

QUARTERLY REPORT

31 December 2023

**AHAM World
Series – America
Equity Fund**
(Formerly known as
Affin Hwang World
Series – America
Equity Fund)

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

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

AHAM WORLD SERIES – AMERICA EQUITY FUND (FORMERLY KNOWN AS AFFIN HWANG WORLD SERIES – AMERICA EQUITY FUND)

Quarterly Report and Financial Statements
As at 31 December 2023

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QUARTERLY REPORT

FUND INFORMATION

| | |
|----------------------|--|
| Fund Name | AHAM World Series – America Equity Fund (formerly known as Affin Hwang World Series – America Equity Fund) |
| Fund Type | Growth |
| Fund Category | Feeder (Wholesale) |
| Investment Objective | The Fund seeks to achieve capital appreciation over long term period. |
| Benchmark | S&P 500 Index |
| Distribution Policy | The Fund is not expected to make distribution. However, incidental distribution may be declared whenever is appropriate. |

FUND PERFORMANCE DATA

USD Class

| Category | As at 31 Dec 2023 | As at 30 Sep 2023 |
|-------------------------------|----------------------|----------------------|
| Total NAV (million) | 4.451 | 4.273 |
| NAV per Unit (USD) | 0.5607 | 0.5107 |
| Unit in Circulation (million) | 7.939 | 8.366 |

AUD-Hedged class

| Category | As at 31 Dec 2023 | As at 30 Sep 2023 |
|-------------------------------|----------------------|----------------------|
| Total NAV (million) | 3.058 | 2.242 |
| NAV per Unit (AUD) | 0.5390 | 0.4954 |
| Unit in Circulation (million) | 5.674 | 4.526 |

MYR Hedged-Class

| Category | As at 31 Dec 2023 | As at 30 Sep 2023 |
|-------------------------------|----------------------|----------------------|
| Total NAV (million) | 74.873 | 60.127 |
| NAV per Unit (MYR) | 0.5506 | 0.5062 |
| Unit in Circulation (million) | 135.994 | 118.791 |

SGD Hedged-Class

| Category | As at 31 Dec 2023 | As at 30 Sep 2023 |
|-------------------------------|----------------------|----------------------|
| Total NAV (million) | 1.774 | 1.412 |
| NAV per Unit (SGD) | 0.5473 | 0.5020 |
| Unit in Circulation (million) | 3.242 | 2.813 |

Income Distribution Breakdown

No income distribution was declared over the financial period under review.

Fund Performance

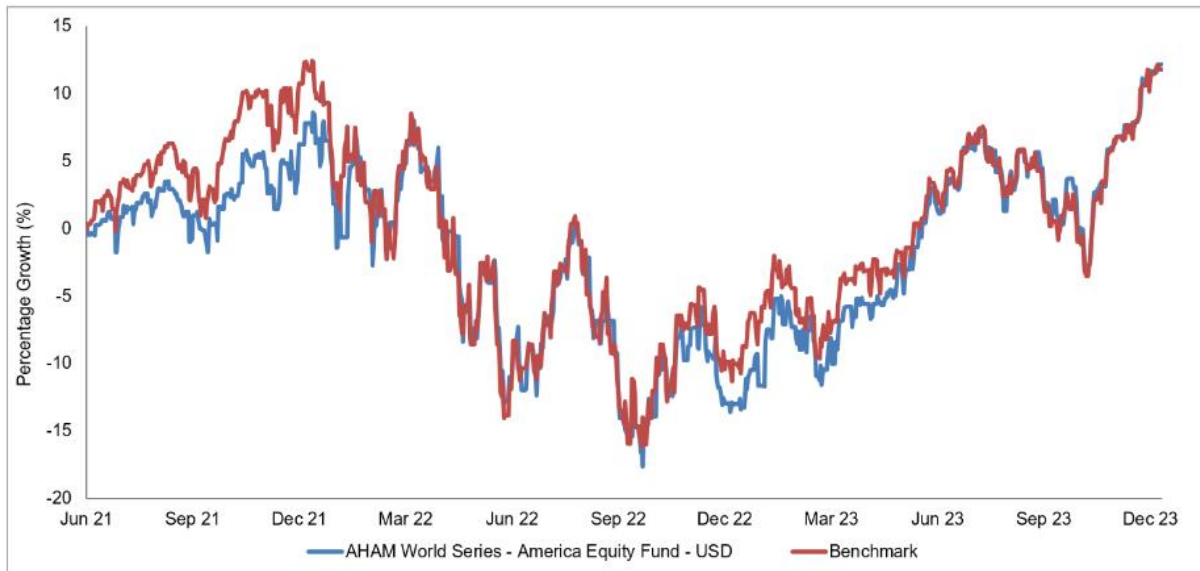
Performance as at 31 December 2023

USD Class

| | 3 Months (1/10/23 - 31/12/23) | 6 Months (1/7/23 - 31/12/23) | 1 Year (1/1/23 - 31/12/23) | Since Commencement (25/6/21 - 31/12/23) |
|----------------|-------------------------------------|------------------------------------|----------------------------------|---|
| Fund | 9.79% | 8.54% | 28.96% | 12.14% |
| Benchmark | 11.24% | 7.18% | 24.23% | 11.80% |
| Outperformance | (1.45%) | 1.36% | 4.73% | 0.34% |

Source of Benchmark: Bloomberg

Movement of the Fund versus the Benchmark

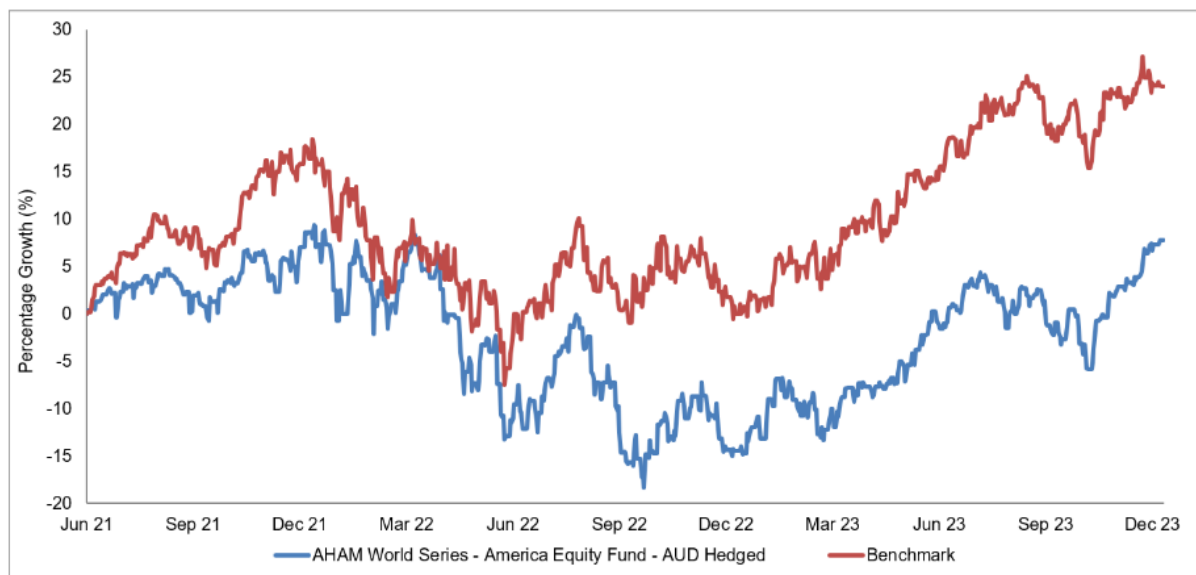


AUD Hedged-Class

| | 3 Months (1/10/23 - 31/12/23) | 6 Months (1/7/23 - 31/12/23) | 1 Year (1/1/23 - 31/12/23) | Since Commencement (25/6/21 - 31/12/23) |
|----------------|-------------------------------------|------------------------------------|----------------------------------|---|
| Fund | 8.80% | 7.11% | 25.99% | 7.80% |
| Benchmark | 4.82% | 4.58% | 23.94% | 24.00% |
| Outperformance | 3.98% | 2.53% | 2.05% | (16.20%) |

Source of Benchmark: Bloomberg

Movement of the Fund versus the Benchmark

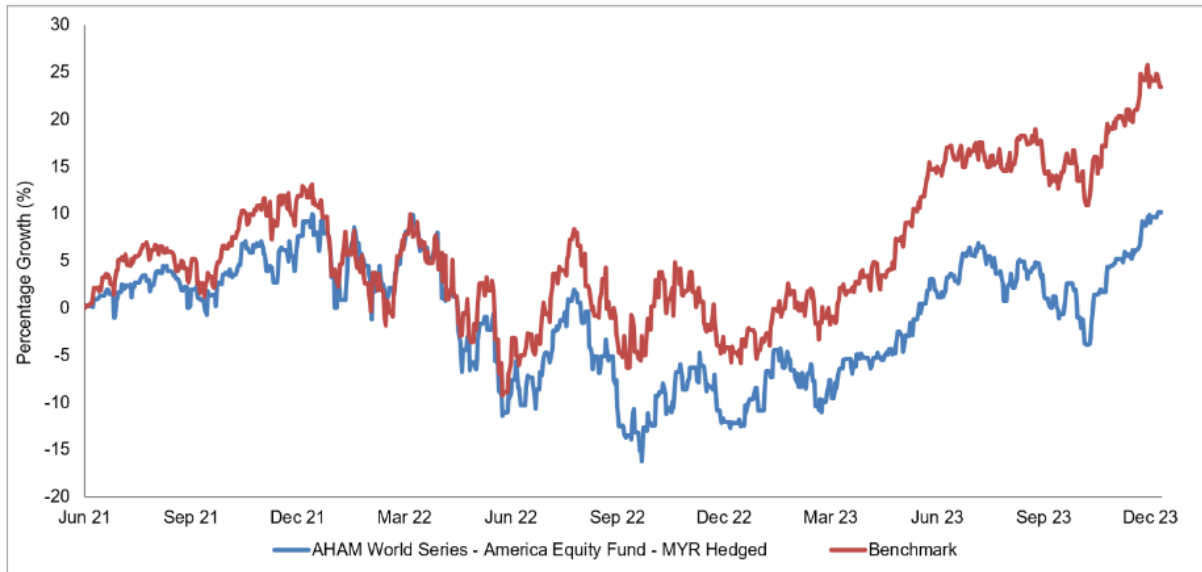


MYR Hedged-Class

| | 3 Months (1/10/23 - 31/12/23) | 6 Months (1/7/23 - 31/12/23) | 1 Year (1/1/23 - 31/12/23) | Since Commencement (25/6/21 - 31/12/23) |
|----------------|-------------------------------------|------------------------------------|----------------------------------|---|
| Fund | 8.79% | 6.58% | 25.42% | 10.12% |
| Benchmark | 8.75% | 5.45% | 29.46% | 23.40% |
| Outperformance | 0.04% | 1.13% | (4.04%) | (13.28%) |

Source of Benchmark: Bloomberg

Movement of the Fund versus the Benchmark

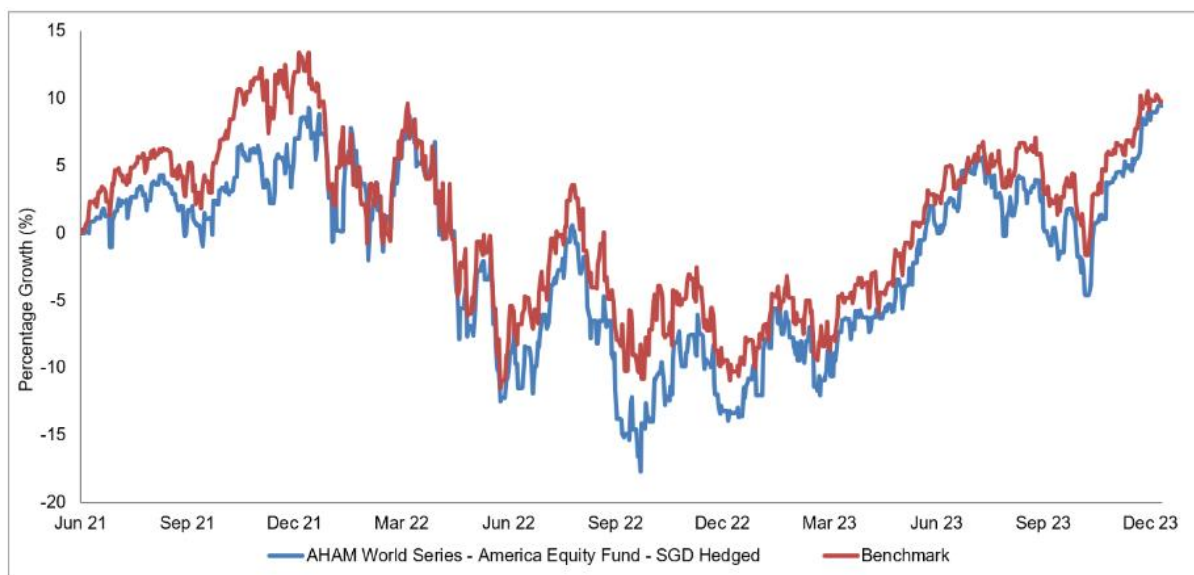


SGD Hedged-Class

| | 3 Months (1/10/23 - 31/12/23) | 6 Months (1/7/23 - 31/12/23) | 1 Year (1/1/23 - 31/12/23) | Since Commencement (25/6/21 - 31/12/23) |
|----------------|-------------------------------------|------------------------------------|----------------------------------|---|
| Fund | 9.02% | 7.08% | 26.31% | 9.46% |
| Benchmark | 7.42% | 4.58% | 22.37% | 9.77% |
| Outperformance | 1.60% | 2.50% | 3.94% | (0.31%) |

Source of Benchmark: Bloomberg

Movement of the Fund versus the Benchmark



"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. Source of Benchmark is from Bloomberg."
 Benchmark: S&P 500 Index

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

Asset Allocation

Fund's asset mix during the period under review:

| | <u>31 December 2023</u> |
|---------------------|-------------------------|
| | (%) |
| Unit Trust | 96.51 |
| Derivative | 1.36 |
| Cash & money market | 2.13 |
| Total | <u>100.00</u> |

Strategies Employed

The Target Fund posted a positive return but underperformed the benchmark during the fourth quarter of 2023.

The Target Fund Manager's stock selection in the health care and communication services sectors detracted from performance. Within health care, the Target Fund's overweight position in Bristol-Myers Squibb proved

lackluster, however the Target Fund Manager remain comfortable with their position in the stock looking at their strong pipeline and fundamentals.

At the security level, the Target Fund's overweight position in EOG Resources was the largest detractor. Despite reporting an earnings beat in 3Q 2023 backed by better pricing and unit costs, the stock underperformed along with the broader energy sector on oil weakness and unfavorable market response on production cuts from OPEC+. However, the Target Fund Manager will continue to remain overweight the stock based on its returns-oriented management team, low-cost focus and inventory quality.

On the other hand, the stock selection in the energy and materials sectors contributed to performance. In energy, the Target Fund's lack of exposure to Exxon Mobil added value. The stock underperformed this quarter as investors grew concerned with the announcement of a USD 60bn acquisition of Pioneer Natural Resources and earnings miss for 3Q 2023. Additionally, lower oil prices and concerns around the Venezuelan army potentially annexing the Essequibo area served as headwinds.

Among individual names, the Target Fund's overweight position in Advanced Micro Devices was among the largest contributors. The company reported better than expected earnings for 3Q 2023, as they benefited from increase in the sales of its Zen 4 server and client processors. The company has been concentrating on its investments in AI and has given a positive guidance on the sales of AI chips for the next year. Hence, the Target Fund Manager remain comfortable with their overweight position.

Market Review

The S&P 500 Index® returned +11.69% in the fourth quarter of 2023. Within the index, real estate and information technology were the best performing sectors, returning +18.83% and +17.17%, respectively. Energy and consumer staples were laggards, returning -6.94% and +5.53% respectively.

The fourth quarter was the strongest for the US Equity markets in 2023. The US 10-year Treasury yield breached 5% for the first time since 2007 in October, on fears of "higher for longer" rates. During the Fed's December meeting, the FOMC agreed to hold the rate steady between 5.25%-5.50%; further they noted that rate cuts would be likely in 2024 but the path remained highly uncertain. Meanwhile, third quarter GDP was a bright spot, with GDP rising at 4.9% annualized; the increase was primarily driven by an increase in consumer spending and inventory investment. The labor market picked up slightly, as unemployment nudged down to 3.7% in November.

The small cap Russell 2000 Index® outperformed large cap stocks as represented by the S&P 500 Index®, returning +14.04% versus +11.69%, respectively. Value underperformed growth, with the Russell 3000 Value Index® returning +9.83% and the Russell 3000 Growth Index® returning +14.09%.

Investment outlook

The Target Fund Manager remain invested in owning high quality businesses with durable competitive advantages, which we believe will provide stability should uncertainty persist, and economic fundamentals deteriorate.

On a relative basis, the financials, real estate and consumer discretionary sectors are the Target Fund's largest overweight exposures. The largest underweights include information technology, consumer staples and industrials sectors. In the Target Fund, the Target Fund Managers have a slight tilt towards growth stocks. They continue to focus on fundamentals of the economy and company earnings. The Target Fund Manager's analysts' estimates for S&P 500 Index® earnings currently project +12% for 2024 and +12% for 2025. While subject to revision, this forecast includes their best analysis of earnings expectations.

Easing inflation and improved prospects for growth have helped fuel optimism for a soft landing. However, be it the U.S. election, higher policy rates or significant geopolitical tension, risks continue to remain that could push the economy into recession in 2024. Through the volatility, the Target Fund Manager continues to focus on high conviction stocks and take advantage of market dislocations for compelling stock selection opportunities.

AHAM WORLD SERIES - AMERICA EQUITY FUND
(FORMERLY KNOWN AS AFFIN HWANG WORLD SERIES - AMERICA EQUITY FUND)

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023

| | Financial period ended <u>31.12.2023</u> USD | Financial period ended <u>31.12.2022</u> USD |
|--|---|---|
| INVESTMENT INCOME | | |
| Interest income from financial assets at amortised cost | 987 | 385 |
| Net gain on foreign currency exchange | 16,398 | 11,831 |
| Net gain on forward foreign currency contracts at fair value through profit or loss | 341,743 | 684,279 |
| Net gain on financial assets at fair value through profit or loss | 2,164,365 | 375,033 |
| | <u>2,523,493</u> | <u>1,071,528</u> |
| EXPENSES | | |
| Management fee | (96,743) | (83,222) |
| Trustee fee | (3,227) | (2,775) |
| Fund accounting fee | (745) | (765) |
| Auditors' remuneration | (437) | (461) |
| Tax agent's fee | (191) | (202) |
| Other expenses | (1,376) | (1,241) |
| | <u>(102,719)</u> | <u>(88,666)</u> |
| NET PROFIT BEFORE TAXATION | 2,420,774 | 982,862 |
| Taxation | - | - |
| INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS | <u>2,420,774</u> | <u>982,862</u> |
| Increase in net asset attributable to unitholders is made up of the following: | | |
| Realised amount | 2,219,991 | (73,497) |
| Unrealised amount | 200,783 | 1,056,359 |
| | <u>2,420,774</u> | <u>982,862</u> |

AHAM WORLD SERIES - AMERICA EQUITY FUND
(FORMERLY KNOWN AS AFFIN HWANG WORLD SERIES - AMERICA EQUITY FUND)

UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

| | <u>2023</u> USD | <u>2022</u> USD |
|--|--------------------|--------------------|
| ASSETS | | |
| Cash and cash equivalents | 3,041,830 | 277,715 |
| Amount due from broker | - | 10,428 |
| Amount due from Manager | | |
| - creation of units | 173,641 | 42,161 |
| - management fee rebate receivable | 21,722 | 23,831 |
| Financial assets at fair value through profit or loss | 23,389,474 | 18,279,315 |
| Forward foreign currency contracts at fair value through profit or loss | 356,376 | 192,324 |
| TOTAL ASSETS | <u>26,983,043</u> | <u>18,825,774</u> |
| LIABILITIES | | |
| Forward foreign currency contracts at fair value through profit or loss | 27,012 | 18,411 |
| Amount due to broker | 2,600,000 | 1,072 |
| Amount due to Manager | | |
| - management fee | 35,501 | 29,282 |
| - cancellation of units | 82,196 | - |
| Amount due to Trustee | 1,183 | 976 |
| Fund accounting fee | 254 | - |
| Auditors' remuneration | 447 | 478 |
| Tax agent's fee | 958 | 1,005 |
| Other payables and accruals | 647 | 685 |
| TOTAL LIABILITIES (EXCLUDING NET ASSET ATTRIBUTABLE TO UNITHOLDERS) | <u>2,748,198</u> | <u>51,909</u> |
| NET ASSET VALUE OF THE FUND | <u>24,234,845</u> | <u>18,773,865</u> |
| NET ASSETS ATTRIBUTABLE TO UNITHOLDERS | <u>24,234,845</u> | <u>18,773,865</u> |

AHAM WORLD SERIES - AMERICA EQUITY FUND
(FORMERLY KNOWN AS AFFIN HWANG WORLD SERIES - AMERICA EQUITY FUND)

UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023 (CONTINUED)

| | <u>2023</u> USD | <u>2022</u> USD |
|--|--------------------|--------------------|
| REPRESENTED BY: | | |
| FAIR VALUE OF OUTSTANDING UNITS | | |
| - AUD Hedged-class | 2,080,888 | 1,110,197 |
| - MYR Class | 47,447 | - |
| - MYR Hedged-class | 16,312,115 | 11,790,918 |
| - SGD Hedged-class | 1,343,333 | 1,170,796 |
| - USD Class | 4,451,062 | 4,701,954 |
| | <u>24,234,845</u> | <u>18,773,865</u> |
| NUMBER OF UNITS IN CIRCULATION | | |
| - AUD Hedged-class | 5,674,000 | 3,822,000 |
| - MYR Class | 439,000 | - |
| - MYR Hedged-class | 135,994,000 | 118,172,000 |
| - SGD Hedged-class | 3,242,000 | 3,626,000 |
| - USD Class | 7,939,000 | 10,815,000 |
| | <u>153,288,000</u> | <u>136,435,000</u> |
| NET ASSET VALUE PER UNIT (USD) | | |
| - AUD Hedged-class | 0.3667 | 0.2905 |
| - MYR Class | 0.1081 | - |
| - MYR Hedged-class | 0.1199 | 0.0998 |
| - SGD Hedged-class | 0.4144 | 0.3229 |
| - USD Class | 0.5607 | 0.4348 |
| | <u>0.5607</u> | <u>0.4348</u> |
| NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES | | |
| - AUD Hedged-class | AUD0.5390 | AUD0.4278 |
| - MYR Class | RM0.4961 | - |
| - MYR Hedged-class | RM0.5506 | RM0.4390 |
| - SGD Hedged-class | SGD0.5473 | SGD0.4333 |
| - USD Class | USD0.5607 | USD0.4348 |
| | <u>USD0.5607</u> | <u>USD0.4348</u> |

AHAM WORLD SERIES - AMERICA EQUITY FUND
(FORMERLY KNOWN AS AFFIN HWANG WORLD SERIES - AMERICA EQUITY FUND)

UNAUDITED STATEMENT OF CHANGES IN ASSET ATTRIBUTABLE TO UNITHOLDERS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023

| | Financial Period ended <u>31.12.2023</u> USD | Financial period ended <u>31.12.2022</u> USD |
|---|---|---|
| NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE PERIOD | 19,576,481 | 17,192,693 |
| Movement due to units created and cancelled during the financial period | | |
| Creation of units arising from applications | 3,534,353 | 881,577 |
| - AUD Hedged-class | 500,770 | 111,110 |
| - MYR Class | 47,291 | - |
| - MYR Hedged-class | 2,134,870 | 601,780 |
| - SGD Hedged-class | 344,491 | 28,036 |
| - USD Class | 506,931 | 140,651 |
| Cancellation of units | (1,296,763) | (283,267) |
| - AUD Hedged-class | (124,331) | (12,655) |
| - MYR Hedged-class | (233,474) | (103,249) |
| - SGD Hedged-class | (199,415) | - |
| - USD Class | (739,543) | (167,363) |
| Net increase in net assets attributable to unitholders during the financial period | 2,420,774 | 982,862 |
| - AUD Hedged-class | 248,479 | 56,577 |
| - MYR Class | 156 | - |
| - MYR Hedged-class | 1,599,729 | 739,031 |
| - SGD Hedged-class | 161,248 | 90,017 |
| - USD Class | 411,162 | 97,237 |
| NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL PERIOD | <u><u>24,234,845</u></u> | <u><u>18,773,865</u></u> |

AHAM Asset Management Berhad

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