

Semi-Annual Report for

AmPRS - Tactical Bond

28 February 2025



AmInvest

Growing Your Investments in a Changing World

TRUST DIRECTORY

PRS Provider

AmFunds Management Berhad
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Trustee

Deutsche Trustees Malaysia Berhad

Auditors and Reporting Accountants

Ernst & Young PLT

Taxation Adviser

Deloitte Tax Services Sdn Bhd

CONTENTS

1	PRS Provider's Report
8	Statement of Financial Position
9	Statement of Comprehensive Income
10	Statement of Changes in Net Assets Attributable to Members
11	Statement of Cash Flows
12	Notes to the Financial Statements
28	Statement by the Provider
29	The Scheme Trustee's Report
30	Directory

PRS PROVIDER'S REPORT

Dear Members,

We are pleased to present you the PRS Provider's report and the unaudited accounts of AmPRS – Tactical Bond ("Fund") for the financial period from 1 September 2024 to 28 February 2025.

Salient Information of the Fund

Name	AmPRS – Tactical Bond ("Fund")
Category/ Type	Feeder Fund (Bond) / Income and Growth
Objective	<p>The Fund aims to provide returns through income* and to a lesser extent capital appreciation by investing in the AmTactical Bond.</p> <p><i>Note:</i> * Income distribution (if any) will be reinvested in the form of units. Any material change to the investment objective of the Fund would require Members' approval.</p>
Performance Benchmark	QuantsShop All MGS Index ("AMGS"), which is also the performance benchmark of the Target Fund (Available at www.aminvest.com)
Income Distribution Policy	<p>Subject to availability of income, distribution is paid twice every year and will be reinvested.</p> <p>At the Investment Manager's discretion, the Fund may distribute from its gain, income and capital. The rationale for distribution out of capital is to allow the Fund the ability to (i) distribute income on a regular basis in accordance with the distribution policy of the Fund, (ii) declare distribution when the Fund has insufficient realised gains or realised income or (iii) increase the amount of distributable income to the Members, after taking into consideration the risk of distributing out of capital.</p> <p>Distribution out of the Fund's capital has the effect of lowering the NAV of the Fund, may reduce part of the Members' original investment and may also result in reduced future returns to Members. When a substantial amount of the original investment is being returned to the Members, it has a risk of eroding the capital of the Fund and may, over time, cause the NAV of the Fund to fall. The greater the risk of capital erosion that exists, the greater the likelihood that, due to capital erosion, the value of future returns would also be diminished.</p> <p><i>Note: Income distribution (if any) will be reinvested in the form of units.</i></p>

Fund Performance Data

Portfolio Composition	Details of portfolio composition of the Fund as at 28 February 2025 and for the past three financial years are as follows:				
		As at 28.02.2025 %	As at 31 August		
			2024 %	2023 %	2022 %
	Local Collective Investment Scheme	95.96	95.23	96.88	95.67
	Money market deposits and cash equivalents	4.04	4.77	3.12	4.33
	Total	100.00	100.00	100.00	100.00
	Note: The abovementioned percentages are calculated based on total net asset value.				
Performance Details	Performance details of the Fund for the financial period ended 28 February 2025 and three financial years ended 31 August are as follows:				
		FPE 28.02.2025	FYE 2024	FYE 2023	FYE 2022
	Net asset value (RM)				
	- Class D	1,854,414	1,782,804	1,680,870	1,758,979
	- Class I	1,943,395	1,809,880	1,452,067	1,425,511
	Units in circulation				
	- Class D	3,154,379	3,121,386	2,998,271	2,984,498
	- Class I	3,247,567	3,113,033	2,544,621	2,376,186
	Net asset value per unit (RM)				
	- Class D	0.5879	0.5712	0.5606	0.5894
	- Class I	0.5984	0.5814	0.5706	0.5999
	Highest net asset value per unit (RM)				
	- Class D	0.5879	0.5843	0.5872	0.6699
	- Class I	0.5984	0.5948	0.5977	0.6826
	Lowest net asset value per unit (RM)				
	- Class D	0.5652	0.5612	0.5265	0.5772
	- Class I	0.5753	0.5713	0.5359	0.5882
	Benchmark performance (%)				
	- Class D	1.66	4.85	5.54	-0.39
	- Class I	1.66	4.85	5.54	-0.39
	Total return (%) ⁽¹⁾				
	- Class D	2.92	1.89	-4.89	-10.35
	- Class I	2.92	1.89	-4.88	-10.36
	- Capital growth (%)				
	- Class D	2.92	1.89	-4.89	-11.85
	- Class I	2.92	1.89	-4.88	-11.94
	- Income distribution (%)				
	- Class D	-	-	-	1.50
	- Class I	-	-	-	1.58
	Gross distribution (sen per unit)				
	- Class D	-	-	-	1.00
	- Class I	-	-	-	1.08
	Net distribution (sen per unit)				
	- Class D	-	-	-	1.00
	- Class I	-	-	-	1.08
	Total expense ratio (%) ⁽²⁾				
	Portfolio turnover ratio (times) ⁽³⁾	0.02	0.10	0.04	0.06

Note:

- (1) Total return is the actual return of the Fund for the respective financial period/years computed based on the net asset value per unit and net of all fees. Fund return is calculated based on the published price (last business day).
- (2) Total expense ratio ("TER") is calculated based on the total fees and expenses incurred by the Fund divided by the average fund size calculated on a daily basis.
- (3) Portfolio turnover ratio ("PTR") is calculated based on the average of the total acquisitions and total disposals of investment securities of the Fund divided by the average fund size calculated on a daily basis.

Average Total Return (as at 28 February 2025)

	AmPRS - Tactical Bond Fund^(a)	Benchmark^(b)
	%	%
One year		
- Class D	1.82	4.26
- Class I	1.80	4.26
Three years		
- Class D	-1.94	4.08
- Class I	-1.94	4.08
Five years		
- Class D	-1.72	2.78
- Class I	-1.72	2.78
Ten years		
- Class D	2.66	4.24
- Class I	2.66	4.24

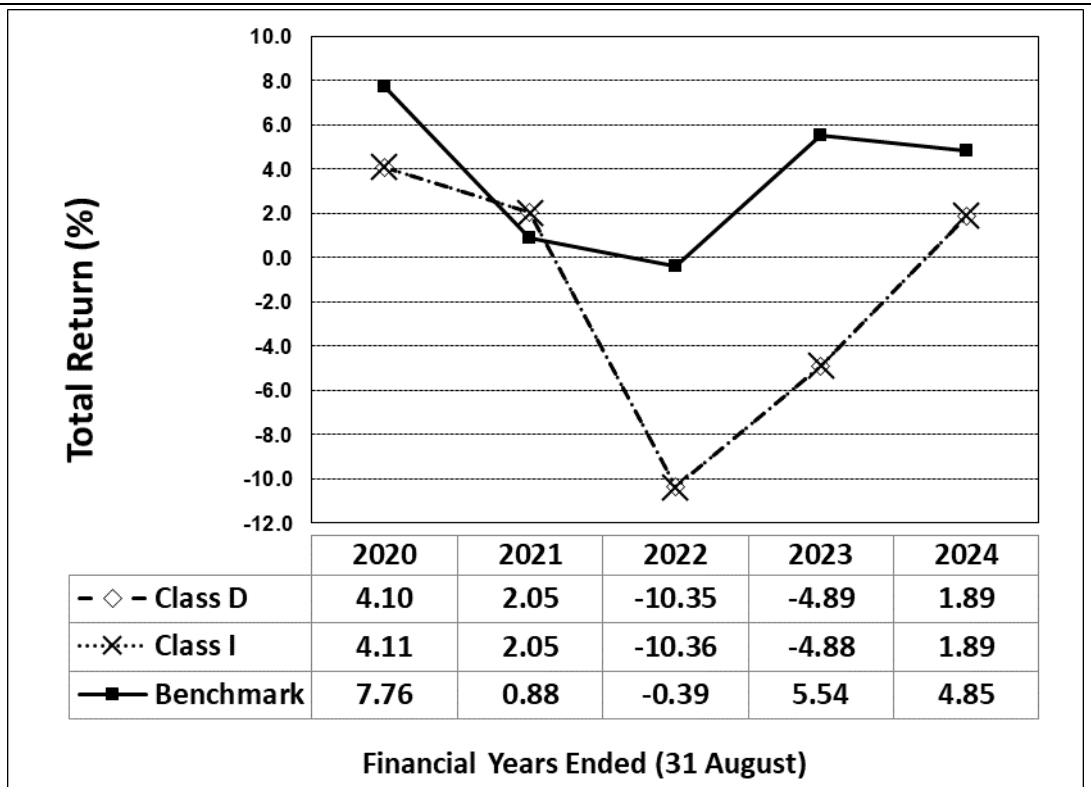
Annual Total Return

Financial Years Ended (31 August)	AmPRS - Tactical Bond Fund^(a)	Benchmark^(b)
	%	%
2024		
- Class D	1.89	4.85
- Class I	1.89	4.85
2023		
- Class D	-4.89	5.54
- Class I	-4.88	5.54
2022		
- Class D	-10.35	-0.39
- Class I	-10.36	-0.39
2021		
- Class D	2.05	0.88
- Class I	2.05	0.88
2020		
- Class D	4.10	7.76
- Class I	4.11	7.76

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

(b) Quantshop All MGS Index ("AMGS") (Available at www.aminvest.com)

	<p>The Fund performance is calculated based on the net asset value per unit of the Fund. Average total return of the Fund and its benchmark for a period is computed based on the absolute return for that period annualised over one year.</p> <p>Note: Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.</p>
Fund Performance	<p><u>Class D</u></p> <p>For the financial period under review, the Fund registered a return of 2.92% which is entirely capital growth in nature.</p> <p>Thus, the Fund's return of 2.92% has outperformed the benchmark's return of 1.66% by 1.26%.</p> <p>As compared with the financial year ended 31 August 2024, the net asset value ("NAV") per unit of the Fund increased by 2.92% from RM0.5712 to RM0.5879, while units in circulation increased by 1.06% from 3,121,386 units to 3,154,379 units.</p> <p><u>Class I</u></p> <p>For the financial period under review, the Fund registered a return of 2.92% which is entirely capital growth in nature.</p> <p>Thus, the Fund's return of 2.92% has outperformed the benchmark's return of 1.66% by 1.26%.</p> <p>As compared with the financial year ended 31 August 2024, the net asset value ("NAV") per unit of the Fund increased by 2.92% from RM0.5814 to RM0.5984, while units in circulation increased by 4.32% from 3,113,033 units to 3,247,567 units.</p> <p>The following line chart shows comparison between the annual performances of AmPRS - Tactical Bond Fund for Class D and Class I and its benchmark for the financial years ended 31 August.</p>



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

Strategies and Policies Employed

For the financial period under review, the Fund invested a minimum of 85% of the Fund's NAV in the AmTactical Bond ("Target Fund"). This implies that the Fund has a passive strategy.

Portfolio Structure

The table below is the asset allocation of the Fund as at 28 February 2025 and 31 August 2024.

	As at 28.02.2025 %	As at 31.08.2024 %	Changes %
Local Collective Investment Scheme	95.96	95.23	0.73
Money market deposits and cash equivalents	4.04	4.77	-0.73
Total	100.00	100.00	

For the financial period under review, the Fund has invested 95.96% of its NAV in the local Collective Investment Scheme and the balance of 4.04% of its NAV in money market deposits and cash equivalents.

Securities Lending / Repurchase Transactions

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

Cross Trade

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

Distribution/ Unit splits

There is no income distribution and unit split declared for the financial period under review.

State of Affairs	There has been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the members during the financial period under review.
Rebates and Soft Commission	During the period, the private retirement scheme provider did not receive soft commissions by virtue of transactions conducted for the Fund.
Market Review	<p>In September, Malaysian Government Securities (MGS) yields fell across the curve, in line with falling United States Treasuries (UST) yields following a larger-than-expected United States (US) Federal Fund Rate (FFR) cut, while Bank Negara Malaysia (BNM) held the Overnight Policy Rate (OPR) steady at 3.00% as expected. Investor turned bearish bias in October, driven by a sell-off in UST amid uncertainties surrounding the US presidential election and prospect of a slower rate cut by the US Federal Reserve (Fed). Despite the tabling of Budget 2025 which projected a narrower fiscal deficit of 3.8% of Gross Domestic Product (GDP), sentiment remained weak.</p> <p>However, in November, the narrative of the global financial markets was dominated by the impact from the 2024 US Presidential Election, which heightened inflation fears and reduced expectations of the US Fed rate cut. This sent bond yields soaring as the UST 10 Year yield closed 15bps higher on the election results day at 4.43%. The local bond market rallied as investor were influenced by similar bullish sentiment in UST, coupled with BNM announcement of the cancellation of the 3-year Government Investment Issue (GII). The lower government bond supply in the market resulted in a buoyant sentiment with MGS yields fell between 5 and 15bps on month-on-month (MoM) basis.</p> <p>Meanwhile, December saw softer trading amidst profit taking activities in Malaysia bond market on the back of bearish global bond backdrop, driven by the US Fed more hawkish policy guidance and higher-than-expected inflation expectations and partly contributed by lack of liquidity in second half of December. This despite positive news from on the announcement of a much smaller than expected final government bond auction for the year.</p> <p>In January, Ringgit government bonds started the year slightly stronger with decent bids as market participants began to build up inventories as one auction was cancelled in December while another at smaller size. Meanwhile, in the US, the lower-than-expected inflation prints fueled a relief rally in UST but local bond market remained largely stable. During the first Monetary Policy Committee (MPC) meeting of the year, BNM maintained the OPR at 3.00% as expected, premised on outlook of sustained domestic economic growth and manageable inflation. Despite volatility in the UST market, the local bond market remained calm and supportive in February, buoyed by less hawkish pricing of UST and better regional sentiment from the continued pause in Trump tariffs during the month.</p>
Market Outlook	<p>Bank Negara Malaysia (BNM) is expected to maintain its current policy rates throughout 2025. This stability in interest rates is anticipated to support the bond market, as it reduces uncertainty and volatility.</p> <p>We will configure the portfolios at a slight overweight in duration against the benchmark while identifying bonds along the yield curve that are undervalued compared to their peers. We will focus on corporate bonds to balance credit quality and sector exposure, ensuring diversification to mitigate risks associated with any single sector.</p>

Additional Information	The Fourth Supplementary Disclosure Document dated 24 March 2025 has been registered with the Securities Commission Malaysia. Notice of the issuance for the Fourth Supplementary Disclosure Document dated 24 March 2025 has been published on our website at www.aminvest.com and sent to the Members on 28 March 2025.
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Kuala Lumpur, Malaysia
AmFunds Management Berhad

21 April 2025

AmPRS – Tactical Bond

STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2025

	Note	28.02.2025 (unaudited) RM	31.08.2024 (audited) RM
ASSETS			
Investment	4	3,644,511	3,421,295
Amount due from Provider	5(a)	440	348
Amount due from broker	6	-	199,970
Cash at bank		160,701	181,314
TOTAL ASSETS		3,805,652	3,802,927
LIABILITIES			
Amount due to Provider	5(b)	135	202,761
Amount due to Trustee	7	116	128
Amount due to Private Pension Administrator (“PPA”)	8	116	128
Sundry payables and accruals		7,476	7,226
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO MEMBERS)		7,843	210,243
NET ASSET VALUE (“NAV”) OF THE FUND ATTRIBUTABLE TO MEMBERS		3,797,809	3,592,684
NET ASSETS ATTRIBUTABLE TO MEMBERS OF THE FUND COMPRISE:			
Members’ contribution	10(a)(b)	4,013,619	3,915,325
Accumulated losses	10(c)(d)	(215,810)	(322,641)
	10	3,797,809	3,592,684
NET ASSET VALUE			
– Class D		1,854,414	1,782,804
– Class I		1,943,395	1,809,880
		3,797,809	3,592,684
UNITS IN CIRCULATION			
– Class D	10(a)	3,154,379	3,121,386
– Class I	10(b)	3,247,567	3,113,033
NAV PER UNIT (RM)			
– Class D		0.5879	0.5712
– Class I		0.5984	0.5814

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

AmPRS – Tactical Bond

STATEMENT OF COMPREHENSIVE INCOME *(Unaudited)*

FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025

		01.09.2024 to 28.02.2025	01.09.2023 to 29.02.2024
	Note	RM	RM
INVESTMENT INCOME			
Distribution income		48,131	-
Interest income		1,959	1,506
Net gains from investment:			
– Financial assets at fair value through profit or loss (“FVTPL”)	9	65,085	108,824
		<u>115,175</u>	<u>110,330</u>
EXPENDITURE			
Management fee	5	(792)	(673)
Trustee’s fee	7	(732)	(695)
PPA administrative fee	8	(732)	(695)
Audit fee		(2,220)	(2,230)
Tax agent’s fee		(1,240)	(1,243)
Other expenses		<u>(2,628)</u>	<u>(2,632)</u>
		<u>(8,344)</u>	<u>(8,168)</u>
Net income before taxation		106,831	102,162
Taxation	12	-	-
Net income after taxation, representing total comprehensive income for the financial period		<u>106,831</u>	<u>102,162</u>
Total comprehensive income comprises the following:			
Realised income/(loss)		41,746	(6,662)
Unrealised gains		65,085	108,824
		<u>106,831</u>	<u>102,162</u>

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

AmPRS – Tactical Bond

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS

(Unaudited)

FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025

	Note	Members' contribution – Class D RM	Members' contribution – Class I RM	Accumulated losses RM	Total RM
At 1 September 2024		1,960,484	1,954,841	(322,641)	3,592,684
Total comprehensive income for the financial period		-	-	106,831	106,831
Creation of units	10(a)(b)	79,609	143,930	-	223,539
Cancellation of units	10(a)(b)	(60,529)	(64,716)	-	(125,245)
Balance at 28 February 2025		<u>1,979,564</u>	<u>2,034,055</u>	<u>(215,810)</u>	<u>3,797,809</u>
At 1 September 2023		1,890,611	1,625,605	(383,279)	3,132,937
Total comprehensive income for the financial period		-	-	102,162	102,162
Creation of units		137,478	532,611	-	670,089
Cancellation of units		(36,170)	(80,186)	-	(116,356)
Balance at 29 February 2024		<u>1,991,919</u>	<u>2,078,030</u>	<u>(281,117)</u>	<u>3,788,832</u>

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

AmPRS – Tactical Bond**STATEMENT OF CASH FLOWS (Unaudited)****FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025**

	01.09.2024 to 28.02.2025 RM	01.09.2023 to 29.02.2024 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of investment	199,970	-
Purchases of investment	(110,000)	(477,000)
Interest received	1,959	1,506
Management fee paid	(789)	(630)
Trustee's fee paid	(744)	(681)
PPA administrative fee paid	(744)	(680)
Payments for other expenses	(5,839)	(5,710)
Net cash generated from/(used in) operating and investing activities	<u>83,813</u>	<u>(483,195)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	223,447	666,799
Payments for cancellation of units	(327,873)	(116,356)
Net cash (used in)/generated from financing activities	<u>(104,426)</u>	<u>550,443</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	<u>(20,613)</u>	<u>67,248</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>181,314</u>	<u>105,308</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>160,701</u>	<u>172,556</u>
Cash and cash equivalents comprise:		
Cash at bank	<u>160,701</u>	<u>172,556</u>

AmPRS – Tactical Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025

1. GENERAL INFORMATION

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

The Fund aims to provide returns through income and to a lesser extent capital appreciation by investing in the AmTactical Bond (“Target Fund”), a Fund managed by the Provider. Being a feeder fund, a minimum of 85% of the Fund’s NAV will be invested in the Target Fund. As provided in the Deeds, the financial year shall end on 31 August and the units in the Fund were first offered for sale on 25 November 2013.

The financial statements were authorised for issue by the Provider on 21 April 2025.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Fund have been prepared on a historical cost basis, except as otherwise stated in the accounting policies and comply with Malaysian Financial Reporting Standards 134: *Interim Financial Reporting* (“MFRS 134”) as issued by the Malaysian Accounting Standards Board (“MASB”).

Standards effective during the financial period

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

Description	Effective for financial periods beginning on or after
Amendments to MFRS 16 <i>Leases: Lease Liability in a Sale and Leaseback*</i>	1 January 2024
Amendments to MFRS 101 <i>Presentation of Financial Statements: Non-Current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 <i>Statement of Cash Flows</i> and MFRS 7 <i>Financial Instruments: Disclosures: Supplier Finance Arrangements</i>	1 January 2024

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025**

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

Standards issued but not yet effective

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

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

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

3. SUMMARY OF ACCOUNTING POLICIES

3.1 Income recognition

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

(i) Distribution income

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

(ii) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025**

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

3.1 Income recognition (cont'd.)

(iii) Gain or loss on disposal of investment

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

3.2 Income tax

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

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

3.3 Functional and presentation currency

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

3.4 Statement of cash flows

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

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

3.5 Members' contribution

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

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

The Fund issues cancellable units in two classes. Details are disclosed in Note 10.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025**

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

3.6 Distribution

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

3.7 Financial instruments – initial recognition and measurement

(i) Initial recognition

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

(ii) Initial measurement

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

(iii) "Day 1" profit or loss

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025**

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

3.8 Financial assets

Classification and measurement

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

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

Financial assets at amortised cost

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

Financial assets at FVOCI

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025**

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

3.8 Financial assets (cont'd.)

Classification and measurement (cont'd.)

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

Financial assets at FVTPL

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

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

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

3.9 Financial liabilities – classification and subsequent measurement

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

3.10 Derecognition of financial instruments

(i) Derecognition of financial asset

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

- the rights to receive cash flows from the asset have expired, or
- the Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025**

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

3.10 Derecognition of financial instruments (cont'd.)

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

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

- the Fund has transferred substantially all the risks and rewards of the asset, or
- the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

(ii) Derecognition of financial liability

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

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

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

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

3.12 Determination of fair value

For investment in CIS, fair value is determined based on the closing NAV per unit of the CIS. Purchased cost is the quoted price that the Fund paid when buying its investment. The difference between purchased cost and fair value is treated as unrealised gain or loss and is recognised in profit or loss. Unrealised gains or losses recognised in profit or loss are not distributable in nature.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025**

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

3.13 Classification of realised and unrealised gains and losses

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

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

3.14 Significant accounting estimates and judgments

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

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

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

4. INVESTMENT

	28.02.2025	31.08.2024
	RM	RM
Financial asset at FVTPL		
At cost:		
CIS	<u>3,912,652</u>	<u>3,754,521</u>
At fair value:		
CIS	<u>3,644,511</u>	<u>3,421,295</u>

AmPRS – Tactical Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025

4. INVESTMENT (CONT'D.)

Details of investment are as follows:

CIS	Number of units	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
28.02.2025				
AmTactical Bond ("Target Fund")	<u>3,563,966</u>	<u>3,644,511</u>	<u>3,912,652</u>	<u>95.96</u>
Shortfall of fair value over purchased cost		<u>(268,141)</u>		

5. AMOUNT DUE FROM/TO PROVIDER

	Note	28.02.2025 RM	31.08.2024 RM
(a) Due from Provider			
Creation of units	(i)	<u>440</u>	<u>348</u>
(b) Due to Provider			
Cancellation of units	(ii)	-	202,629
Management fee payable	(iii)	<u>135</u>	<u>132</u>
		<u>135</u>	<u>202,761</u>

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

(ii) This represents amount payable to the Provider for units cancelled.

The normal credit period in the current financial period and previous financial year for creation and cancellation of units is three business days.

(iii) As the Fund is investing in the Target Fund, management fee is charged as follows:

	01.09.2024 to 28.02.2025 % p.a.	01.09.2023 to 29.02.2024 % p.a.
Management fee charged by the Provider, on the NAV of the Target Fund	1.00	1.00
Management fee chargeable by the Provider, on the remaining NAV of the Fund for both Class D and Class I (Note a)	1.00	1.00

AmPRS – Tactical Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025

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

- (iii) As the Fund is investing in the Target Fund, management fee is charged as follows:
(cont'd.)

Note a) The management fee is charged on 1.00% on the remaining NAV of the Fund.

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

6. AMOUNT DUE FROM BROKER

Amount due from broker arose from the sale of investment. The settlement period is within two business days from the transaction date.

7. AMOUNT DUE TO TRUSTEE

Trustee's fee is at a rate of 0.04% (31.08.2024: 0.04%) per annum for both Class D and Class I on the NAV of the Fund, calculated on a daily basis.

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

8. AMOUNT DUE TO PPA

PPA administrative fee is at a rate of 0.04% (31.08.2024: 0.04%) per annum for both Class D and Class I on the NAV of the Fund, calculated on a daily basis.

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

9. NET GAINS FROM INVESTMENT

	01.09.2024 to 28.02.2025 RM	01.09.2023 to 29.02.2024 RM
Net gains on financial assets at FVTPL comprised:		
– Net unrealised gains on changes in fair value of investment	65,085	108,824

AmPRS – Tactical Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025

10. NAV ATTRIBUTABLE TO MEMBERS

Total NAV attributable to members is represented by:

	Note	28.02.2025 RM	31.08.2024 RM
Members' contribution			
— Class D	(a)	1,979,564	1,960,484
— Class I	(b)	2,034,055	1,954,841
Accumulated losses			
— Realised income	(c)	52,331	10,585
— Unrealised losses	(d)	(268,141)	(333,226)
		<u>3,797,809</u>	<u>3,592,684</u>

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

Classes of units	Currency denomination	Categories of investors	Distribution policy
Class D	RM	Distributor appointed by the PRS Provider	Paid twice every year and will be reinvested, subject to availability of income
Class I	RM	Employer-Sponsored Retirement Scheme and also employees of any employers with prior arrangement with the PRS Provider	Paid twice every year and will be reinvested, subject to availability of income

The different charge and feature for each class is as follow:

(i) Sales charge

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

	28.02.2025		31.08.2024	
	Number of units	RM	Number of units	RM
At beginning of the financial period/year	3,121,386	1,960,484	2,998,271	1,890,611
Creation during the financial period/year	137,301	79,609	304,638	174,679
Cancellation during the financial period/year	(104,308)	(60,529)	(181,523)	(104,806)
At end of the financial period/year	<u>3,154,379</u>	<u>1,979,564</u>	<u>3,121,386</u>	<u>1,960,484</u>

AmPRS – Tactical Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025

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

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

	28.02.2025		31.08.2024	
	Number of units	RM	Number of units	RM
At beginning of the financial period/year	3,113,033	1,954,841	2,544,621	1,625,605
Creation during the financial period/year	244,212	143,930	1,156,710	672,690
Cancellation during the financial period/year	(109,678)	(64,716)	(588,298)	(343,454)
At end of the financial period/year	<u>3,247,567</u>	<u>2,034,055</u>	<u>3,113,033</u>	<u>1,954,841</u>

(c) Realised – distributable

	28.02.2025 RM	31.08.2024 RM
At beginning of the financial period/year	10,585	12,595
Net realised income/(loss) for the financial period/year	<u>41,746</u>	<u>(2,010)</u>
At end of the financial period/year	<u>52,331</u>	<u>10,585</u>

(d) Unrealised – non-distributable

	28.02.2025 RM	31.08.2024 RM
At beginning of the financial period/year	(333,226)	(395,874)
Net unrealised gains for the financial period/year	<u>65,085</u>	<u>62,648</u>
At end of the financial period/year	<u>(268,141)</u>	<u>(333,226)</u>

11. SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES

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

<u>Related parties</u>	<u>Relationships</u>
AmFunds Management Berhad	The Provider
AmInvestment Bank Berhad	Holding company of the Provider
AMMB Holdings Berhad ("AMMB")	Ultimate holding company of the Provider
Subsidiaries and associates of AMMB as disclosed in its financial statements	Subsidiaries and associate companies of the ultimate holding company of the Provider

There are no units held by the Provider or any other related party as at 28 February 2025 and 31 August 2024.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025**

12. TAXATION

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

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

	01.09.2024 to 28.02.2025 RM	01.09.2023 to 29.02.2024 RM
Net income before taxation	<u>106,831</u>	<u>102,162</u>
Taxation at Malaysian statutory rate of 24% (2024: 24%)	25,639	24,519
Tax effects of:		
Income not subject to tax	(27,642)	(26,480)
Restriction on tax deductible expenses	651	654
Non-permitted expenses for tax purposes	1,280	1,234
Permitted expenses not used and not available for future financial periods	<u>72</u>	<u>73</u>
Tax expense for the financial period	<u>-</u>	<u>-</u>

13. TOTAL EXPENSE RATIO (“TER”)

The Fund's TER is as follows:

	01.09.2024 to 28.02.2025 % p.a.	01.09.2023 to 29.02.2024 % p.a.
Management fee	0.02	0.02
Trustee's fee	0.02	0.02
PPA administrative fee	0.02	0.02
Fund's other expenses	<u>0.17</u>	<u>0.17</u>
Total TER	<u>0.23</u>	<u>0.23</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025**

14. PORTFOLIO TURNOVER RATIO (“PTR”)

The PTR of the Fund, which is the ratio of average total acquisitions and disposals of investment to the average NAV of the Fund calculated on a daily basis, is 0.02 times (01.09.2023 to 29.02.2024: 0.07 times).

15. SEGMENTAL REPORTING

As stated in Note 1, the Fund is a feeder fund whereby a minimum of 85% of the Fund’s NAV will be invested in the Target Fund.

As the Fund invests primarily in the CIS, it is not possible or meaningful to classify its investment by separate business or geographical segments.

16. TRANSACTIONS WITH THE PROVIDER

Details of transactions with the Provider for the financial period ended 28 February 2025 are as follows:

The Provider	Transactions value	
	RM	%
AmFunds Management Berhad	<u>158,131</u>	<u>100.00</u>

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

The above transactions are in respect of investment in CIS. Transactions in this investment do not involve any commission or brokerage fee.

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025**

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

(a) Market risk

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

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

(i) Price risk

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

(b) Credit risk

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

The Fund, as a feeder fund, invests significantly all its assets in the Target Fund. The Target Fund manages the risk by setting internal counterparty limits and undertaking internal credit evaluation to minimise such risk.

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

(c) Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its financial liabilities or redeem its units earlier than expected. This is also the risk of the Fund experiencing large redemptions, when the Investment Manager could be forced to sell large volumes of its holdings at unfavorable prices to meet redemption requirements.

The Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellations of units by members. Liquid assets comprise of cash at banks, Shariah-compliant deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 5 to 7 days. The Fund's policy is to always maintain a prudent level of liquid assets so as to reduce liquidity risk.

The Fund's financial liabilities have contractual maturities of not more than six months.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2024 TO 28 FEBRUARY 2025**

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

(d) Single issuer risk

The Fund, as a feeder fund, invests in significantly all its assets in the Target Fund. The Target Fund is restricted from investing in securities issued by any issuer in excess of a certain percentage of its NAV. Under such restriction, the risk exposure to the securities of any single issuer is diversified and managed by the Target Fund Manager based on internal/external ratings.

(e) Regulatory risk

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

(f) Management risk

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

(g) Non-compliance risk

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

The specific risks associated to the Target Fund include market risk, securities risk, emerging market risk, settlement and credit risks, regulatory and accounting standards risks, political risk, custody risk and liquidity risk.

AmPRS – Tactical Bond

STATEMENT BY THE PROVIDER

I, Wong Weng Tuck, being the Director of and on behalf of the Board of Directors of AmFunds Management Berhad (the “Provider”), do hereby state that, in the opinion of the Provider, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards 134: *Interim Financial Reporting* (“MFRS 134”) so as to give a true and fair view of the financial position of AmPRS - Tactical Bond (the “Fund”) as at 28 February 2025 and of the comprehensive income, the changes in net assets attributable to members and cash flows for the financial period then ended.

For and on behalf of the Provider

WONG WENG TUCK

Executive Director

Kuala Lumpur, Malaysia

21 April 2025

THE SCHEME TRUSTEE'S REPORT

TO THE MEMBERS OF AMPRS – TACTICAL BOND ("Fund ")

We have acted as the Scheme Trustee of the Fund for the financial period ended 28 February 2025 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AmFunds Management Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the following:-

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

For Deutsche Trustees Malaysia Berhad

Ng Hon Leong
Head, Fund Operations

Sylvia Beh
Chief Executive Officer

Kuala Lumpur
21 April 2025

DIRECTORY

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P.O Box 13611, 50816 Kuala Lumpur

Distributors

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

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

