



ANNUAL REPORT
30 November 2024

AHAM Flexible Maturity Income Fund 20

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

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

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AHAM FLEXIBLE MATURITY INCOME FUND 20

Annual Report and Audited Financial Statements For The Financial Year Ended 30 November 2024

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FUND INFORMATION

Fund Name	AHAM Flexible Maturity Income Fund 20
Fund Type	Income
Fund Category	Fixed Income (Wholesale)
Investment Objective	The Fund aims to provide income through investments in fixed income instruments
Duration of the Fund	Five (5) years close-ended Fund
Termination Date	26 November 2025
Benchmark	5-years Malayan Banking Berhad fixed deposit rate as at Investment Date
Distribution Policy	Depending on the level of income the Fund generates, the Fund will provide distribution on an annual basis

FUND PERFORMANCE DATA

Category	As at 30 Nov 2024 (%)	As at 30 Nov 2023 (%)	As at 30 Nov 2022 (%)
Portfolio composition			
Unquoted fixed income securities – local	34.87	27.95	6.79
Unquoted fixed income securities – foreign	62.95	73.11	89.58
Total unquoted fixed income securities	97.82	101.06	96.37
Cash & cash equivalent*	2.18	-1.06	3.63
Total	100.00	100.00	100.00
Total NAV (RM'million)	48.833	50.5320	53.157
NAV per Unit (RM)	0.7364	0.7269	0.7456
Unit in Circulation (million)	66.314	69.5150	71.296
Highest NAV	0.7750	0.8357	0.9568
Lowest NAV	0.7267	0.7253	0.7050
Return of the Fund (%)	6.99	2.87	-17.54
- Capital Growth (%)	1.31	-2.51	-20.18
- Income Distribution (%)	5.61	5.51	3.31
Gross Distribution per Unit (sen)	4.12	5.230	2.470
Net Distribution per Unit (sen)	4.12	4.000	2.470
Total Expense Ratio (%) ¹	0.33	0.32	0.32
Portfolio Turnover Ratio (times) ²	1.27	0.66	0.52

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

The performance figures are a comparison of the growth/decline in Net Asset Value (“NAV”) for the stipulated year taking into account all the distribution payable (if any) during the stipulated year.

An illustration of the above would be as follow:-

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

¹ The TER of the Fund was higher due to the lower average NAV of the Fund during the financial year under review.

² The PTR of the Fund increased due to increased trading activities of the Fund during the financial year under review.

* The total NAV of the fund is more than 100% due to timing of cash settlement.

Income Distribution / Unit Split

The Net Asset Value per unit prior and subsequent to the distribution was as follows:-

Cum Date	Ex-Date	Cum-distribution	Distribution per Unit (RM)	Ex-distribution
28-Nov-22	29-Nov-22	0.7620	0.0247	0.7464
26-Nov-23	27-Nov-23	0.7652	0.0400	0.7253
25-Nov-24	26-Nov-24	0.7750	0.0412	0.7340

No unit split were declared for the financial year ended 30 November 2024.

Income Distribution Breakdown

Class	Ex-Date	Income (per unit) (sen / cents)	Income (%)	Capital (per unit) (sens / cents)	Capital (%)
MYR	29-Nov-22	2.4720	100	-	-
MYR	27-Nov-23	4.0000	100	-	-
MYR	26-Nov-24	4.1200	100	-	-

Fund Performance

Table 1: Performance of the Fund

	1 Year (1/12/23 - 30/11/24)	3 Years (1/12/21 - 30/11/24)	Since Commencement (26/11/20 - 30/11/24)
Fund	6.99%	(9.24%)	(12.62%)
Benchmark	2.11%	6.44%	8.71%
Outperformance	4.88%	(15.68%)	(21.33%)

Source of Benchmark: Maybank

Table 2: Average Total Return

	1 Year (1/12/23 - 30/11/24)	3 Years (1/12/21 - 30/11/24)	Since Commencement (26/11/20 - 30/11/24)
Fund	6.99%	(3.18%)	(3.30%)
Benchmark	2.11%	2.10%	2.10%
Outperformance	4.88%	(5.28%)	(5.40%)

Source of Benchmark: Maybank

Table 3: Annual Total Return

	FYE 2024 (1/12/23 - 30/11/24)	FYE 2023 (1/12/22 - 30/11/23)	FYE 2022 (1/12/21 - 30/11/22)
Fund	6.99%	2.87%	(17.54%)
Benchmark	2.11%	2.10%	2.10%
Outperformance	4.88%	0.77%	(19.64%)

Source of Benchmark: Maybank

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

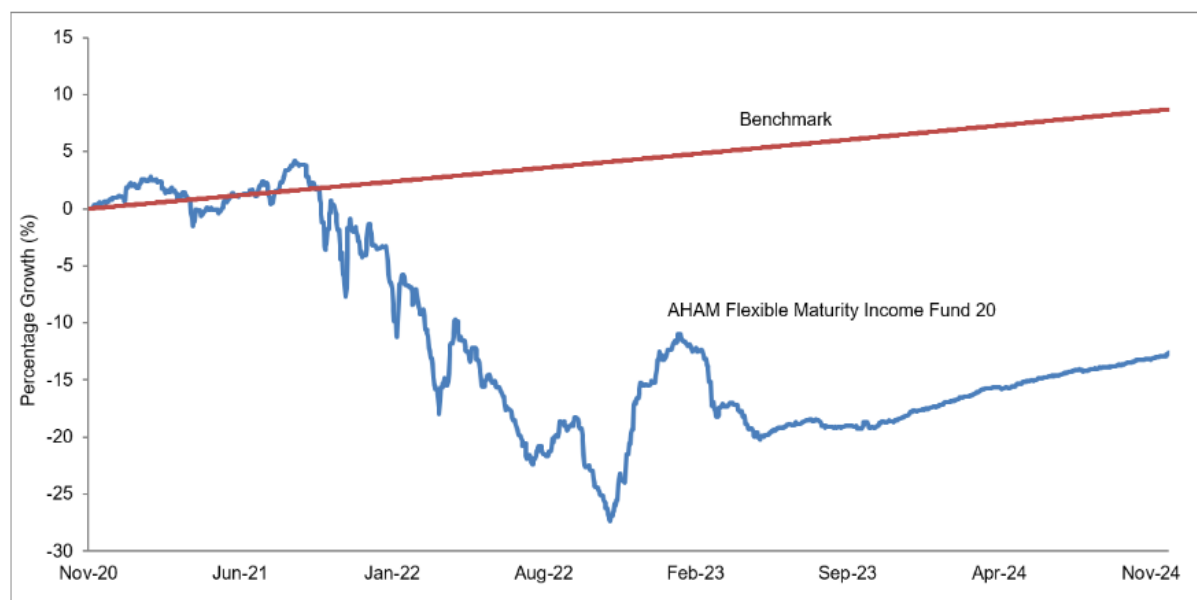
MANAGER'S REPORT

Performance Review (1 December 2023 to 30 November 2024)

For the financial year ended 30 November 2024 (1 December 2023 to 30 November 2024), the Fund registered a 6.99% return compared to the benchmark return of 2.11%. The Fund thus outperformed the Benchmark by 4.88%. The Net Asset Value per unit ("NAV") of the Fund as at 30 November 2024 was RM0.7364 while the NAV as at 30 November 2023 was RM0.7269. During the financial year under review, the Fund has declared an income distribution of RM0.0412 per unit.

Since commencement, the Fund has registered a return of -12.62% compared to the benchmark return of 8.71%, underperforming by 21.33%.

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. Source of Benchmark is from Maybank."
Benchmark: 5-years Malayan Banking Berhad fixed deposit rate as at Investment Date*

Asset Allocation

As at 30 November 2024, the asset allocation of the Fund stood at 97.82% of the Fund's NAV in fixed income securities while the remaining was held in cash and cash equivalent.

Strategies Employed

The Flexible Maturity Income Fund series has historically employed a more passive buy-and-hold to-maturity strategy. The Manager would invest in a portfolio of bonds with maturities that closely matching those of the respective funds and monitor the credit fundamentals of these issuers throughout the remaining tenure of the funds. However, in response to heightened volatility and unprecedented rate hikes, the Manager has adopted a more active investing approach. This includes progressively rebalancing the portfolios and focusing on trading in new and existing issuances to enhance return potential.

The Manager has implemented several key measures to enhance the risk profile and resilience of the Funds in response to prevailing market conditions. One of the pivotal decisions was the complete exit from China property bonds. This was premised on the liquidity and credit challenges faced by China property developers. Persistently weak property sales, coupled with government policies that have not fully addressed underlying issues, led the Manager to believe that these challenges were unlikely to be swiftly resolved. Furthermore, the decision by many issuers to prioritize onshore bonds over offshore bonds signaled prolonged and uncertain timelines for the restructuring of defaulted bonds, with anticipated low recovery values, if any.

The Manager began taking proactive measures in 2022, actively reducing holdings in the China property sector. By 2023, a strategic decision was made to completely exit from China property bonds. Crucially, strategic divestments were made, including the complete exit from core holdings such as Country Garden and CIFI Holdings in the first half of 2023. Presently, the Fund holds no position in China property bonds.

The Manager has also increased the allocation to Investment Grade (“IG”) bonds for the Fund. By favouring IG assets over High Yield (“HY”) instruments, it aligns the portfolio with a more conservative risk profile. Additionally, the Manager has prudently rebalanced the portfolio duration of the Fund to mitigate the impact of rising rates on the Fund's performance, ensuring that it closely matches the Fund's maturities.

Market Review

Over the past 12 months ending November 2024, the fixed income market has experienced significant movements influenced by central bank policies, economic data and geopolitical events. The Federal Reserve's (“Fed”) monetary policy has been pivotal, culminating in a series of interest rate cuts throughout 2024. After keeping interest rate at 5.5% for 14 months, Fed finally began easing in September 2024, cutting rates by 50 basis points (“bps”) and 25bps respectively in September and November to currently 4.75% and it is expected to continue to normalise rate as inflation pressure has tapered off. This shift reflects a broader strategy to support economic growth amid signs of easing inflation and a stabilizing labor market. Other central banks have also adjusted their policies in response to global economic conditions. For instance, the Bank of England and European Central Bank have reduced interest rates by 50bps and 75bps, respectively. With the above, the United States (“U.S.”) 10-year Treasury note has fluctuated significantly over the past year. During the year under review, yield peaked at around 4.7% in April 2024 but has since shown a downward trend, closing at approximately 4.3% as of end November 2024. For the full year, U.S. Treasury 10 year traded in a range of 3.6 – 4.7%. U.S. yield curve was inverted through 2022-2024 indicating investor concerns about future economic conditions. However, yield curve normalized in September 2024 as Fed embarked on easing mode. While economic indicators have shown mixed signals, general economic growth has been somewhat resilient, with U.S. unemployment rate remained stable at around 4.10% as of October 2024, suggesting a potential “soft landing” for the economy as interest rates are expected to decrease further over the next year. Inflation rates have also moderated slightly, with recent figures reporting an annual inflation rate of approximately 2.60% as of October 2024.

On geopolitics front, the U.S. Presidential election that was held on 5 November 2024 culminated in a significant victory for the Republican candidate Donald Trump, who secured his second non-consecutive term as President of the United States. The Republican secured majority in both Senate and the House, resulting in a united congress. Risk assets reacted in a positive way on expectation that a Republican sweep will lead to reacceleration in economy. Risk free assets were largely muted as much of Trump victory was already priced in going into the election.

In Asia, corporate bond space remains resilient, driven by a combination of strong demand and improving credit fundamentals. The performance of Asian corporate bonds has been supported by tightening credit spreads, which reflect a more favorable risk environment for issuers. Factors such as stable economic growth in key markets, coupled with a supportive policy backdrop, have contributed to this trend. Additionally, the appetite for high-quality corporate debt has remained robust, with investors seeking yield in a low-interest-rate environment. This has led to increased issuance and a competitive market for corporate bonds across the region.

In Malaysia, Bank Negara Malaysia has continuously kept the Overnight Policy Rate unchanged at 3% since the last hike seen in May 2023, supported by the relatively moderate inflation and the central bank's stance to support growth. This together with strong demand for MYR denominated bonds translated to lower local bond market yields in both the government bonds and private debt securities space.

Investment Outlook

The outlook for global government bonds over the next 12 months is shaped by anticipated shifts in monetary policy and macroeconomic conditions. As central banks, particularly Fed, signal potential interest rate cuts in response to economic uncertainties, government bonds may benefit from increased demand. Lower interest rates typically lead to higher bond prices, providing opportunities for capital gains for investors holding longer-

duration bonds. Furthermore, with yields on government bonds remaining relatively attractive compared to historical standards, they are likely to attract risk-averse investors seeking stability amidst market volatility. However, the pace of economic recovery and inflation dynamics will be critical factors influencing bond performance, as unexpected inflation could erode real returns.

In the Asian corporate bond market, the outlook appears cautiously optimistic, driven by a combination of high yields and improving credit conditions. With many Asian economies showing signs of resilience, corporate bonds offer attractive income streams. Investors are encouraged to focus on credit quality, as the risk of defaults remains a concern, particularly in sectors still recovering from the pandemic's impact. Additionally, the shift towards sustainable finance and Environmental, Social, and Governance ("ESG") criteria is likely to create opportunities for corporate issuers that align with these values, potentially enhancing their credit profiles and attracting a broader investor base. However, geopolitical tensions and regional economic disparities may pose challenges that investors need to navigate carefully.

In terms of risks and opportunities in bond investments, several factors must be considered. Interest rate risk remains a significant concern, as rising rates can lead to declining bond prices, particularly for long-duration securities. On the positive note, we view that interest rates are more likely to be cut over the next twelve months, which will be supportive of bond prices. Inflation has moderated but the risk remains as it can erode the purchasing power of fixed income returns, making it crucial for investors to assess the real yield of their bond holdings. On the opportunity side, the current environment allows for active management strategies, where investors can capitalize on mispriced securities through diligent credit analysis and duration management. Moreover, the growing emphasis on ESG factors presents a dual opportunity to enhance returns while contributing to sustainable practices, particularly in the corporate bond space. Thus, while risks persist, the potential for attractive returns through strategic investment choices remains robust.

Closer to home, Malaysia's economy is projected to grow between 4.5% and 5.5% in 2024, supported by sectors such as construction, agriculture, manufacturing, and services, as well as improving terms of trade. At the same time, reported inflation has been benign, at 1.8% in November 2024, though there is potential upside risk related to subsidy rationalization. Overall, policy rates are expected to remain relatively stable, as Bank Negara appears to prefer a steady and accommodative policy stance. MYR-denominated bonds have seen very strong demand, supported by liquidity, which has benefited bond prices, especially in the corporate bond sector.

The Manager would like to emphasize that the final performance of the Fund upon maturity will depend on various market conditions. Throughout the Fund's remaining tenure, the Manager will continue to monitor market dynamics closely, identify prudent investment opportunities, and implement risk management strategies aimed at achieving the best possible outcomes for investors.

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

Cross Trade

Cross trade transactions have been carried out during the reported year and the Investment Committee of the Fund has reviewed that such transaction are in the best interest of the Fund, transacted in the normal course of business at agreed terms and on a fair value basis.

Securities Financing Transactions

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

Changes Made To the Fund's Information Memorandum

No changes were made to the Fund's Information Memorandum over the financial year under review.

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF AHAM FLEXIBLE MATURITY INCOME FUND 20 ("Fund")

We have acted as Trustee of the Fund for the financial year ended 30 November 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 financial year 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 Unlisted Capital Market Products under the Lodge and Launch Framework;
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

Kuala Lumpur
24 January 2025

AHAM FLEXIBLE MATURITY INCOME FUND 20

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

AHAM FLEXIBLE MATURITY INCOME FUND 20

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

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AHAM FLEXIBLE MATURITY INCOME FUND 20

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
INVESTMENT INCOME			
Interest income from financial assets at amortised cost		15,012	23,967
Interest income from financial assets at fair value through profit or loss		2,534,540	2,784,988
Net gain/(loss) on foreign currency exchanges		32,431	(670,006)
Net gain/(loss) on forward foreign currency contracts at fair value through profit or loss	12	1,074,311	(1,901,822)
Net (loss)/gain on financial assets at fair value through profit or loss	9	(83,626)	2,102,603
		<u>3,572,668</u>	<u>2,339,730</u>
EXPENSES			
Management fee	4	(102,531)	(109,503)
Trustee fee	5	(20,506)	(21,900)
Fund accounting fee	6	(13,000)	(14,083)
Auditors' remuneration		(8,000)	(8,000)
Tax agent's fee		(3,500)	(3,500)
Other expenses		(22,406)	(20,854)
		<u>(169,943)</u>	<u>(177,840)</u>
NET PROFIT BEFORE TAXATION		3,402,725	2,161,890
Taxation	7	52,259	(614,451)
NET PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		<u><u>3,454,984</u></u>	<u><u>1,547,439</u></u>
Net profit after taxation is made up of the following:			
Realised amount		1,587,003	(13,710,628)
Unrealised amount		1,867,981	15,258,067
		<u><u>3,454,984</u></u>	<u><u>1,547,439</u></u>

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

AHAM FLEXIBLE MATURITY INCOME FUND 20

STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
ASSETS			
Cash and cash equivalents	11	4,393,166	4,275,409
Amount due from dealer		1,876	-
Financial assets at fair value through profit or loss	9	47,768,819	51,072,740
Forward foreign currency contracts at fair value through profit or loss	12	2,510	-
Tax recoverable		209,638	-
TOTAL ASSETS		<u>52,376,009</u>	<u>55,348,149</u>
LIABILITIES			
Forward foreign currency contracts at fair value through profit or loss	12	786,854	1,810,498
Amount due to Manager - management fee		8,354	8,693
Amount due to Trustee		1,671	1,739
Fund accounting fee		1,083	1,083
Auditors' remuneration		8,000	8,000
Tax agent's fee		3,500	3,500
Tax provision		-	90,114
Deferred tax liabilities	10	-	110,035
Other payables and accruals		1,548	1,857
Distribution payable		2,732,137	2,780,600
TOTAL LIABILITIES		<u>3,543,147</u>	<u>4,816,119</u>
NET ASSET VALUE OF THE FUND		<u>48,832,862</u>	<u>50,532,030</u>

AHAM FLEXIBLE MATURITY INCOME FUND 20

STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2024 (CONTINUED)

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
EQUITY			
Unit holders' capital		67,667,025	70,089,040
Accumulated losses		(18,834,163)	(19,557,010)
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>48,832,862</u>	<u>50,532,030</u>
NUMBER OF UNITS IN CIRCULATION	13	<u>66,314,000</u>	<u>69,515,000</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.7364</u>	<u>0.7269</u>

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

AHAM FLEXIBLE MATURITY INCOME FUND 20

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

	Unit holders' <u>capital</u> RM	Accumulated <u>losses</u> RM	<u>Total</u> RM
Balance as at 1 December 2023	70,089,040	(19,557,010)	50,532,030
Total comprehensive income for the financial year	-	3,454,984	3,454,984
Distribution (Note 8)	-	(2,732,137)	(2,732,137)
Movement in unit holders' capital:			
Cancellation of units	(2,422,015)	-	(2,422,015)
Balance as at 30 November 2024	<u>67,667,025</u>	<u>(18,834,163)</u>	<u>48,832,862</u>
Balance as at 1 December 2022	71,480,842	(18,323,849)	53,156,993
Total comprehensive income for the financial year	-	1,547,439	1,547,439
Distribution (Note 8)	-	(2,780,600)	(2,780,600)
Movement in unit holders' capital:			
Cancellation of units	(1,391,802)	-	(1,391,802)
Balance as at 30 November 2023	<u>70,089,040</u>	<u>(19,557,010)</u>	<u>50,532,030</u>

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

AHAM FLEXIBLE MATURITY INCOME FUND 20

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		61,134,745	24,022,980
Proceeds from redemption of investments		5,370,508	5,621,792
Purchase of investments		(63,044,317)	(28,013,103)
Interest received		2,307,035	3,387,506
Management fee paid		(102,870)	(109,392)
Trustee fee paid		(20,574)	(21,877)
Fund accounting fee paid		(13,000)	(13,000)
Payment for other fees and expenses		(34,215)	(32,554)
Net realised (loss)/gain on foreign exchange		(19,211)	116,660
Net realised gain/(loss) on forward foreign currency contracts		48,157	(320,999)
Tax paid		(357,528)	(333,077)
		<hr/>	<hr/>
Net cash flows generated from operating activities		5,268,730	4,304,936
		<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for cancellation of units		(2,422,015)	(1,391,802)
Payment for distribution		(2,780,600)	(1,762,437)
		<hr/>	<hr/>
Net cash flows used in financing activities		(5,202,615)	(3,154,239)
		<hr/>	<hr/>
NET INCREASE IN CASH AND CASH EQUIVALENTS		66,115	1,150,697
EFFECTS OF FOREIGN CURRENCY EXCHANGE		51,642	(786,666)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		4,275,409	3,911,378
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	11	4,393,166	4,275,409
		<hr/> <hr/>	<hr/> <hr/>

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

AHAM FLEXIBLE MATURITY INCOME FUND 20

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 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 year. It also requires the Manager to exercise their judgement in the process of applying the Fund’s accounting policies. Although these estimates and judgement are based on the Manager’s best knowledge of current events and actions, actual results may differ.

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

The Fund commenced operations on 28 October 2020 and will continue its operations until terminated by the Trustee as provided under Clause 11.3 of the Deed or on maturity date of the Fund which falls on the fifth anniversary of the investment date, 26 November 2025, or such earlier date in accordance with the provisions of the Deed or subject to the early maturity feature. As such, the going concern assumption can no longer be used for the preparation of financial statements. Accordingly, the Manager has prepared the financial statements on a non-going concern basis of accounting. The Fund will be subject to a termination audit upon the Fund’s maturity in accordance with the SC’s Guidelines.

- (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.

- (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 date (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.

AHAM FLEXIBLE MATURITY INCOME FUND 20

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

- (b) Standards and amendments that have been issued that are applicable to the Fund but not yet effective : (continued)

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.

B INCOME RECOGNITION

Interest income

Interest income from short-term deposits with licensed financial institutions and unquoted fixed income securities are 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 unquoted fixed income securities, realised gains and losses on sale of investments are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on cost adjusted for accretion of discount or amortisation of premium on investments.

C 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 year.

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

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

AHAM FLEXIBLE MATURITY INCOME FUND 20

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

C TAXATION (CONTINUED)

Deferred tax is provided in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements.

Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised.

Deferred and income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

D DISTRIBUTION

A distribution to the Fund's unit holders is accounted for as a deduction from realised reserve. A proposed distribution is recognised as a liability in the period in which it is approved by the Trustee of the Fund.

E FUNCTIONAL AND PRESENTATION CURRENCY

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

F FOREIGN CURRENCY TRANSLATION

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

AHAM FLEXIBLE MATURITY INCOME FUND 20

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

- those to be measured subsequently 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.

The Fund classifies cash and cash equivalents and amount due from dealer as financial assets measured at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

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

(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.

AHAM FLEXIBLE MATURITY INCOME FUND 20

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

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

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

Unquoted fixed income securities including money market instrument denominated in Ringgit Malaysia are revalued on a daily basis based on fair value prices quoted by a bond pricing agency ("BPA") registered with the Securities Commission ("SC") as per the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework. Where such quotation are not available or where the Manager is of the view that the price quoted by the BPA for a specific unquoted fixed income securities differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager:

- (i) records its basis for using non-BPA price;
- (ii) obtains necessary internal approvals to use the non-BPA price; and
- (iii) keeps an audit trail of all decisions and basis for adopting the market yield.

Unquoted fixed income securities including money market instruments denominated in foreign currencies are revalued at least twice a week by reference to the mid price quoted in Bloomberg using the Composite Bloomberg Bond Trader ("CBBT") which is a weighted average bid and ask of price contributions submitted by Bloomberg Dealers. However, if such quotations are not available, the fair value shall be determined by reference to the bid and offer prices quoted by independent and reputable financial institutions.

Financial assets at amortised cost and other financial liabilities, except forward foreign currency contracts, are subsequently carried at amortised cost using the effective interest method.

(iii) Impairment

The Fund's financial assets measured at amortised cost are subject to expected credit losses. The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. Management considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

AHAM FLEXIBLE MATURITY INCOME FUND 20

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

Definition of default and credit-impaired financial assets

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

Quantitative criteria:

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

Qualitative criteria:

The debtor meets unlikeliness 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 year.

H CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances and 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.

I AMOUNT DUE FROM/(TO) DEALER

Amount due from and to dealer represent receivables for securities sold and payable 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 dealer balance is held for collection. Refer to Note G for accounting policy on recognition and measurement.

AHAM FLEXIBLE MATURITY INCOME FUND 20

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

I AMOUNT DUE FROM/(TO) DEALER (CONTINUED)

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

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

J 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 profit or loss 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 measured at fair value through profit or loss and financial liabilities measured at fair value through profit or loss, respectively.

The fair value of forward foreign currency contracts are determined using forward exchange rates on 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 measured at fair value through profit or loss.

K UNIT HOLDERS' CAPITAL

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

- the units entitle the holder to a proportionate share of the Fund's net asset value;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial year if a unitholder exercises the right to put the unit back to the Fund.

AHAM FLEXIBLE MATURITY INCOME FUND 20

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

K UNIT HOLDERS' CAPITAL (CONTINUED)

Units are created and cancelled at the unit holders' option at prices based on the Fund's net asset value per unit at the time of creation or cancellation. The Fund's net asset value per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.

L 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 SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

M REALISED AND UNREALISED PORTIONS OF PROFIT OR LOSS AFTER TAX

The analysis of realised and unrealised portions of profit or loss after tax as presented on the statement of comprehensive income is prepared in accordance with SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

1 INFORMATION ON THE FUND

The Wholesale Fund was constituted under the name Affin Hwang Flexible Maturity Income Fund 20 (the "Fund") pursuant to the execution of a Deed dated 14 October 2020 and First Supplemental Deed dated 27 September 2023 (the "Deeds") entered into between AHAM Asset Management Berhad and TMF Trustees Malaysia Berhad (the "Trustee"). The Fund has changed its name from Affin Hwang Flexible Maturity Income Fund 20 to AHAM Flexible Maturity Income Fund 20 as amended by the First Supplemental Deed dated 27 September 2023.

The Fund commenced operations on 28 October 2020 and will continue its operations until terminated by the Trustee as provided under Clause 11.3 of the Deed or on maturity date of the Fund which falls on the fifth anniversary of the investment date, 26 November 2025, or such earlier date in accordance with the provisions of the Deed or subject to the early maturity feature. As such, the going concern assumption can no longer be used for the preparation of financial statements. Accordingly, the Manager has prepared the financial statements on a non-going concern basis of accounting. The Fund will be subject to a termination audit upon the Fund's maturity in accordance with the SC's Guidelines.

The Fund may invest in any of the following investments:

- (a) Debentures;
- (b) Money market instruments;
- (c) Deposits;
- (d) Derivatives;
- (e) Structured products; and
- (f) Any other form of investments as may be permitted by the SC from time to time which are in line with the objective of the Fund.

All investments will be subjected to the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework, the Deeds and the objective of the Fund.

The main objective of the Fund is to provide income through investments in fixed income instruments.

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 24 January 2025.

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 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	11	4,393,166	-	4,393,166
Amount due from dealer		1,876	-	1,876
Unquoted fixed income securities	9	-	47,768,819	47,768,819
Forward foreign currency contracts	12	-	2,510	2,510
		<hr/>	<hr/>	<hr/>
Total		4,395,042	47,771,329	52,166,371
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<u>Financial liabilities</u>				
Forward foreign currency contracts	12	-	786,854	786,854
Amount due to Manager				
- management fee		8,354	-	8,354
Amount due to Trustee		1,671	-	1,671
Fund accounting fee		1,083	-	1,083
Auditors' remuneration		8,000	-	8,000
Tax agent's fee		3,500	-	3,500
Other payables and accruals		1,548	-	1,548
Distribution payable		2,732,137	-	2,732,137
		<hr/>	<hr/>	<hr/>
Total		2,756,293	786,854	3,543,147
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

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	11	4,275,409	-	4,275,409
Unquoted fixed income securities	9	-	51,072,740	51,072,740
Total		<u>4,275,409</u>	<u>51,072,740</u>	<u>55,348,149</u>
<u>Financial liabilities</u>				
Forward foreign currency contracts	12	-	1,810,498	1,810,498
Amount due to Manager				
- management fee		8,693	-	8,693
Amount due to Trustee		1,739	-	1,739
Fund accounting fee		1,083	-	1,083
Auditors' remuneration		8,000	-	8,000
Tax agent's fee		3,500	-	3,500
Other payables and accruals		1,857	-	1,857
Distribution payable		2,780,600	-	2,780,600
Total		<u>2,805,472</u>	<u>1,810,498</u>	<u>4,615,970</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 Unlisted Capital Market Products under the Lodge and Launch Framework.

Market risk

(a) Price risk

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

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

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

Market risk (continued)

(a) Price risk (continued)

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

	<u>2024</u> RM	<u>2023</u> RM
Unquoted investments		
Unquoted fixed income securities*	47,768,819	51,072,740

*includes interest receivable of RM614,843 (2022: RM626,109).

The following table summarises the sensitivity of the Fund's profit after taxation and net asset value ("NAV") to price risk movements. The analysis is based on the assumptions that the market price increased by 3% (2023: 5%) and decreased by 3% (2023: 5%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the unquoted securities.

<u>% Change in price</u>	<u>Market value</u> RM	<u>Impact on profit after tax/NAV</u> RM
<u>2024</u>		
-3%	45,739,357	(1,414,619)
0%	47,153,976	-
+3%	48,568,595	1,414,619
<u>2023</u>		
-5%	47,924,299	(2,522,332)
0%	50,446,631	-
+5%	52,968,963	2,522,332

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

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

Market risk (continued)

(b) Interest rate risk

In general, when interest rates rise, prices of unquoted fixed income securities will tend to fall and vice versa. Therefore, the NAV of the Fund may also tend to fall when interest rates rise or are expected to rise. However, investors should be aware that should the Fund hold an unquoted fixed income security until maturity, such price fluctuations would dissipate as it approaches maturity, and thus the growth of the NAV shall not be affected at maturity. In order to mitigate interest rates exposure of the Fund, the Manager will manage the duration of the portfolio via shorter or longer tenured assets depending on the view of the future interest rate trend of the Manager, which is based on its continuous fundamental research and analysis.

This risk is crucial in an unquoted fixed income securities fund since unquoted fixed income securities portfolio management depends on forecasting interest rate movements. Prices of unquoted fixed income securities move inversely to interest rate movements, therefore as interest rates rise, the prices of unquoted fixed income securities decrease and vice versa. Furthermore, unquoted fixed income securities with longer maturity and lower yield coupon rates are more susceptible to interest rate movements.

Investors should note that unquoted fixed income securities and money market instruments are subject to interest rate fluctuations. Such investments may be subject to unanticipated rise in interest rates which may impair the ability of the issuers to make payments of interest income and principal, especially if the issuers are highly leveraged. An increase in interest rates may therefore increase the potential for default by an issuer.

The table below summarises the sensitivity of the Fund's profit after taxation and NAV to movements in prices of unquoted fixed income securities held by the Fund as a result of movement in interest rate. The analysis is based on the assumptions that the interest rate increased and decreased by 1% (2023: 2%) with all other variables held constant.

<u>% Change in interest rate</u>	<u>Impact on profit after tax/NAV</u>	
	<u>2024</u>	<u>2023</u>
	RM	RM
+ 1% (2023: +2%)	(47,763)	(500,571)
- 1% (2023: -2%)	48,683	511,486

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

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

Market risk (continued)

(c) Currency risk

Currency risk is associated with investments denominated in foreign currencies. When the foreign currencies fluctuate in an unfavourable movement against Ringgit Malaysia, the investments will face currency losses in addition to the capital gain/(loss). The Manager will evaluate the likely directions of the foreign currency versus Ringgit Malaysia based on considerations of economic fundamentals such as 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:

	<u>Unquoted fixed income securities</u> RM	<u>Forward foreign currency contract</u> RM	<u>Cash and cash equivalents</u> RM	<u>Total</u> RM
<u>2024</u>				
<u>Financial assets</u>				
Australian Dollar	-	2,510	1,491,715	1,494,225
China Renminbi	-	-	934	934
Euro	-	-	501	501
Singapore Dollar	2,495,215	-	20,414	2,515,629
United States Dollar	28,246,191	-	14,735	28,260,926
	<u>30,741,406</u>	<u>2,510</u>	<u>1,528,299</u>	<u>32,272,215</u>
			<u>Forward foreign currency contracts</u> RM	<u>Total</u> RM
<u>Financial liabilities</u>				
Australian Dollar			1,368	1,368
Singapore Dollar			24,663	24,663
United States Dollar			760,823	760,823
			<u>786,854</u>	<u>786,854</u>

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 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)

	Unquoted fixed income securities RM	Cash and cash equivalents RM	<u>Total</u> RM
<u>2023</u>			
<u>Financial assets</u>			
Australian Dollar	1,151,160	22,780	1,173,940
China Renminbi	-	993	993
Euro	874,716	-	874,716
Singapore Dollar	5,267,196	-	5,267,196
United States Dollar	29,658,269	1,362,322	31,020,591
	<u>36,951,341</u>	<u>1,386,095</u>	<u>38,337,436</u>
		Forward foreign currency contracts RM	<u>Total</u> RM
<u>Financial liabilities</u>			
Australian Dollar		31,676	31,676
Euro		5,837	5,837
Singapore Dollar		174,464	174,464
United States Dollar		1,598,521	1,598,521
		<u>1,810,498</u>	<u>1,810,498</u>

The table below summarises the sensitivity of the Fund's profit after tax and net asset value 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 remain 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 unit holders by each currency's respective historical volatility. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

	Change in rate %	Impact on profit after tax/NAV RM
<u>2024</u>		
Australian Dollar	+/- 7.41	+/- 110,621
China Renminbi	+/- 5.18	+/- 48
Euro	+/- 5.49	+/-28
Singapore Dollar	+/- 4.06	+/- 101,133
United States Dollar	+/- 6.31	+/- 1,735,256
<u>2023</u>		
Australian Dollar	+/- 9.36	+/- 106,916
China Renminbi	+/- 4.94	+/- 49
Euro	+/- 6.00	+/- 52,483
Singapore Dollar	+/- 3.78	+/- 205,695
United States Dollar	+/- 6.06	+/- 1,976,718

Credit risk

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

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

For unquoted fixed income securities, the Manager regularly reviews the rating assigned to the issuer so that necessary steps can be taken if the rating falls below those described in the Deed and SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

The settlement terms of the proceeds from the creation of units' receivable from the Manager are governed by the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

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

Credit risk (continued)

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

	Unquoted fixed income <u>securities</u> RM	Cash and cash <u>equivalents</u> RM	Forward foreign currency <u>contract</u> RM	Amount due from <u>dealer</u> RM	<u>Total</u> RM
<u>2024</u>					
Basic Materials					
- AA2	709,343	-	-	-	709,343
Consumer Discretionary					
- Ba1	1,356,887	-	-	-	1,356,887
- Baa2	900,128	-	-	-	900,128
- BBB-	1,782,727	-	-	-	1,782,727
- AA1	2,049,136	-	-	-	2,049,136
- AA-	2,040,648	-	-	-	2,040,648
Energy					
- A1	1,991,191	-	-	-	1,991,191
- A3	1,334,064	-	-	-	1,334,064
- Ba3	2,289,738	-	-	-	2,289,738
Financial services					
- A3	3,013,320	-	-	-	3,013,320
- AAA	-	4,393,166	-	-	4,393,166
- Ba1	5,936,782	-	-	-	5,936,782
- Ba3	855,596	-	-	-	855,596
- Baa1	2,704,108	-	-	-	2,704,108
- Baa2	893,872	-	-	-	893,872
- Baa3	1,721,105	-	-	-	1,721,105
- BBB-	1,837,174	-	-	-	1,837,174
- BBB+	2,694,048	-	-	-	2,694,048
- AA1	-	-	2,510	1,876	4,386
- Ba2	906,381	-	-	-	906,381
- AA	2,032,733	-	-	-	2,032,733
Healthcare					
- A	2,016,258	-	-	-	2,016,258
Industrials					
- AA3	2,071,026	-	-	-	2,071,026
- A-	2,078,990	-	-	-	2,078,990

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

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

Credit risk (continued)

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

	Unquoted fixed income <u>securities</u> RM	Cash and cash <u>equivalents</u> RM	Forward foreign currency <u>contract</u> RM	Amount due from <u>dealer</u> RM	<u>Total</u> RM
<u>2024</u> (continued)					
Real Estate					
- BBB-	818,343	-	-	-	818,343
- Non-rated ("NR")	830,087	-	-	-	830,087
Telecommunications					
- Ba1	867,046	-	-	-	867,046
Utilities					
- AA3	2,038,088	-	-	-	2,038,088
	<u>47,768,819</u>	<u>4,393,166</u>	<u>2,510</u>	<u>1,876</u>	<u>52,166,371</u>

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

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

Credit risk (continued)

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

	Unquoted fixed income securities RM	Cash and cash equivalents RM	<u>Total</u> RM
<u>2023</u>			
Consumer Discretionary			
- AA1	1,530,397	-	1,530,397
- Baa3	1,379,965	-	1,379,965
- BBB-	1,793,401	-	1,793,401
Energy			
- A1	2,928,346	-	2,928,346
- Baa1	1,363,016	-	1,363,016
Financial services			
- AAA	1,011,229	4,275,409	5,286,638
- AA	2,028,408	-	2,028,408
- A2	889,564	-	889,564
- A3	727,880	-	727,880
- Baa1	5,496,307	-	5,496,307
- Baa2	2,719,257	-	2,719,257
- Baa3	3,834,741	-	3,834,741
- BBB	1,776,885	-	1,776,885
- BBB-	1,911,424	-	1,911,424
- BBB+	926,704	-	926,704
- Ba1	3,472,934	-	3,472,934
- Ba2	2,636,289	-	2,636,289
Healthcare			
- A+	1,990,902	-	1,990,902
Industrials			
- A	505,594	-	505,594
- AA3	4,126,523	-	4,126,523
- NR	947,781	-	947,781
Real Estate			
- BBB-	827,780	-	827,780
- Baa1	3,470,918	-	3,470,918
- C	90,861	-	90,861
Technology			
- Baa3	2,685,634	-	2,685,634
	<u>51,072,740</u>	<u>4,275,409</u>	<u>55,348,149</u>

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 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 cancellation of units by unit holders. Liquid assets comprise cash 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>			
Forward foreign currency contracts at fair value through profit or loss	-	786,854	786,854
Amount due to Manager			
- management fee	8,354	-	8,354
Amount due to Trustee	1,671	-	1,671
Fund accounting fee	1,083	-	1,083
Auditors' remuneration	-	8,000	8,000
Tax agent's fee	-	3,500	3,500
Other payables and accruals	-	1,548	1,548
Distribution payable	2,732,137	-	2,732,137
	<u>2,743,245</u>	<u>799,902</u>	<u>3,543,147</u>
<u>2023</u>			
Forward foreign currency contracts at fair value through profit or loss	98,064	1,712,434	1,810,498
Amount due to Manager			
- management fee	8,693	-	8,693
Amount due to Trustee	1,739	-	1,739
Fund accounting fee	1,083	-	1,083
Auditors' remuneration	-	8,000	8,000
Tax agent's fee	-	3,500	3,500
Other payables and accruals	-	1,857	1,857
Distribution payable	2,780,600	-	2,780,600
	<u>2,890,179</u>	<u>1,725,791</u>	<u>4,615,970</u>

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

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

Capital risk

The capital of the Fund is represented by equity consisting of unit holders' capital net of accumulated losses. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. 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 unit holders and benefits for other stakeholders 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 year end date. The Fund utilises the bid price for financial assets.

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 judgement, considering factors specific to the asset or liability.

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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

The following table analyses within the fair value hierarchy the Fund's financial assets and financial liabilities (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				
- unquoted fixed income securities	-	47,768,819	-	47,768,819
- forward foreign currency contracts	-	2,510	-	2,510
	<u> </u>	<u>47,771,329</u>	<u> </u>	<u>47,771,329</u>
Financial liabilities at fair value through profit or loss:				
- forward foreign currency contracts	-	786,854	-	786,854
	<u> </u>	<u>786,854</u>	<u> </u>	<u>786,854</u>
<u>2023</u>				
Financial assets at fair value through profit or loss				
- unquoted fixed income securities	-	51,072,740	-	51,072,740
	<u> </u>	<u>51,072,740</u>	<u> </u>	<u>51,072,740</u>
Financial liabilities at fair value through profit or loss:				
- forward foreign currency contracts	-	1,810,498	-	1,810,498
	<u> </u>	<u>1,810,498</u>	<u> </u>	<u>1,810,498</u>

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include unquoted fixed income securities and forward foreign currency contracts. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

- (ii) The carrying values of cash and cash equivalents, amount due from dealer and all current liabilities, except for forward foreign currency contracts, are a reasonable approximation of the fair values due to their short-term nature.

4 MANAGEMENT FEE

In accordance with the Deeds, the Manager is entitled to a management fee at a rate not exceeding 3.00% per annum on the NAV of the Fund, calculated on a daily basis.

For the financial year ended 30 November 2024, the management fee is recognised at a rate of 0.20% (2023: 0.20%) per annum on the NAV of the Fund, calculated on a daily basis as stated in the Fund's Information Memorandum.

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

5 TRUSTEE FEE

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

For the financial year ended 30 November 2024, the Trustee fee is recognised at a rate of 0.04% (2023: 0.04%) per annum on the NAV of the Fund, exclusive of foreign custodian fees and charges, calculated on a daily basis as stated in the Fund's Information Memorandum.

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 is RM13,000 (2023: RM14,083) for the financial year.

7 TAXATION

	<u>2024</u> RM	<u>2023</u> RM
Current taxation	45,362	690,114
Deferred tax (Note 10)	(110,035)	(131,456)
Under provision in previous financial year	12,414	55,793
	<u>(52,259)</u>	<u>614,451</u>

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

7 TAXATION (CONTINUED)

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

	<u>2024</u> RM	<u>2023</u> RM
Net profit/(loss) before taxation	3,402,725	2,161,890
Tax at Malaysian statutory rate of 24% (2023: 24%)	816,654	518,854
Tax effects of:		
Investment income not subject to tax	(919,461)	(2,878)
Expenses not deductible for tax purposes	14,259	14,241
Restriction on tax deductible expenses for Wholesale Fund	23,875	28,441
Under provision in previous financial year	12,414	55,793
Tax expense	<u>(52,259)</u>	<u>614,451</u>

8 DISTRIBUTION

	<u>2024</u> RM	<u>2023</u> RM
Net distribution amount	<u>2,732,137</u>	<u>2,780,600</u>

During the financial year ended 30 November 2024, distributions were made as follows:

<u>Ex-date</u>	<u>Gross</u> <u>distribution</u> <u>per unit (sen)</u> RM	<u>Net</u> <u>distribution</u> <u>per unit (sen)</u> RM
26.11.2024	<u>4.1200</u>	<u>4.1200</u>

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

8 DISTRIBUTION (CONTINUED)

During the financial year ended 30 November 2023, distributions were made as follows:

<u>Ex-date</u>	Gross distribution <u>per unit (sen)</u> RM	Net distribution <u>per unit (sen)</u> RM
27.11.2023	5.2300	4.0000

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 distribution for the financial year is an amount of RM1,114,075 (2023: RM1,038,228) made from previous years' realised income.

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

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:		
- unquoted fixed income securities – local	17,027,413	14,121,399
- unquoted fixed income securities – foreign	30,741,406	36,951,341
	<u>47,768,819</u>	<u>51,072,740</u>
	<u>2024</u> RM	<u>2023</u> RM
Net gain/(loss) on financial assets at fair value through profit or loss:		
- realised loss on sale of investments	(800,339)	(14,888,600)
- realised loss on write-down of investments	-	(771,152)
- unrealised gain on changes in fair value	716,713	17,762,355
	<u>(83,626)</u>	<u>2,102,603</u>

(a) Unquoted fixed income securities – local

(i) Unquoted fixed income securities – local as at 30 November 2024 are as follows:

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Bonds</u>				
4.15% Dialog Group Bhd Call: 16.11.2027 (A1)	2,000,000	1,941,794	1,991,191	4.08
4.86% Genting Capital Bhd 08.06.2027 (AA1)	2,000,000	2,049,133	2,049,136	4.20
5.25% Malayan Cement Bhd 13.01.2026 (AA3)	2,000,000	2,039,986	2,071,026	4.24
4.15% Pac Lease Bhd 05.08.2025 (AA)	2,000,000	2,027,431	2,032,733	4.16
4% Press Metal Aluminium Holdings Berhad 15.08.2025 (AA2)	700,000	706,509	709,343	1.45
4.85% STM Lottery Sdn Bhd 29.01.2027 (AA-)	2,000,000	2,040,624	2,040,648	4.18
5.55% Tanjung Bin Energy Sdn Bhd 15.09.2025 (AA3)	2,000,000	2,036,165	2,038,088	4.17

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

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

(a) Unquoted fixed income securities – local (continued)

(i) Unquoted fixed income securities – local as at 30 November 2024 are as follows:
(continued)

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Bonds</u> (continued)				
3.95% TG Excellence Bhd Call: 27.02.2025 (A)	2,000,000	1,983,769	2,016,258	4.13
7.5% Yinson Holdings Bhd Call: 08.03.2029 (A-)	2,000,000	2,034,110	2,078,990	4.26
	<hr/>	<hr/>	<hr/>	<hr/>
Total unquoted fixed income securities – local	16,700,000	16,859,521	17,027,413	34.87
	<hr/> <hr/>		<hr/> <hr/>	<hr/> <hr/>
Accumulated unrealised gain on unquoted fixed income securities – local		167,892		
		<hr/>		
Total unquoted fixed income securities – local		17,027,413		
		<hr/> <hr/>		

(ii) Unquoted fixed income securities – local as at 30 November 2023 are as follows:

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Bonds</u>				
4.15% Dialog Group Bhd Call: 16.11.2027 (A1)	3,000,000	2,912,621	2,928,346	5.80
4.90% GENM Capital Bhd 22.08.2025 (AA1)	1,500,000	1,530,486	1,530,397	3.03
5.25% Malayan Cement Bhd 13.01.2026 (AA3)	4,000,000	4,081,123	4,126,523	8.17
4.15% Pac Lease Bhd 05.08.2025 (AA)	2,000,000	2,028,875	2,028,408	4.01
3.95% TG Excellence Bhd Call: 27.02.2025 (A+)	2,000,000	1,983,521	1,990,902	3.94

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

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

(a) Unquoted fixed income securities – local (continued)

(ii) Unquoted fixed income securities – local as at 30 November 2023 are as follows:
(continued)

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
4.20% Toyota Capital Malaysia 26.06.2026 (AAA)	1,000,000	1,008,841	1,011,229	2.00
5.80% WCT Holdings Bhd Call: 27.09.2024 (A)	500,000	512,931	505,594	1.00
	<hr/>	<hr/>	<hr/>	<hr/>
Total unquoted fixed income securities – local	14,000,000	14,058,398	14,121,399	27.95
	<hr/> <hr/>		<hr/> <hr/>	<hr/> <hr/>
Accumulated unrealised gain on unquoted fixed income securities – local		63,001		
		<hr/>		
Total unquoted fixed income securities – local		14,121,399		
		<hr/> <hr/>		

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign

(i) Unquoted fixed income securities – foreign as at 30 November 2024 are as follows:

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Bonds</u>				
3.2% Allianz SE Call: 30.10.2027 (A3)	888,500	847,408	781,840	1.60
5.75% Argentum Netherlands BV Swiss Call: 15.08.2025 (BBB+)	1,777,000	1,831,162	1,802,466	3.69
5% Bangkok Bank PCL/Hong Kong Call: 23.09.2025 (Ba1)	888,500	867,682	888,983	1.82
5.4% Barclays PLC Call: 15.03.2030 (Ba1)	829,100	831,068	831,234	1.70
3.75% Barclays PLC Call: 23.05.2025 (Baa1) #	-	15,551	15,551	0.03
4.375% BP Capital Markets PLC Call: 22.06.2025 (A3)	1,332,750	1,345,867	1,334,064	2.73
5.625% Credit Suisse Group AG Perpetual (NR) *	829,100	-	-	-
3.3% DBS Group Holdings Ltd Call: 27.02.2025 (Baa1)	1,332,750	1,381,552	1,337,037	2.74
5.875% Far East Horizon 05.03.2028 (BBB-)	888,500	868,480	894,662	1.83
5% Fukoku Mutual Life Insurance Call: 28.07.2025 (Baa1)	1,332,750	1,330,934	1,351,520	2.77
4% Geely Automobile Holdings Ltd Call: 09.12.2024 (Ba1)	1,332,750	1,263,185	1,356,887	2.78
3% Geely Finance HK 05.03.2025 (BBB-)	888,500	945,741	888,065	1.82
3.7% HDFC Bank Ltd Call: 25.08.2026 (Ba3)	888,500	887,188	855,596	1.75
5.5% Huarong Finance II Co 16.01.2025 (Ba2)	888,500	895,132	906,381	1.86
8.75% Indika Energy Tbk PT Call: 07.05.2026 (Ba3)	2,221,250	2,389,432	2,289,738	4.69
4.875% Julius Baer Group Ltd Call: 08.10.2026 (Ba1)	1,777,000	1,671,245	1,730,017	3.54
3.343% Kasikornbank Public Co Ltd Call: 02.10.2026 (Ba1)	1,777,000	1,777,120	1,708,370	3.50
3.15% Keppel REIT Call: 11.09.2025 (NR)	829,100	857,623	830,087	1.70
6.125% Macquarie Bank Ltd Call: 08.03.2027 (Baa3)	1,688,150	1,777,147	1,721,105	3.52
3.15% Mapletree Industrial Trust Call: 11.05.2026 (BBB-)	829,100	771,556	818,343	1.68

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

(i) Unquoted fixed income securities – foreign as at 30 November 2024 are as follows:
(continued)

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Bonds</u> (continued)				
5.625% Phoenix Group Holdings PLC Call: 29.01.2025 (BBB+)	888,500	812,376	891,582	1.83
6.75% QBE Insurance Group Ltd Call: 02.12.2024 (BBB-)	1,777,000	1,857,732	1,837,174	3.76
5.125% Sands China Ltd Call: 08.06.2025 (Baa2)	888,500	954,008	900,128	1.84
3.516% Standard Chartered PLC Call: 12.02.2025 (Baa2)	888,500	946,388	893,872	1.83
4% Swedbank AB Call: 17.03.2029 (Ba1)	888,500	854,404	778,178	1.59
3.25% Vodafone Group PLC Call: 04.06.2026 (Ba1)	888,500	851,703	867,046	1.78
2.894% Westpac Banking Corp Call: 04.02.2025 (A3)	2,221,250	2,298,694	2,231,480	4.57
Total unquoted fixed income securities – foreign	<u>31,659,550</u>	<u>31,130,378</u>	<u>30,741,406</u>	<u>62.95</u>
Accumulated unrealised loss on unquoted fixed income securities – foreign		<u>(388,972)</u>		
Total unquoted fixed income securities – foreign		<u>30,741,406</u>		

This is being outstanding interest receivable of the sold bond with nominal value of SGD 250,000 3.7500% BARCLAYS BANK PLC (23.05.2025) (ISIN:XS1722863054) as at financial year end. It was settled on 6 December 2024.

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign

(ii) Unquoted fixed income securities – foreign as at 30 November 2023 are as follows:

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Bonds</u>				
3% AAC Technologies Holdings Inc Call: 27.11.2024 (Baa3)	2,795,400	2,517,945	2,685,634	5.31
3.2% Allianz SE Call: 30.10.2027 (A3)	931,800	848,170	727,880	1.44
5.75% Argentum Netherlands BV Swiss Call: 15.08.2025 (BBB+)	931,800	882,586	926,704	1.83
3.695% BNP Paribas SA Call: 24.02.2027 (Baa1)	1,233,040	1,218,420	1,151,160	2.28
4.375% BP Capital Markets PLC Call: 22.06.2025 (Baa1)	1,397,700	1,345,306	1,363,016	2.70
5.625% Credit Suisse Group AG Perpetual (NR) *	872,425	-	-	-
5% Dah Sing Bank Ltd Call: 15.01.2024 (Baa1)	1,164,750	1,110,786	1,184,072	2.34
3.3% DBS Group Holdings Ltd Call: 27.02.2025 (Baa1)	1,397,700	1,342,096	1,356,630	2.68
4% Geely Automobile Holdings Ltd Call: 19.12.2024 (Baa3)	1,397,700	1,257,605	1,379,965	2.73
3.00% Geely Finance Hong Kong Ltd Call: 05.03.2025 (BBB-)	1,863,600	1,640,539	1,793,401	3.55
5.25% HSBC Holdings PLC Call: 27.06.2027 (Baa1)	872,425	812,901	913,937	1.81
6.375% HSBC Holdings PLC Call: 29.03.2049 (Baa3)	1,397,700	1,333,326	1,363,739	2.70
5.5% Huarong Finance Co Ltd Call: 16.01.2025 (Ba1)	931,800	889,546	932,568	1.85
6.625% Julius Baer Group Ltd Call: 15.08.2029 (Baa3)	1,018,000	941,161	874,716	1.73
4.875% Julius Baer Group Ltd Call: 08.10.2026 (Baa3)	1,863,600	1,684,926	1,596,286	3.16
5.275% Kasikornbank Public Co Ltd Call: 14.10.2025 (Ba2)	931,800	822,171	890,882	1.76
5.25% Lyods Banking Group Plc Call: 22.08.2028 (Baa1)	872,425	866,624	890,508	1.76
4.5% Macquarie Group Ltd Call: 18.08.2025 (A2)	872,425	819,994	889,564	1.76
3.15% Mapletree Industrial Trust Call: 15.05.2026 (BBB-)	872,425	771,631	827,780	1.64

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

(ii) Unquoted fixed income securities – foreign as at 30 November 2023 are as follows:
(continued)

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Bonds</u> (continued)				
3.8% Nanyang Commercial Bank Ltd Call: 20.11.2024 (Baa2)	2,795,400	2,470,692	2,719,257	5.38
5.625% Phoenix Group Holdings PLC Call: 29.01.2025 (BBB)	1,863,600	1,646,585	1,776,885	3.52
6.75% QBE Insurance Group Ltd Call: 02.12.2024 (BBB-)	1,863,600	1,861,371	1,911,424	3.78
4.75% Scentre Group Trust Call: 24.06.2026 (Baa1)	3,727,200	3,398,007	3,470,918	6.87
6.125% Societe Generale SA Call: 16.04.2024 (Ba2)	1,744,850	1,533,386	1,745,407	3.45
6% Standard Chartered PLC Call: 26.07.2025 (Ba1)	1,863,600	1,760,314	1,841,112	3.64
4% Swedbank AB Call: 17.03.2029 (Ba1)	931,800	854,765	699,254	1.38
6.75% Times China Holdings Ltd Call: 08.07.2023 (C)	2,795,400	2,505,267	90,861	0.18
8.1% Yinson Juniper Ltd Call: 29.03.2024 (NR)	931,800	816,015	947,781	1.88
Total unquoted fixed income securities – foreign	<u>42,135,765</u>	<u>37,952,135</u>	<u>36,951,341</u>	<u>73.11</u>
Accumulated unrealised loss on unquoted fixed income securities – foreign		<u>(1,000,794)</u>		
Total unquoted fixed income securities – foreign		<u>36,951,341</u>		

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

*Credit Suisse Group AG

Following the unprecedented and controversial decision by the Swiss Financial Market Supervisory Authority (“FINMA”) on 19 March 2023 to write-down CHF16 billion of Credit Suisse’s Additional Tier 1 (“AT1”) securities, UBS Group AG (“UBS”) announced on 12 June 2023 that it had formally completed the acquisition of Credit Suisse. The now-enlarged UBS will have a balance sheet of USD1.6 trillion. According to news during the reporting period, UBS was also looking to reduce the total combined workforce by around 30% or 25,000 employees. Credit Suisse’s total headcount was reported at around 45,000.

On 11 August 2023, UBS announced that it has ended the CHF9 billion loss protection agreement and the CHF100 billion public liquidity backstop that were initially put in place by the Swiss government back in March. This announcement followed a comprehensive assessment of Credit Suisse’s potential losses which were not as significant as earlier anticipated. Additionally, Credit Suisse has also fully repaid an emergency liquidity assistance loan of CHF50 billion obtained from the Swiss National Bank (“SNB”).

Further to this, on 31 August 2023, UBS posted its quarterly earnings results following its acquisition of Credit Suisse. It reported a quarterly profit before tax of USD29.2 billion, including a USD28.9 billion of negative goodwill from the acquisition. If excluding the negative goodwill and also integration-related expenses and acquisition costs, UBS’s adjusted profit before tax is USD1.1 billion. UBS also provided updates on the integration of Credit Suisse and financial targets by year-end 2026. Amongst the targets, UBS is aiming for USD10 billion worth of cost savings that is aimed to be achieved through the restructuring of its non-core and Credit Suisse Investment Banking segments, as well as from business synergies across its core businesses. UBS reported a Common Equity Tier 1 (“CET1”) capital ratio of 14.4% and targets a ~14% CET1 capital ratio over the medium term.

Since the announcement in March 2023, several investor groups globally have initiated legal proceedings seeking compensation as a result of the write-down. Quinn Emanuel Urquhart & Sullivan LLP (“Quinn Emanuel”) and UK-based Pallas launched separate Swiss lawsuits against FINMA over the decision. Quinn Emanuel is representing plaintiffs with \$6 billion of AT1 claims, while Pallas’s clients hold about \$2 billion of Credit Suisse AT1 securities. As of 7 June 2023, Quinn Emanuel has informed the Manager and other global AT1 bondholders that the Swiss Federal Administrative Court (“SFAC”) has effectively acknowledged receipt of the filing made by Quinn Emanuel on 18 April 2023.

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

* Credit Suisse Group AG (continued)

As of 31 December 2024, there have been no new developments in the FINMA appeal after Quinn Emanuel’s filing to the Swiss Federal Administrative Court (“SFAC”) on 18 April 2023. Along with other appellant groups, Quinn Emanuel is still awaiting the SFAC’s delivery of UBS’s and Swiss Financial Market Supervisory Authority’s (“FINMA”) reply submissions. The legal proceedings are ongoing, and the Manager will continue to maintain close communication with Quinn Emanuel regarding the progress of the lawsuit. The Parliamentary Investigation Committee (PUK) has on 20 December 2024 presented the results of its investigation into the downfall of Credit Suisse in a press conference. Quinn Emanuel has reviewed the report and is generally positive about its contents. Quinn Emanuel is in the midst of assessing the PUK report in detail and believes that this report provides valuable insights into the final days of Credit Suisse, particularly concerning FINMA’s conduct and strategic decisions and could be used to prompt the SFAC for an update on the proceedings and to understand the reasons for the delay. Depending on the report’s details, Quinn Emanuel may also incorporate it into the written submissions before the SFAC and, if pertinent, request additional orders from the SFAC concerning the documentary evidence held by UBS and/or FINMA.

The ongoing legal fees for services rendered by Quinn Emanuel to recover the losses incurred from the write-down of the Credit Suisse AT1 bond is currently advanced by the Manager, which will be repayable to the Manager upon the successful recovery of the Credit Suisse AT1 bonds from the legal proceedings. The remaining recovery proceeds will be disbursed in proportion of the value each unit holder was entitled to as at the occurrence of the write-down of the bond.

10 DEFERRED TAX LIABILITIES

	<u>2024</u> RM	<u>2023</u> RM
Deferred tax liabilities	-	110,035

The movements in the deferred tax liabilities balances are as follows:

	Foreign interest receivables on financial assets at fair value through profit or loss	
	<u>2024</u> RM	<u>2023</u> RM
Balance at the beginning of the financial year	110,035	241,491
Transfer to income statement (Note 7)	(110,035)	(131,456)
Balance as at the end of the financial year	-	110,035

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

11 CASH AND CASH EQUIVALENTS

	<u>2024</u> RM	<u>2023</u> RM
Cash and bank balances	4,393,166	4,275,409

12 FORWARD FOREIGN CURRENCY CONTRACTS

As at the date of statement of financial position, there are 11 (2023: 9) forward foreign currency contracts outstanding. The notional principal amount of the outstanding forward foreign currency contracts amounted to RM30,478,836 (2023: RM34,383,746). The forward foreign currency contracts entered into during the financial year were for hedging against the currency exposure arising from the investment in the foreign unquoted fixed income securities denominated in Australian Dollar, Euro, Singapore Dollar and United States Dollar. As the Fund has not adopted hedge accounting during the financial year, the changes in the fair value of the forward foreign currency contracts are recognised immediately in the statement of comprehensive income.

	<u>2024</u> RM	<u>2023</u> RM
Financial assets at fair value through profit or loss: - forward foreign currency contracts	2,510	-
Financial liabilities at fair value through profit or loss: - forward foreign currency contracts	786,854	1,810,498
Net gain/(loss) on forward foreign currency contracts at fair value through profit or loss: - realised gain/(loss) on forward foreign currency contracts	48,157	(320,999)
- unrealised gain/(loss) on forward foreign currency contracts	1,026,154	(1,580,823)
	1,074,311	(1,901,822)

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

12 FORWARD FOREIGN CURRENCY CONTRACTS (CONTINUED)

(a) Forward foreign currency contracts

(i) Forward foreign currency contracts as at 30 November 2024 are as follows:

<u>Name of issuer</u>	<u>Receivables</u> RM	<u>Payables</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
Affin Hwang Investment Bank Bhd	15,521,978	15,969,362	(447,384)	(0.92)
BNP Paribas Malaysia Bhd	956,020	953,510	2,510	0.01
CIMB Bank Bhd	11,184,148	11,497,587	(313,439)	(0.64)
J.P. Morgan Chase Bank Bhd	1,608,217	1,624,833	(16,616)	(0.03)
Standard Chartered Bank Malaysia Bhd	1,208,473	1,217,888	(9,415)	(0.02)
Total forward foreign currency contracts	<u>30,478,836</u>	<u>31,263,180</u>	<u>(784,344)</u>	<u>(1.61)</u>

(ii) Forward foreign currency contracts as at 30 November 2023 are as follows:

<u>Name of issuer</u>	<u>Receivables</u> RM	<u>Payables</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
Affin Hwang Investment Bank Bhd	14,874,155	15,734,599	(860,444)	(1.70)
AmBank (M) Bhd	1,021,650	1,042,808	(21,158)	(0.04)
BNP Paribas Malaysia Bhd	2,154,218	2,283,958	(129,740)	(0.26)
CIMB Bank Bhd	12,683,373	13,421,450	(738,077)	(1.46)
J.P Morgan Chase Bank Bhd	3,650,350	3,711,429	(61,079)	(0.12)
Total forward foreign currency contracts	<u>34,383,746</u>	<u>36,194,244</u>	<u>(1,810,498)</u>	<u>(3.58)</u>

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

13 NUMBER OF UNITS IN CIRCULATION

	<u>2024</u>	<u>2023</u>
	No. of units	No. of units
At the beginning of the financial year	69,515,000	71,296,000
Cancellation of units	(3,201,000)	(1,781,000)
At the end of the financial year	<u>66,314,000</u>	<u>69,515,000</u>

14 TRANSACTIONS WITH DEALERS

- (i) Details of transactions with the top 10 dealers for the financial year ended 30 November 2024 are as follows:

<u>Name of dealers</u>	<u>Value of trade RM</u>	<u>Percentage of total trade %</u>
MarketAxess Holdings Inc #	10,064,346	8.13
Affin Hwang Investment Bank Bhd #	9,084,420	7.33
RHB Investment Bank Bhd #	8,870,497	7.16
Australia & New Zealand Banking Group Ltd	8,741,856	7.05
HSBC Banking Corporation Ltd	8,714,458	7.03
Standard Chartered Bank Malaysia Bhd	8,376,725	6.76
Barclays Bank PLC	8,147,540	6.57
JP Morgan Chase Bank Bhd	7,170,373	5.78
DBS Bank Ltd	6,982,168	5.63
Bank of America	5,901,772	4.76
Others	41,893,847	33.80
	<u>123,948,002</u>	<u>100.00</u>

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

14 TRANSACTIONS WITH DEALERS (CONTINUED)

(ii) Details of transactions with the top 10 dealers for the financial year ended 30 November 2023 are as follows:

<u>Name of dealers</u>	<u>Value of trade RM</u>	<u>Percentage of total trade %</u>
DBS Bank Ltd	7,060,341	13.20
CIMB Bank Bhd	7,003,500	13.09
Affin Hwang Investment Bank Bhd #	4,870,480	9.10
Citigroup Global Markets	4,556,894	8.52
Barclays Bank PLC	3,751,011	7.01
Standard Chartered Bank Malaysia Bhd	3,403,056	6.36
RHB Investment Bank Bhd	3,027,300	5.66
Morgan Stanley Asia Ltd	2,970,818	5.55
Nomura Singapore Ltd	2,786,498	5.21
JP Morgan Chase Bank Bhd	2,307,981	4.31
Others	11,763,594	21.99
	<u>53,501,473</u>	<u>100.00</u>

Included in the transactions with dealers are cross trades conducted between the Fund and other funds; and private mandates managed by the Manager amounting to:

<u>Name of dealers</u>	<u>2024 RM</u>	<u>2023 RM</u>
Affin Hwang Investment Bank Bhd	9,084,420	3,064,520
MarketAxess Holdings Inc	9,129,620	-
RHB Investment Bank Bhd	8,870,497	-
	<u>27,084,537</u>	<u>3,064,520</u>

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

14 TRANSACTIONS WITH DEALERS (CONTINUED)

The cross trades are conducted between the Fund and other funds; mandates managed by the Manager as follows:

	<u>2024</u> RM	<u>2023</u> RM
AHAM Target Maturity Income Fund	-	2,907,480
AHAM Aiiman ESG Income Plus Fund (formerly known as AHAM Aiiman Income Plus Fund)	-	157,040
AHAM Asia Bond Fund	898,340	-
AHAM Bond Fund	986,000	-
AHAM Enhanced Deposit Fund	2,045,400	-
AHAM Flexible Maturity Income Fund 15	1,879,716	-
AHAM Flexible Maturity Income Fund 16	1,143,839	-
AHAM Flexible Maturity Income Fund 17	1,104,381	-
AHAM Flexible Maturity Income Fund 18	449,148	-
AHAM Flexible Maturity Income Fund 19	1,872,295	-
AHAM Flexible Maturity Income Fund 21	1,017,700	-
AHAM Hard Currencies Income Fund	97,416	-
AHAM Income Extra Fund	1,008,200	-
AHAM RMB Bond Fund	898,340	-
AHAM Select Bond Fund	6,062,543	-
AHAM Select Income Fund	3,300,841	-
Private mandates	4,320,378	-
	<u>27,084,537</u>	<u>3,064,520</u>

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

15 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")	Substantial shareholder of the Manager and former ultimate holding corporate body 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

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

	<u>2024</u>		<u>2023</u>	
<u>The Manager:</u>	No. of units	RM	No. of units	RM
AHAM Asset Management Berhad (The units are held legally for booking purpose)	3,120	2,298	3,231	2,349

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

AHAM FLEXIBLE MATURITY INCOME FUND 20

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024 (CONTINUED)

16 TOTAL EXPENSE RATIO (“TER”)

	<u>2024</u> %	<u>2023</u> %
TER	0.33	0.32

TER is derived from the following calculation:

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

A	=	Management fee
B	=	Trustee fee
C	=	Fund accounting fee
D	=	Auditors' remuneration
E	=	Tax agent's fee
F	=	Other expenses
G	=	Average NAV of Fund calculated on a daily basis

The average NAV of the Fund for the financial year calculated on a daily basis is RM51,265,243 (2023: RM54,750,957).

17 PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2024</u>	<u>2023</u>
PTR (times)	1.27	0.66

PTR is derived from the following calculation:

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

where: total acquisition for the financial year = RM63,044,317 (2023: RM27,946,785)
total disposal for the financial year = RM 67,307,468 (2023: RM44,511,504)

AHAM FLEXIBLE MATURITY INCOME FUND 20

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 46 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 November 2024 and of its financial performance, changes in equity and cash flows for the financial year ended 30 November 2024 in accordance with the Malaysian Financial Reporting Standards and 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
24 January 2025

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF AHAM FLEXIBLE MATURITY INCOME FUND 20

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of AHAM Flexible Maturity Income Fund 20 (“the Fund”) give a true and fair view of the financial position of the Fund as at 30 November 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 November 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 1 to 46.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the “Auditors’ responsibilities for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (“By-Laws”) and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Emphasis of matter

We draw attention to Note A on the basis of preparation of the financial statements, which refers to the maturity of the Fund on 26 November 2025 or such earlier date in accordance with the provision of the Deed or subject to the early maturity feature. These financial statements have therefore been prepared using a non-going concern basis of accounting. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITORS' REPORT
TO THE UNIT HOLDERS OF AHAM FLEXIBLE MATURITY INCOME FUND 20
(CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The Manager of the Fund is responsible for the other information. The other information comprises the Manager's Report, but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager for the financial statements

The Manager of the Fund is responsible for the preparation of the financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund, or to terminate the Fund, or has no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT
TO THE UNIT HOLDERS OF AHAM FLEXIBLE MATURITY INCOME FUND 20
(CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- (d) Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT
TO THE UNIT HOLDERS OF AHAM FLEXIBLE MATURITY INCOME FUND 20
(CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

- (e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT
TO THE UNIT HOLDERS OF AHAM FLEXIBLE MATURITY INCOME FUND 20
(CONTINUED)

OTHER MATTERS

This report is made solely to the unit holders of the Fund, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
24 January 2025

DIRECTORY OF SALES OFFICE

HEAD OFFICE

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

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

PENANG

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

Toll free no : 1-800-88-8377

PERAK

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

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

PETALING JAYA

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

Tel : 03 – 7760 3062

MELAKA

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

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

JOHOR

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

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

DIRECTORY OF SALES OFFICE (CONTINUED)

SABAH

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

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

SARAWAK - KUCHING

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

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

SARAWAK - MIRI

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

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

AHAM Asset Management Berhad

Registration No: 199701014290 (429786-T)

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

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

aham.com.my