



**SEMI-ANNUAL REPORT**  
31 October 2024

**AHAM**  
**Smart Invest**  
**Portfolio – Income**

MANAGER  
AHAM Asset Management Berhad  
199701014290 (429786-T)

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

**Built On Trust**

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# AHAM SMART INVEST PORTFOLIO – INCOME

## Semi-Annual Report and Unaudited Financial Statements For the Financial Period Ended 31 October 2024

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## FUND INFORMATION

Fund Name	AHAM Smart Invest Portfolio - Income
Fund Type	Income
Fund Category	Mixed Asset (Fund-of Funds)
Investment Objective	The Fund aims to provide investor with regular income over medium and long term period by investing in a portfolio of collective investment schemes
Benchmark	Absolute return of 4% per annum
Distribution Policy	<p>Subject to the availability of income, the Fund will distribute income on a quarterly basis, after the end of its first financial year.</p> <p>At our discretion, the Fund may distribute (1) realised income, (2) realised capital gains, (3) unrealised income, (4) unrealised capital gains, (5) capital, or (6) a combination of any of the above.</p>

## FUND PERFORMANCE DATA

Category	As at 31 Oct 2024 (%)	As at 31 Oct 2023 (%)	As at 31 Oct 2022 (%)
Portfolio composition			
<b>Equities – local</b>	-	<b>11.05</b>	-
<b>Collective investment schemes – local</b>	<b>43.03</b>	<b>46.17</b>	<b>51.08</b>
<b>Collective investment schemes – foreign</b>	<b>39.63</b>	<b>30.67</b>	<b>46.95</b>
<b>Exchange-traded fund - foreign</b>	<b>15.86</b>	<b>9.27</b>	-
<b>Cash &amp; cash equivalent</b>	<b>1.48</b>	<b>2.84</b>	<b>1.97</b>
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Total NAV (RM'million)	68.730	101.835	160.011
NAV per Unit (RM)	0.4640	0.4547	0.4718
Unit in Circulation (million)	148.124	223.967	339.124
Highest NAV	0.4907	0.4739	0.4948
Lowest NAV	0.4541	0.4540	0.4615
Return of the Fund (%)	-0.61	-0.98	-4.61
- Capital Growth (%)	-2.09	-2.84	-4.61
- Income Distribution (%)	1.51	1.92	Nil
Gross Distribution per Unit (sen)	0.72	0.88	Nil
Net Distribution per Unit (sen)	0.72	0.88	Nil
Total Expense Ratio (%) <sup>1</sup>	0.39	0.49	0.44
Portfolio Turnover Ratio (times) <sup>2</sup>	0.86	1.23	1.71

### **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

<sup>1</sup> The TER of the Fund decreased due to higher expenses incurred during the period under review.

<sup>2</sup> The PTR of the Fund decreased due to the lower trading activities during the period under review.

### Income Distribution / Unit Split

Cum Date	Ex-Date	Cum-distribution (RM)	Distribution per Unit (RM)	Ex-distribution (RM)
15-Oct-24	16-Oct-24	0.4660	0.0022	0.4630
16-Jul-24	17-Jul-24	0.4907	0.0050	0.4850
17-Oct-23	18-Oct-23	0.4594	0.0030	0.4564
19-Jul-23	20-Jul-23	0.4698	0.0058	0.4641

No unit splits were declared for the financial period ended 31 October 2024.

### Breakdown of Distribution

Ex date	Class	Income (per Unit) (sens)	Income (%)	Capital (per unit) (sens)	Capital (%)
16-Oct-24	RM	0.2200	100	-	-
17-Jul-24	RM	0.5000	100	-	-
18-Oct-23	RM	0.3000	100	-	-
20-Jul-23	RM	0.5800	100	-	-

### Fund Performance

#### **A class**

Table 1: Performance of the Fund

	6 Months (1/5/24 - 31/10/24)	1 Year (1/11/23 - 31/10/24)	3 Years (1/11/21 - 31/10/24)	Since Commencement (3/8/20 - 31/10/24)
Fund	(0.61%)	6.16%	(4.75%)	4.17%
Benchmark	2.00%	4.00%	12.50%	18.14%
Outperformance	(2.61%)	2.16%	(17.25%)	(13.97%)

Table 2: Average Total Return

	1 Year (1/11/23 - 31/10/24)	3 Years (1/11/21 - 31/10/24)	Since Commencement (3/8/20 - 31/10/24)
Fund	6.16%	(1.61%)	0.97%
Benchmark	4.00%	4.00%	4.00%
Outperformance	2.16%	(5.61%)	(3.03%)

Table 3: Annual Total Return

	FYE 2024 (1/5/23 - 30/4/24)	FYE 2023 (1/5/22 - 30/4/23)	FYE 2022 (1/5/21 - 30/4/22)	FYE 2021 (3/8/20 - 30/4/21)
Fund	5.77%	(3.18%)	(5.78%)	8.63%
Benchmark	4.00%	4.00%	4.00%	2.95%
Outperformance	1.77%	(7.18%)	(9.78%)	5.68%

## B Class

Table 1: Performance of the Fund

	Since Commencement (27/6/24 - 31/10/24)
Fund	(2.50%)
Benchmark	1.37%
Outperformance	(3.87%)

Table 2: Average Total Return

	Since Commencement (27/6/24 - 31/10/24)
Fund	(2.50%)
Benchmark	1.37%
Outperformance	(3.87%)

Table 3: Annual Total Return

N/A

***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

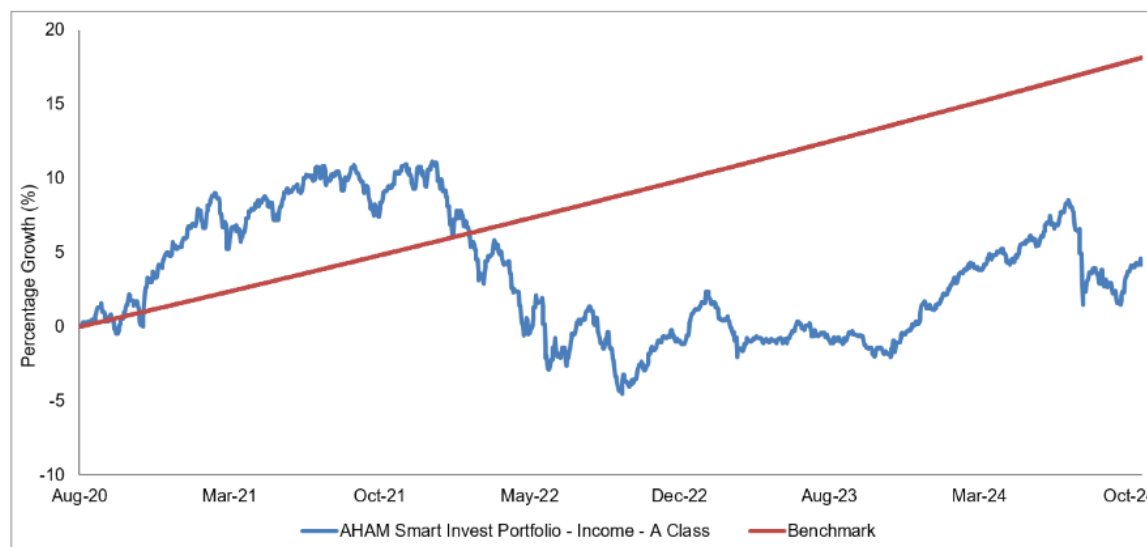
### Performance Review (1 May 2024 to 31 October 2024)

#### A Class

For the period 1 May 2024 to 31 October 2024, the Fund registered a -0.61% return compared to the benchmark return of 2.00%. The Fund thus underperformed the Benchmark by 2.61%. The Net Asset Value per unit ("NAV") of the Fund as at 31 October 2024 was MYR0.4640 while the NAV as at 30 April 2024 was MYR0.4739. During the same period under review, the Fund has declared a total income distribution of RM0.0072 per unit.

Since commencement, the Fund has registered a return of 4.17% compared to the benchmark return of 18.14%, underperforming by 13.97%.

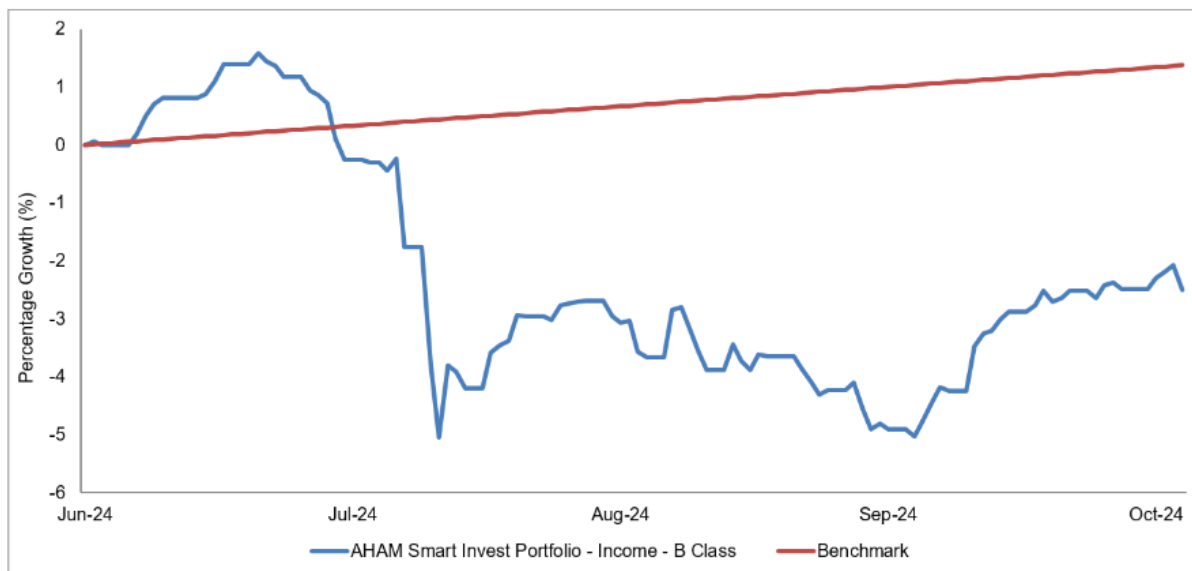
Figure 1: Movement of the Fund versus the Benchmark since commencement.



## B Class

For the period 27 June 2024 to 31 October 2024, the Fund registered a -2.50% return compared to the benchmark return of 1.37%. The Fund thus underperformed the Benchmark by 3.87%. The NAV of the Fund as at 31 October 2024 was MYR0.4875 while the initial NAV was MYR0.5000.

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



*"This information is prepared by AHAM 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."*  
Benchmark: 4.0% per annum

## 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 2024, the Fund's exposure into the collective investment scheme stood at 98.52% (2023:86.11) of the Fund's NAV, with 43.03% in local collective investment scheme and 39.63% in foreign collective investment scheme. The Manager added holdings in exchange-traded funds with 15.86% of the fund NAV respectively over during the period under review. Cash and cash equivalent stood at 1.48% of the Fund's NAV.

## 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 was fully invested into collective investment schemes and a small exposure to equities.

## Market Review

Over the financial period under review, global markets experienced a mix of cautious sentiment and heightened volatility, shaped by geopolitical tensions, monetary policy shifts, and significant economic indicators.

US equities were muted towards the end of the period, with the S&P 500 index slipping 1.0% last week as investors stayed on the sidelines awaiting clarity on the upcoming presidential election. Betting markets have

reflected an increased likelihood of a Trump victory and a Republican sweep, raising expectations of reflationary policies and higher fiscal spending.

Macroeconomic data presented mixed signals, though resilience was evident. The US Composite PMI exceeded expectations, rising to 54.3 in October from 54.0 in September. Consumer sentiment also reached a six-month high, with the University of Michigan's sentiment index climbing to 70.5 in October. However, these factors contributed to sustained selling pressure in US Treasuries, with the 10-year yield rising to approximately 4.27%.

Looking ahead, the upcoming US election, Federal Reserve meeting, and Nonfarm Payrolls (NFP) report are expected to play a critical role in shaping market sentiment. A Trump victory may further pressure Treasury yields upward, though not as significantly as the 85 bps rise during the 2016 election, as markets have already priced in some of this risk. Conversely, a Harris victory could lead to a partial retracement in yields.

The MSCI Asia ex-Japan index fell by 1.80% as investors awaited the US election results. Increased probabilities of a Trump victory dampened sentiment, especially given potential implications for US-China relations. Geopolitical tensions added to the cautious outlook, with Israel retaliating against Iran over the weekend, though oil prices dropped 4% amid relief that critical sites were not targeted.

In China, the People's Bank of China (PBOC) cut rates by 50 bps, signaling accommodative monetary policy in line with market expectations. The portfolio added Meituan, a leading platform for locally-sourced consumer products, to increase exposure to China's large-cap sector during this period.

Diplomatic progress was observed between India and China, as talks resumed to mend relations post-2020 border tensions, fostering optimism in the region.

### **Investment Outlook**

As we approach the end of 2024, the global investment landscape remains uncertain, shaped by geopolitical tensions, monetary policy shifts, and political events such as the upcoming US presidential election. In the United States, resilient economic data, including stronger-than-expected PMI and consumer sentiment indices, suggest underlying strength. However, inflationary pressures and the Federal Reserve's hawkish stance have kept Treasury yields elevated, with further volatility expected depending on election outcomes and policy decisions.

In Asia, market sentiment remains cautious as investors weigh the impact of ongoing policy adjustments, particularly in China, where the central bank has introduced accommodative measures such as rate cuts to support economic growth. While these efforts have provided a supportive backdrop, broader concerns over China's growth trajectory continue to linger. In Malaysia, the economic recovery has been uneven, with sectors like construction outperforming, buoyed by robust contract wins by key players such as Gamuda. Conversely, the utilities sector has underperformed, reflecting challenges in select companies like YTL Power.

### **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**

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**

A Supplemental Prospectus was issued with effective date 26 June 2024 to reflect various changes made to the Fund. This includes:

- i. Issue new class "B Class" in the prospectus
- ii. Added minimum investment for the new class added
- iii. updates to be in line with the issuance of the revised Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework ("Guidelines"); and
- iv. disclosures added to allow the Fund to distribute out of capital.

## **TRUSTEE'S REPORT**

### **TO THE UNITHOLDERS OF AHAM SMART INVEST PORTFOLIO - INCOME**

We have acted as Trustee of the Fund for the financial period ended 31 October 2024 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.

We are of the opinion that the distributions of income by the Fund are appropriate and reflects the investment objective of the Fund.

For  
TMF Trustees Malaysia Berhad

NORHAYATI BINTI AZIT  
DIRECTOR – FUND SERVICES

16 December 2024

**AHAM SMART INVEST PORTFOLIO – INCOME**

**UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS**

**FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024**

# **AHAM SMART INVEST PORTFOLIO – INCOME**

## **UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS**

**FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024**

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## AHAM SMART INVEST PORTFOLIO – INCOME

### UNAUDITED SEMI-ANNUAL STATEMENT OF COMPREHENSIVE INCOME FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024

	Note	6 months financial period ended <u>31.10.2024</u>	6 months financial period ended <u>31.10.2023</u>
<b>INVESTMENT LOSS</b>			
Dividend income		920,214	2,579,280
Interest income from financial assets at amortised cost		31,477	35,994
Net gain/(loss) on foreign currency exchange		(308,080)	(1,075,279)
Net loss on forward foreign currency contracts at fair value through profit or loss		-	(2,045,865)
Net (loss)/gain on financial assets at fair value through profit or loss	9	(978,307)	169,389
		<u>(334,696)</u>	<u>(336,481)</u>
<b>EXPENSES</b>			
Management fee	4	(288,154)	(624,263)
Trustee fee	5	(26,582)	(43,918)
Fund accounting fee	6	(6,882)	(6,500)
Auditors' remuneration		(3,866)	(3,855)
Tax agent's fee		(1,803)	(1,800)
Transaction cost		(6,558)	(31,538)
Other expenses		(12,900)	(35,959)
		<u>(346,745)</u>	<u>(747,833)</u>
<b>NET LOSS BEFORE FINANCE COST AND TAXATION</b>		(681,441)	(1,084,314)
Finance cost	7	(1,218,618)	(2,775,399)
<b>NET LOSS BEFORE TAXATION</b>		(1,900,059)	(3,859,713)
Taxation	8	-	(67,139)
<b>DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		<u>(1,900,059)</u>	<u>(3,926,852)</u>
Decrease in net assets attributable to comprise unitholders the following:			
Realised amount		(11,864)	(1,417,227)
Unrealised amount		(1,888,195)	265,774
		<u>(1,900,059)</u>	<u>(1,151,453)</u>

The accompanying material accounting policy information and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.

## AHAM SMART INVEST PORTFOLIO – INCOME

### UNAUDITED SEMI-ANNUAL STATEMENT OF FINANCIAL POSITION AS AT 31 OCTOBER 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
<b>ASSETS</b>			
Cash and cash equivalents	10	2,497,731	1,929,168
Amount due from brokers		-	2,310,000
Amount due from Manager			
- management fee rebate receivable		16,893	28,369
Dividends receivable		-	14,820
Financial assets at fair value through profit or loss	9	73,899,255	99,009,384
<b>TOTAL ASSETS</b>		<u>76,413,879</u>	<u>103,291,741</u>
<b>LIABILITIES</b>			
Amount due to brokers		1,075,000	-
Amount due to Manager			
- management fee		39,853	99,334
- cancellation of units		267,343	1,204,286
Amount due to Trustee		4,123	6,409
Fund accounting fee		1,205	1,083
Auditors' remuneration		3,866	3,855
Tax agent's fee		5,188	5,300
Other payables and accruals		272	263
Tax provision		8,067	76,321
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)</b>		<u>1,404,917</u>	<u>1,396,851</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>75,008,962</u>	<u>101,894,890</u>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		<u>75,008,962</u>	<u>101,894,890</u>

## AHAM SMART INVEST PORTFOLIO – INCOME

### UNAUDITED SEMI-ANNUAL STATEMENT OF FINANCIAL POSITION AS AT 31 OCTOBER 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
<b>REPRESENTED BY:</b>			
<b>FAIR VALUE OF OUTSTANDING UNITS</b>			
- A Class		68,730,281	101,894,890
- B Class		6,278,681	-
		<u>75,008,962</u>	<u>101,894,890</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>			
- A Class	12 (a)	148,124,000	223,967,000
- B Class	12 (b)	12,878,200	-
		<u>161,002,200</u>	<u>223,967,000</u>
<b>NET ASSET VALUE PER UNIT (RM)</b>			
- A Class		0.4640	0.4550
- B Class		0.4875	-
		<u>0.4640</u>	<u>0.4550</u>
<b>NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES</b>			
- A Class		0.4640	0.4550
- B Class		0.4875	-
		<u>0.4640</u>	<u>0.4550</u>

The accompanying material accounting policy information and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.

## AHAM SMART INVEST PORTFOLIO – INCOME

### UNAUDITED SEMI-ANNUAL STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024

	6 months financial period ended <u>30.10.2024</u> RM	6 months financial period ended <u>30.10.2023</u> RM
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	87,949,729	153,894,532
Movement due to units created and cancelled during the financial period:		
Creation of units arising from applications	16,942,769	972,519
- A Class	10,447,605	972,519
- B Class	6,495,164	-
Creation of units arising from distributions	921,546	2,414,636
- A Class	921,546	2,414,636
- B Class	-	-
Cancellation of units	(28,905,023)	(51,459,945)
- A Class	(28,905,023)	(51,459,945)
- B Class	-	-
Net decrease in net assets attributable to unitholders during the financial period	(1,900,059)	(3,926,852)
- A Class	(1,683,576)	(3,926,852)
- B Class	(216,483)	-
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL PERIOD</b>	<u>75,008,962</u>	<u>101,894,890</u>

The accompanying material accounting policy information and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.



## AHAM SMART INVEST PORTFOLIO – INCOME

### UNAUDITED SEMI-ANNUAL STATEMENT OF CASH FLOWS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024

	Note	6 months financial period ended <u>31.10.2024</u> RM	6 months financial period ended <u>31.10.2023</u> RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Proceeds from sale of investments		81,267,097	198,488,651
Purchase of investments		(70,955,362)	(153,447,216)
Dividends received		920,214	2,628,715
Interest received		31,477	35,994
Management fee rebate received		129,262	195,547
Management fee paid		(301,000)	(634,984)
Trustee fee paid		(26,851)	(45,099)
Payment for other fees and expenses		(33,561)	(148,929)
Net loss on foreign currency exchange		(1,402,831)	(3,258,031)
Realised gain on forward foreign currency contracts		-	3,833,755
Tax paid		(1,110)	-
		<hr/>	<hr/>
Net cash flows generated from operating activities		9,627,335	47,648,403
		<hr/>	<hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from creation of units		16,942,769	611,756
Payments from cancellation of units		(28,667,930)	(50,300,815)
Payment for distribution		(297,072)	-
		<hr/>	<hr/>
Net cash flows used in financing activities		(12,022,233)	(49,689,059)
		<hr/>	<hr/>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		(2,394,898)	(2,040,656)
<b>EFFECTS OF FOREIGN CURRENCY EXCHANGE</b>		(342,629)	(727,886)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>		5,235,258	4,697,710
		<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	10	2,497,731	1,929,168
		<hr/> <hr/>	<hr/> <hr/>

The accompanying material accounting policy information and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.

## AHAM SMART INVEST PORTFOLIO – INCOME

### MATERIAL ACCOUNTING POLICY INFORMATION FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

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

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

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

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 that are applicable to the Fund but not yet effective:

- Amendments to MFRS 101 ‘Classification of liabilities as current or non-current’ (effective 1 January 2024) clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity’s expectations or events after the reporting period (e.g. the receipt of a waiver or a breach of covenant). In addition, the amendments clarify that when a liability could be settled by the transfer of an entity’s own equity instruments (e.g. a conversion option in a convertible bond), conversion option meeting the definition of an equity instrument in MFRS 132 ‘Financial Instruments: Presentation’ does not impact the current or non-current classification of the convertible instrument.

The amendments also specify that covenants of loan arrangements which an entity must comply with only after the reporting date would not affect classification of a liability as current or non-current at the reporting date. However, those covenants that an entity is required to comply with on or before the reporting date would affect classification of a liability as current or non-current, even if the covenant is only assessed 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 SMART INVEST PORTFOLIO – INCOME

### MATERIAL ACCOUNTING POLICY INFORMATION FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

#### **B INCOME RECOGNITION**

##### Dividend income

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income on the ex-dividend date, when the right to receive the dividend has been established.

##### Interest income

Interest income from short-term deposit with licensed financial institutions is recognised based on effective interest rate method on an accrual basis.

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

##### Realised gains and losses on sale of investments

For collective investment schemes (“CIS”) and exchange-traded funds (“ETF”), realised gains and losses on sale of investments are accounted for as the difference between the net disposal proceeds and the carrying amount of the 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 and brokers. 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.

Tax on investment income from foreign investments is based on the tax regime of the respective countries that the Fund invests in.

Withholding taxes on investment income from foreign investment are based on tax regime of the respective countries that the Fund invests in. Such withholding taxes are not “income tax” in nature and are recognised and measured based on the requirements of MFRS 137. They are presented within other expenses line in the statement of comprehensive income.

#### **E DISTRIBUTION**

A distribution to the Fund’s unitholders is accounted for as a finance cost in the statement of comprehensive income. A proposed distribution is recognised as a liability in the period in which it is approved by the Trustee of the Fund.

At the Manager’s discretion, the Fund may distribute (1) realised income, (2) realised capital gains, (3) unrealised income, (4) unrealised capital gains, (5) capital, or (6) a combination of any of the above.

## AHAM SMART INVEST PORTFOLIO – INCOME

### MATERIAL ACCOUNTING POLICY INFORMATION FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

#### F 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.

#### G 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 the statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

#### H 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 financial assets measured at 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 consisting of the amount outstanding.

The Fund classifies amount due to brokers, amount due to Manager, amount due to Trustee, payables for fund accounting fee, auditors’ remuneration, tax agent’s fee and other payables and accruals as financial liabilities measured at amortised cost.

## AHAM SMART INVEST PORTFOLIO – INCOME

### MATERIAL ACCOUNTING POLICY INFORMATION FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

#### H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(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.

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.

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 currency 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.

Investment in CIS and ETF are valued at the last published net asset value (“NAV”) per unit at the date of the statement of financial position.

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

## AHAM SMART INVEST PORTFOLIO – INCOME

### MATERIAL ACCOUNTING POLICY INFORMATION FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

#### H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

##### (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 and lifetime 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.

##### 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 reorganization; and
- 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.

## **AHAM SMART INVEST PORTFOLIO – INCOME**

### **MATERIAL ACCOUNTING POLICY INFORMATION FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)**

#### **I CASH AND CASH EQUIVALENTS**

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances and short-term 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 changes in value.

#### **J AMOUNT DUE FROM/(TO) BROKERS**

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

#### **K DERIVATIVE FINANCIAL INSTRUMENTS**

A derivative financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity.

The Fund's derivative financial instruments comprise forward foreign currency contracts. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Financial derivative positions will be "marked to market" at the close of each valuation day. Foreign exchange gains and losses on the derivative financial instrument are recognised in the statement of comprehensive income when settled or at the date of the statement of financial position at which time they are included in the measurement of the derivative financial instrument. Derivative instruments that have a positive fair value and negative fair value are presented as financial assets as fair value through profit or loss and financial liabilities as fair value through profit or loss, respectively.

The fair value of forward foreign currency contracts is determined using forward exchange rates at the date of the statement of financial position, with the resulting value discounted back to present value.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. Derivatives that do not qualify for hedge accounting are classified as financial assets/liabilities at fair value through profit or loss.

## **AHAM SMART INVEST PORTFOLIO – INCOME**

### **MATERIAL ACCOUNTING POLICY INFORMATION FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)**

#### **L CREATION AND CANCELLATION OF UNITS**

The unitholders' contributions to the Fund meet the definition of puttable instruments classified as financial liability under MFRS 132 "Financial Instruments: Presentation".

The Fund issues cancellable units, in two classes of units, known respectively as the A Class and B Class, which are cancelled at the unitholders' option and do not have identical features subject to restrictions as stipulated in the Prospectus and SC's Guidelines on Unit Trust Funds. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the statement of financial position if the unitholder exercises the right to put back the unit to the Fund.

Units are created and cancelled at the unitholders' option at prices based on the Fund's NAV per unit of respective classes at the close of business on the relevant dealing day. The Fund's NAV per unit of respective classes is calculated by dividing the net assets attributable to unitholders of respective classes with the total number of outstanding units of respective classes.

#### **M INCREASE/DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS**

Income not distributed is included in net assets attributable to unitholders.

#### **N CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES**

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

Estimates and judgements are continually evaluated by the 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 judgement 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") Guidelines on Unit Trust Funds.

#### **O 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 SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024

#### 1 INFORMATION ON THE FUND

The Unit Trust Fund was constituted under the name Affin Hwang Smart Invest Portfolio - Income (the “Fund”) pursuant to the execution of a Deed dated 28 November 2019 as modified by First Supplemental Deed dated 24 August 2022 and Second Supplemental Deed dated 15 April 2024 (“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 Smart Invest Portfolio – Income to AHAM Smart Invest Portfolio – Income as amended by the First Supplemental Deed dated 24 August 2022.

The Fund commenced operations on 3 August 2020 and will continue its operations until terminated by the Trustee as provided under Clause 12.3 of the Deed.

The Fund may invest in any of the following investments:

- (a) Units/shares in collective investment schemes;
- (b) Money market instruments;
- (c) Deposits;
- (d) Derivatives; and
- (e) Any other form of investments as may be permitted by the SC from time to time which is in line with the objective of the Fund.

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

The main objective of the Fund is to provide investors with regular income over medium and long term period by investing in a portfolio of collective investment schemes.

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.

The financial statements were authorised for issue by the Manager on 15 December 2024.

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

#### 2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments 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>2024</u>				
<u>Financial assets</u>				
Cash and cash equivalents	10	2,497,731	-	2,497,731
Amount due from Manager				
- management fee rebate receivable		16,893	-	16,893
Collective investment schemes	9	-	62,001,217	62,001,217
Exchange-traded funds	9	-	11,898,038	11,898,038
		<hr/>	<hr/>	<hr/>
Total		2,514,624	73,899,255	76,413,879
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<u>Financial liabilities</u>				
Amount due to broker		1,075,000	-	1,075,000
Amount due to Manager				
- management fee		39,853	-	39,853
- cancellation of units		267,343	-	267,343
Amount due to Trustee		4,123	-	4,123
Fund accounting fee		1,205	-	1,205
Auditors' remuneration		3,866	-	3,866
Tax agent's fee		5,188	-	5,188
Other payables and accruals		272	-	272
Tax provision		8,067	-	8,067
		<hr/>	<hr/>	<hr/>
Total		1,404,917	-	1,404,917
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

Financial instruments are as follows: (continued)

	<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	1,929,168	-	1,929,168
Amount due from brokers		2,310,000	-	2,310,000
Amount due from Manager				
- management fee rebate receivable		28,369	-	28,369
Dividends receivable		14,820	-	14,820
Quoted equities		-	11,270,954	11,270,954
Collective investment schemes	9	-	78,296,095	78,296,095
Exchange-traded funds	9	-	9,442,335	9,442,335
		<u>4,282,357</u>	<u>99,009,384</u>	<u>103,291,741</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		99,334	-	99,334
- cancellation of units		1,204,286	-	1,204,286
Amount due to Trustee		6,409	-	6,409
Fund accounting fee		1,083	-	1,083
Auditors' remuneration		3,855	-	3,855
Tax agent's fee		5,300	-	5,300
Other payables and accruals		263	-	263
Tax provision		76,321	-	76,321
		<u>1,396,851</u>	<u>-</u>	<u>1,396,851</u>

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

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

##### 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 unfavorable 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>2024</u> RM	<u>2023</u> RM
<b>Quoted investments</b>		
Quoted equities	-	11,270,954
Collective investment schemes	62,001,217	78,296,095
Exchange-traded funds	11,898,038	9,442,335
	<u>73,899,255</u>	<u>99,009,384</u>

The following table summarises the sensitivity of the Fund's loss after taxation and NAV to price risk movements. The analysis is based on the assumptions that the market price increased by 10% (2023: 15%) and decreased by 10% (2023: 15%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted investments having regard to the historical volatility of the prices.

<u>% Change in price</u>	<u>Market value</u> RM	<u>Impact on loss after tax/NAV</u> RM
<u>2024</u>		
-10%	66,509,329	(7,389,926)
0%	73,899,255	-
+10%	81,289,181	7,389,926
	<u>73,899,255</u>	<u>7,389,926</u>
<u>2023</u>		
-15%	84,157,976	(14,851,408)
0%	99,009,384	-
+15%	113,860,792	14,851,408
	<u>113,860,792</u>	<u>14,851,408</u>

##### (b) Interest rate risk

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

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

##### Market risk (continued)

##### (b) Interest rate risk (continued)

The Fund's exposure to the interest rate risk is mainly confined to a short-term deposit placement with a licensed financial institution. The Manager overcomes this exposure by way of maintaining deposits on short-term basis.

The Fund's exposure to interest rate risk associated with deposits with licensed financial institutions is not material as the carrying value of deposit is held on a short-term basis.

##### (c) Currency risk

Currency risk is associated with asset/liabilities denominated in foreign currencies. When the foreign currencies fluctuate in unfavorable 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 interest rate differentials, balance of payments position, debt levels and technical chart considerations.

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

	Collective investment scheme RM	Exchange- traded fund RM	Cash and cash equivalent RM	Total RM
<u>2024</u>				
<u>Financial assets</u>				
Euro	-	-	101,886	101,886
Pound Sterling	-	-	1,024	1,024
Singapore Dollar	-	-	10,639	10,639
United States Dollar	29,726,208	11,898,038	321,256	41,945,502
	<u>29,726,208</u>	<u>11,898,038</u>	<u>434,805</u>	<u>42,059,051</u>

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (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:  
(continued)

	Collective investment <u>scheme</u> RM	Exchange- traded <u>fund</u> RM	Cash and cash <u>equivalent</u> RM	<u>Total</u> RM
<u>2023</u>				
<u>Financial assets</u>				
Euro	-	-	109,110	109,110
Pound Sterling	-	-	1,044	1,044
Singapore Dollar	-	-	11,220	11,220
United States Dollar	31,255,470	9,442,335	1,770,049	42,467,854
	<u>31,255,470</u>	<u>9,442,335</u>	<u>1,891,423</u>	<u>42,589,228</u>

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

##### Market risk (continued)

##### (c) Currency risk (continued)

The table below summarises the sensitivity of the Fund's loss after tax and NAV to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes based on 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 (decrease)/increase 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 in rate %	Impact on loss after tax/NAV RM
<u>2024</u>		
Euro	+/- 10	+/- 10,189
Pound Sterling	+/- 10	+/- 102
Singapore Dollar	+/- 10	+/-1,064
United States Dollar	+/- 10	+/- 4,194,550
<u>2023</u>		
Euro	+/- 10	+/- 10,911
Pound Sterling	+/- 10	+/- 104
Singapore Dollar	+/- 10	+/- 1,122
United States Dollar	+/- 10	+/- 4,246,785

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (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 interests, principals and proceeds from realisation of investments. The Manager manages 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 deposits in licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions.

The settlement terms of amount due from brokers are governed by the relevant rules and regulations as prescribed by the respective stock exchanges.

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 concentration and counterparties of the Fund:

	<u>Cash and cash equivalents</u> RM	<u>Other assets*</u> RM	<u>Total</u> RM
<u>2024</u>			
Financial Services			
- AAA	2,497,731	-	2,497,731
Others			
- NR	-	16,893	16,893
	<u>2,497,731</u>	<u>16,893</u>	<u>2,514,624</u>
<u>2023</u>			
Financial Services			
- AAA	1,929,168	-	1,929,168
- NR	-	2,310,000	2,310,000
Others			
- NR	-	43,189	43,189
	<u>1,929,168</u>	<u>2,353,189</u>	<u>4,282,357</u>

\* Other assets consist of amount due from brokers, amount due from Manager and dividends receivable.



## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

##### 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 liquid assets to meet anticipated payments and cancellations of units by unitholders. Liquid assets comprise cash, 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.

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>2024</u>			
Amount due to broker	1,075,000	-	1,075,000
Amount due to Manager			
- management fee	39,853	-	39,853
- cancellation of units	267,343	-	267,343
Amount due to Trustee	4,123	-	4,123
Fund accounting fee	1,205	-	1,205
Auditors' remuneration	-	3,866	3,866
Tax agent's fee	-	5,188	5,188
Other payables and accruals	-	272	272
	<u>1,387,524</u>	<u>9,326</u>	<u>1,396,850</u>
<u>2023</u>			
Amount due to Manager			
- management fee	99,334	-	99,334
- cancellation of units	1,204,286	-	1,204,286
Amount due to Trustee	6,409	-	6,409
Fund accounting fee	1,083	-	1,083
Auditors' remuneration	-	3,855	3,855
Tax agent's fee	-	5,300	5,300
Other payables and accruals	-	263	263
Tax provision	-	76,321	76,321
	<u>1,311,112</u>	<u>85,739</u>	<u>1,396,851</u>

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

##### Capital risk

The capital of the Fund is represented by the net assets attributable to unitholders. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of 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 unitholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

#### 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 financial 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.

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

#### 3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

The following table analyses within the fair value hierarchy the Fund's financial 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>2024</u>				
Financial assets at fair value through profit or loss:				
- collective investment schemes	62,001,217	-	-	62,001,217
- exchange-traded fund	11,898,038	-	-	11,898,038
	<u>73,899,255</u>	<u>-</u>	<u>-</u>	<u>73,899,255</u>
<u>2023</u>				
Financial assets at fair value through profit or loss:				
- quoted equities	11,270,954	-	-	11,270,954
- collective investment schemes	78,296,095	-	-	78,296,095
- exchange-traded fund	9,442,335	-	-	9,442,335
	<u>99,009,384</u>	<u>-</u>	<u>-</u>	<u>99,009,384</u>

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

- (ii) The carrying values 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.

## **AHAM SMART INVEST PORTFOLIO – INCOME**

### **NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)**

#### **4 MANAGEMENT FEE**

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 5.00% per annum on the NAV of the Fund calculated on a daily basis.

For the 6 months financial period ended 31 October 2024, the management fee is recognised at the rate of 0.82% (2023: 0.80%) per annum on the NAV of the Fund, calculated on a daily basis as stated in Fund's Prospectus.

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

#### **5 TRUSTEE FEE**

In accordance with the Deed, the Trustee is entitled to an annual fee at a rate not exceeding 0.10% per annum on the NAV of the Fund, excluding of foreign custodian fees and charges.

For the 6 months financial period ended 31 October 2024, the Trustee's fee is recognised at a rate of 0.06% (2023: 0.06%) 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 amounts recognised above.

#### **6 FUND ACCOUNTING FEE**

The fund valuation and accounting fee for the Fund for 6 months financial period ended 31 October 2024 is RM6,882 (2023: RM6,500).

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

#### 7 DISTRIBUTION

	6 months financial period ended <u>31.10.2024</u> RM	6 months financial period ended <u>31.10.2023</u> RM
Gross/Net distribution amount	<u>1,218,618</u>	<u>2,775,399</u>

During the financial period ended 31 October 2024, distribution was made as follows:

	<u>Gross/Net distribution per unit</u> (sen)
<u>A Class</u>	
<u>Ex-date</u>	
17.07.2024	0.50
16.10.2024	0.22
	<u>0.72</u>

During the financial period ended 31 October 2023, distribution was made as follows:

	<u>Gross/Net distribution per unit</u> (sen)
<u>A Class</u>	
<u>Ex-date</u>	
20.07.2023	0.58
18.10.2023	0.30
	<u>0.88</u>

Gross distribution per unit is derived from gross realised income less expense divided by the number of units in circulation, while net distribution per unit is derived from gross realised income less expenses and taxation divided by the number of units in circulation.

Included in distributions for the financial period is an amount of RM410,713 (2023: RM955,524) made from previous years' realised income.

There are unrealised losses of RM1,888,195 (2023: RM Nil) during the financial period.

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

#### 8 TAXATION

	6 months financial period ended <u>31.10.2024</u> RM	6 months financial period ended <u>31.10.2023</u> RM
Current taxation	-	67,139

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

	6 months financial period ended <u>31.10.2024</u> RM	6 months financial period ended <u>31.10.2023</u> RM
Net loss before taxation	(681,441)	(1,084,314)
Tax at Malaysian statutory rate of 24% (2023: 24%)	(163,546)	(260,235)
Tax effects of:		
Investment loss not brought to tax	110,784	128,669
Expenses not deductible for tax purposes	13,134	28,732
Restriction on tax deduction expenses for Unit Trust Funds	39,628	102,834
Foreign income subject to foreign tax rate	-	67,139
Tax expense	-	67,139

#### 9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2024</u> RM	<u>2023</u> RM
Financial assets at fair value through profit or loss:		
- quoted equities – local	-	11,270,954
- collective investment schemes - local	32,275,009	47,040,625
- collective investment schemes - foreign	29,726,208	31,255,470
- exchange-traded fund - foreign	11,898,038	9,442,335
	<u>73,899,255</u>	<u>99,009,384</u>

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

	6 months financial period ended <u>31.10.2024</u> RM	6 months financial period ended <u>31.10.2023</u> RM
Net (loss)/gain on financial assets at fair value through profit or loss:		
- realised gain on sale of investments	440,355	188,252
- unrealised loss on changes in fair value	(1,545,566)	(218,505)
- management fee rebate on collective investment schemes #	126,904	199,642
	<u>(978,307)</u>	<u>169,389</u>

# In arriving at the fair value of CIS, the management fee initially paid to the Manager of CIS have been considered as part of its NAV. 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 CIS have been refunded to the Fund. Accordingly, any rebate of management fee received from the Manager of CIS is reflected as an increase in the NAV of the CIS.

#### (a) Quoted equities – local

- (i) There are no quoted equities - local as at 31 October 2024.
- (ii) Quoted equities - local as at 31 October 2023 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
AME Real Estate Investment Trust	1,315,700	1,545,966	1,631,468	1.60
Axis Real Estate Investment Trust	1,123,000	1,990,988	2,021,400	1.98
IGB Real Estate Investment Trust	632,000	1,065,299	1,074,400	1.05
KIP Real Estate Investment Trust	1,997,700	1,804,547	1,787,942	1.76
Pavilion Real Estate Investment Trust	2,307,000	2,814,540	2,768,400	2.72
Sunway Real Estate Investment Trust	1,342,800	1,980,391	1,987,344	1.95
Total quoted equities - local	<u>8,718,200</u>	<u>11,201,731</u>	<u>11,270,954</u>	<u>11.06</u>
Accumulated unrealised gain on quoted equities - local		<u>69,223</u>		
Total quoted equities – local		<u>11,270,954</u>		

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

(b) Collective investment schemes – local

(i) Collective investment schemes - local as at 31 October 2024 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
AHAM AIIMAN ESG Income Plus Fund (formerly known as AHAM Aiiman Income Plus Fund)	9,724,351	5,654,837	5,632,344	7.51
AHAM Aiiman Global Thematic Mixed Asset Fund – MYR-Hedged Class	10,005,530	5,630,726	5,988,310	7.98
AHAM Bond Fund	9,528,420	5,648,887	5,634,155	7.51
AHAM ESG SGD Bond Fund - MYR Class	6,730,077	3,879,890	3,788,360	5.05
AHAM Select Opportunity Fund	8,906,384	10,496,718	11,231,840	14.98
	<hr/>	<hr/>	<hr/>	<hr/>
Total collective investment schemes - local	44,894,762	31,311,058	32,275,009	43.03
	<hr/>	<hr/>	<hr/>	<hr/>
Accumulated unrealised gain on collective investment schemes - local		963,951		
		<hr/>		
Total collective investment schemes – local		32,275,009		
		<hr/>		

(ii) Collective investment schemes - local as at 31 October 2023 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
AHAM AIIMAN ESG Income Plus Fund (formerly known as AHAM Aiiman Income Plus Fund)	17,994,606	10,459,532	10,321,706	10.13
AHAM Bond Fund	43,271,830	25,643,375	25,348,638	24.88
AHAM Income Extra Fund	7,969,409	8,249,112	8,271,549	8.12
AHAM Tactical Fund	10,748,292	3,106,256	3,098,732	3.04
	<hr/>	<hr/>	<hr/>	<hr/>
Total collective investment schemes - local	79,984,137	47,458,275	47,040,625	46.17
	<hr/>	<hr/>	<hr/>	<hr/>
Accumulated unrealised loss on collective investment schemes - local		(417,650)		
		<hr/>		
Total collective investment schemes – local		47,040,625		
		<hr/>		



## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

(c) Collective investment schemes – foreign

(i) Collective investment schemes – foreign as at 31 October 2024 are as follows:

	<u>Quantity</u>	<u>Aggregate cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
BlackRock Global Funds - Asian Tiger Bond Fund A2 USD	25,250	4,729,508	4,545,200	6.06
Capital Group Funds - Multi-Sector Income Fund Lux	73,264	3,911,223	3,766,651	5.02
Credit Suisse - Nova Lux Global Senior Loan	4,157	2,587,010	2,701,977	3.60
HSBC Global Liquidity Fd PLC - US Dollar Liquidity Fund-J	736,592	3,749,930	3,766,416	5.02
Jupiter Asset Management Global High Yield Bond	3,992	2,011,988	1,898,794	2.53
Lazard Global Active Funds PLC Japanese Strategic Equity Fund	2,822	1,935,938	1,838,210	2.45
Nikko Asset Mgmt - Global Equity Fund - B USD	43,520	3,659,666	3,680,886	4.91
PIMCO Funds GIS Income Fund	95,850	7,654,067	7,528,074	10.04
	<hr/>	<hr/>	<hr/>	<hr/>
Total collective investment schemes - foreign	985,447	30,239,330	29,726,208	39.63
	<hr/>	<hr/>	<hr/>	<hr/>
Accumulated unrealised loss on collective investment schemes - foreign		(513,122)		
		<hr/>		
Total collective investment schemes – foreign		29,726,208		
		<hr/>		

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

(c) Collective investment schemes – foreign (continued)

(ii) Collective investment schemes – foreign as at 31 October 2023 are as follows:

	<u>Quantity</u>	<u>Aggregate cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
HSBC Global Liquidity Fd PLC - US Dollar Liquidity Fund - F	24	110	116	-
PIMCO Funds GIS Income Fund	138,617	10,615,355	10,586,828	10.39
Fidelity Funds US Dollar Bond - A	140,625	10,771,439	10,572,730	10.37
Fidelity Funds US Dollar Bond Fund - Y	234	10,600	10,516	0.01
UBS Lux Equity SICAV Equity Fund - US Total Yld USD	17,538	10,103,985	10,085,280	9.90
	<hr/>	<hr/>	<hr/>	<hr/>
Total collective investment schemes - foreign	297,038	31,501,489	31,255,470	30.67
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Accumulated unrealised loss on collective investment schemes - foreign		(246,019)		
		<hr/>		
Total collective investment schemes – foreign		31,255,470		
		<hr/> <hr/>		

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

(d) Exchange-traded fund - foreign

(i) Exchange-traded fund - foreign as at 31 October 2024 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
Ishares Core S&P 500 UCITS ETF	3,647	9,568,495	9,677,395	12.90
Vanguard FTSE Developed Europe	10,500	2,418,870	2,220,643	2.96
	<hr/>	<hr/>	<hr/>	<hr/>
Total exchange-traded fund - foreign	14,147	11,987,365	11,898,038	15.86
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Accumulated unrealised loss on exchange-traded fund - foreign		(89,327)		
		<hr/>		
Total exchange-traded fund - foreign		11,898,038		
		<hr/> <hr/>		

(ii) Exchange-traded fund - foreign as at 31 October 2023 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
IShares JP Morgan EM Local Gov	246,085	5,390,264	5,245,852	5.15
IShares iBonds Dec 2025 Term \$ Corp UCITS ETF	8,780	4,163,307	4,196,483	4.12
	<hr/>	<hr/>	<hr/>	<hr/>
Total exchange-traded fund - foreign	254,865	9,553,571	9,442,335	9.27
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Accumulated unrealised loss on exchange-traded fund - foreign		(111,236)		
		<hr/>		
Total exchange-traded fund - foreign		9,442,335		
		<hr/> <hr/>		

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

#### 10 CASH AND CASH EQUIVALENTS

	<u>2024</u> RM	<u>2023</u> RM
Cash and bank balances	497,397	1,929,168
Deposits with licensed financial institutions	2,000,334	-
	<u>2,497,731</u>	<u>1,929,168</u>

#### 11 FORWARD FOREIGN CURRENCY CONTRACTS

As at 31 October 2024, there are Nil (2023: Nil) forward foreign currency contracts outstanding. The notional principal amount of the outstanding forward foreign currency contracts amounted to RMNil (2023: RMNil). The forward currency contracts entered into during the financial period were for hedging against the currency exposure arising from the Fund's investment in the collective investment schemes denominated in Pound Sterling and United States Dollar. As the fund has not adopted hedge accounting during the financial period, the change in the fair value of the forward foreign currency contracts is recognised immediately in the statement of comprehensive income.

	<u>2024</u> RM	<u>2023</u> RM
Financial liabilities at fair value through profit or loss:		
- forward foreign currency contracts	-	-
	<u>-</u>	<u>-</u>
Net loss on forward foreign currency contracts at fair value through profit or loss:		
- realised loss on forward foreign currency contracts	-	(3,258,030)
- unrealised gain on changes in fair value	-	1,212,165
	<u>-</u>	<u>(2,045,865)</u>

There is no investment in forward foreign currency contracts as at 31 October 2024 and 31 October 2023.

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

#### 12 NUMBER OF UNITS IN CIRCULATION

##### (a) A Class units in circulation

	<u>2024</u>	<u>2023</u>
	No. of units	No. of units
At the beginning of the financial period	185,597,000	328,862,000
Creation of units arising from applications	21,808,284	2,106,000
Creation of units arising from distribution	1,925,716	5,233,197
Cancellation of units	<u>(61,207,000)</u>	<u>(112,234,197)</u>
At the end of the financial period	<u><u>148,124,000</u></u>	<u><u>223,967,000</u></u>

##### (b) B Class units in circulation

	<u>2024</u>	<u>2023</u>
	No. of units	No. of units
At the beginning of the financial period	-	-
Creation of units arising from applications	<u>12,878,200</u>	<u>-</u>
At the end of the financial period	<u><u>12,878,200</u></u>	<u><u>-</u></u>

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

#### 13 TRANSACTIONS WITH BROKERS

- (i) Details of transactions with the top dealers for the 6 months financial period ended 31 October 2024 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> RM	Percentage of total <u>trade</u> %	<u>Brokerage</u> <u>fees</u> RM	Percentage of total <u>brokerage</u> %
MFEX Mutual Funds Exchange AB	91,172,019	60.39	-	-
AHAM Asset Management Berhad	38,569,566	25.55	-	-
Flow Traders	11,500,158	7.62	-	-
CLSA Ltd	6,727,360	4.47	-	-
Jane Street Hong Kong Limited	1,122,372	0.74	-	-
UOB Kay Hian Securities (M) Sdn Bhd	592,255	0.39	1,484	31.67
Maybank Investment Bank Bhd	393,067	0.26	983	20.98
Hong Leong Investment Bank Bhd	242,315	0.16	606	12.93
Public Investment Bank Bhd	228,159	0.15	570	12.16
Affin Hwang Investment Bank Bhd	198,800	0.13	497	10.61
Others	218,680	0.14	546	11.65
	<u>150,964,751</u>	<u>100.00</u>	<u>4,686</u>	<u>100.00</u>

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

<u>Name of brokers</u>	<u>Value of trade</u> RM	Percentage of total <u>trade</u> %	<u>Brokerage</u> <u>fees</u> RM	Percentage of total <u>brokerage</u> %
AHAM Asset Management Berhad#	177,749,887	49.93	-	-
MFEX Mutual Funds Exchange AB	119,413,830	33.54	-	-
CLSA Ltd	41,549,743	11.67	-	-
Flow Traders	6,554,737	1.84	-	-
CGS-CIMB Futures Sdn Bhd	4,026,000	1.13	10,065	37.38
UOB Kay Hian Securities (M) Sdn Bhd	3,073,176	0.86	7,683	28.53
CLSA Securities (Malaysia) Sdn Bhd	2,293,396	0.65	5,734	21.29
Maybank Investment Bank Bhd	754,400	0.21	1,886	7.00
KAF Equities Sdn Bhd	508,997	0.14	1,272	4.72
RHB Investment Bank Berhad	116,350	0.03	291	1.08
	<u>356,040,516</u>	<u>100.00</u>	<u>26,931</u>	<u>100.00</u>

- # Included in transactions with brokers are trades with AHAM Asset Management Berhad, the Manager amounting to RM38,569,566 (2023: RM177,749,887). The Manager is of the opinion that all transactions with the related companies have been entered into in the normal course of business at agreed terms between the related parties.

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

The related parties of and their relationships 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")	Former ultimate holding corporate body of the Manager and substantial shareholder 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
Directors of AHAM Asset Management Berhad	Directors of the Manager

## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

The number of units held by the Manager as at the end of the financial period as follows:

	2024		2023	
	No. of units	RM	No. of units	RM
<u>The Manager:</u>				
AHAM Asset Management Berhad (The units are held legally for booking purposes)				
- A Class	3,153	1,463	3,024	1,376
- B Class	2,723	1,327	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Other than the above, there were no units held by the Directors or parties related to the Manager.

#### 15 TOTAL EXPENSE RATIO (“TER”)

	6 months financial period ended <u>31.10.2024</u> %	6 months financial period ended <u>31.10.2023</u> %
TER	0.39	0.49
	<u>          </u>	<u>          </u>

TER is derived from the following calculation:

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

A	=	Management fee, excluding management fee rebates
B	=	Trustee fee
C	=	Fund accounting fee
D	=	Auditors' remuneration
E	=	Tax agent's fee
F	=	Other expenses, excluding sales and service tax on transaction costs
G	=	Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis is RM87,883,599 (2023: RM145,587,008).



## AHAM SMART INVEST PORTFOLIO – INCOME

### NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

#### 16 PORTFOLIO TURNOVER RATIO (“PTR”)

	6 months financial period ended <u>31.10.2024</u>	6 months financial period ended <u>31.10.2023</u>
PTR (times)	<u>0.86</u>	<u>1.23</u>

PTR is derived from the following calculation:

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

where: total acquisition for the financial period = RM72,030,362 (2023: RM153,447,216)

total disposal for the financial period = RM79,389,362 (2023: RM204,734,561)

## **AHAM SMART INVEST PORTFOLIO – INCOME**

### **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 37 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 2024 and of its financial performance, changes in equity and cash flows for the 6 months financial period ended 31 October 2024 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 2024

## **DIRECTORY OF SALES OFFICE**

### **HEAD OFFICE**

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## **DIRECTORY OF SALES OFFICE (CONTINUED)**

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