



ANNUAL REPORT
31 May 2024

AHAM Hard Currencies Fixed Income Fund

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

TRUSTEE
CIMB Commerce Trustee Berhad
(313031-A)

Built On Trust

aham.com.my

AHAM HARD CURRENCIES FIXED INCOME FUND

**Annual Report and Audited Financial Statements
For the Financial Period from 1 June 2023 to 31 May 2024 (Date of Termination)**

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FUND INFORMATION

Fund Name	AHAM Hard Currencies Fixed Income Fund
Fund Type	Income
Fund Category	Fixed Income (Wholesale)
Investment Objective	The Fund seeks to provide investors with a steady income stream over the medium to long-term investment horizon through investments primarily in global fixed income instruments.
Benchmark	USD Libor 3 months +1.5%
Distribution Policy	Subject to the availability of income, the Fund will provide distribution on a quarterly basis.

FUND PERFORMANCE DATA

Category	As at 31 May 2024 (%)	As at 31 May 2023 (%)	As at 31 May 2022 (%)
Portfolio Composition			
Total unquoted fixed income securities	0.00	93.91	96.09
Cash & cash equivalent	100.00	6.09	3.91
Total	100.00	100.00	100.00
Currency class	USD Class	USD Class	USD Class
Total NAV (in million)	0.018	5.685	15.034
NAV per unit (in respective currencies)	3.5944	0.8868	0.9467
Unit in Circulation (million)	0.005	6.411	15.880
Highest NAV	3.5944	0.9508	1.0851
Lowest NAV	0.8809	0.8480	0.9410
Return of the Fund (%)	305.32	-5.36	-10.22
- Capital Return (%)	305.32	-6.33	-11.66
- Income Return (%)	Nil	1.03	1.62
Gross Distribution per Unit (sen)	Nil	0.96	1.60
Net Distribution per Unit (sen)	Nil	0.96	1.60
Total Expenses Ratio (%) ¹	0.50	0.38	0.32
Portfolio Turnover Ratio (times) ²	1.73	1.16	1.04

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

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

An illustration of the above would be as follow:-

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

¹ The Fund's TER was higher than previous year due to lower average NAV of the Fund for the financial period from 1 June 2023 to 31 May 2024 (date of termination).

² The Fund's PTR was higher than previous year due to lower average NAV of the Fund for the financial period from 1 June 2023 to 31 May 2024 (date of termination).

Income Distribution / Unit Split

No distribution or unit splits were declared for the financial period from 1 June 2023 to 31 May 2024 (date of termination).

Income Distribution Breakdown

No income distribution was declared for the financial period from 1 June 2023 to 31 May 2024 (date of termination).

Performance Review

Table 1: Performance of the Fund

	1 Year (1/6/23 - 31/5/24)	3 Years (1/6/21 - 31/5/24)	Since Commencement (10/1/20 - 31/5/24)
Fund	51.45%	28.68%	37.89%
Benchmark	7.12%	15.35%	18.56%
Outperformance	44.33%	13.33%	19.33%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/6/23 - 31/5/24)	3 Years (1/6/21 - 31/5/24)	Since Commencement (10/1/20 - 31/5/24)
Fund	51.45%	8.79%	7.61%
Benchmark	7.12%	4.88%	3.96%
Outperformance	44.33%	3.91%	3.65%

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2024 (1/6/23 - 31/5/24)	FYE 2023 (1/6/22 - 31/5/23)	FYE 2022 (1/6/21 - 31/5/22)	FYE 2021 (1/6/20 - 31/5/21)	FYE 2020 (10/1/20 - 31/5/20)
Fund	51.45%	(5.36%)	(10.22%)	10.66%	(3.16%)
Benchmark	7.12%	5.65%	1.92%	1.72%	1.04%
Outperformance	44.33%	(11.01%)	(12.14%)	8.94%	(4.20%)

Source of Benchmark: Bloomberg

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

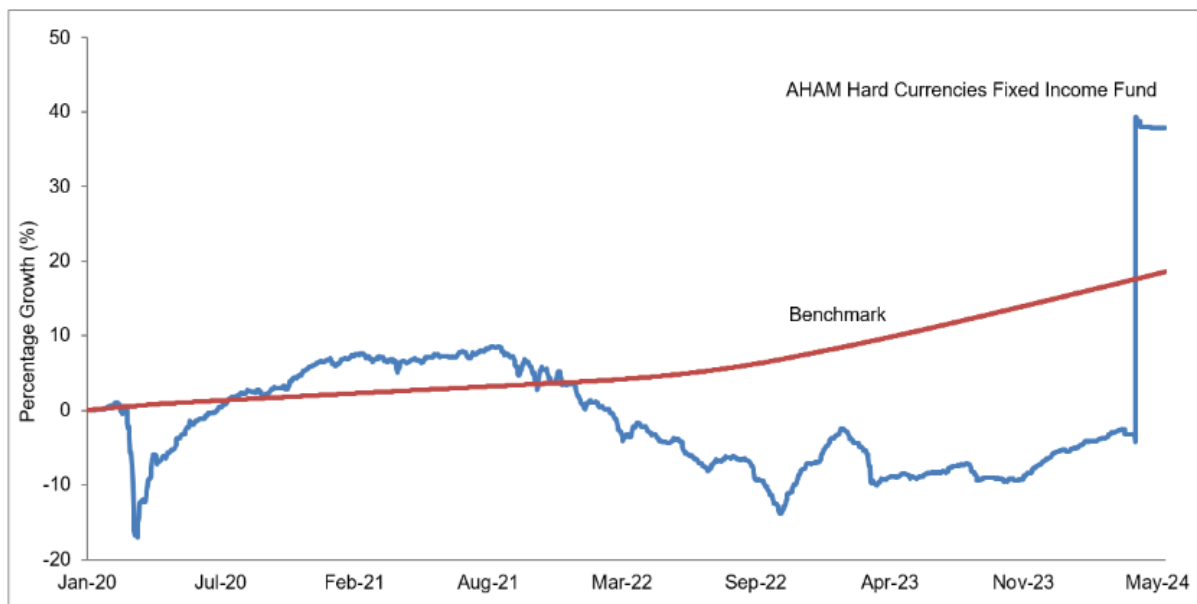
MANAGER'S REPORT

Performance Review (1 June 2023 to 31 May 2024)

For the period 1 June 2023 to 31 May 2024, the Fund registered a 51.45% return compared to the benchmark return of 7.12%. The Fund thus outperformed the Benchmark by 44.33%. The Net Asset Value per unit ("NAV") of the Fund as at 31 May 2024 was USD3.5944 while the NAV as at 31 May 2023 was USD0.8868.

Since commencement, the Fund has registered a return of 37.89% compared to the benchmark return of 18.56%, outperforming by 19.33%.

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 Bloomberg."
Benchmark: USD Libor 3 months +1.5%

Asset Allocation

The Fund's asset allocation towards cash remained at 100% following the liquidation of the Fund's holdings in preparation for termination of the Fund.

Strategies Employed

AHAM Hard Currencies Fixed Income Fund maintained a proactive style of investing, including progressively rebalancing the portfolios and focus on trading in new and existing issuances to improve the return potential.

The liquidation process of the Fund commenced on 19 April 2024 and was completed by 31 May 2024.

Market Review

As a recap, the global fixed income market has been presented with unprecedented challenges over the past 3 years. The aftermath of the Covid-19 pandemic, coupled with supply chain disruptions and geopolitical events, sparked a period of high inflation and robust global growth. In response, central banks globally adopted an aggressive stance, leading to one of the most severe interest rate hike cycles in history. The United States ("U.S.") Federal Reserve, for instance, raised interest rates by over 500 basis points ("bps") from March 2022 till July 2023. Moreover, central banks started Quantitative Tightening, reining in their balance sheets. These measures triggered market adjustments, causing bond prices to decline. Over the period under review, U.S.

treasury yields rose from 3.58%, peaked at 5% in October. Given the heightened volatility and unprecedented rate hikes, the Fund was impacted by some of the long duration exposure in most part of 2023. On a positive note, the Fed has stopped raising interest rates since the mid of 2023. Some notable key economic developments contributing to this was the gradual softening in the U.S. labour market coupled with lower inflationary data. The year 2024 kickstarted with the U.S. government bond market pricing in high expectations of 6-7 interest rate cuts for full year 2024 which were then eventually repriced to 1-2 cuts. Economic data in the U.S. that even though showed signs of gradual softening, overall proved to be more resilient than markets have expected.

In the Asian credit landscape, the default crisis among China's property developers proved especially impactful. Over late 2021 to 2023, majority of China private developers defaulted on their bonds' obligations, including offshore bonds. What initially began with Evergrande's default spread rapidly, affecting even high-quality developers. This situation led to a significant risk-off sentiment and widespread credit spread widening, not only in the High Yield sector but also among Investment Grade names in the same industry. Over the reporting period, overall home sales data in China had remained soft as policy easing measures in the China property space were insufficient to lift home-buyer sentiment. Among the credit positioning, the Fund was detracted by the holdings that were exposed to Hong Kong property. Notwithstanding Hong Kong the revaluation losses posted by Hong Kong developers that caused by cap rate expansion and negative rental reversions, market concerns also focused on the Hong Kong developers that have China exposure.

As for global banking segment, in March 2023, financial markets grappled with the collapse of U.S. regional banks such as Silicon Valley bank and also the unprecedented write-off of Credit Suisse AT1, a global systematically important bank ("G-SIB"). Since then, investor sentiment was quick to reverse as bond prices of banks has substantially recovered. Market participants perceive these events to be isolated. The financial results of global banks continued to show resilience, suggesting healthy fundamentals.

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 Malaysian Ringgit ("MYR") denominated bonds translated to relatively resilient local bond market yields over the period under review.

Lastly, the Malaysian Government implemented the foreign sourced income tax that was applicable in 2022 and 2023. As a transition measure, the foreign sourced income received in Malaysia from 1 January 2022 until 30 June 2022 was to be taxed at a 3% rate on a gross basis. The foreign sourced income received in Malaysia from 1 July 2022 till end 2023 was to be subject to tax based on the prevailing income tax rate. This foreign sourced income tax on coupon and interest received affected the Fund's performance.

State of Affairs of the Fund

The Fund has been terminated with effect on 31 May 2024.

Soft Commissions received from Brokers

Soft commissions received from brokers/dealers may be retained by the management company only if the :-

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

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

Cross Trade

Cross trade transactions have been carried out during the reported year and that the Compliance and Risk Oversight Committee of the fund has reviewed that such transactions are in the best interest of the fund and transacted on an arm's length and fair value basis.

Securities Financing Transactions

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

Changes Made To the Fund's Information Memorandum

A Replacement Information Memorandum dated 12 June 2023 (“Effective Date”) was issued during the financial period under review to reflect the various changes made to the Fund. Significant changes to the Fund is outlined in the following pages;

Changes to the Information Memorandum

1) Fund Name

Information Memorandum dated 25 November 2019	Replacement Information Memorandum dated 12 June 2023
Affin Hwang Hard Currencies Fixed Income Fund	AHAM Hard Currencies Fixed Income Fund (<i>formerly known as Affin Hwang Hard Currencies Fixed Income Fund</i>)

2) Definition of Business Days

Information Memorandum dated 25 November 2019	Replacement Information Memorandum dated 12 June 2023
Means a day on which Bursa Malaysia is open for trading.	Means a day on which Bursa Malaysia and/or one or more of the foreign markets in which the Fund is invested in are open for business/trading.

3) Investors' Profile

Information Memorandum dated 25 November 2019	Replacement Information Memorandum dated 12 June 2023
<p>The Fund is suitable for you, if you:</p> <ul style="list-style-type: none"> ➤ seek income through investment in global fixed income instruments; ➤ have a medium term to long term investment horizon; and ➤ have a low to medium risk tolerance. 	<i>To be removed</i>

4) Terminology updates

Information Memorandum dated 25 November 2019	Replacement Information Memorandum dated 12 June 2023
Structured products	Embedded derivatives

5) Valuation of the Fund

Information Memorandum dated 25 November 2019	Replacement Information Memorandum dated 12 June 2023
<p>Listed Securities</p> <p>Valuation of listed securities shall be based on closing market bid prices. Where no market value is publicly available or where the use of the quoted market value is inappropriate, or where no market price is available, including in the event of suspension in the quotation of the securities for a period exceeding fourteen (14) days, or such shorter period as determined by the Manager, such investments will be valued at fair value determined in good faith by the Manager, on methods or bases which have verified by the auditor of the Fund.</p> <p>Debentures</p> <p>Valuation of unlisted debentures denominated in MYR will be done using the fair value price quoted by a Bond Pricing Agency ("BPA") registered with the SC. If we are of the view that the price quoted by BPA differs from the market price quoted by at least three (3) independent dealers by more than 20 basis points and we determine that the methodology used by the independent dealers to</p>	<p>Listed Securities</p> <p>Valuation of investments listed securities shall be based on the official closing prices or last known transacted price on the eligible market on which the investment is quoted. If the price is not representative of its fair value or is not available to the market, including in the event of suspension in the quotation of the securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, the investments will be valued at fair value determined in good faith by the Manager or its delegate, based on methods or bases verified by the auditor of the Fund and approved by the Trustee.</p> <p>Unlisted Securities</p> <p>For unlisted MYR denominated debentures, valuation will be done using the price quoted by a Bond Pricing Agency ("BPA") registered with the SC. For non-MYR denominated unlisted debentures, valuation will be based on the average indicative price quoted by independent and reputable institutions. Where the Manager is of the</p>

obtain the market price is more appropriate, we may elect to use the price quoted by the independent dealers as the market price, provided that we record our basis for using a non-BPA price, obtain the necessary internal approvals to use the non-BPA price and keep an audit trail of all decisions and basis for adopting the market yields.

Investment in other listed and unlisted debentures will be valued using the Composite Bloomberg Bond Trader (CBBT price) provided by Bloomberg. When CBBT prices are not available, the other listed and unlisted debentures will be valued by reference to the average indicative price quoted by at least 3 independent and reputable institutions. In the case where we are unable to obtain quotation from 3 independent and reputable institutions, the other listed and unlisted debentures will be valued in accordance to fair value as determined in good faith by us, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

Money Market Instruments

The valuation of MYR denominated money market instruments will be done using the price quoted by a Bond Pricing Agency ("BPA") registered with the SC. For foreign money market instruments, valuation will be done using the average indicative yield quoted by an independent and reputable institution.

Deposits

Valuation of deposits placed with Financial Institutions will be done by reference to the principal value of the deposits and the interests accrued thereon for the relevant period.

Derivatives and Structured Products

The valuation of derivatives and structured products will be based on the price provided by the respective issuers or structurer. The issuers generate the market valuation through the use of their own proprietary valuation models, which incorporates all the relevant and available market data with respect to the derivatives and structured products (e.g. interest rates, movement of the underlying asset, volatility of the underlying assets, the correlation of the underlying assets and other such factors). For foreign exchange forward contracts ("FX Forwards"), we will apply interpolation formula to compute the value of the FX Forwards based on the rates provided by the Bloomberg or Reuters. If the rates are not available on the Bloomberg or Reuters, the FX Forwards will be valued by reference to the average indicative rate quoted by at least 3 independent dealers. In the case where the Manager is unable to obtain quotation from 3 independent dealers, the FX Forwards will be valued in accordance to fair value as determined by us in good faith, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

Unlisted Collective Investment Schemes

Unlisted collective investment schemes will be valued based on the last published repurchase price.

view that the price quoted by BPA differs from the fair value or where reliable market quotations are not available, the fair value will be determined in good faith by the Manager using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

For other unlisted securities, valuation will be based on fair value as determined in good faith by the Manager using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

Money Market Instruments

Valuation of MYR denominated money market instruments will be done using the price quoted by a BPA registered with the SC. For non-MYR denominated money market instruments, valuation will be done using an average of quotations provided by reputable Financial Institutions. Where the Manager is of the view that the price quoted by BPA differs from fair value or where reliable market quotations are not available, the fair value will be determined in good faith by the Manager. This may be determined by reference to the valuation of other money market instruments which are comparable in rating, yield, expected maturity date and/or other characteristics.

Deposits

Valuation of deposits placed with Financial Institutions will be done by reference to the principal value of such investments and the interests accrued thereon for the relevant period.

Derivatives and Embedded derivatives

Valuation of derivatives and embedded derivatives will be based on the price provided by the respective issuers. The issuers generate the market valuation through the use of their own proprietary valuation models, which incorporates all the relevant and available market data with respect to the derivatives and embedded derivatives (e.g. interest rates, movement of the underlying asset, volatility of the underlying assets, the correlation of the underlying assets and other such factors). For foreign exchange forward contracts ("FX Forwards"), interpolation formula is applied to compute the value of the FX Forwards based on the rates provided by the Bloomberg or Refinitiv. If the rates are not available on the Bloomberg or Refinitiv, the FX Forwards will be valued based on fair value as determined in good faith by the Manager using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

Collective Investment Schemes

Unlisted collective investment schemes will be valued based on its last published repurchase price.

For listed collective investment schemes, valuation will be done in a similar manner used in the valuation of listed securities as described above.

6) Repurchase Proceeds Payout Period

Information Memorandum dated 25 November 2019	Replacement Information Memorandum dated 12 June 2023
You will be paid within fourteen (14) days from the day the repurchase request is received by us, provided that all documentations are completed and verifiable.	You will be paid within ten (10) Business Days from the day the repurchase request is received by us, provided that all documentations are completed and verifiable.

7) Cooling-off Right

Information Memorandum dated 25 November 2019	Replacement Information Memorandum dated 12 June 2023
N/A	<p>WHAT IS COOLING-OFF RIGHT?</p> <ul style="list-style-type: none"> ➤ You have the right to apply for and receive a refund for every Unit that you have paid for within six (6) Business Days from the date we received your purchase application. ➤ You will be refunded for every Unit held based on the price mentioned below and the Sales Charge imposed on the day those Units were first purchased. <ul style="list-style-type: none"> (i) If the price of a Unit on the day the Units were first purchased (“original price”) is higher than the price of a Unit at the point of exercise of the cooling-off right (“market price”), you will be refunded based on the market price at the point of cooling-off; or (ii) (If the market price is higher than the original price, you will be refunded based on the original price at the point of cooling-off. ➤ You will be refunded within ten (10) Business Days from the receipt of the cooling-off application. <p>Please note that the cooling-off right is applicable to you if you are an individual investor and are investing in any of our funds for the first time. However, if you are a staff of AHAM or a person registered with a body approved by the SC to deal in unit trust funds, you are not entitled to this right.</p> <p>WHAT IS THE PROCESS OF COOLING-OFF APPLICATION?</p> <ul style="list-style-type: none"> ➤ We will process your cooling-off right if your cooling-off request is received or deemed to have been received by us at or before 3.30 p.m. on a Business Day (or “T day”). Any cooling-off request received after 3.30 p.m. will be transacted on the next Business Day (or “T + 1 day”). <p>Processing is subject to receipt of a complete transaction form and such other documents as may be required by us.</p>

8) Suspension of Dealing in Units

Information Memorandum dated 25 November 2019	Replacement Information Memorandum dated 12 June 2023
<p>➤ The Trustee may suspend the dealing in Units requests:</p> <ul style="list-style-type: none"> (i) where the Trustee considers that it is not in the interests of the existing Unit Holders to permit the assets of the Fund to be sold or that the assets cannot be liquidated at an appropriate price or on adequate terms and immediately call a Unit Holders' meeting to decide on the next course of action; or (ii) without the consent of the Unit Holders, due to exceptional circumstances when there is a good and sufficient reason to do so having regard to the interests of the Unit Holders. In such case, the period of the suspension shall not exceed 21 days of the commencement of the suspension. 	<p>The Manager may, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the dealing in Units due to exceptional circumstances or such other circumstances as may be determined by the Manager, where there is good and sufficient reason to do so. The Manager will cease the suspension as soon as practicable after the exceptional circumstances have ceased, and in any event, within twenty-one (21) days from the commencement of suspension.</p> <p>The period of suspension may be extended if the Manager satisfies the Trustee that it is in the best interest of the Unit Holders for the dealing in Units to remain suspended, subject to a weekly review by the Trustee.</p> <p>The Trustee may suspend the dealing in Units, if the Trustee, on its own accord, considers that exceptional circumstances have been triggered. In such a case, the Trustee shall immediately call for a Unit Holders' meeting to decide on the next course of action.</p>

TRUSTEE'S REPORT

TO THE UNIT HOLDER OF AHAM HARD CURRENCIES FIXED INCOME FUND ("Fund")

We have acted as the Trustee of the Fund for the financial period from 1 June 2023 to 31 May 2024 (Date of Termination) 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 year covered by these financial statements in accordance with the following:-

1. Limitations imposed on the investment powers of the Management Company under the Deed, securities laws and the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework;
2. Valuation and pricing is 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 distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For and on behalf of
CIMB Commerce Trustee Berhad

Datin Ezreen Eliza binti Zulkiplee
Chief Executive Officer

Kuala Lumpur, Malaysia
30 July 2024

AHAM HARD CURRENCIES FIXED INCOME FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION)

AHAM HARD CURRENCIES FIXED INCOME FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION)

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AHAM HARD CURRENCIES FIXED INCOME FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION)

	<u>Note</u>	Financial period from 1.6.2023 to 31.5.2024 (date of <u>termination</u>) USD	Financial year ended <u>31.5.2023</u> USD
INVESTMENT INCOME/(LOSS)			
Interest income from financial assets at fair value through profit or loss		259,412	628,212
Net gain/(loss) on foreign currency exchange		14,811	(20,885)
Net loss on futures at fair value through profit or loss	10	-	(15,586)
Net (loss)/gain on forward foreign currency contracts at fair value through profit or loss	11	(1,524)	42,696
Net gain/(loss) on financial assets at fair value through profit or loss	9	117,093	(1,222,822)
Other income		93	670
		389,885	(587,715)
EXPENSES			
Management fee	4	(9,248)	(23,506)
Trustee fee	5	(1,850)	(4,701)
Fund accounting fee	6	(2,134)	(2,917)
Auditors' remuneration		(1,735)	(1,679)
Tax agent's fee		(759)	(762)
Other expenses		(7,143)	(11,467)
		(22,869)	(45,032)
NET PROFIT/(LOSS) BEFORE TAXATION		367,016	(632,747)
Taxation	7	(10,834)	(140,719)
NET PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL PERIOD/YEAR		356,182	(773,466)

AHAM HARD CURRENCIES FIXED INCOME FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

	<u>Note</u>	Financial period from 1.6.2023 to 31.5.2024 (date of <u>termination</u>) USD	Financial year ended <u>31.5.2023</u> USD
Net profit/(loss) after taxation is made up of the following:			
Realised amount		356,182	(2,028,807)
Unrealised amount		-	1,255,341
		<u>356,182</u>	<u>(773,466)</u>

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

AHAM HARD CURRENCIES FIXED INCOME FUND

STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2024 (DATE OF TERMINATION)

	<u>Note</u>	As at 31.5.2024 (date of termination) USD	As at <u>31.5.2023</u> USD
ASSETS			
Cash and cash equivalents		377	214,695
Margin account	12	-	14,202
Financial assets at fair value through profit or loss	9	-	5,483,483
Forward foreign currency contracts at fair value through profit or loss	11	-	12,235
Tax recoverable		93,784	18,082
TOTAL ASSETS		<u>94,161</u>	<u>5,742,697</u>
LIABILITIES			
Forward foreign currency contracts at fair value through profit or loss	11	-	4,130
Amount due to dealers		-	48,618
Amount due to Manager			
- management fee		1	967
- others		72,595	-
Amount due to Trustee		-	193
Fund accounting fee		-	220
Auditors' remuneration		1,692	1,679
Tax agent's fee		782	762
Other payable and accruals		1,119	1,091
TOTAL LIABILITIES		<u>76,189</u>	<u>57,660</u>
NET ASSET VALUE OF THE FUND		<u><u>17,972</u></u>	<u><u>5,685,037</u></u>

AHAM HARD CURRENCIES FIXED INCOME FUND

STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

	<u>Note</u>	As at 31.5.2024 (date of termination) USD	As at 31.5.2023 USD
EQUITY			
Unit holder's capital		2,251,755	8,275,002
Accumulated losses		(2,233,783)	(2,589,965)
NET ASSETS ATTRIBUTABLE TO UNIT HOLDER		<u>17,972</u>	<u>5,685,037</u>
NUMBER OF UNITS IN CIRCULATION	13	<u>5,000</u>	<u>6,410,566</u>
NET ASSET VALUE PER UNIT (USD)		<u>3.5944</u>	<u>0.8868</u>

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

AHAM HARD CURRENCIES FIXED INCOME FUND

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION)

	Unit holder's <u>capital</u> USD	Accumulated <u>losses</u> USD	<u>Total</u> USD
Balance as at 1 June 2023	8,275,002	(2,589,965)	5,685,037
Total comprehensive income for the financial period	-	356,182	356,182
Movement in unit holder's capital:			
Creation of units arising from applications	791,565	-	791,565
Cancellation of units	(6,814,812)	-	(6,814,812)
Balance as at 31 May 2024 (date of termination)	<u>2,251,755</u>	<u>(2,233,783)</u>	<u>17,972</u>
Balance as at 1 June 2022	16,750,054	(1,716,201)	15,033,853
Total comprehensive loss for the financial year	-	(773,466)	(773,466)
Distribution (Note 8)	-	(100,298)	(100,298)
Movement in unit holder's capital:			
Creation of units arising from applications	4,091,753	-	4,091,753
Cancellation of units	(12,566,805)	-	(12,566,805)
Balance as at 31 May 2023	<u>8,275,002</u>	<u>(2,589,965)</u>	<u>5,685,037</u>

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

AHAM HARD CURRENCIES FIXED INCOME FUND

STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION)

	Financial period from 1.6.2023 to 31.5.2024 (date of termination) USD	Financial year ended 31.5.2023 USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sale and redemption of investments	10,594,909	16,324,468
Purchase of investments	(5,123,199)	(9,103,014)
Proceeds from/(payments to) margin accounts	14,202	(14,202)
Interest received	339,661	678,634
Other income received	93	670
Management fee rebate received	-	22
Management fee paid	(10,214)	(25,307)
Trustee fee paid	(2,043)	(5,062)
Fund accounting fee paid	(2,354)	(2,697)
Payment for other fees and expenses	(9,576)	(14,211)
Net realised gain/(loss) on foreign currency exchange	14,908	(33,489)
Realised loss on futures	-	(15,586)
Realised gain/(loss) on forward foreign currency contracts	6,581	(20)
Tax paid	(86,634)	(158,801)
	<hr/>	<hr/>
Net cash flows generated from operating activities	5,736,334	7,631,405
	<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	791,565	4,091,753
Payments for cancellation of units	(6,814,812)	(12,518,187)
Payment for distribution	-	(100,298)
Advances from Manager	72,595	-
	<hr/>	<hr/>
Net cash flows used in financing activities	(5,950,652)	(8,526,732)
	<hr/>	<hr/>

AHAM HARD CURRENCIES FIXED INCOME FUND

STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

	Financial period from 1.6.2023 to 31.5.2024 (date of <u>termination</u>) USD	Financial year ended <u>31.5.2023</u> USD
NET DECREASE IN CASH AND CASH EQUIVALENTS	(214,318)	(895,327)
EFFECTS OF FOREIGN CURRENCY EXCHANGE	-	12,604
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL PERIOD/YEAR	<u>214,695</u>	<u>1,097,418</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD/YEAR	<u><u>377</u></u>	<u><u>214,695</u></u>

Cash and cash equivalents as at 31 May 2024 (date of termination) and 31 May 2023 comprise of bank balances.

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

AHAM HARD CURRENCIES FIXED INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION)

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 9 January 2020. As the Fund was left with units held by the Manager since 16 April 2024, the Manager terminated the Fund on 31 May 2024 in accordance with the Deeds. The Manager’s units were cancelled on 4 June 2024 and the net proceeds will only be distributed to the Manager upon the Fund’s receipt of the tax recoverable. As such, the going concern assumption can no longer be used for the preparation of financial statements. The financial statements have therefore been prepared using a non-going concern basis of accounting. The Manager and the Trustee of the Fund hereby authorised the termination of the trust in respect of the Fund on 31 May 2024.

- (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.

AHAM HARD CURRENCIES FIXED INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (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:

- 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.

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 as the Fund has been terminated on 31 May 2024.

B INCOME RECOGNITION

Interest income

Interest income from 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 loss 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.

AHAM HARD CURRENCIES FIXED INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

C DISTRIBUTION

A distribution to the Fund's unit holder 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.

D TAXATION

Tax expense for the year comprises current and deferred income tax.

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.

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

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 period 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.

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 United States Dollar ("USD"), which is the Fund's functional and presentation currency.

AHAM HARD CURRENCIES FIXED INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

F FOREIGN CURRENCY TRANSLATION

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

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

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

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as 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 margin account 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 dealers, amount due to Manager, amount due to Trustee, payables for fund accounting fee, auditors' remuneration, tax agent's fee, and other payables and accruals as financial liabilities measured at amortised cost.

AHAM HARD CURRENCIES FIXED INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement

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

Financial liabilities, within the scope of MFRS 9, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

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

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

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

Unquoted fixed income securities including money market instruments 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 Unit Trust Funds. Where such quotations 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 denominated in foreign currencies are revalued at least twice a week by reference to the mid-price quoted in Bloomberg. The Composite Bloomberg Bond Trader (“CBBT”) which is a weighted average bid and ask of price contributions submitted by Bloomberg Dealers is used. 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.

AHAM HARD CURRENCIES FIXED INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment

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

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Quantitative criteria:

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

Qualitative criteria:

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

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

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

AHAM HARD CURRENCIES FIXED INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

Write-off

The Fund write 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.

H CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances which are subject to an insignificant risk of change in value.

I AMOUNT DUE FROM/(TO) DEALERS

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

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

Significant financial difficulties of the 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.

AHAM HARD CURRENCIES FIXED INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

J UNIT HOLDER'S CAPITAL

The unit holder's 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 ("NAV");
- 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 unit holder exercises the right to put the unit back to the Fund.

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

K DERIVATIVE FINANCIAL INSTRUMENTS

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

The Fund's derivative financial instruments comprise forward foreign currency contracts. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Financial derivative positions will be "marked to market" at the close of each valuation day. Foreign exchange gains and losses on the derivative financial instrument are recognised in 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 a 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 is determined using forward exchange rates at the date of statements 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 at fair value through profit or loss.

AHAM HARD CURRENCIES FIXED INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

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.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the Securities Commission's ("SC") Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

Functional currency

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in USD primarily due to the following factors:

- i) Significant portion of the Fund's investment was in fixed income securities denominated in USD as at 31 May 2023. As at 31 May 2024 (date of termination), the investments of the Fund have been sold off and the remaining investments in Credit Suisse Additional Tier-1 bonds have been written down to USD Nil since 19 March 2023.
- ii) The Fund's cash is denominated in USD for the purpose of making settlement of foreign trades and expenses.

M REALISED AND UNREALISED PORTIONS OF PROFIT OR LOSS AFTER TAX

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

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION)

1 INFORMATION ON THE FUND

The Wholesale Fund was constituted under the name Affin Hwang Hard Currencies Fixed Income Fund (the "Fund") pursuant to the execution of a Deed dated 8 November 2019 and modified by First Supplemental Deed dated 18 May 2023 (the "Deed") entered into between AHAM Asset Management Berhad (the "Manager") and CIMB Commerce Trustee Berhad (the "Trustee"). The Fund has changed its name from Affin Hwang Hard Currencies Fixed Income Fund to AHAM Hard Currencies Fixed Income Fund as amended by the First Supplemental Deed dated 18 May 2023.

The Fund commenced operations on 9 January 2020. As the Fund was left with units held by the Manager since 16 April 2024, the Manager terminated the Fund on 31 May 2024 in accordance with the Deeds. The Manager's units were cancelled on 4 June 2024 and the net proceeds will only be distributed to the Manager upon the Fund's receipt of the tax recoverable. As such, the going concern assumption can no longer be used for the preparation of financial statements. The financial statements have therefore been prepared using a non-going concern basis of accounting. The Manager and the Trustee of the Fund hereby authorised the termination of the trust in respect of the Fund on 31 May 2024.

The Fund may invest in any of the following assets, subject to the Deed, the Fund's objective, the Guidelines, the requirements of the SC and all relevant laws:

- (a) Debentures;
- (b) Money market instruments;
- (c) Deposits;
- (d) Derivatives;
- (e) Embedded derivatives;
- (f) Units/shares in collective investment scheme; and
- (g) Any other form of investments as may be determined by the Manager from time to time that is in line with the Fund's objective.

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

The main objective of the Fund is to provide steady income stream over the medium to long-term investment horizon through investments primarily in global 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 30 July 2024.

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	<u>Note</u>	At amortised <u>cost</u> USD	At fair value through <u>profit or loss</u> USD	<u>Total</u> USD
<u>As at 31.5.2024 (date of termination)</u>				
<u>Financial assets</u>				
Cash and cash equivalents		377	-	377
Unquoted fixed income securities*		-	-	-
		<u>377</u>	<u>-</u>	<u>377</u>
Total		<u>377</u>	<u>-</u>	<u>377</u>

*As at 31 May 2024 (date of termination), the Fund's investments have been sold off and the remaining investments in Credit Suisse Additional Tier-1 bonds have been written down to USD Nil since 19 March 2023.

Financial liabilities

Amount due to Manager				
- management fee		1	-	1
- others		72,595	-	72,595
Auditors' remuneration		1,692	-	1,692
Tax agent's fee		782	-	782
Other payables and accruals		1,119	-	1,119
		<u>76,189</u>	<u>-</u>	<u>76,189</u>
Total		<u>76,189</u>	<u>-</u>	<u>76,189</u>

As at 31.5.2023

Financial assets

Cash and cash equivalents		214,695	-	214,695
Margin account	12	14,202	-	14,202
Unquoted fixed income securities	9	-	5,483,483	5,483,483
Forward foreign currency contracts at fair value through profit or loss	11	-	12,235	12,235
		<u>228,897</u>	<u>5,495,718</u>	<u>5,724,615</u>
Total		<u>228,897</u>	<u>5,495,718</u>	<u>5,724,615</u>

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

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

Financial instruments are as follows: (continued)

	<u>Note</u>	At amortised <u>cost</u> USD	At fair value through <u>profit or loss</u> USD	<u>Total</u> USD
<u>As at 31.5.2023</u> (continued)				
<u>Financial liabilities</u>				
Forward foreign currency contracts at fair value through profit or loss	11	-	4,130	4,130
Amount due to Manager				
- management fee		967	-	967
- cancellation of units		48,618	-	48,618
Amount due to Trustee		193	-	193
Fund accounting fee		220	-	220
Auditors' remuneration		1,679	-	1,679
Tax agent's fee		762	-	762
Other payables and accruals		1,091	-	1,091
Total		<u>53,530</u>	<u>4,130</u>	<u>57,660</u>

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

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

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

Market risk

(a) Price risk

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

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

	As at 31.5.2024 (date of termination) USD	As at 31.5.2023 USD
Unquoted investment		
Unquoted fixed income securities*	-	5,483,483

* Includes interest receivable USD Nil (2023: USD72,807).

The Fund is not exposed to the price risk as at 31 May 2024 (date of termination) as the investments of the Fund have been sold off and the remaining investments in Credit Suisse Additional Tier-1 bonds have been written down to USD Nil since 19 March 2023.

The following table summarises the sensitivity of the Fund's loss after taxation and NAV to price risk movements as at 31 May 2023. The analysis is based on the assumptions that the market price increased by 5% and decreased by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted and unquoted securities.

<u>% Change in rate</u>	<u>Market value</u> USD	Impact on loss after <u>tax/NAV</u> USD
<u>As at 31.5.2023</u>		
-5%	5,140,142	(270,534)
0%	5,410,676	-
+5%	5,681,210	270,534

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

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

Market risk (continued)

b) Interest rate risk

In general, when interest rates rise, unquoted fixed income securities prices 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 Fund is not exposed to interest rate risk as at 31 May 2024 (date of termination) as the investments of the Fund have been sold off and the remaining investments in Credit Suisse Additional Tier-1 bonds have been written down to USD Nil since 19 March 2023.

The table below summarises the sensitivity of the Fund's loss 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 as at 31 May 2023. The analysis is based on the assumptions that the interest rate increased and decreased by 2% with all other variables held constant.

<u>% Change in interest rate</u>	<u>Impact on loss after tax/NAV</u>
	As at <u>31.5.2023</u> USD
+ 2%	(19,811)
- 2%	<u>19,190</u>

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (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 United States Dollar, the investments will face currency losses in addition to the capital gain/loss. The Manager will evaluate the likely directions of a foreign currency versus United States Dollar 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>Other payables*</u> USD	<u>Total</u> USD
<u>As at 31.5.2024</u> (date of termination)		
<u>Financial liabilities</u>		
Malaysian Ringgit	3,593	3,593

* Other payables consists of payables for auditor's remuneration, tax agent's fee and other payables and accruals.

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (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)

	<u>Forward foreign currency contracts</u> USD	<u>Unquoted fixed income securities</u> USD	<u>Cash and cash equivalents</u> USD	<u>Total</u> USD
<u>As at 31.5.2023</u>				
<u>Financial assets</u>				
Australian Dollar	-	-	18	18
Chinese Yuan	4,912	415,752	138	420,802
Euro	2,080	307,921	5,634	315,635
Malaysian Ringgit	3,445	144,692	1,228	149,365
Singapore Dollar	1,798	504,527	12	506,337
	<u>12,235</u>	<u>1,372,892</u>	<u>7,030</u>	<u>1,392,157</u>
		<u>Forward foreign currency contracts</u> USD	<u>Other payables*</u> USD	<u>Total</u> USD
<u>Financial liabilities</u>				
Euro		762	-	762
Japanese Yen		3,341	-	3,341
Malaysian Ringgit		27	52,370	52,397
		<u>4,130</u>	<u>52,370</u>	<u>56,500</u>

* Other payables consist of amount due to dealers, payables for fund accounting fee, auditor's remuneration, tax agent's fee and other payables and accruals.

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

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

	Change in rate %	Impact on profit/ (loss) after tax/NAV USD
<u>As at 31.5.2024</u> (date of termination)		
Malaysian Ringgit	+/-5.42	-/+ 195
<u>As at 31.5.2023</u>		
Australian Dollar	+/-13.86	+/- 2
Chinese Yuan	+/-6.29	+/- 26,455
Euro	+/-10.12	+/- 31,858
Japanese Yen	+/-12.98	-/+ 434
Malaysian Ringgit	+/-5.75	+/- 5,579
Singapore Dollar	+/-5.76	+/- 29,185

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 payment and cancellations of unit by unit holder, liquid assets comprise cash and other instruments, which are capable of being converted into cash within 7 days.

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

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

Liquidity risk (continued)

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 USD</u>	<u>Between one month to one year USD</u>	<u>Total USD</u>
<u>As at 31.5.2024</u> (date of termination)			
Amount due to Manager			
- management fees	1	-	1
- others	-	72,595	72,595
Auditors' remuneration	-	1,692	1,692
Tax agent fee	-	782	782
Other payables and accruals	-	1,119	1,119
	<u>1</u>	<u>76,188</u>	<u>76,189</u>
<u>As at 31.5.2023</u>			
Forward foreign currency contracts at fair value through profit or loss	4,103	27	4,130
Amount due to dealers	48,618	-	48,618
Amount due to Manager			
- management fees	967	-	967
Amount due to Trustee	193	-	193
Fund accounting fee	220	-	220
Auditors' remuneration	-	1,679	1,679
Tax agent fee	-	762	762
Other payables and accruals	-	1,091	1,091
	<u>54,101</u>	<u>3,559</u>	<u>57,660</u>

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

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

Credit risk

Credit risk refers to the ability of an issuer or counterparty to make timely payments of profit, principals and proceeds from realisation of 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.

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

The settlement terms of amount due from dealers are governed by the relevant rules and regulations as prescribed by the respective bond markets.

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

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

	Cash and cash <u>equivalents</u> USD	<u>Total</u> USD
<u>2024</u>		
Financial services - AAA	<u>377</u>	<u>377</u>

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

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

Credit risk (continued)

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

	Unquoted fixed income securities USD	Cash and cash equivalents USD	Margin account USD	Forward foreign currency contracts USD	Total USD
<u>2023</u>					
Basic Materials					
- Ba3	250,095	-	-	-	250,095
Consumer Discretionary					
- Baa2	202,038	-	-	-	202,038
- Baa3	193,222	-	-	-	193,222
- Non-rated ("NR")	333,077	-	-	-	333,077
Energy					
- Baa1	102,142	-	-	-	102,142
Financial Services					
- A1	101,935	-	-	-	101,935
- A3	103,844	-	-	-	103,844
- AAA	-	214,695	14,202	12,235	241,132
- Ba1	310,076	-	-	-	310,076
- Ba3	339,893	-	-	-	339,893
- Baa1	185,434	-	-	-	185,434
- Baa2	167,984	-	-	-	167,984
- Baa3	342,418	-	-	-	342,418
- BBB-	415,752	-	-	-	415,752
Government					
- Aaa	504,434	-	-	-	504,434
- NR	521,392	-	-	-	521,392
Industrials					
- NR	607,065	-	-	-	607,065
Real Estate					
- Baa1	355,056	-	-	-	355,056
- NR	447,626	-	-	-	447,626
	<u>5,483,483</u>	<u>214,695</u>	<u>14,202</u>	<u>12,235</u>	<u>5,724,615</u>

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

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

Capital risk

The capital of the Fund is represented by equity consisting of unit holder's 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 holder. 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 holder 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 defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

An active market is a market in which transactions for the asset take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets and financial liabilities that are not traded in an active market is determined by using valuation techniques.

(i) Fair value hierarchy

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

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

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

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (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.

As at 31 May 2024 (date of termination), the Fund's investments have been sold off and the remaining investments in Credit Suisse Additional Tier-1 bonds have been written down to USD Nil since 19 March 2023.

The following table analyses within the fair value hierarchy the Fund's financial assets and financial liabilities (by class) measured at fair value as at 31 May 2023:

	<u>Level 1</u> USD	<u>Level 2</u> USD	<u>Level 3</u> USD	<u>Total</u> USD
<u>As at 31.5.2023</u>				
Financial assets at fair value through profit or loss:				
- unquoted fixed income securities	-	5,483,483	-	5,483,483
- forward foreign currency contracts	-	12,235	-	12,235
	-	5,495,718	-	5,495,718
Financial liabilities at fair value through profit or loss:				
- forward foreign currency contracts	-	4,130	-	4,130

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 includes 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.

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

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

4 MANAGEMENT FEE

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

For the financial period from 1 June 2023 to 31 May 2024 (date of termination), 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 Deed, the Trustee is entitled to an annual fee at a rate not exceeding 0.10% per annum on the NAV of the Fund, excluding of foreign custodian fees and charges.

For the financial period from 1 June 2023 to 31 May 2024 (date of termination), the Trustee's fee is recognised at a rate of 0.04% (2023: 0.04%) 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 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 USD2,134 (equivalent of RM10,000) (2023: USD2,917 (equivalent of RM12,000)) during financial period/year.

7 TAXATION

	Financial period from 1.6.2023 to 31.5.2024 (date of termination) USD	Financial year ended 31.5.2023 USD
Current taxation	34,599	140,719
Overprovision of taxation in prior year	(23,765)	-
	<u>10,834</u>	<u>140,719</u>

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

7 TAXATION (CONTINUED)

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

	Financial period from 1.6.2023 to 31.5.2024 (date of termination) USD	Financial year ended 31.5.2023 USD
Net profit/(loss) before taxation	367,016	(632,747)
Tax at Malaysian statutory rate of 24% (2023: 24%)	88,084	(151,859)
Tax effects of: (Investment income not subject to tax)/investment loss not brought to tax	(58,974)	281,050
Expenses not deductible for tax purposes	2,853	4,763
Foreign income subject to different tax rate	-	1,324
Restriction on tax deduction expenses for Wholesale Fund	2,636	5,441
Overprovision of taxation in prior year	(23,765)	-
Tax expense	10,834	140,719

8 DISTRIBUTION

	Financial period from 1.6.2023 to 31.5.2024 (date of termination) USD	Financial year ended 31.5.2023 USD
Distribution to unit holder is from the following sources:		
Interest income	-	120,357
Gross realised income	-	120,357
Less: Expenses	-	(20,059)
Net distribution amount	-	100,298

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

8 DISTRIBUTION (CONTINUED)

During the financial year ended 31 May 2023, distributions were made as follows:

<u>Ex-date</u>	<u>Gross distribution per unit</u> cent	<u>Net distribution per unit</u> cent
18.1.2023	0.96	0.96

Gross distribution per unit is derived from gross realised income less expenses 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.

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 31.5.2024 (date of <u>termination</u>) USD	As at 31.5.2023 USD
Financial assets at fair value through profit or loss:		
- unquoted fixed income securities – local	-	144,692
- unquoted fixed income securities – foreign	-	5,338,791
	-	5,483,483
	Financial period from 1.6.2023 to 31.5.2024 (date of <u>termination</u>) USD	Financial year ended 31.5.2023 USD
Net gain/(loss) on financial assets at fair value through profit or loss:		
- realised gain/(loss) on sale of investments	117,093	(2,357,095)
- realised loss on write-down of investments	-	(188,192)
- unrealised gain on changes in fair value	-	1,322,465
	117,093	(1,222,822)

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

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

(a) Unquoted fixed income securities - local

(i) There are no unquoted fixed income securities – local as at 31 May 2024 (date of termination).

(ii) Unquoted fixed income securities – local as at 31 May 2023 are as follows:

<u>Name of issuer</u>	<u>Nominal value USD</u>	<u>Adjusted cost USD</u>	<u>Fair value USD</u>	<u>Percentage of NAV %</u>
<u>Bonds</u>				
5.357% Government Investment Issue 15.05.2052 (NR)	43,379	52,856	51,338	0.91
3.885% Malaysia Government Securities 15.08.2029 (NR)	43,379	46,159	44,481	0.78
4.893% Malaysian Government Securities 08.06.2038 (NR)	43,379	48,721	48,873	0.86
Total unquoted fixed income securities - local	<u>130,138</u>	<u>147,736</u>	<u>144,692</u>	<u>2.55</u>
Accumulated unrealised loss on unquoted fixed income securities - local		<u>(3,044)</u>		
Total unquoted fixed income securities - local		<u>144,692</u>		

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (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 31 May 2024 (date of termination):

The Fund's remaining unquoted fixed income securities of 5.625% Credit Suisse Group AG (Call: 06.06.2024) (ISIN: CH0482172324) with nominal value of USD 184,931 (SGD 250,000) had been fully written down to USD Nil since 19 March 2023.

(ii) Unquoted fixed income securities - foreign as at 31 May 2023 are as follows:

<u>Name of issuer</u>	<u>Nominal value USD</u>	<u>Adjusted cost USD</u>	<u>Fair value USD</u>	<u>Percentage of NAV %</u>
<u>Bonds</u>				
2.95% Australia New Zealand Bank Group Call: 22.07.2025 (Baa1)	200,000	191,995	185,434	3.26
4.30% Bank Negara Indonesia Call: 24.03.2027 (Ba3)	200,000	189,995	165,881	2.92
4.625% BNP Paribas SA Call: 12.01.2027 (Ba1)	200,000	203,572	160,432	2.82
3.25% BP Capital Markets PLC Call: 22.03.2026 (Baa1)	106,750	102,552	102,142	1.80
0% CCB (Europe) S.A. 28.06.2024 (A1)	106,750	103,868	101,935	1.79
5.75% Celestial Miles Ltd Call: 31.01.2024 (NR)	200,000	185,400	198,885	3.50
5.625% Credit Suisse Group AG Call: 06.06.2024 (C)*	184,497	-	-	0.00
4.70% Far East Horizon Ltd 09.02.2024 (BBB-)	421,947	472,557	415,752	7.31
4.00% Geely Automobile Holdings Ltd Call: 09.12.2024 (Baa3)	200,000	199,969	193,222	3.40
3.70% HDFC Bank Ltd Call: 25.08.2026 (Ba3)	200,000	201,932	174,012	3.06
8.25% Indika Energy Capital IV Call: 26.06.2023 (Ba3)	250,000	243,102	250,095	4.40
6.875% Julius Baer Group Ltd Call: 09.06.2027 (Baa3)	200,000	206,569	179,889	3.16
3.50% Mapletree North Asia Commercial Trust Call: 08.06.2026 (NR)	184,497	188,068	171,450	3.01
5.625% Minejesa Capital BV 10.08.2037 (Baa3)	200,000	196,862	162,529	2.86
3.10% MINOR International Public Company Listed Call: 29.06.2023 (Baa2)	200,000	202,307	202,038	3.55
6.15% NWD Finance BVI Ltd Call: 16.03.2025 (NR)	300,000	300,193	276,176	4.86

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (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 31 May 2023 are as follows:
(continued)

<u>Name of issuer</u>	<u>Nominal value USD</u>	<u>Adjusted cost USD</u>	<u>Fair value USD</u>	<u>Percentage of NAV %</u>
<u>Bonds</u>				
4.75% Scentre Group Trust 2 Call: 24.06.2026 (Baa1)	200,000	200,717	183,388	3.23
5.125% Scentre Group Trust 2 Call: 24.06.2030 (Baa1)	200,000	187,453	171,668	3.02
1.625% Svenska Handelsbanken AB Call: 05.03.2024 (A3)	106,750	104,802	103,844	1.83
4.00% Swedbank AB Call: 17.03.2029 (Ba1)	200,000	201,644	149,644	2.63
United States Treasury N/B 25.07.2023 (NR)	300,000	297,975	297,690	5.24
0.125% United States Treasury N/B 15.01.2024 (Aaa)	400,000	387,913	387,549	6.82
0.125% United States Treasury N/B 31.08.2023 (NR)	80,000	79,151	79,010	1.39
0.25% United States Treasury N/B 15.06.2024 (Aaa)	50,000	47,828	47,603	0.84
3.875% United States Treasury N/B 15.02.2043 (Aaa)	70,000	70,614	69,282	1.22
5.00% Westpac Banking Corp Call: 21.09.2027 (Baa2)	200,000	205,074	167,984	2.95
4.35% Wing Tai Properties Fin Ltd Call: 24.08.2023 (NR)	368,995	367,024	333,077	5.86
8.10% Yinson Juniper Ltd Call: 29.03.2024 (NR)	400,000	416,867	408,180	7.18
Total unquoted fixed income securities - foreign	<u>5,930,186</u>	<u>5,756,003</u>	<u>5,338,791</u>	<u>93.91</u>
Accumulated unrealised loss on unquoted fixed income securities - foreign		<u>(417,212)</u>		
Total unquoted fixed income securities - foreign		<u>5,338,791</u>		

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

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

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

*Credit Suisse Group AG

One of the Fund's unquoted fixed income securities investment - 5.625% Credit Suisse Group AG (Call: 06.06.2024) (ISIN: CH0482172324) with nominal value of USD 184,497 (SGD 250,000) had been fully written down to USD Nil since 19 March 2023.

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 HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (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 11 March 2024, Quinn Emanuel is preparing a letter to the Court to ask for an update which can be submitted to the Court at the appropriate time. As of 30 June 2024, there have been no new developments in the FINMA appeal. Quinn Emanuel, along with other appellant groups, are still awaiting the Administrative Court's delivery of UBS's and FINMA's reply submissions. Based on information gathered by Quinn Emanuel from other appellant groups, the letter to the Court seeking an update has been put on hold as it is believed that the Court will issue its next procedural order soon. The legal proceedings are ongoing, and the Manager will continue to maintain close communication with Quinn Emanuel regarding the progress of the lawsuit.

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 borne 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 QUOTED FUTURES AT FAIR VALUE THROUGH PROFIT OR LOSS

Futures are contractual obligations to buy or sell financial instruments on a future date at specified price established in an organised market. The futures contracts are collateralised by cash. Initial margin requirements for futures are met in cash and changes in future contract values are marked to market daily.

As at 31 May 2024 (date of termination) and 31 May 2023, there were no outstanding quoted futures contracts.

The breakdown of the net loss on futures at fair value through profit or loss is set out below:

	Financial period from 1.6.2023 to 31.5.2024 (date of <u>termination</u>) USD	Financial year ended <u>31.5.2023</u> USD
Net loss on futures at fair value through profit or loss:		
- realised loss on settlement of futures contracts	-	(15,586)

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

11 FORWARD FOREIGN CURRENCY CONTRACTS

As at the date of the statement of financial position, there are Nil (2023: 8) forward foreign currency contracts outstanding. The notional principal amount of the outstanding forward foreign currency contracts amounted to USD Nil (2023: USD1,156,001). 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, Chinese Yuan, Euro, Japanese Yen, Malaysia Ringgit and Singapore Dollar. As the Fund has not adopted hedge accounting during the financial year, the change in the fair value of the forward foreign currency contracts is recognised immediately in the statement of comprehensive income.

	As at 31.5.2024 (date of termination) USD	As at 31.5.2023 USD
Financial assets at fair value through profit or loss:		
- forward foreign currency contracts	-	12,235
	<u> </u>	<u> </u>
Financial liabilities at fair value through profit or loss:		
- forward foreign currency contracts	-	4,130
	<u> </u>	<u> </u>
	Financial period from 1.6.2023 to 31.5.2024 (date of termination) USD	Financial year ended 31.5.2023 USD
Net (loss)/gain on forward foreign currency contracts at fair value through profit or loss:		
- realised loss on forward foreign currency contracts	(1,524)	(13)
- unrealised gain on changes in fair value	-	42,709
	<u> </u>	<u> </u>
	<u>(1,524)</u>	<u>42,696</u>

(i) There are no forward foreign currency contracts as at 31 May 2024 (date of termination).

(ii) Forward foreign currency contracts as at 31 May 2023 is as follows:

	<u>Receivables</u> USD	<u>Payables</u> USD	Fair value USD	Percentage of NAV %
CIMB Bank Bhd	1,152,660	1,144,555	8,105	0.14
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

12 MARGIN ACCOUNT

Margin account represent margin deposits held in respect of open exchange-traded futures contracts.

13 NUMBER OF UNITS IN CIRCULATION

	As at 31.5.2024 (date of termination) No. of units	As at 31.5.2023 No. of units
At the beginning of the financial period/year	6,410,566	15,880,459
Creation of units arising from applications	875,916	4,435,041
Cancellation of units	(7,281,482)	(13,904,934)
At the end of the financial period/year	<u>5,000</u>	<u>6,410,566</u>

The Fund has been terminated on 31 May 2024 and all the units in circulation were subsequently cancelled on 4 June 2024 by Manager.

14 TRANSACTIONS WITH DEALERS

(i) Details of transaction with the top 10 dealers for the financial period from 1 June 2023 to 31 May 2024 (date of termination) are as follows:

<u>Name of dealers</u>	<u>Value of trade USD</u>	<u>Percentage of total trade %</u>
MarketAxess Holdings Inc#	5,138,922	37.46
Bank of America and BofA Securities	1,544,166	11.26
Barclays Capital	884,687	6.45
BMO Capital Markets	853,879	6.22
Standard Chartered Bank Malaysia Bhd	797,657	5.81
UBS Warburg Pte Ltd	514,322	3.75
BNP Paribas Sec SIN Pte Ltd	360,850	2.63
CIMB Bank Bhd	356,231	2.60
ANZ Bank New Zealand Ltd	327,750	2.39
RHB Investment Bank Bhd#	318,737	2.32
Others#	2,622,026	19.11
	<u>13,719,227</u>	<u>100.00</u>

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

14 TRANSACTIONS WITH DEALERS (CONTINUED)

(ii) Details of transaction with the top 10 dealers for the financial year ended 31 May 2023 are as follows:

<u>Name of dealers</u>	<u>Value of trade USD</u>	<u>Percentage of total trade %</u>
Market Axess Holdings Inc#	1,920,312	9.02
ANZ Bank New Zealand Ltd	1,731,308	8.13
Morgan Stanley Asia Singapore Holdings Pte Ltd	1,728,628	8.11
Nomura Singapore Ltd	1,533,072	7.20
JP Morgan Chase Bank Bhd	1,446,457	6.79
Standard Chartered Bank Malaysia Bhd#	1,434,417	6.73
HSBC Bank Malaysia Bhd	1,174,257	5.51
BMO Capital Markets	923,738	4.34
UBS Warburg Pte Ltd	878,750	4.12
Westpac Institutional Bank	868,827	4.08
Others#	7,661,296	35.97
	<u>21,301,062</u>	<u>100.00</u>

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

<u>Name of dealers</u>	<u>As at 31.5.2024 (date of termination) USD</u>	<u>As at 31.5.2023 USD</u>
Affin Hwang Investment Bank Bhd	107,172	-
Market Axess Holdings Inc	4,353,817	176,690
RHB Investment Bank Bhd	318,737	231,061
Standard Chartered Bank Malaysia Bhd	-	286,352
	<u>4,779,726</u>	<u>694,103</u>

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

14 TRANSACTIONS WITH DEALERS (CONTINUED)

The cross trades are conducted between the Funds and other fund as well as private mandates managed by the Manager as follows:

	As at 31.5.2024 (date of <u>termination</u>) USD	As at <u>31.5.2023</u> USD
AHAM Asia Bond Fund	196,550	-
AHAM ESG SGD Bond Fund (formerly known as AHAM SGD Bond Fund)	342,759	-
AHAM Flexible Maturity Income Fund 15	199,270	-
AHAM Flexible Maturity Income Fund 17	197,050	-
AHAM Flexible Maturity Income Fund 18	788,975	-
AHAM Flexible Maturity Income Fund 19	189,336	-
AHAM Flexible Maturity Income Fund 20	191,636	-
AHAM Flexible Maturity Income Fund 21	394,947	-
AHAM RMB Bond Fund	180,990	286,352
AHAM Select Bond Fund	492,422	-
AHAM Select SGD Income Fund	542,868	-
AHAM Target Maturity Income Fund	-	231,061
Private mandates	1,062,923	176,690
	<u>4,779,726</u>	<u>694,103</u>

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

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

<u>Related parties</u>	<u>Relationships</u>
CVC Capital Partners Asia V L.P. ("CVC Asia V")	Ultimate holding company of the Manager
Lembaga Tabung Angkatan Tentera ("LTAT")	Former ultimate holding corporate body of the Manager and substantial shareholder of the Manager
Affin Bank Berhad ("ABB")	Former penultimate holding company of the Manager
Affin Hwang Investment Bank Berhad	Former immediate holding company of the Manager

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

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

The units held by the Manager as at the end of the financial period/year as follows: (continued)

<u>Related parties</u>	<u>Relationships</u>
Starlight TopCo Limited	Penultimate holding company of the Manager
Starlight Universe Limited	Intermediate holding company of the Manager
Starlight Asset Sdn Bhd	Immediate holding company of the Manager
Nikko Asset Management International Limited ("NAMI")	Former substantial shareholder of the Manager
Nikko Asset Management Co. Ltd ("NAM")	Substantial shareholder of the Manager
AHAM Asset Management Berhad	The Manager
Subsidiaries and associated companies of CVC Asia V as disclosed in their financial statements	Subsidiaries and associated companies of the ultimate holding company of the Manager
Subsidiaries and associated companies of ABB as disclosed in their financial statements	Subsidiaries and associated companies of the former penultimate holding company of the Manager
Directors of AHAM Asset Management Berhad	Directors of the Manager

	As at 31.5.2024 (date of termination)		As at 31.5.2023	
	No. of units	USD	No. of units	USD
<u>The Manager:</u>				
AHAM Asset Management Berhad (The units are held legally for booking purposes)	5,000	17,972	5,000	4,434

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

AHAM HARD CURRENCIES FIXED INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2023 TO 31 MAY 2024 (DATE OF TERMINATION) (CONTINUED)

16 TOTAL EXPENSE RATIO ("TER")

	Financial period from 1.6.2023 to 31.5.2024 (date of termination) <u> </u> %	Financial year ended 31.5.2023 <u> </u> %
TER	0.50	0.38

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 period/year calculated on a daily basis is USD 4,614,403 (2023: USD11,763,226).

17 PORTFOLIO TURNOVER RATIO ("PTR")

	Financial period from 1.6.2023 to 31.5.2024 (date of termination) <u> </u>	Financial year ended 31.5.2023 <u> </u>
PTR (times)	1.73	1.16

PTR is derived from the following calculation:

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

where: total acquisition for the financial period/year = USD5,074,581 (2023: USD8,634,673)
total disposal for the financial period/year = USD10,897,895 (2023: USD18,681,563)

AHAM HARD CURRENCIES FIXED INCOME FUND

STATEMENT BY THE MANAGER

I, Dato' Teng Chee Wai, for and on behalf of the board of directors of the Manager, **AHAM Asset Management Berhad**, do hereby state that in the opinion of the Manager, the financial statements set out on pages 1 to 43 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 31 May 2024 (date of termination) and of its financial performance, changes in equity and cash flows for the financial period from 1 June 2023 to 31 May 2024 (date of termination) 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
30 July 2024

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDER OF AHAM HARD CURRENCIES FIXED INCOME FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of AHAM Hard Currencies Fixed Income Fund (“the Fund”) give a true and fair view of the financial position of the Fund as at 31 May 2024 (date of termination), and of its financial performance and its cash flows for the financial period from 1 June 2023 to 31 May 2024 (date of termination) 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 31 May 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial period then ended, and notes to the financial statements, including a material accounting policy information, as set out on pages 1 to 43.

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 of basis of preparation of the financial statements, which states that the Fund has been terminated on 31 May 2024. 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.

*PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants, Level 10, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia
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INDEPENDENT AUDITORS' REPORT
TO THE UNIT HOLDER OF AHAM HARD CURRENCIES FIXED INCOME FUND
(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 HOLDER OF AHAM HARD CURRENCIES FIXED INCOME FUND
(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 Fund'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 HOLDER OF AHAM HARD CURRENCIES FIXED INCOME FUND
(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 HOLDER OF AHAM HARD CURRENCIES FIXED INCOME FUND
(CONTINUED)

OTHER MATTERS

This report is made solely to the unit holder 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
30 July 2024

DIRECTORY OF SALES OFFICE

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