,313	264,093	1.57
<b>TOTAL PHILIPPINES</b>		<b>251,313</b>	<b>264,093</b>	<b>1.57</b>

## 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</u> <u>Value</u> RM	<u>% of Net</u> <u>Asset</u> <u>Value</u> %
<b>QUOTED INVESTMENTS - FOREIGN (CONTINUED)</b>				
<b><u>TAIWAN</u></b>				
<b>Technology</b>				
Taiwan Semiconductor Manufacturing Co Ltd	4,000	304,541	334,354	1.99
<b>TOTAL TAIWAN</b>		<b>304,541</b>	<b>334,354</b>	<b>1.99</b>
<b>TOTAL QUOTED INVESTMENTS - FOREIGN</b>		<b>5,344,076</b>	<b>5,194,746</b>	<b>30.89</b>
<b>COLLECTIVE INVESTMENT SCHEMES - LOCAL</b>				
<b><u>MALAYSIA</u></b>				
<b>Real Estate Investment Trusts</b>				
AME Real Estate Investment Trust	36,000	40,680	43,920	0.26
IGB Real Estate Investment Trust	374,100	611,643	587,337	3.49
<b>TOTAL COLLECTIVE INVESTMENT SCHEMES - LOCAL</b>		<b>652,323</b>	<b>631,257</b>	<b>3.75</b>

## 6. INVESTMENTS (CONTINUED)

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

<u>Name of Instrument</u>	<u>Rating</u>	<u>Nominal Value</u> RM	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> %
<b>UNQUOTED FIXED INCOME SECURITIES</b>					
<b><u>MALAYSIA</u></b>					
3.00% UOBM MTN 02/08/2030	AA1	450,000	454,364	444,721	2.64
6.200% TBE IMTN 16/03/2032 (Tranche 22)	AA3	1,860,000	2,027,131	1,941,151	11.55
<b>TOTAL UNQUOTED FIXED INCOME SECURITIES</b>			<b>2,481,495</b>	<b>2,385,872</b>	<b>14.19</b>
<b>TOTAL INVESTMENTS</b>			<b>15,737,412</b>	<b>15,138,700</b>	<b>90.06</b>

## 7. UNITS IN CIRCULATION

	<u>30.11.2023</u> Units	<u>31.05.2023</u> Units
At beginning of the financial period/year	42,400,000	41,539,000
Creation of units arising from applications during the financial period/year	402,000	1,891,000
Cancellation of units during the financial period/year	(816,000)	(1,030,000)
At end of the financial period/year	<u>41,986,000</u>	<u>42,400,000</u>

## 8. MANAGEMENT FEE

In accordance with 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 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.

## 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

	<b><u>01.06.2023-</u> <u>30.11.2023</u></b>	<b><u>01.06.2022-</u> <u>30.11.2022</u></b>
	RM	RM
Current taxation	-	2,899

### (b) Numerical reconciliation of income tax expense

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

	<b><u>01.06.2023-</u> <u>30.11.2023</u></b>	<b><u>01.06.2022-</u> <u>30.11.2022</u></b>
	RM	RM
Net income/(loss) before taxation	324,813	(828,143)
Tax calculated at a statutory income tax rate of 24%	77,955	(198,754)
Tax effects of:		
- (Income not subject to tax)/Loss not deductible for tax purposes	(151,154)	118,585
- Expenses not deductible for tax purposes	41,260	47,215
- Restriction on tax deductible expenses	31,939	32,954
- Income subject to different tax rate	-	2,899
Tax expense	-	2,899

## 12. TOTAL EXPENSE RATIO (“TER”)

	<u>01.06.2023- 30.11.2023</u> %	<u>01.06.2022- 30.11.2022</u> %
TER	<u>1.03</u>	<u>1.11</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>0.90</u>	<u>1.08</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>12,771</u>	<u>5,161</u>	<u>5,776</u>	<u>2,290</u>

The units are held beneficially by the PRS Provider for booking purposes and were transacted at the prevailing market price.

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.

Other than above, there were no units held by Directors or 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:

<b><u>Brokers/ Financial Institutions</u></b>	<b><u>Value of trades</u> RM</b>	<b><u>Percentage of total trades</u> %</b>	<b><u>Brokerage fees</u> RM</b>	<b><u>Percentage of total brokerage fees</u> %</b>
Maybank Investment Bank Berhad	8,631,122	28.25	20,400	26.63
RHB Investment Bank Berhad*	6,729,568	22.02	20,189	26.35
CGS-CIMB Securities Sdn Bhd	3,272,090	10.71	8,757	11.43
Affin Hwang Investment Bank Berhad	2,604,263	8.52	7,813	10.20
CGS-CIMB Securities Hong Kong Ltd, Korea Branch	2,191,768	7.17	4,383	5.72
Macquarie Securities Australia Ltd	1,054,026	3.45	2,375	3.10
China International Capital Corporation	1,018,802	3.33	2,038	2.66
Instinet Singapore Services Pte Ltd	819,269	2.68	1,639	2.14
Nomura Securities Malaysia Sdn Bhd	645,147	2.11	1,290	1.69
UOB Kay Hian Securities (M) Sdn Bhd	637,191	2.09	1,274	1.66
Others	2,953,943	9.67	6,449	8.42
	<b>30,557,189</b>	<b>100.00</b>	<b>76,607</b>	<b>100.00</b>



## 15. TRANSACTIONS BY THE FUND (CONTINUED)

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

<b>Brokers/ <u>Financial Institutions</u></b>	<b>Value of <u>trades</u> RM</b>	<b>Percentage of total <u>trades</u> %</b>	<b>Brokerage <u>fees</u> RM</b>	<b>Percentage of total brokerage <u>fees</u> %</b>
Maybank Investment Bank Berhad	16,309,326	24.54	38,633	23.28
RHB Investment Bank Berhad*	15,536,369	23.38	44,592	26.87
CGS-CIMB Securities Sdn Bhd	11,313,000	17.02	29,208	17.60
China International Capital Corporation	4,109,098	6.18	8,218	4.95
Macquarie Securities Australia Ltd	3,342,137	5.03	7,024	4.23
MIDF Amanah Investment Bank Berhad	2,718,091	4.09	8,154	4.91
Affin Hwang Investment Bank Berhad	2,499,682	3.76	7,499	4.52
UOB Kay Hian Securities (M) Sdn Bhd	1,964,149	2.96	3,928	2.37
KAF Equities Sdn Bhd	1,904,535	2.87	5,177	3.12
CGS-CIMB Securities Hong Kong Ltd, Korea Branch	1,530,669	2.30	3,061	1.84
Others	5,223,748	7.87	10,448	6.31
	<b>66,450,804</b>	<b>100.00</b>	<b>165,942</b>	<b>100.00</b>

\* 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
<b>Financial assets</b>		
Financial assets at FVTPL		
• Quoted investments	12,523,289	12,121,571
• Collective investment schemes	689,532	631,257
• Unquoted fixed income securities	2,412,586	2,385,872
	<u>15,625,407</u>	<u>15,138,700</u>
Financial assets at amortised cost		
• Bank balances	660,841	1,145,234
• Deposits with licensed financial institutions	210,514	808,549
• Amount due from brokers	594,607	161,953
• Amount due from PRS Provider	15,361	3,597
• Dividend receivables	583	10,604
• Other receivables	-	1,807
	<u>1,481,906</u>	<u>2,131,744</u>
<b>Financial liabilities</b>		
Financial liabilities at amortised cost		
• Amount due to brokers	75,294	397,289
• Amount due to PRS Provider	21,428	-
• Accrued management fee	20,804	21,902
• Amount due to Scheme Trustee	555	584
• Amount due to PPA	555	584
• Other payables and accruals	29,366	35,040
	<u>148,002</u>	<u>455,399</u>

**STATEMENT BY PRS PROVIDER  
RHB RETIREMENT SERIES – MODERATE 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 – Moderate 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 requirement.

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 Lebuh Pantai 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



<b>SCHEME TRUSTEE</b>	CIMB Commerce Trustee Berhad
<b>PRINCIPAL BANKER</b>	RHB Bank Berhad
<b>AUDITORS</b>	PricewaterhouseCoopers PLT
<b>TAX ADVISER</b>	PricewaterhouseCoopers Taxation Services Sdn Bhd
<b>PRIVATE PENSION ADMINISTRATOR</b>	Private Pension Administrator Malaysia
<b>INSTITUTIONAL/ CORPORATE PRIVATE RETIREMENT SCHEME ADVISERS</b>	RHB Asset Management Sdn Bhd RHB Bank Berhad iFAST Capital Sdn Bhd Kenanga Investment Bank Berhad Phillip Mutual Berhad UOB KayHian 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)

Head Office

Level 8, Tower 2 & 3,

RHB Centre, Jalan Tun Razak,

50400 Kuala Lumpur

Tel: +603 9205 8000

Fax: +603 9205 8100

[www.rhbgroup.com](http://www.rhbgroup.com)