

SEMI-ANNUAL REPORT
31 October 2023

**AHAM Shariah Gold
Tracker Fund**
(Formerly known as
Affin Hwang Shariah
Gold Tracker Fund)

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

TRUSTEE
TMF Trustees Malaysia Berhad
(200301008392 [610812-W])

AHAM SHARIAH GOLD TRACKER FUND (FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

Semi-Annual Report and Unaudited Financial Statements For the 6 Months Financial Period Ended 31 October 2023

Contents	Page
FUND INFORMATION	III
FUND PERFORMANCE DATA.....	IV
MANAGER'S REPORT	VI
TRUSTEE'S REPORT	IX
SHARIAH ADVISER'S REPORT	X
FINANCIAL STATEMENT	
DIRECTORY OF SALES OFFICE	

FUND INFORMATION

Fund Name	AHAM Shariah Gold Tracker Fund
Fund Type	Growth
Fund Category	Feeder fund
Investment Objective	The Fund aims to provide investors with investment results that closely track the performance of Gold price
Benchmark	LBMA Gold Price AM
Distribution Policy	The Fund is not expected to make distribution. However, incidental distribution may be declared whenever is appropriate

FUND PERFORMANCE DATA

Category	As at 31 Oct 2023 (%)	As at 31 Oct 2022 (%)	As at 31 Oct 2021 (%)
Portfolio composition			
Collective investment scheme - local	95.36	94.74	95.91
Cash & cash equivalent	4.64	5.26	4.09
Total	100.00	100.00	100.00
Total NAV (RM'million)	16.578	11.819	12.233
NAV per Unit (RM)	0.5798	0.4833	0.4669
Unit in Circulation (million)	28.591	24.458	26.200
Highest NAV	0.5798	0.5134	0.4974
Lowest NAV	0.5190	0.4708	0.4557
Return of the Fund (%)	11.71	-5.86	0.65
- Capital Growth (%)	11.71	-5.86	0.65
- Income Distribution (%)	Nil	Nil	Nil
Gross Distribution per Unit (sen)	Nil	Nil	Nil
Net Distribution per Unit (sen)	Nil	Nil	Nil
Total Expense Ratio (%) ¹	0.22	0.18	0.15
Portfolio Turnover Ratio (times) ²	0.20	0.10	0.23

Basis of calculation and assumption made in calculating the returns:-

The performance figures are a comparison of the growth/decline in NAV for the stipulated period taking into account all the distribution payable (if any) during the stipulated period.

An illustration of the above would be as follow:-

Capital return	= NAV per Unit end / NAV per Unit begin – 1
Income return	= Income distribution per Unit / NAV per Unit ex-date
Total return	= (1+Capital return) x (1+Income return) – 1

¹ The increase in TER of the Fund was due to higher average NAVs during the financial period under review.

² The increase in PTR of the Fund was due to a increase in trading activities during the financial period under review.

Income Distribution / Unit Split

No income distribution or unit splits were declared for the financial period ended 31 October 2023.

Fund Performance

Table 1: Performance of the Fund

	6 Months (1/5/23 - 31/10/23)	1 Year (1/11/22 - 31/10/23)	Since Commencement (17/11/20 - 31/10/23)
Fund	11.71%	19.97%	15.96%
Benchmark	7.62%	22.85%	22.15%
Outperformance	4.09%	(2.88%)	(6.19%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/11/22 - 31/10/23)	Since Commencement (17/11/20 - 31/10/23)
Fund	19.97%	5.14%
Benchmark	22.85%	7.00%
Outperformance	(2.88%)	(1.86%)

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2023 (1/5/22 - 30/4/23)	FYE 2022 (1/5/21 - 30/4/22)	FYE 2021 (17/11/20 - 30/4/21)
Fund	1.09%	10.67%	(7.22%)
Benchmark	6.57%	14.75%	(7.19%)
Outperformance	(5.48%)	(4.08%)	(0.03%)

Source of Benchmark: Bloomberg

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

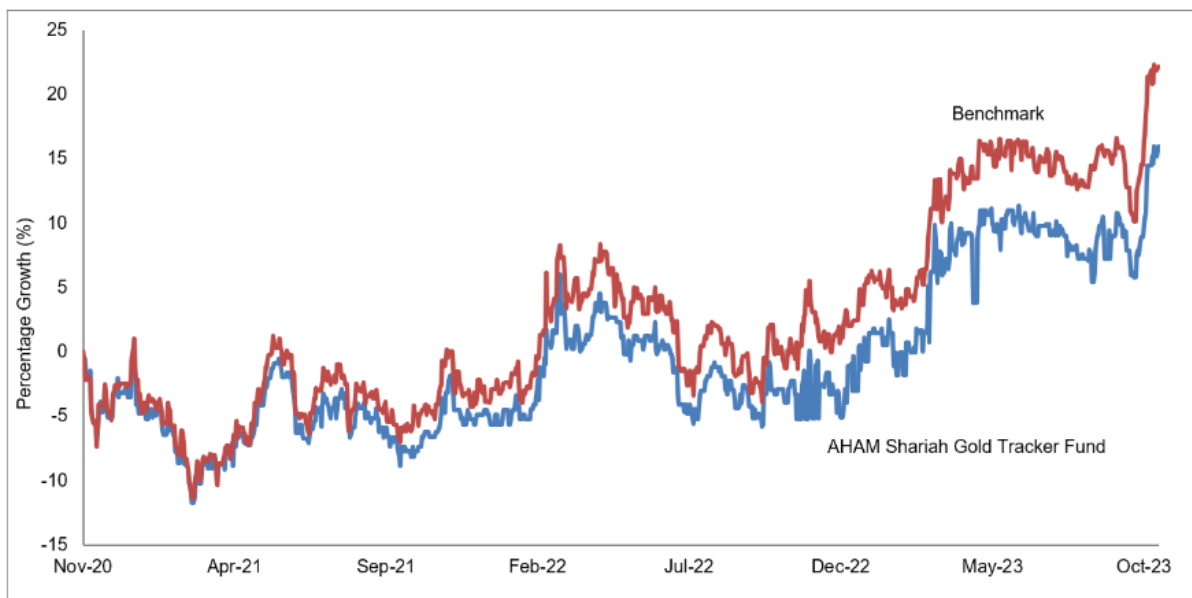
MANAGER'S REPORT

Performance Review (1 May 2023 to 31 October 2023)

For the period 1 May 2023 to 31 October 2023, the Fund registered a 11.71% return compared to the benchmark return of 7.62%. The Fund thus outperformed the Benchmark by 4.09%. The Net Asset Value per unit ("NAV") of the Fund as at 31 October 2023 was MYR0.5798 while the NAV as at 30 April 2023 was MYR0.5190.

Since commencement, the Fund has registered a return of 15.96% compared to the benchmark return of 22.15%, underperforming by 6.19%.

Figure 1: Movement of the Fund versus the Benchmark since commencement.



*"This information is prepared by AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) for information purposes only. Past earnings or the fund's distribution record is not a guarantee or reflection of the fund's future earnings/future distributions. Investors are advised that unit prices, distributions payable and investment returns may go down as well as up. Source of Benchmark is from Bloomberg."
Benchmark: LBMA Gold Price AM*

Asset Allocation

For a snapshot of the Fund's asset mix during the period under review, please refer to Fund Performance Data.

As at 31 October 2023, the Fund's exposure into the collective investment scheme stood at 95.36% of the Fund's NAV while the remaining in cash and cash equivalent.

Target Fund top 10 Holdings as at 31 October 2023

Holdings	Percentage of Target Fund's NAV (%)
Gold bullion	99.45
Total	99.45

Target Fund top 10 Holdings as at 31 October 2022

Holdings	Percentage of Target Fund's NAV (%)
Gold bullion	99.95
Total	99.95

Strategies Employed

The Manager continues to hold the flexibility to invest into a range of asset classes depending on the prevailing market conditions. Over the period under review, the Fund remains invested into collective investment schemes.

Market Review

Over the financial period under review, the Standard and Poor's ("S&P") 500 returned 0.58% while the Morgan Stanley Capital International ("MSCI") AC World index was lower at -2.37%. Specific to the Asian region, MSCI AC Asia ex Japan Index returned -7.85% while locally, the Financial Times Stock Exchange ("FTSE") Bursa Malaysia relatively outperformed, returning 1.85%. Bond markets saw weakness over the period with the Bloomberg Barclays Global Aggregate Index returning -6.61%. Domestically, bond markets' benchmark 10-year Malaysian Government Securities ("MGS") yield closed at 4.11%.

Market volatility continue to persist and affect economies globally as macro events and policy rate hikes affected stock and bond markets. The economic fallout from the Covid-19 pandemic alongside with the Russia-Ukraine conflict has disrupted supply chains and commodity markets, weighing heavily on global economic growth. Central banks continue to attempt rein in inflation contributed by supply-demand imbalances and volatility in energy prices among other factors through monetary policy, which inadvertently played a role in destabilising the banking sector March this year. On top of the Russia-Ukraine conflict, Hamas attack on Israel on 7th October had also caused Gold prices to increase as investor flock to the safe-haven asset driven by geopolitical tensions.

The US Federal Reserve ("Fed") raised their policy rates in monetary policy committee meetings since March of 2022, to of 5.50% in July 2023. Although, at time of writing, holding interest rates at the most recent October/November 2023 Federal Open Market Committee Meeting ("FOMC"). Fed Chair Jerome Powell said that the committee was still "determining the extent of additional policy firming" it would need to bring down inflation sustainably. The sharp pace of policy tightening over the past months raised concerns in the financial markets of an over-tightening that could lead to a growth slowdown, or even a potential recession. Further signs of tension in the economy were also visible in March this year as the fallout of Silicon Valley Bank and the emergency rescue of Credit Suisse triggered concerns of contagion to other vulnerable banks.

In addition to fractures in the banking sector, other notable events included the concern over the US approaching its debt ceiling in January, failing which to reach a consensus to suspend or raise the limit could result in a catastrophic default. However, investors heaved a sigh of relief after lawmakers passed a bill to raise the debt ceiling, in a deal that included concessions on spending expected to have limited effect on economic growth. Despite narrowly avoiding a default, the U.S did not escape unscathed as Fitch Ratings downgraded its rating on U.S. debt, quoting in a press release "The repeated debt-limit political standoffs and last-minute resolutions have eroded confidence in fiscal management,".

On other news, new data in October pointed towards strong economic momentum in the US. Retail sales rose 0.70%, defying consensus expectations that spending would slow due to the resumption of student loan repayments and tighter monetary conditions. Additionally, US third quarter 2023 GDP increased 4.90% above consensus estimates of 4.00% supported by strong consumption. Similarly, purchasing managers' index (PMI) indicators displayed similar strength pointing to a reacceleration in economic activity.

Investment Outlook

US inflation has eased amid aggressive monetary tightening but remained well above Federal Reserve's 2% target. Resiliency in the US economy has afforded the Federal Reserve to maintain current policy rate of 5.25-5.50% for 'longer', with the option to go 'higher' if necessary as Fed Chair Powell made clear during his press conference that the economy has proven to be stronger than expected as a result of strong consumer spending. The FOMC's economic projections now show the median expectation for GDP growth for 2023 at 2.1% (previously 1.1%) and next year at 1.5% (previously 1.0%). The unemployment rate is projected to be lower at the end of next year as a consequence, from previous expectation of 4.5% to the revised rate of 4.1%.

State of Affairs of the Fund

There is neither any significant change to the state affairs of the Fund nor any circumstances that materially affect any interests of the unit holders during the period under review.

Soft Commissions received from Brokers

As per the requirements of the Securities Commission's Guidelines on Unit Trust Funds and Guidelines on Soft commissions received from brokers/dealers may be retained by the management company only if the:–

- (i) goods and services provided are of demonstrable benefit to Unit holders of the Fund; and
- (ii) goods and services are in the form of research and advisory services that assists in the decision making process.

During the financial period under review, no soft commission was received by the Manager on behalf of the Fund.

Cross Trade

No cross trade transactions have been carried out during the reported period.

Securities Financing Transactions

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

Changes Made To the Fund's Prospectus

There were no changes made to the Fund's prospectus during the financial period under review.

TRUSTEE’S REPORT

TO THE UNITHOLDERS OF AHAM SHARIAH GOLD TRACKER FUND (FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND) (“FUND”)

We have acted as Trustee of the Fund for the financial period ended 31 October 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AHAM Asset Management Berhad has operated and managed the fund during the period covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the Management Company under the Deeds, securities laws and the the Guidelines on Unit Trust Funds;
2. Valuation and pricing are carried out in accordance with the Deeds; and
3. Any creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirement.

For
TMF Trustees Malaysia Berhad

NORHAYATI BINTI AZIT
DIRECTOR – FUND SERVICES

15 December 2023

SHARIAH ADVISER'S REPORT

TO THE UNITHOLDERS OF AHAM SHARIAH GOLD TRACKER FUND (FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND) ("FUND")

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, AHAM Asset Management Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The asset of the Fund comprises of instruments that have been classified as Shariah compliant.

For **Amanie Advisors Sdn Bhd**

Tan Sri Dr. Mohd Daud Bakar
Executive Chairman

Kuala Lumpur
15 December 2023

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

CONTENTS	PAGE(S)
UNAUDITED SEMI-ANNUAL STATEMENT OF COMPREHENSIVE INCOME	1
UNAUDITED SEMI-ANNUAL STATEMENT OF FINANCIAL POSITION	2
UNAUDITED SEMI-ANNUAL STATEMENT OF CHANGES IN EQUITY	3
UNAUDITED SEMI-ANNUAL STATEMENT OF CASH FLOWS	4
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	5 - 10
NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS	11 - 27
STATEMENT BY THE MANAGER	28

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

UNAUDITED SEMI-ANNUAL STATEMENT OF COMPREHENSIVE INCOME
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

	<u>Note</u>	6 months financial period ended <u>31.10.2023</u> RM	6 months financial period ended <u>31.10.2022</u> RM
INVESTMENT INCOME/(LOSS)			
Profit income from financial assets at amortised cost		13,602	10,649
Net gain on foreign currency exchange		100	125
Net gain/(loss) on financial asset at fair value through profit or loss	9	1,525,054	(668,559)
		<u>1,538,756</u>	<u>(657,785)</u>
EXPENSES			
Management fee	4	(19,128)	(17,173)
Trustee fee	5	(1,984)	(1,726)
Fund accounting fee	6	(6,000)	-
Transaction cost		(5,739)	(2,559)
Other expenses		(1,189)	(1,207)
		<u>(34,040)</u>	<u>(22,665)</u>
NET PROFIT/(LOSS) BEFORE TAXATION		1,504,716	(680,450)
Taxation	8	-	-
NET PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL PERIOD		<u><u>1,504,716</u></u>	<u><u>(680,450)</u></u>
Net profit/(loss) after taxation is made up of the following:			
Realised amount		50,840	3,600
Unrealised amount		1,453,876	(684,050)
		<u><u>1,504,716</u></u>	<u><u>(680,450)</u></u>

The accompanying summary of significant accounting policies and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

UNAUDITED SEMI-ANNUAL STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2023

	<u>Note</u>	<u>2023</u> RM	<u>2022</u> RM
ASSETS			
Cash and cash equivalents	10	736,454	1,165,497
Amount due from Manager			
- creation of units		148,546	-
- management fee rebate receivable		3,677	2,762
Financial assets at fair value through profit or loss	9	15,808,130	11,198,215
TOTAL ASSETS		<u>16,696,807</u>	<u>12,366,474</u>
LIABILITIES			
Amount due to brokers		-	148,123
Amount due to Manager			
- management fee		3,943	3,102
- cancellation of units		113,492	395,439
Amount due to Trustee		394	310
Fund accounting fee		1,000	-
TOTAL LIABILITIES		<u>118,829</u>	<u>546,974</u>
NET ASSET VALUE OF THE FUND		<u>16,577,978</u>	<u>11,819,500</u>
EQUITY			
Unitholders' capital		14,094,722	11,824,132
Retained earnings/(accumulated losses)		2,483,256	(4,632)
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>16,577,978</u>	<u>11,819,500</u>
NUMBER OF UNITS IN CIRCULATION	11	<u>28,591,000</u>	<u>24,458,000</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.5798</u>	<u>0.4833</u>

The accompanying summary of significant accounting policies and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

UNAUDITED SEMI-ANNUAL STATEMENT OF CHANGES IN EQUITY
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

	Unitholder's capital RM	Retained earnings/ (accumulated losses) RM	Total RM
Balance as at 1 May 2023	9,610,444	978,540	10,588,984
Total comprehensive income for the financial period	-	1,504,716	1,504,716
Movements in unitholders' capital:			
Creation of units arising from applications	11,719,742	-	11,719,742
Cancellation of units	(7,235,464)	-	(7,235,464)
Balance as at 31 October 2023	<u>14,094,722</u>	<u>2,483,256</u>	<u>16,577,978</u>
Balance as at 1 May 2022	10,112,425	675,818	10,788,243
Total comprehensive loss for the financial period	-	(680,450)	(680,450)
Movements in unitholders' capital:			
Creation of units arising from applications	2,843,843	-	2,843,843
Cancellation of units	(1,132,136)	-	(1,132,136)
Balance as at 31 October 2022	<u>11,824,132</u>	<u>(4,632)</u>	<u>11,819,500</u>

The accompanying summary of significant accounting policies and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

UNAUDITED SEMI-ANNUAL STATEMENT OF CASH FLOWS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

	<u>Note</u>	6 months financial period ended <u>31.10.2023</u> RM	6 months financial period ended <u>31.10.2022</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of Shariah-compliant investments		449,143	-
Purchase of Shariah-compliant investments		(4,768,321)	(2,289,582)
Profit income received		13,602	10,649
Management fee rebate received		17,357	15,142
Management fee paid		(17,916)	(16,561)
Trustee fee paid		(1,863)	(1,665)
Fund accounting fee paid		(5,000)	-
Payment for other fees and expenses		(6,928)	(1,207)
Net cash flows used in operating activities		<u>(4,319,926)</u>	<u>(2,283,224)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		11,600,023	3,561,716
Payment for cancellation of units		(7,121,972)	(739,265)
Net cash flows generated from financing activities		<u>4,478,051</u>	<u>2,822,451</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		158,125	539,227
EFFECTS OF FOREIGN CURRENCY EXCHANGE		100	125
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD		<u>578,229</u>	<u>626,145</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	10	<u><u>736,454</u></u>	<u><u>1,165,497</u></u>

The accompanying summary of significant accounting policies and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

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

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, except as disclosed in the summary of significant accounting policies and comply 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 revenue and expenses during the reported financial year. It also requires the Manager to exercise their judgment in the process of applying the Fund’s accounting policies. Although these estimates and judgment are based on the Manager’s best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note K.

(a) Standards, amendments to published standards and interpretations that are effective:

- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 ‘Interest Rate Benchmark (IBOR) Reform – Phase 2’ (effective 1 January 2021) provide practical expedient allowing Fund to update the effective interest rate to account for any required changes in contractual cash flows that is a direct consequence of IBOR reform. This results in no immediate gain or loss recognised in profit or loss.

The amendments require entities to update the hedge documentation to reflect the changes required by the IBOR replacement. The amendments also provide reliefs that enable and require entities to continue hedge accounting in circumstances when changes in hedged items and hedging instruments are solely due to IBOR reform.

The adoption of the above standards, amendments to standards or interpretations did not have a material effect on the financial statements of the Fund.

(b) Standards and amendments that have been issued but not yet effective:

- Amendments to MFRS 3 ‘Reference to Conceptual Framework’ (effective 1 January 2022) replace the reference to Framework for Preparation and Presentation of Financial Statements with 2018 Conceptual Framework.
- Annual Improvements to MFRSs 2018 – 2020 Cycle (effective for annual periods beginning on or after 1 January 2022).
- Amendments to MFRS 137 ‘onerous contracts—cost of fulfilling a contract’ (effective 1 January 2022) clarify that direct costs of fulfilling a contract include both the incremental cost of fulfilling the contract as well as an allocation of other costs directly related to fulfilling contracts.
- Amendments to MFRS 101 ‘Classification of liabilities as current or non-current (effective 1 January 2023) clarify that a liability is classified as non-current if an entity has a substantive right at the end of the reporting period to defer settlement for at least 12 months after the reporting period. A liability is classified as current if a condition is breached at or before the reporting date and a waiver is obtained after the reporting date.

The adoption of the above standards, amendments to standards or interpretations is not expected to have a material effect on the financial statements of the Fund.

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

B INCOME RECOGNITION

Profit income

Profit from Shariah-based deposits with licensed financial institutions are recognised based on effective profit rate method on an accrual basis.

Profit income is calculated by applying the effective profit 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 profit rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Realised gains and losses on sale of investments

For exchange-traded fund, realised gains and losses on sale of investments are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on a weighted average cost basis.

C TRANSACTION COSTS

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

D TAXATION

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

E FUNCTIONAL AND PRESENTATION CURRENCY

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

F FOREIGN CURRENCY TRANSLATION

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

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

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed, and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income.

The contractual cash flows of the Fund's debt securities are solely payments of principal and interest* ("SPPI"). However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments and derivatives not designated as hedging instruments are measured at fair value through profit or loss.

Investment in CIS have contractual cash flows that do not represent SPPI, and therefore are classified as fair value through profit or loss.

The Fund classifies cash and cash equivalents and amount due from Manager as financial assets measured at amortised cost as these financial assets are held to collect contractual cash flows that represent SPPI.

The Fund classifies amount due to Manager and amount due to Trustee as financial liabilities measured at amortised cost.

* For the purposes of this Fund, interest refers to profits earned from Shariah-compliant investment.

(ii) Recognition and measurement

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

Financial 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.

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

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

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

Gains or losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category including the effects of foreign transactions are presented in the statement of comprehensive income within “net gain/(loss) on financial assets at fair value through profit or loss” in the financial period which they arise.

The fair value of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the financial period end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager 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 Trustee, then the securities are valued as determined in good faith by the Manager, based on the methods or basis approved by the Trustee after appropriate technical consultation.

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

(iii) Impairment

The Fund’s financial assets measured at amortised cost are subject to expected credit losses. The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. Management 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 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 management as any contractual payment which is more than 30 days past due.

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

Definition of default and credit-impaired financial assets

The Fund defines a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria:

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

Qualitative criteria:

The debtor meets unlikelihood to pay criteria, which indicates the debtor is in significant financial difficulty. The Fund considers the following instances:

- the debtor is in breach of financial covenants
- concessions have been made by the lender relating to the debtor's financial difficulty
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- the debtor is insolvent

Financial instruments that are credit-impaired are assessed on individual basis.

Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in bad debt recoveries. There are no write-offs/recoveries during the financial period.

H CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances and Shariah-based deposits held in highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

I AMOUNT DUE TO BROKERS

Amounts due to broker represent payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date. Refer to Note G for accounting policy on recognition and measurement.

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

Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

J UNITHOLDERS' CAPITAL

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

- the units entitle the holder to a proportionate share of the Fund's net asset value;
- the units are the most subordinated class and class features are identical;
- there is no contractual 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 profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial period if unitholder exercises the right to put the unit 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 unitholders with the total number of outstanding units.

K CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

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

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

However, the Manager is of the opinion that there are no accounting policies which require significant judgment to be exercised.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the Securities Commission's ("SC") as per the SC's Guidelines on Unit Trust Funds.

L REALISED AND UNREALISED PORTIONS OF PROFIT OR LOSS AFTER TAX

The analysis of realised and unrealised profit or loss after tax as presented on the statement of comprehensive income is prepared in accordance with SC's Guidelines on Unit Trust Funds.

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

1 INFORMATION ON THE FUND

The Unit Trust Fund was constituted under the name Affin Hwang Shariah Gold Tracker Fund (the “Fund”) pursuant to the execution of a Deed dated 15 May 2020 and modified by First Supplemental Deed dated 10 January 2023 (the “Deeds”) entered into between AHAM Asset Management Berhad (the “Manager”) and TMF Trustees Malaysia Berhad (the “Trustee”). The Fund has changed its name from Affin Hwang Shariah Gold Tracker Fund to AHAM Shariah Gold Tracker Fund as amended by First Supplemental Deed dated 10 January 2023.

The Fund commenced operations on 30 October 2020 and will continue its operations until terminated by the Trustee as provided under Section 12.3 of the Deed.

The Fund may invest in the following permitted investments:

- (i) Units or shares in an Islamic collective investment scheme;
- (ii) Islamic money market instruments;
- (iii) Islamic deposits;
- (iv) Islamic derivatives; and
- (v) Any other Shariah-compliant investments permitted by the SC from time to time

All investments will be subjected to the SC’s Guidelines on Unit Trust Funds, the Deeds and the objective of the Fund.

The Fund’s main objective is to provide investors with investment returns that closely track the performance of Gold price.

The Manager is a company incorporated in Malaysia. The principal activities of the Manager are establishment and management of unit trust funds, exchange-traded funds and private retirement schemes as well as providing fund management services to private clients. On 10 November 2022, the Manager has changed its name from Affin Hwang Asset Management Berhad to AHAM Asset Management Berhad.

The financial statements were authorised for issue by the Manager on 15 December 2023.

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments of the Fund are as follows:

	<u>Note</u>	At amortised <u>cost</u> RM	At fair value through <u>profit or loss</u> RM	<u>Total</u> RM
<u>2023</u>				
<u>Financial assets</u>				
Cash and cash equivalents	10	736,454	-	1,165,497
Amount due from Manager				
- creation of units		148,546	-	148,546
- management fee rebate receivable		3,677	-	3,677
Collective investment scheme	9	-	15,808,130	15,808,130
Total		<u>888,677</u>	<u>15,808,130</u>	<u>16,696,807</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		3,943	-	3,943
- cancellation of units		113,492	-	113,492
Amount due to Trustee		394	-	394
Fund accounting fee		1,000	-	1,000
Total		<u>118,829</u>	<u>-</u>	<u>118,829</u>
<u>2022</u>				
<u>Financial assets</u>				
Cash and cash equivalents	10	1,165,497	-	1,165,497
Amount due from Manager				
- management fee rebate receivable		2,762	-	2,762
Collective investment scheme	9	-	11,198,215	11,198,215
Total		<u>1,168,259</u>	<u>11,198,215</u>	<u>12,366,474</u>
<u>Financial liabilities</u>				
Amount due to broker		148,123	-	148,123
Amount due to Manager				
- management fee		3,102	-	3,102
- cancellation of units		395,439	-	395,439
Amount due to Trustee		310	-	310
Total		<u>546,974</u>	<u>-</u>	<u>546,974</u>

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The Fund is exposed to a variety of risks which include market risk (including price risk, profit rate risk and currency risk), credit risk, liquidity risk, capital risk and Shariah reclassification risk.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated by the SC's Guidelines on Unit Trust Funds.

Market risk

(a) Price risk

Price risk arises mainly from the uncertainty about future prices of investments. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Manager manages the risk of unfavourable changes in prices by continuous monitoring of the performance and risk profile of the investment portfolio.

The Fund's overall exposure to price risk was as follows:

	<u>2023</u> RM	<u>2022</u> RM
Quoted investments		
Exchange-traded fund	15,808,130	11,198,215

The following table summarises the sensitivity of the Fund's profit/(loss) after taxation and NAV to price risk movements. The analysis is based on the assumptions that the market price increased by 15% (2022: 4%) and decreased by 15% (2022: 4%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the commodity, having regard to the historical volatility of the prices.

<u>% Change in price</u>	<u>Market value</u> RM	Impact on profit/(loss) after tax <u>NAV</u> RM
<u>2023</u>		
-15%	13,436,911	(2,371,220)
0%	15,808,130	-
+15%	18,179,350	2,371,220
<u>2022</u>		
-4%	10,750,286	(447,929)
0%	11,198,215	-
+4%	11,646,144	447,929

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(b) Profit rate risk

Profit rate risk arises from the effects of fluctuations in the prevailing levels of market profit rates on the fair value of financial assets and liabilities and future cash flows.

The Fund's exposure to the profit rate risk is mainly confined to short-term Shariah-based deposit placements with licensed financial institutions. The Manager overcomes this exposure by way of maintaining short-term Shariah-based deposits.

The Fund's exposure to profit rate risk associated with Shariah-based deposits with licensed financial institutions is not material as the deposits are held on a short-term basis.

(c) Currency risk

Currency risk is associated with investments denominated in foreign currencies. When the foreign currencies fluctuate in unfavourable movement against Ringgit Malaysia, the investments will face currency losses in addition to the capital gain/(loss). The Manager will evaluate the likely directions of the foreign currency versus Ringgit Malaysia based on considerations of economic fundamentals such as profit rate differentials, balance of payments position, debt levels and technical chart considerations.

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(c) Currency risk (continued)

The following table sets out the foreign currency risk concentrations and counterparties of the Fund.

	Cash and cash <u>equivalents</u> RM	<u>Total</u> RM
<u>2023</u>		
<u>Financial assets</u>		
United States Dollar	1,587	1,587
<u>2022</u>		
<u>Financial assets</u>		
United States Dollar	1,580	1,580

The table below summarises the sensitivity of the Fund's profit/(loss) after tax and NAV to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes by each currency's respective historical volatility, with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Any increase/(decrease) in foreign exchange rate will result in a corresponding increase/(decrease) in the net assets attributable to unitholders by each currency's respective historical volatility. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change <u>in rate</u> %	Impact on profit/(loss) after tax <u>NAV</u> RM
<u>2023</u>		
United States Dollar	+/- 10%	+/- 159
<u>2022</u>		
United States Dollar	+/- 10%	+/- 158

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk

Credit risk refers to the ability of an issuer or counterparty to make timely payments of profit, principals, and proceeds from realisation of Shariah-compliant investment. The Manager manages the credit risk by undertaking credit evaluation to minimise such risk.

Credit risk arising from cash and bank balances is managed by ensuring that they are held by parties with credit rating of AA or higher.

Credit risk arising from placements of Shariah-based deposits in licensed financial institutions is managed by ensuring that they are held by parties with credit rating of AA or higher.

The settlement terms of the proceeds from the creation of units' receivable from the Manager are governed by the SC's Guidelines on Unit Trust Funds.

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

	<u>Cash and cash equivalents</u> RM	<u>Amount due from Manager</u> RM	<u>Total</u> RM
<u>2022</u>			
Financial Services			
- AAA	736,454	-	736,454
Other			
- NR	-	152,223	152,223
	<u>736,454</u>	<u>152,223</u>	<u>888,677</u>
<u>2021</u>			
Financial Services			
- AAA	1,165,497	-	1,165,497
Other			
- NR	-	2,762	2,762
	<u>1,165,497</u>	<u>2,762</u>	<u>1,168,259</u>

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. The Manager manages this risk by maintaining sufficient level of Shariah-based liquid assets to meet anticipated payment and cancellations of units by unitholders. Shariah-based liquid assets comprise cash and Shariah-based deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 days.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk (continued)

The amounts in the table below are the contractual undiscounted cash flows.

	<u>Within one month</u> RM	<u>Between one month to one year</u> RM	<u>Total</u> RM
<u>2023</u>			
Amount due to Manager			
- management fee	3,943	-	3,942
- cancellation of units	113,492	-	113,492
Amount due to Trustee	394	-	394
Fund accounting fee	1,000	-	1,000
	<u>118,829</u>	<u>-</u>	<u>118,829</u>
<u>2022</u>			
Amount due to brokers	148,123	-	148,123
Amount due to Manager			
- management fee	3,102	-	3,102
- cancellation of units	395,439	-	395,439
Amount due to Trustee	310	-	310
	<u>546,974</u>	<u>-</u>	<u>546,974</u>

Capital risk

The capital of the Fund is represented by equity consisting of unitholders' capital and net of retained earnings/(accumulated losses). The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion unitholders. 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 unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

Reclassification of Shariah status risk

The risk that the currently held Shariah-compliant securities in the portfolio of Shariah-compliant funds may be reclassified to be Shariah non-compliant upon review of the securities by the Shariah Advisory Council of the Securities Commission performed twice yearly. If this occurs, the value of the Fund may be adversely affected where the Manager will take the necessary steps to dispose of such securities in accordance with the Shariah Advisory Council's advice.

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

3 FAIR VALUE ESTIMATION

Financial instruments comprise financial assets and financial liabilities. 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.

The fair value of financial assets traded in active markets (such as trading securities) is based on quoted market prices at the close of trading on the period end date. The Fund utilises the current bid price for financial assets which falls within the bid-ask spread.

An active market is a market in which transactions for the asset 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.

(i) Fair value hierarchy

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

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

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

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

The following table analyses within the fair value hierarchy the Fund's assets (by class) measured at fair value:

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2023</u>				
Financial asset at fair value through profit or loss				
- exchange-traded fund	15,808,130	-	-	15,808,130

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

The following table analyses within the fair value hierarchy the Fund's assets (by class) measured at fair value: (continued)

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2022</u>				
Financial asset at fair value through profit or loss				
- exchange-traded fund	11,198,215	-	-	11,198,215
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include exchange-traded fund. The Fund does not adjust the quoted prices for these instruments.

(ii) The carrying value of cash and cash equivalents, amount due from Manager and all current liabilities are a reasonable approximation of the fair values due to their short-term nature.

4 MANAGEMENT FEE

In accordance with the Deed, the Manager is entitled to a management fee at a rate up to 5.00% per annum of the NAV of the Fund, calculated on daily basis.

For the 6 months financial period ended 31 October 2023, management fee is recognised at a rate of 0.30% (2022: 0.30%) per annum on the NAV of the Fund, calculated on a daily basis as stated in the Fund's Prospectus.

There will be no further liability to the Manager in respect of management fee other than the amounts recognised above.

5 TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to an annual fee, at a rate up to 0.10% per annum (excluding custody fees and charges) of the NAV of the Fund, calculated on daily basis.

For the 6 months financial period ended 31 October 2023, the Trustee fee is recognised at a rate of 0.03% (2022: 0.03%) per annum on the NAV of the Fund, calculated on a daily basis as stated in the Fund's Prospectus.

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

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

6 FUND ACCOUNTING FEE

The fund valuation and accounting fee for the Fund is RM6,000 (2022: RM Nil) for the financial period.

7 AUDITORS' REMUNERATION, TAX AGENT'S FEE AND SHARIAH ADVISORY FEE

Auditors' remuneration, tax agent's fee and shariah advisory fee for the 6 months financial period ended 31 October 2023 and 31 October 2022 are borne by the Manager.

8 TAXATIONS

	6 months financial period ended 31.10.2023 RM	6 months financial period ended 31.10.2022 RM
Current taxation	-	-

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

	6 months financial period ended 31.10.2023 RM	6 months financial period ended 31.10.2022 RM
Net profit/(loss) before taxation	1,504,716	(680,450)
Tax at Malaysian statutory tax rate of 24% (2022: 24%)	361,132	(163,308)
Tax effects of:		
(Investment income not subject to tax)/		
Investment loss not brought to tax	(369,301)	157,868
Expenses not deductible for tax purposes	3,407	1,318
Restriction on tax deductible expenses for Unit Trust Funds	4,762	4,122
	-	-

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2023</u> RM	<u>2022</u> RM
Financial assets at fair value through profit or loss:		
- exchange-traded fund - local	<u>15,808,130</u>	<u>11,198,215</u>
	6 months financial period ended <u>31.10.2023</u> RM	6 months financial period ended <u>31.10.2022</u> RM
Net gain/(loss) on financial assets at fair value through profit or loss:		
- unrealised gain/(loss) on changes in fair value	1,453,776	(684,175)
- realised gain on sale of investments	52,907	-
- management fee rebate on collective investment scheme #	18,371	15,616
	<u>1,525,054</u>	<u>(668,559)</u>

In arriving at the fair value of exchange-traded fund, the management fee initially paid to the Manager of exchange-traded fund have been considered as part of its net asset value. In order to prevent the double charging of management fee, which is not permissible under SC's Guidelines, management fee charged on the Fund's investments in exchange-traded fund have been refunded to the Fund. Accordingly, any rebate of management fee received from the Manager of exchange-traded fund is reflected as an increase in the net asset value of the exchange-traded fund.

(a) Exchange-traded fund – local

(i) Exchange-traded fund – local as at 31 October 2023 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	<u>Fair value</u> RM	Percentage <u>of NAV</u> %
TradePlus Shariah Gold Tracker*	5,287,000	13,656,367	15,808,130	95.36
Total exchange-traded fund – local	<u>5,287,000</u>	13,656,367	<u>15,808,130</u>	<u>95.36</u>
Accumulated unrealised gain on exchange-traded fund – local		<u>2,151,763</u>		
Total exchange-traded fund – local		<u>15,808,130</u>		

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

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

(a) Exchange-traded fund – local (continued)

(ii) Exchange-traded fund – local as at 31 October 2022 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
TradePlus Shariah Gold Tracker*	4,570,700	11,246,972	11,198,215	94.74
Total exchange-traded fund – local	<u>4,570,700</u>	<u>11,246,972</u>	<u>11,198,215</u>	<u>94.74</u>
Accumulated unrealised loss on exchange-traded fund – local		<u>(48,757)</u>		
Total exchange-traded fund – local		<u>11,198,215</u>		

*Managed by the Manager of the Fund.

(b) Target fund top holdings

(i) The Target fund's top holdings as at 31 October 2023 is as follows:

	<u>Market value RM</u>	<u>Percentage of target fund NAV %</u>
Gold bullion	12,330,014	99.45
Total	<u>12,330,014</u>	<u>99.45</u>

(ii) The Target fund's top holdings as at 31 October 2022 is as follows:

	<u>Market value RM</u>	<u>Percentage of target fund NAV %</u>
Gold bullion	11,274,750	99.95
Total	<u>11,274,750</u>	<u>99.95</u>

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

10 CASH AND CASH EQUIVALENTS

	<u>2023</u> RM	<u>2022</u> RM
Cash and bank balances	135,918	53,344
Shariah-based deposit with a licensed financial institution	600,536	1,112,153
	<u>736,454</u>	<u>1,165,497</u>

Weighted average effective profit rates per annum of Shariah-based deposit with a licensed financial institution are as follows:

	<u>2023</u> %	<u>2022</u> %
Shariah-based deposit with a licensed financial institution	<u>2.90</u>	<u>4.71</u>

Shariah-based deposit with a licensed financial institution has an average maturity of 1 day (2022: 1 day).

11 NUMBER OF UNITS IN CIRCULATION

	<u>2023</u> No. of units	<u>2022</u> No. of units
At the beginning of the financial period	20,401,000	21,013,000
Creation of units arising from applications	21,303,000	5,750,000
Cancellation of units	(13,113,000)	(2,305,000)
At the end of the financial period	<u>28,591,000</u>	<u>24,458,000</u>

12 SHARIAH INFORMATION OF THE FUND

The Shariah Adviser confirmed that the investments portfolio of the Fund is Shariah-compliant, which comprises:

- (a) Exchange-traded fund listed in Bursa Malaysia which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission; and
- (b) Cash placements and liquid assets in local market, which are placed in Shariah-compliant investments and/or instruments.

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

13 TRANSACTIONS WITH BROKERS

- (i) Details of transactions with the top brokers for the 6 months financial period ended 31 October 2023 are as follows:

<u>Name of brokers</u>	Value of trade RM	Percentage of total trade %	Brokerage fees RM	Percentage of total brokerage %
RHB Investment Bank Bhd	1,949,026	37.36	1,559	37.35
Maybank Investment Bank Bhd	1,658,281	31.78	1,327	31.79
CIMB Bank Bhd	1,314,240	25.19	1,051	25.18
CIMB Investment Bank Bhd	295,918	5.67	237	5.68
	<u>5,217,465</u>	<u>100.00</u>	<u>4,174</u>	<u>100.00</u>

- (i) Details of transactions with the top brokers for the 6 months financial period ended 31 October 2022 are as follows:

<u>Name of brokers</u>	Value of trade RM	Percentage of total trade %	Brokerage fees RM	Percentage of total brokerage %
Maybank Investment Bank Bhd	884,616	38.03	708	38.04
RHB Investment Bank Bhd	751,614	32.31	601	32.30
CIMB Investment Bank Bhd	630,423	27.10	504	27.08
CIMB Bank Bhd	59,549	2.56	48	2.58
	<u>2,326,202</u>	<u>100.00</u>	<u>1,861</u>	<u>100.00</u>

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

14 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

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

<u>Related parties</u>	<u>Relationship</u>
CVC Capital Partners Asia V L.P. ("CVC Asia V")	Ultimate holding company of the Manager
Lembaga Tabung Angkatan Tentera ("LTAT")	Substantial shareholder of the Manager and former ultimate holding corporate body of the Manager
Affin Bank Berhad ("ABB")	Former penultimate holding company of the Manager
Affin Hwang Investment Bank Berhad	Former immediate holding company of the Manager
Starlight TopCo Limited	Penultimate holding company of the Manager
Starlight Universe Limited	Intermediate holding company of the Manager
Starlight Asset Sdn Bhd	Immediate holding company of the Manager
Nikko Asset Management International Limited ("NAMI")	Former substantial shareholder of the Manager
Nikko Asset Management Co., Ltd ("NAM")	Substantial shareholder of the Manager
AHAM Asset Management Berhad	The Manager
Subsidiaries and associated companies of CVC Asia V as disclosed in their financial statements	Subsidiaries and associated companies of the ultimate holding company of the Manager
Subsidiaries and associated companies of ABB as disclosed in its financial statements	Subsidiaries and associated companies of the former penultimate holding company of the Manager
Directors of AHAM Asset Management Berhad	Directors of the Manager

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

14 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER (CONTINUED)

The units held by the Manager and parties related to the Manager as at the end of the financial period are as follows:

	<u>2023</u>		<u>2022</u>	
			No. of units	RM
<u>The Manager:</u>				
AHAM Asset Management Berhad (The units are held legally for booking purposes)	5,570	3,229	2,808	1,357
<u>Subsidiary of the Manager:</u>				
AIIMAN Asset Management Sdn Bhd (The units are held beneficially)	-	-	4,000,000	1,933,200

15 TOTAL EXPENSE RATIO (“TER”)

	6 months financial period ended <u>31.10.2023</u> %	6 months financial period ended <u>31.10.2022</u> %
TER	0.22	0.18

TER is derived from the following calculation:

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

- A = Management fee, excluding management fee rebates
- B = Trustee fee
- C = Fund accounting fee
- D = Other expenses excluding the goods and services tax on transaction costs
- E = Average NAV of Fund calculated on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis is RM13,142,482 (2021: RM11,414,927).

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023 (CONTINUED)

16 PORTFOLIO TURNOVER RATIO (“PTR”)

	6 months financial period ended <u>31.10.2023</u>	6 months financial period ended <u>31.10.2022</u>
PTR (times)	<u>0.20</u>	<u>0.10</u>

PTR is derived from the following calculation:

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

Where: total acquisition for the financial period = RM4,768,321 (2022: RM2,328,761)
and total disposal for the financial period = RM396,236 (2022: RM Nil)

17 SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD

Change in substantial shareholders of AHAM Asset Management Berhad

On 19 April 2023, Nikko Asset Management International Limited ("NAMI") has divested all its equity interest of 27% in AHAM Asset Management Berhad to Nikko Asset Management Co., Ltd ("NAM") for 20% and remaining 7% of the equity interest to Lembaga Tabung Angkatan Tentera ("LTAT"), resulting in both NAM and LTAT becoming substantial shareholders of the Manager.

AHAM SHARIAH GOLD TRACKER FUND
(FORMERLY KNOWN AS AFFIN HWANG SHARIAH GOLD TRACKER FUND)

STATEMENT BY THE MANAGER

I, Dato' Teng Chee Wai, for and on behalf of the board of directors of the Manager, **AHAM Asset Management Berhad**, do hereby state that in the opinion of the Manager, the financial statements set out on pages 1 to 27 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 31 October 2023 and of its financial performance, changes in equity and cash flows for the 6 months financial period ended 31 October 2023 in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards.

For and on behalf of the Manager,
AHAM ASSET MANAGEMENT BERHAD

DATO' TENG CHEE WAI
EXECUTIVE DIRECTOR/MANAGING DIRECTOR

Kuala Lumpur
15 December 2023

DIRECTORY OF SALES OFFICE

HEAD OFFICE

AHAM Asset Management Berhad
Ground Floor,
Menara Boustead,
69, Jalan Raja Chulan,
50200 Kuala Lumpur

Tel : 03 – 2116 6000
Toll free no : 1-800-88-7080
[Email:customer@aham.com.my](mailto:customer@aham.com.my)

PENANG

AHAM Asset Management Berhad
No. 123, Jalan Macalister,
10450 Georgetown,
Penang

Toll free no : 1-800-88-8377

PERAK

AHAM Asset Management Berhad
1, Persiaran Greentown 6,
Greentown Business Centre,
30450 Ipoh, Perak

Tel : 05 – 241 0668
Fax : 05 – 255 9696

PETALING JAYA

AHAM Asset Management Berhad
C-31-1, Jaya One,
72A Jalan Prof Diraja Ungku Aziz,
Section 13,
46200 Petaling Jaya,
Selangor

Tel : 03 – 7760 3062

MELAKA

AHAM Asset Management Berhad
Ground Floor, No. 584, Jalan Merdeka Taman
Melaka Raya,
75000 Melaka

Tel : 06 – 281 2890
Fax : 06 – 281 2937

JOHOR

AHAM Asset Management Berhad
Unit 22-05, Level 22 Menara Landmark
No. 12, Jalan Ngee Heng
80000 Johor Bahru, Johor

Tel : 07 – 227 8999
Fax : 07 – 223 8998

DIRECTORY OF SALES OFFICE (CONTINUED)

SABAH

AHAM Asset Management Berhad
Unit 1.09(a), Level 1 Plaza Shell,
29, Jalan Tunku Abdul Rahman,
88000 Kota Kinabalu, Sabah

Tel : 088 – 252 881
Fax : 088 – 288 803

SARAWAK - KUCHING

AHAM Asset Management Berhad
Ground Floor, No. 69
Block 10, Jalan Laksamana Cheng Ho
93200 Kuching,
Sarawak

Tel : 082 – 233 320
Fax : 082 – 233 663

SARAWAK - MIRI

AHAM Asset Management Berhad
1st Floor, Lot 1291
Jalan Melayu, MCLD,
98000 Miri,
Sarawak

Tel : 085 – 418 403
Fax : 085 – 418 372

AHAM Asset Management Berhad

Registration No: 199701014290 (429786-T)

Ground Floor, Menara Boustead, 69, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia.

Toll Free Number: 1800 88 7080 T: +603 2116 6000

aham.com.my