



ANNUAL REPORT
31 May 2024

AHAM World Series – **Income Fund**

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

Trustee
Deutsche Trustees Malaysia Berhad
200701005591 (763590-H)

Built On Trust

aham.com.my

AHAM WORLD SERIES – INCOME FUND

Annual Report and Audited Financial Statements For The Financial Period 9 May 2023 (Date of Launch) – 31 May 2024

Content	Page
FUND INFORMATION	III
FUND PERFORMANCE DATA.....	IV
MANAGER'S REPORT	VII
TRUSTEE'S REPORT	XIV
FINANCIAL STATEMENT	
DIRECTORY OF SALES OFFICE	

FUND INFORMATION

Fund Name	AHAM World Series – Income Fund
Fund Type	Growth & Income
Fund Category	Feeder (Wholesale)
Investment Objective	The Fund seeks to achieve capital appreciation and regular income over medium to long term period.
Benchmark	50% MSCI USA High Dividend Yield Index + 25% Bloomberg High Yield Very Liquid Index + 25% Bloomberg US Aggregate Index
Distribution Policy	<p>Subject to the availability of income, the Fund will make distribution to the Unit Holders on a monthly basis. However, the amount of income available for distribution may fluctuate from month to month.</p> <p>At our discretion, the Fund may distribute (1) realised income, (2) realised capital gains (3) unrealised income, (4) unrealised capital gains, (5) capital or (6) a combination of any of the above.</p>

FUND PERFORMANCE DATA

Category	As At 31 May 2024 (%)		
Portfolio composition			
Collective investment scheme	90.50		
Cash and cash equivalent	9.50		
Total	100.00		
Currency class	MYR Class	USD Class	MYR-Hedged Class
Total NAV (in million)	34.083	3.365	82.271
NAV per unit (in USD)	0.5121	0.4963	0.4921
Unit in Circulation (in million)	66.555	6.781	167.201
Highest NAV	0.5211	0.5042	0.5075
Lowest NAV	0.4818	0.4646	0.4672
Return of the Fund (%)	7.09	3.91	3.05
- Capital Return (%)	2.42	-0.74	-1.58
- Income Return (%)	4.56	4.68	4.71
Gross Distribution per Unit (sen)	2.28	2.26	2.27
Net Distribution per Unit (sen)	2.28	2.26	2.27
Total Expenses Ratio (%) ¹		2.06	
Portfolio Turnover Ratio (times) ²		3.06	

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

The performance figures are a comparison of the growth/decline in Net Asset Value (“NAV”) for the stipulated 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 was launched on 9 May 2023, hence the absence of TER from the previous year.

² The Fund was launched on 9 May 2023, hence the absence of PTR from the previous year.

Income Distribution / Unit Split

The NAV per Unit prior and subsequent to the distribution was as follows:-

MYR Class

Cum Date	Ex-Date	Cum-distribution (MYR)	Distribution per Unit (MYR)	Ex-distribution (MYR)
20-Nov-23	21-Nov-23	0.4955	0.0030	0.4911
19-Dec-23	20-Dec-23	0.5164	0.0033	0.5095
21-Jan-24	22-Jan-24	0.5135	0.0033	0.5123
21-Feb-24	22-Feb-24	0.5205	0.0033	0.5156
21-Mar-24	22-Mar-24	0.5184	0.0033	0.5172
21-Apr-24	22-Apr-24	0.5137	0.0033	0.5113
22-May-24	23-May-24	0.5166	0.0033	0.5105

USD Class

Cum Date	Ex-Date	Cum-distribution (USD)	Distribution per Unit (USD)	Ex-distribution (USD)
20-Nov-23	21-Nov-23	0.4848	0.0028	0.4821
19-Dec-23	20-Dec-23	0.5042	0.0033	0.4996
21-Jan-24	22-Jan-24	0.4970	0.0033	0.4945
21-Feb-24	22-Feb-24	0.4958	0.0033	0.4931
21-Mar-24	22-Mar-24	0.5017	0.0033	0.4984
21-Apr-24	22-Apr-24	0.4901	0.0033	0.4883
22-May-24	23-May-24	0.5018	0.0033	0.4950

MYR-Hedged Class

Cum Date	Ex-Date	Cum-distribution (MYR)	Distribution per Unit (MYR)	Ex-distribution (MYR)
20-Nov-23	21-Nov-23	0.4866	0.0029	0.4838
19-Dec-23	20-Dec-23	0.5046	0.0033	0.5000
21-Jan-24	22-Jan-24	0.4966	0.0033	0.4942
21-Feb-24	22-Feb-24	0.4949	0.0033	0.4921
21-Mar-24	22-Mar-24	0.4996	0.0033	0.4964
21-Apr-24	22-Apr-24	0.4875	0.0033	0.4857
22-May-24	23-May-24	0.4978	0.0033	0.4909

No unit splits were declared for the financial year ended 31 May 2024.

Income Distribution / Unit Split

MYR Class

Class	Ex-Date	Income (per unit) (sens / cents)	Income (%)	Capital (per unit) (sens / cents)	Capital (%)
MYR	21-Nov-23	0.2980	100.00	0.0000	0.00
MYR	20-Dec-23	0.3300	100.00	0.0000	0.00
MYR	22-Jan-24	0.0000	0.00	0.3300	100.00
MYR	22-Feb-24	0.3300	100.00	0.0000	0.00
MYR	22-Mar-24	0.1000	30.30	0.2300	69.70
MYR	22-Apr-24	0.2100	63.64	0.1200	36.36
MYR	23-May-24	0.1900	57.58	0.1400	42.42

USD Class

Class	Ex-Date	Income (per unit) (sens / cents)	Income (%)	Capital (per unit) (sens / cents)	Capital (%)
USD	21-Nov-23	0.2840	100.00	0.0000	0.00
USD	20-Dec-23	0.3000	90.91	0.0300	9.09
USD	22-Jan-24	0.0000	0.00	0.3300	100.00
USD	22-Feb-24	0.3300	100.00	0.0000	0.00
USD	22-Mar-24	0.2100	63.64	0.1200	36.36
USD	22-Apr-24	0.2300	69.70	0.1000	30.30
USD	23-May-24	0.0800	24.24	0.2500	75.76

MYR-Hedged Class

Class	Ex-Date	Income (per unit) (sens / cents)	Income (%)	Capital (per unit) (sens / cents)	Capital (%)
MYR Hedged	21-Nov-23	0.2910	100.00	0.0000	0.00
MYR Hedged	20-Dec-23	0.3300	100.00	0.0000	0.00
MYR Hedged	22-Jan-24	0.0060	1.82	0.3240	98.18
MYR Hedged	22-Feb-24	0.3300	100.00	0.0000	0.00
MYR Hedged	22-Mar-24	0.1100	33.33	0.2200	66.67
MYR Hedged	22-Apr-24	0.3300	100.00	0.0000	0.00
MYR Hedged	23-May-24	0.1700	51.52	0.1600	48.48

Fund Performance

Table 1: Performance of the Fund

	Since Commencement (19/6/23 - 31/5/24)
Benchmark	7.42%
USD	3.91%
Outperformance	(3.51%)
MYR	7.09%
Outperformance	(0.33%)
MYR Hedged	3.05%
Outperformance	(4.37%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	Since Commencement (19/6/23 - 31/5/24)
Benchmark	7.42%
USD	3.91%
Outperformance	(3.51%)
MYR	7.09%
Outperformance	(0.33%)
MYR Hedged	3.05%
Outperformance	(4.37%)

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2024 (19/6/23 - 31/5/24)
Benchmark	7.42%
USD	3.91%
Outperformance	(3.51%)
MYR	7.09%
Outperformance	(0.33%)
MYR Hedged	3.05%
Outperformance	(4.37%)

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 (19 June 2023 to 31 May 2024)

USD Class

For the period 19 June 2023 to 31 May 2024, the Fund registered a 3.91% return compared to the benchmark return of 7.42%. The Fund thus underperformed the Benchmark by 3.51%. The Net Asset Value per unit ("NAV") of the Fund as at 31 May 2024 was USD0.4963 while the initial NAV per unit was USD0.5000. During the same period under review, the Fund has declared a total income distribution of USD0.02264 per unit.

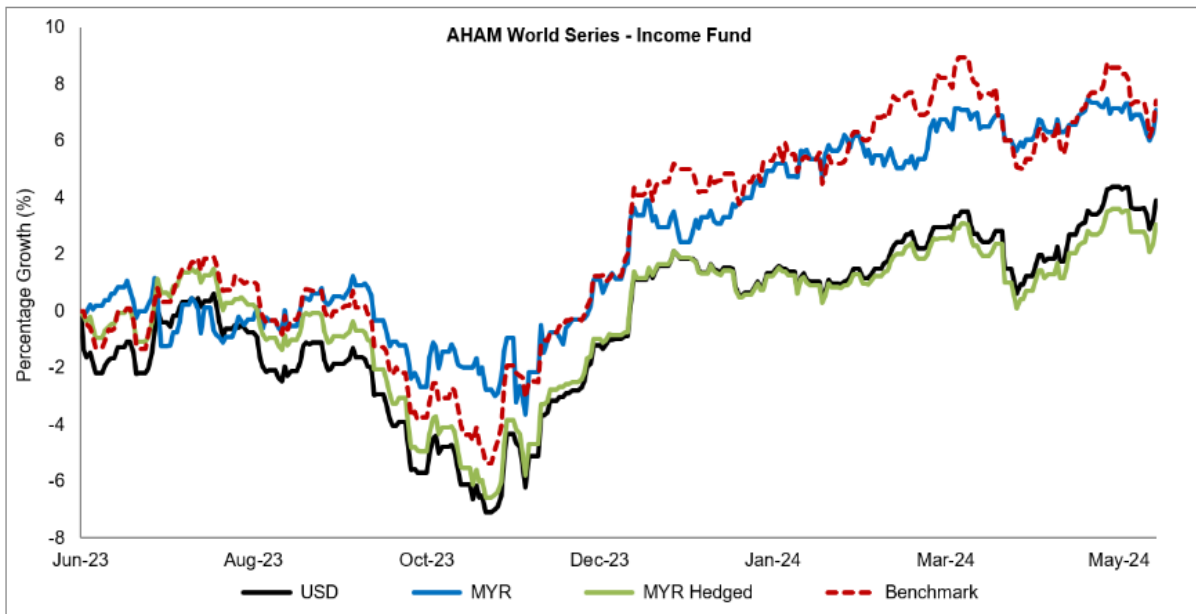
MYR Class

For the period 19 June 2023 to 31 May 2024, the Fund registered a 7.09% return compared to the benchmark return of 7.42%. The Fund thus underperformed the Benchmark by 0.33%. The Net Asset Value per unit ("NAV") of the Fund as at 31 May 2024 was MYR0.5121 while the initial NAV per unit was MYR0.5000. During the same period under review, the Fund has declared a total income distribution of MYR0.02278 per unit.

MYR Hedged-Class

For the period 19 June 2023 to 31 May 2024, the Fund registered a 3.05% return compared to the benchmark return of 7.42%. The Fund thus underperformed the Benchmark by 4.37%. The Net Asset Value per unit ("NAV") of the Fund as at 31 May 2024 was MYR0.4921 while the initial NAV per unit was MYR0.5000. During the same period under review, the Fund has declared a total income distribution of MYR0.02271 per unit.

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: Blended 50% MSCI USA High Dividend Yield Index + 25% Bloomberg High Yield Very Liquid Index + 25% Bloomberg US Aggregate Index.

Asset Allocation

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

As at 31 May 2024, the asset allocation of the Fund's exposure to the collective investment scheme stood at 90.50% of the Fund's NAV, while the balance was held in cash and cash equivalent.

Strategies Employed

The Target Fund invests in a diversified portfolio of transferable securities encompassing equity securities and long-and-short-term debt securities.

Market Review

Turmoil in the United States ("U.S.") regional banking industry was largely contained early in 2023's second quarter, allowing growth stocks in the information technology ("IT"), communication services and consumer discretionary sectors to lead gains across the period. Robust gains for U.S. stocks were bolstered in June by the U.S. Federal Reserve's ("Fed's") rate-hiking pause, although stronger-than-expected economic data prompted Fed Chair Jay Powell to suggest that more interest-rate rises would be necessary to tame core inflation, which remained above target levels. Non-farm payroll employment increased by a revised 306,000 during May, while first-quarter annualised growth figures were revised upward to 2%, driven by increased consumer spending. This strong data also included sticky U.S. core inflation (less food and energy costs), which came in at 5.3% in May, buoyed by elevated shelter costs. Against this backdrop, U.S. Treasury yields rose across an increasingly inverted curve. Elsewhere, U.S. investment-grade corporate bonds were down slightly, influenced by rising rates, but high-yield issues rose on narrowing spreads, following equities higher.

U.S. stock market performance declined in August 2023 mainly due to investor concerns regarding interest rates remaining higher for longer amidst elevated inflation. Despite stocks rallying into month-end, nearly all sectors traded lower for the period. The rally at the end of August was largely due to U.S. Federal Reserve ("Fed") policymakers indicating a cautious stance regarding continued tightening of rates or choosing to pause, pending further data. The only positive return came from the energy sector, while the largest performance decline was in the utilities sector. Overall, small-capitalisation stocks trailed the most, followed by mid- and

large-cap equities. Fitch Rating's downgrade of U.S. long-term credit from AAA to AA+ resulted in higher U.S. Treasury yields, further impacting demand for U.S. equities.

Following 12 consecutive months of declining inflation, the headline Consumer Price Index accelerated to 3.2% year-over-year in July. The Fed's preferred inflation gauge, the personal consumption expenditures price index, grew to 4.2% year-over-year, which is significantly higher than the Fed's 2.0% long-run inflation target. The U.S. unemployment rate increased from 3.5% in July to 3.8% in August, and non-farm payroll employment rose by 187,000, which was below trend. U.S. gross domestic product expanded at a downwardly revised 2.1% annualised rate in 2023's second quarter.

U.S. stocks surged in November and December, rebounding from three consecutive monthly declines and ending 2023's fourth quarter and full year with strong gains. Moderating inflation and a softening but resilient job market led to investor optimism that the U.S. Fed has concluded its rate-hiking cycle and can manoeuvre the U.S. economy into a soft landing. Investor sentiment was further bolstered by a drop in U.S. Treasury ("UST") yields and better-than-expected company earnings. Against this backdrop, the S&P 500 posted its best quarterly performance since 2020's fourth quarter. Equity market gains were broad-based, as 10 out of 11 S&P 500 sectors rose, with energy the only sector declining.

Overall, small-cap stocks generated the largest gains, followed by mid- and large-cap stocks. The Fed's preferred inflation gauge, the core personal consumption expenditures price index, cooled from 3.6% year-over-year in September to 3.4% in October and 3.2% in November. This reading marks its lowest level since April 2021, but it is still above the Fed's 2.0% long-run inflation target. The U.S. labour market remained resilient but continued to moderate; the unemployment rate rose to 3.9% in October before edging down to 3.7% in November, while new jobs increased by 199,000 in November. U.S. gross domestic product growth accelerated to a 4.9% annualised rate in 2023's third quarter, driven by faster growth in consumer spending and inventory investment.

U.S. stocks rose significantly during the first quarter of 2024, advancing for five consecutive months, as stronger-than-expected fourth-quarter 2023 earnings reports, enthusiasm about artificial intelligence, ongoing economic resilience and hopes for interest-rate cuts drove the S&P 500, Dow Jones Industrial Average, and NASDAQ Composite Index to reach new record highs. Equity market gains were broad-based, as 10 out of 11 S&P 500 sectors rose. This performance was led by the communication services, energy, information technology and financials sectors, with real estate the only sector declining. Overall, large-capitalisation stocks generated the largest gains, followed by mid- and small-cap stocks.

The U.S. Fed kept the federal funds target rate unchanged at a 23-year high at its two meetings during the quarter and maintained its outlook for three rate cuts in 2024. The Fed's preferred inflation gauge, the core personal consumption expenditures price index, cooled in February for the 13th consecutive month, but remained above the Fed's 2.0% long-run inflation target. Moreover, U.S. gross domestic product rose at a solid annual growth rate in the fourth quarter, driven by robust consumer spending, but lagged the previous quarter's pace.

U.S. stocks fell in April 2024, following five consecutive monthly gains, amid higher UST yields and investor concerns that hotter-than-anticipated inflation data released during the month would lead the U.S. Fed to delay cutting interest rates. Additionally, slower-than-expected economic growth led to some concerns about the potential for a stagnant economy combined with high inflation. In this environment, all three major U.S. indexes pulled back, and 10 out of the 11 S&P 500 sectors traded lower, led by losses within the real estate, information technology and health care sectors. Moreover, all market-capitalisation tiers posted negative returns, with small-cap stocks declining the most. Just after month-ended April 2024, the Fed kept the federal funds target rate unchanged at a 23-year high. The Fed's preferred inflation gauge, the core personal consumption expenditures price index, grew at a faster-than-estimated rate in March and remained above the Fed's target. In addition, the core Consumer Price Index's annual gain in March was above consensus forecasts, as shelter inflation remained high. Data released after the Fed meeting indicated some cooling in the US labour market; the unemployment rate increased in April, while average hourly earnings rose at a slower-than-expected pace. Meanwhile, gross domestic product expanded in the first quarter of 2024 at a significantly slower annual rate than in the prior quarter, as consumer spending, exports, and state and local government spending grew at slower rates and federal government spending declined.

As of May 2024, the U.S. economy grew at a slower than expected pace of 1.3% in the first quarter of 2024. Fed's preferred inflation measure Core Personal Consumption Expenditures ("PCE") remained unchanged from the prior month at 2.8%, which was broadly in line with market expectations. There are some signs of

emerging weakness in certain areas such as housing and consumer spending, but the U.S. economy continues to show momentum and the labor market remains strong. Despite less than favorable economic data, investors remained optimistic as both equity and fixed income markets delivered positive results in May. The Morgan Stanley Capital International (“MSCI”) USA High Dividend Yield Index and the Bloomberg U.S. Aggregate Index returned 1.99% and 1.70%, respectively. Within equities, sectors such as Information Technology and Utilities continued to drive strong results. In terms of fixed income, higher quality bonds outperformed their lower quality counterparts as the 10-year Treasury yield ended the month lower at 4.51%. Heavy new issue supply in higher quality corporate credit was easily absorbed by the market with lower-quality bonds lagging during the month.

Investment Outlook

Economy:

The economic growth outlook has been a major area of focus for the Target Fund Manager, as central banks around the world have raised interest rates over the last two years to combat elevated inflation. Central bankers around the world have begun to shift their stance away from a targeted fight solely against inflation in favour of a more balanced approach to monetary policy.

The U.S. economy remains resilient, largely driven by a strong labour market and robust consumption in goods and services, despite the federal funds target rate increasing by 525 basis points over the past two years. The Target Fund Manager continues to monitor financial conditions as a leading indicator of future economic performance and Fed policy. The lagged effect of Fed policy has resulted in a broad tightening of financial conditions; nominal yields and mortgage rates have moved higher, while loan growth across various categories has slowed due to banks reporting higher standards for lending.

Equities:

The Target Fund Manager remains selective in engaging with equities, given current valuations, as markets digest the lagged effect of monetary policy tightening, the shape of the yield curve, the cost of capital implications as rates remain higher for longer, and geopolitical risks. The Target Fund Manager has begun to find select opportunities within the consumer discretionary, industrials, and materials sectors.

While market breadth has been narrow over the last year, there were some signs during the first quarter of a broadening in sector leadership. As income-focused investors, the Target Fund Manager's asset allocation mix is driven primarily by bottom-up security selection, with a focus on company fundamentals as opposed to the direction of the broader equity market. While the capital return story differs by sector, the holdings are focused on businesses that show an ability to support attractive dividend yields and grow them over time.

Treasuries/Government-Backed Bonds:

Deficit spending, combined with the demand dynamics of Fed quantitative tightening and the increase in supply of USTs, resulted in an increase in the 10-year UST note's yield to 4.68% by April-end. Recent higher inflation readings relative to consensus expectations, along with labour market strength, have led to the market now expecting a later start to Fed easing, as well as fewer rate cuts in 2024.

The Target Fund Manager continues to believe that the Fed will remain vigilant to ensure inflation does not return, and expects a lack of fiscal constraint to weigh on balancing budgets. These factors should provide attractive yields while exposures will help to hedge the portfolio against volatility should there be a drawdown in risk assets.

Investment-Grade Corporate Bonds:

The Target Fund Manager retains a favourable view of the corporate investment-grade sector as the attractiveness of higher-quality assets has increased over the past 18 months. Investment-grade credit spreads have contracted over the past year, which has marginally decreased their attractiveness, but absolute yield levels continue to be appealing for an income-generating strategy, in the Target Fund Manager's assessment.

The Target Fund Manager believes average yields in the investment-grade sector, which are still at levels last seen in 2009 even after the rally to end 2023, offer compelling income opportunities.

High-Yield Corporate Bonds:

While the high-yield market offers attractive yields, the Target Fund Manager remains balanced and selective due to the potential for higher refinancing costs impacting companies' fundamentals. The potential for growth deceleration necessitates a vigilant approach to security selection within the high-yield portfolio, so the preference continues to be companies that have a greater degree of flexibility to deal with upcoming maturities.

State of Affairs of the Fund

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

Soft Commissions received from Brokers

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

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

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

Cross Trade

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

Securities Financing Transactions

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

Changes Made To the Fund's Information Memorandum

Over the financial period under review, a Supplemental Information Memorandum was issued with effective date 28 February 2024 to reflect various changes made to the Fund. A summary list of changes made to the Fund is outlined in the following pages.

This First Supplemental Information Memorandum is issued to reflect changes that includes, but are not limited to, those outlined below:

- (i) disclose the designated fund manager of the Fund and custodial arrangements of the Fund;
- (ii) update the definition and eligibility of a Sophisticated Investor;
- (iii) the minimum transaction amounts; and
- (iv) other updates which are general in nature.

1) Definition of Sophisticated Investor

Prior Disclosure	Revised Disclosure
<p>Refers to any person who (a) who falls within any of the categories of investors set out in Part 1, Schedules 6 and 7 of the Act; (b) who acquires unlisted capital market products where the consideration is not less than two hundred and fifty thousand ringgit or equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise; or (c) any other person as may be determined by the SC from time to time under the Guidelines.</p> <p>Note: For more information please refer to our website at www.aham.com.my for the current excerpts of Part 1, Schedules 6 and 7 of the Act and the list of other Sophisticated Investors as permitted by the SC under the Guidelines.</p>	<p>Refers to any person who (a) is determined to be a sophisticated investor under the Guidelines on Categories of Sophisticated Investors, as amended from time to time; or (b) acquires any capital market product specified under these Guidelines where the consideration is not less than two hundred and fifty thousand ringgit or its equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise; and/or (c) any other person as categorised by the SC from time to time to be a sophisticated investor.</p> <p>Note: For more information and updates on the definition of "Sophisticated Investor", please refer to our website at www.aham.com.my.</p>

2) Change in minimum transaction amounts

Prior Disclosure				Revised Disclosure		
Classes	USD Class	MYR Class	MYR Hedged-class	Classes	USD Class	MYR Class / MYR Hedged-class
Minimum Initial Investment*	USD 5,000	MYR 5,000	MYR 5,000	Minimum Initial Investment*	USD 10,000	MYR 30,000
Minimum Additional Investment*	USD 1000	MYR 1,000	MYR 1,000	Minimum Additional Investment*	USD 5,000	MYR 10,000
Minimum Units of Redemption*	2,000 Units	2,000 Units	2,000 Units	Minimum Units of Redemption*	10,000 Units	10,000 Units
Minimum Units per Switch*	10,000 Units	10,000 Units	10,000 Units	Minimum Units per Switch*	20,000 Units	60,000 Units
<p>* At our discretion, we may reduce the transaction value and Units, including for transactions made via digital channels, subject to the terms and conditions disclosed in the respective channels.</p>				<p>* At our discretion, we may reduce the transaction value and Units, including for transactions made via digital channels, subject to the terms and conditions disclosed in the respective channels.</p>		

3) Disclosure of Designated Fund Manager

Prior Disclosure	Revised Disclosure
<p>Our Investment Team</p> <p>Our investment team comprises a group of portfolio managers who possess the necessary expertise and experience to undertake the fund management of our unit trust funds. The investment team will meet at least once a week or more should the need arise. For information on the designated fund manager of the Fund, you may obtain the details from our website at www.aham.com.my.</p>	<p>Our Investment Team</p> <p>Our investment team comprises a group of portfolio managers who possess the necessary expertise and experience to undertake the fund management of our unit trust funds. The investment team will meet at least once a week or more should the need arise. The designated fund manager of the Fund is Mr. David Ng and you may obtain his profile from our website at www.aham.com.my.</p>

4) Disclosure on Dealing Information

Prior Disclosure	Revised Disclosure
<p>WHO IS ELIGIBLE TO INVEST?</p> <ul style="list-style-type: none"> ➤ You must be at least eighteen (18) years old and a Sophisticated Investor in order to invest in this Fund. Please refer to the “Glossary” chapter of this Information Memorandum for the definition of “Sophisticated Investor”. ➤ Please note that if you are a US Person, you are not eligible to subscribe to the Units of the Fund. If we become aware that you are a US Person who holds Units of the Fund, we will issue a notice requiring you to: - <ul style="list-style-type: none"> • redeem your Units; or • transfer your Units to a non-US person, within thirty (30) days from the date of the said notice. 	<p>WHO IS ELIGIBLE TO INVEST?</p> <ul style="list-style-type: none"> ➤ You must be at least eighteen (18) years old and a Sophisticated Investor in order to invest and stay invested in this Fund. Please refer to the “Glossary” chapter of this Information Memorandum for the definition of “Sophisticated Investor”. If we become aware that you are no longer a Sophisticated Investor, we will issue a notice requiring you to: - <ul style="list-style-type: none"> • redeem Units of the Fund; or • switch out your Units to retail funds. Further information will be provided in the said notice. ➤ Please note that if you are a US Person, you are not eligible to subscribe to the Units of the Fund. If we become aware that you are a US Person who holds Units of the Fund, we will issue a notice requiring you to: - <ul style="list-style-type: none"> • redeem your Units; or • transfer your Units to a non-US person, within thirty (30) days from the date of the said notice.

5) Disclosure on Custodial Arrangements

Prior Disclosure	Revised Disclosure
<p><None></p>	<p>Trustee’s Delegate</p> <p>The Trustee has appointed DBMB as the custodian of the assets of the Fund. DBMB is a wholly-owned subsidiary of Deutsche Bank AG. DBMB offers its clients access to a growing domestic custody network that covers over 30 markets globally and a unique combination of local expertise backed by the resources of a global bank. In its capacity as the appointed custodian, DBMB’s roles encompass safekeeping of assets of the Fund; trade settlement management; corporate actions notification and processing; securities holding and cash flow reporting; and income collection and processing.</p> <p>All investments of the Fund are registered in the name of the Trustee for the Fund, or where the custodial function is delegated, in the name of the custodian to the order of the Trustee for the Fund. As custodian, DBMB shall act only in accordance with instructions from the Trustee.</p>

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF AHAM WORLD SERIES – INCOME FUND (“Fund”)

We have acted as the Trustee of the Fund for the financial period 9 May 2023 (date of launch) to 31 May 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AHAM Asset Management Berhad has operated and managed the Fund during the 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 Deed; and
3. Any creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirement.

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

For Deutsche Trustees Malaysia Berhad

Ng Hon Leong
Head, Fund Operations

Sylvia Beh
Chief Executive Officer

Kuala Lumpur
Date: 24 July 2024

AHAM WORLD SERIES – INCOME FUND

FINANCIAL STATEMENTS

**FOR THE FINANCIAL PERIOD FROM 9 MAY 2023
(DATE OF LAUNCH) TO 31 MAY 2024**

AHAM WORLD SERIES – INCOME FUND

FINANCIAL STATEMENTS

**FOR THE FINANCIAL PERIOD FROM 9 MAY 2023
(DATE OF LAUNCH) TO 31 MAY 2024**

CONTENTS	PAGE(S)
STATEMENT OF COMPREHENSIVE INCOME	1 – 2
STATEMENT OF FINANCIAL POSITION	3 – 4
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	5
STATEMENT OF CASH FLOWS	6
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	7 – 14
NOTES TO THE FINANCIAL STATEMENTS	15 – 33
STATEMENT BY THE MANAGER	34
INDEPENDENT AUDITORS' REPORT	35 – 38

AHAM WORLD SERIES – INCOME FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024

	<u>Note</u>	Financial period from 9.5.2023 (date of launch) to <u>31.5.2024</u> USD
INVESTMENT INCOME		
Dividend income		316,971
Net gain on foreign currency exchange		159
Net loss on forward foreign currency contracts at fair value through profit or loss	10	(64,330)
Net gain on financial assets at fair value through profit or loss	9	210,991
		<hr/> 463,791
EXPENSES		
Management fee	4	(98,481)
Trustee fee	5	(1,641)
Fund accounting fee	6	(704)
Auditors' remuneration		(1,699)
Tax agent fee		(743)
Other expenses		(1,892)
		<hr/> (105,160)
NET PROFIT BEFORE FINANCE COST AND TAXATION		358,631
FINANCE COST		
Distributions	8	(392,404)
NET LOSS BEFORE TAXATION		<hr/> (33,773)
Taxation	7	-
DECREASE IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<hr/> <hr/> (33,773)

AHAM WORLD SERIES – INCOME FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

	Financial period from 9.5.2023 (date of launch) to <u>31.5.2024</u> USD
Decrease in net asset attributable to unit holders is made up of the following:	
Realised amount	(353,449)
Unrealised amount	319,676
	<hr/>
	(33,773)
	<hr/> <hr/>

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

AHAM WORLD SERIES – INCOME FUND

STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2024

	<u>Note</u>	As at <u>31.5.2024</u> USD
ASSETS		
Cash and cash equivalents		252,908
Amount due from Manager		
- creation of units		3,121,014
- management fee rebate receivable		9,812
Financial assets at fair value through profit or loss	9	26,126,498
Forward foreign currency contracts at fair value through profit or loss	10	51,690
TOTAL ASSETS		<u>29,561,922</u>
LIABILITIES		
Forward foreign currency contracts at fair value through profit or loss	10	30,994
Amount due to broker		1,400,000
Amount due to Manager		
- management fee		32,330
Amount due to Trustee		539
Fund accounting fee		354
Auditors' remuneration		1,699
Tax agent fee		743
Other payables and accruals		106
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)		<u>1,466,765</u>
NET ASSET VALUE OF THE FUND		<u>28,095,157</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>28,095,157</u>

AHAM WORLD SERIES – INCOME FUND

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

	<u>Note</u>	As at <u>31.5.2024</u> USD
REPRESENTED BY:		
FAIR VALUE OF OUTSTANDING UNITS		
- MYR Class		7,244,072
- MYR Hedged-class		17,485,946
- USD Class		3,365,139
		<hr/> 28,095,157 <hr/>
NUMBER OF UNITS IN CIRCULATION		
- MYR Class	11 (a)	66,555,000
- MYR Hedged-class	11 (b)	167,201,000
- USD Class	11 (c)	6,781,000
		<hr/> 240,537,000 <hr/>
NET ASSET VALUE PER UNIT (USD)		
- MYR Class		0.1088
- MYR Hedged-class		0.1046
- USD Class		0.4963
		<hr/>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES		
- MYR Class		RM0.5121
- MYR Hedged-class		RM0.4921
- USD Class		USD0.4963
		<hr/>

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

AHAM WORLD SERIES – INCOME FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024

	Financial period from 9.5.2023 (date of launch) to <u>31.5.2024</u> USD
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE DATE OF LAUNCH	-
Movement due to units created and cancelled during the financial period:	
Creation of units arising from applications	28,186,301
- MYR Class	7,372,526
- MYR Hedged-class	17,441,987
- USD Class	3,371,788
Creation of units arising from distributions	239,365
- MYR Class	12,775
- MYR Hedged-class	211,639
- USD Class	14,951
Cancellation of units	(296,736)
- MYR Class	(178,488)
- MYR Hedged-class	(108,389)
- USD Class	(9,859)
Net decrease in net assets attributable to unit holders during the financial period comprised of:	(33,773)
- MYR Class	37,259
- MYR Hedged-class	(59,291)
- USD Class	(11,741)
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL PERIOD	28,095,157

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

AHAM WORLD SERIES – INCOME FUND

STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024

	Financial period from 9.5.2023 (date of launch) to <u>31.5.2024</u> USD
CASH FLOWS FROM OPERATING ACTIVITIES	
Proceeds from the sales of investments	2,573,592
Purchase of investments	(26,798,439)
Management fee rebate received	16,499
Management fee paid	(66,151)
Trustee fee paid	(1,102)
Fund accounting fee paid	(350)
Payments for other fees and expenses	(1,786)
Realised loss on forward foreign currency contracts	(85,026)
Net realised gain on foreign currency exchange	4,845
	<hr/>
Net cash flows used in operating activities	(24,357,918)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from creation of units	25,065,287
Payments for cancellation of units	(296,736)
Payments for distribution	(153,039)
	<hr/>
Net cash flows generated from financing activities	24,615,512
	<hr/>
NET INCREASE IN CASH AND CASH EQUIVALENTS	257,594
EFFECTS OF FOREIGN CURRENCY EXCHANGE	(4,686)
CASH AND CASH EQUIVALENTS AT THE DATE OF LAUNCH	<hr/> -
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<hr/> <u>252,908</u> <hr/>

Cash and cash equivalents as at 31 May 2024 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 WORLD SERIES – INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024

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

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reported financial period. It also requires the Manager to exercise their judgement in the process of applying the Fund’s accounting policies. Although these estimates and judgment are based on the Manager’s best knowledge of current events and actions, actual results may differ.

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

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

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

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

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

AHAM WORLD SERIES – INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

B INCOME RECOGNITION

Dividend income

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

Realised gains and losses on sale of investments

For collective investment schemes (“CIS”), realised gains and losses on sale of investments are accounted for as the difference between the net disposal proceeds and the carrying amount of the investments, determined on a weighted average cost basis.

C TAXATION

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

D DISTRIBUTION

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

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

AHAM WORLD SERIES – INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

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.

F FOREIGN CURRENCY TRANSLATION

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

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.

AHAM WORLD SERIES – INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(i) Classification (continued)

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

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

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

(ii) Recognition and measurement

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

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

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

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

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

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

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

AHAM WORLD SERIES – INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (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 and lifetime expected credit losses as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Quantitative criteria:

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

Qualitative criteria:

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

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

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

Write-off

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

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

AHAM WORLD SERIES – INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

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 changes in value.

I AMOUNT DUE FROM/(TO) BROKER

Amounts due from and to broker 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 broker 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 broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

J CREATION AND CANCELLATION OF UNITS

The unit holders' capital to the Fund meets the definition of puttable instruments classified as financial liability under MFRS 132 "Financial Instruments: Presentation".

The Fund issues cancellable units, in three classes of units, known respectively as the MYR Class, MYR Hedged-class, and USD Class, which are cancelled at the unit holder's option and do not have identical features. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the statement of financial position if the unit holder exercises the right to put back the unit to the Fund.

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

AHAM WORLD SERIES – INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

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 position will be "marked to market" at the close of each valuation day. Foreign exchange gains and losses on the derivative financial instruments are recognised in profit or loss when settled or at the date of the statement of financial position at which time they are included in the measurement of the derivative financial instrument. Derivative instruments that have a positive fair value and negative fair value are presented as financial assets measured at fair value through profit or loss and financial liabilities measured at fair value through profit or loss, respectively.

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

L DECREASE IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

Income not distributed is included in net assets attributable to unit holders.

M 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.

AHAM WORLD SERIES – INCOME FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

M CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

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) The Fund's sole investment is in a collective investment scheme denominated in USD.
- ii) Significant portion of cash is denominated in USD for the purpose of making settlement of the foreign trades.
- iii) Significant portion of the Fund's expenses are denominated in USD.

N REALISED AND UNREALISED PORTIONS OF INCREASE OR DECREASE IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

The analysis of realised and unrealised increase or decrease in net assets attributable to unit holders 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 WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024

1 INFORMATION ON THE FUND

The Unit Trust Fund was constituted under the name AHAM World Series – Income Fund (the “Fund”) pursuant to the execution of a Deed dated 2 May 2023 (the “Deed”) entered into between AHAM Asset Management Berhad (the “Manager”) and Deutsche Trustees Malaysia Berhad (the “Trustee”). The Fund commenced operations on 19 June 2023 and will continue its operations until terminated by the Trustee as provided under Clause 11.3 of the Deed.

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) Collective investment scheme;
- (b) Money market instruments;
- (c) Deposits;
- (d) Derivatives; and
- (e) Any other form of investments permitted 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 achieve capital appreciation and provide income over medium to long term period.

The Manager is a company incorporated in Malaysia. The principal activities of the Manager are establishment and management of unit trust funds, exchange-traded funds and private retirement schemes as well as providing fund management services to private clients.

The financial statements were authorised for issue by the Manager on 24 July 2024.

AHAM WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	<u>Note</u>	At amortised cost USD	At fair value through profit or loss USD	<u>Total USD</u>
<u>As at 31.5.2024</u>				
<u>Financial assets</u>				
Cash and cash equivalents		252,908	-	252,908
Amount due from Manager				
- creation of units		3,121,014	-	3,121,014
- management fee rebate receivable		9,812	-	9,812
Collective investment scheme	9	-	26,126,498	26,126,498
Forward foreign currency contracts at fair value through profit or loss	10	-	51,690	51,690
Total		<u>3,383,734</u>	<u>26,178,188</u>	<u>29,561,922</u>
<u>Financial liabilities</u>				
Forward foreign currency contracts at fair value through profit or loss	10	-	30,994	30,994
Amount due to broker		1,400,000	-	1,400,000
Amount due to Manager				
- management fee		32,330	-	32,330
Amount due to Trustee		539	-	539
Fund accounting fee		354	-	354
Auditors' remuneration		1,699	-	1,699
Tax agent fee		743	-	743
Other payables and accruals		106	-	106
Total		<u>1,435,771</u>	<u>30,994</u>	<u>1,466,765</u>

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

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated by the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

AHAM WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

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

Market risk

(a) Price risk

Price risk arises mainly from the uncertainty about future prices of investments. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Manager manages the risk of 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 <u>31.5.2024</u> USD
Quoted investment	
Collective investment scheme	26,126,498
	<u><u>26,126,498</u></u>

The following table summarises the sensitivity of the Fund's loss after taxation and NAV to price risk movements. The analysis is based on the assumptions that the market price increased by 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, having regard to the historical volatility of the prices.

<u>% Change in price</u>	<u>Market value</u> USD	Impact on loss after <u>tax/NAV</u> USD
<u>As at 31.5.2024</u>		
-5%	24,820,173	(1,306,325)
0%	26,126,498	-
+5%	27,432,823	1,306,325
	<u><u>27,432,823</u></u>	<u><u>1,306,325</u></u>

(b) Interest rate risk

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

As at 31 May 2024, the Fund is not exposed to any interest rate risk.

AHAM WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

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

Market risk (continued)

(c) Currency risk

Currency risk is associated with investments denominated in foreign currencies. When the foreign currencies fluctuate in an unfavourable movement against United States Dollar, the investments will face currency losses in addition to the capital gain/(loss). The Manager will evaluate the likely directions of the foreign currency versus 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>Cash and cash equivalents</u> USD	<u>Amount due from Manager</u> USD	<u>Forward foreign currency contracts</u> USD	<u>Total</u> USD
<u>As at 31.5.2024</u>				
<u>Financial assets</u>				
Malaysian Ringgit	147,321	2,967,394	51,690	3,166,405
	<u>Forward foreign currency contracts</u> USD	<u>Other payables*</u> USD	<u>Net assets attributable to unit holders</u> USD	<u>Total</u> USD
<u>Financial liabilities</u>				
Malaysian Ringgit	30,994	2,902	24,730,018	24,763,914

*Other payables consist of payables for fund accounting fee, auditors' remuneration, tax agent's fee and other payables and accruals.

AHAM WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

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

	Change in rate %	Impact on loss after tax/ NAV USD
<u>As at 31.5.2024</u>		
Malaysian Ringgit	+/- 5.42	-/+ 1,170,585

AHAM WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

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

Credit risk

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

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

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

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

	<u>Cash and cash equivalents</u> USD	<u>Amount due from Manager</u> USD	<u>Forward foreign currency contracts</u> USD	<u>Total</u> USD
<u>As at 31.5.2024</u>				
Financial services				
- AAA	-	-	23,915	23,915
- AA1	252,908	-	19,144	272,052
- Non-rated ("NR")	-	-	8,631	8,631
Others				
- NR	-	3,130,826	-	3,130,826
	<u>252,908</u>	<u>3,130,826</u>	<u>51,690</u>	<u>3,435,424</u>

AHAM WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

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

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payment and cancellations of unit by unit holders. Liquid assets comprise of cash and other instruments, which are capable of being converted into cash within 7 days.

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

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

	<u>Within one month</u> USD	<u>Between one month to one year</u> USD	<u>Total</u> USD
<u>As at 31.5.2024</u>			
Forward foreign currency contracts at fair value through profit or loss	3,514	27,480	30,994
Amount due to broker	1,400,000	-	1,400,000
Amount due to Manager - management fee	32,330	-	32,330
Amount due to Trustee	539	-	539
Fund accounting fee	354	-	354
Auditors' remuneration	-	1,699	1,699
Tax agent fee	-	743	743
Other payables and accruals	-	106	106
Net assets attributable to unit holders*	28,095,157	-	28,095,157
	<u>29,531,894</u>	<u>30,028</u>	<u>29,561,922</u>

* Outstanding units are cancelled on demand at the unit holder's option (Note J). However, the Manager does not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as unit holders of these instruments typically retain them for the medium to long term.

Capital risk

The capital of the Fund is represented by net assets attributable to unit holders. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

AHAM WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

3 FAIR VALUE ESTIMATION

Financial instruments comprise financial assets and financial liabilities. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

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

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

(i) Fair value hierarchy

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

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

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

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.

AHAM WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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

	<u>Level 1</u> USD	<u>Level 2</u> USD	<u>Level 3</u> USD	<u>Total</u> USD
<u>As at 31.5.2024</u>				
Financial assets at fair value through profit or loss:				
- collective investment scheme	26,126,498	-	-	26,126,498
- forward foreign currency contracts	-	51,690	-	51,690
	<u>26,126,498</u>	<u>51,690</u>	<u>-</u>	<u>26,178,188</u>
Financial liabilities at fair value through profit or loss:				
- forward foreign currency contracts	-	30,994	-	30,994
	<u>-</u>	<u>30,994</u>	<u>-</u>	<u>30,994</u>

Investments whose values are based on published market prices in active markets, and are therefore classified within Level 1, include collective investment scheme. The Fund does not adjust the published prices for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include 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, amount due from Manager 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 WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

4 MANAGEMENT FEE

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

For the financial period from 9 May 2023 (date of launch) to 31 May 2024, the management fee is recognised at a rate of 1.80% 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, calculated on a daily basis.

For the financial period from 9 May 2023 (date of launch) to 31 May 2024, the Trustee's fee is recognised at a rate of 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 USD704 (equivalent of RM3,333) during the financial period ended 31 May 2024.

AHAM WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

7 TAXATION

	Financial period from 9.5.2023 (date of launch) to 31.5.2024 USD
Net profit before taxation	(33,773)
Tax at Malaysian statutory rate of 24%	(8,106)
Tax effects of:	
Investment income not subject to tax	(111,310)
Expenses not deductible for tax purposes	101,658
Restriction on tax deductible expenses for Wholesale Fund	17,758
Tax expense	-

8 DISTRIBUTIONS

	Financial period from 9.5.2023 (date of launch) to 31.5.2024 USD
Distributions to unit holders is from the following sources:	
Dividend income	281,573
Unrealised gain on financial assets at fair value through profit or loss	142,479
Gross income	424,052
Less: Expenses	(31,648)
Net distribution amount	392,404

AHAM WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

8 DISTRIBUTIONS (CONTINUED)

<u>Ex date</u>	<u>Gross/Net distribution per unit (sen/cent)</u>			
	MYR	MYR	USD	
	<u>Class</u>	<u>Hedged-class</u>	<u>Class</u>	
	RM	RM	USD	
21.11.2023	0.2980	0.2910	0.2840	
20.12.2023	0.3300	0.3300	0.3300	
22.01.2024	0.3300	0.3300	0.3300	
22.02.2024	0.3300	0.3300	0.3300	
22.03.2024	0.3300	0.3300	0.3300	
22.04.2024	0.3300	0.3300	0.3300	
23.05.2024	0.3300	0.3300	0.3300	
	2.2780	2.2710	2.2640	
	2.2780	2.2710	2.2640	
	<u>Income Distribution</u>		<u>Capital Distribution</u>	
	USD	%	USD	%
21.11.2023	15,699	100.00	-	-
20.12.2023	17,264	99.83	28	0.17
22.01.2024	358	1.63	21,635	98.37
22.02.2024	32,695	100.00	-	-
22.03.2024	19,512	34.68	36,745	65.32
22.04.2024	88,537	93.04	6,625	6.96
23.05.2024	75,860	49.48	77,446	50.52
	225,125	100.00	114,814	100.00
	225,125	100.00	114,814	100.00

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.

AHAM WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at <u>31.5.2024</u> USD
Financial assets at fair value through profit or loss:	
- collective investment scheme	26,126,498
	<hr/> <hr/>
	Financial period from 9.5.2023 (date of launch) to <u>31.5.2024</u> USD
Net gain on financial assets at fair value through profit or loss:	
- realised losses on the sales of investments	(118,986)
- unrealised gain on changes in fair value	303,666
- management fee rebate on collective investment scheme #	26,311
	<hr/> <hr/>
	210,991

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

AHAM WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

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

(a) Collective investment scheme

(i) Collective investment scheme as at 31 May 2024 is as follows:

	<u>Quantity</u>	<u>Aggregate cost USD</u>	<u>Fair value USD</u>	<u>Percentage of NAV %</u>
Franklin Income Fund - W (Mdis) USD	2,900,156	25,822,832	26,126,498	92.99
Total collective investment scheme	<u>2,900,156</u>	<u>25,822,832</u>	<u>26,126,498</u>	<u>92.99</u>
Accumulated unrealised gain on collective investment scheme		<u>303,666</u>		
Total collective investment scheme		<u><u>26,126,498</u></u>		

(b) Target Fund's top 10 holdings

(i) Target Fund's top 10 holdings as at 31 May 2024 is as follows:

	<u>Percentage of Target Fund's NAV %</u>
Government of The United States of America	9.85
Community Health Systems Inc	3.37
Oracle Corporation	2.10
Exxon Mobil Corporation	1.74
Tenet Healthcare Corporation	1.64
Chevron Corporation	1.56
Bank Of America Corporation	1.47
Texas Instruments Inc	1.44
Bausch Health Cos Inc	1.42
Nextera Energy Inc	1.37
	<u><u>25.96</u></u>

AHAM WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

10 FORWARD FOREIGN CURRENCY CONTRACTS

As at the date of statement of financial position, there are 44 forward foreign currency contracts outstanding. The notional principal amount of the outstanding forward foreign currency contracts amounted to USD16,787,249. The forward foreign currency contracts entered into during the financial period were for hedging against the currency exposure arising from the classes denominated in Malaysian Ringgit. As the Fund has not adopted hedge accounting during the financial period, the change in the fair value of the forward currency contracts is recognised immediately in profit or loss.

	As at 31.5.2024 USD
Financial assets at fair value through profit or loss:	
- forward foreign currency contract	51,690
Financial liabilities at fair value through profit or loss:	
- forward foreign currency contracts	30,994
Net loss on forward foreign currency contracts at fair value through profit or loss:	
- realised loss on forward foreign currency contracts	(85,026)
- unrealised gain on forward foreign currency contracts	20,696
	(64,330)

(a) Forward foreign currency contracts

(i) Forward foreign currency contracts as at 31 May 2024 is as follows:

<u>Name of issuer</u>	<u>Receivables</u> USD	<u>Payables</u> USD	<u>Fair value</u> USD	<u>Percentage of NAV</u> %
BNP Paribas Malaysia Bhd	5,202,885	5,187,114	15,771	0.06
CIMB Bank Bhd	1,046,303	1,050,337	(4,034)	(0.02)
Hong Leong Bank Bhd	2,058,943	2,049,473	9,470	0.03
J.P Morgan Securities Bank Bhd	3,036,135	3,036,460	(325)	-
United Overseas Bank (Malaysia) Bhd	5,442,983	5,443,169	(186)	-
Total forward foreign currency contracts	16,787,249	16,766,553	20,696	0.07

AHAM WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

11 NUMBER OF UNITS IN CIRCULATION

	As at <u>31.5.2024</u> No. of units
(a) MYR Class units in circulation	
At the date of launch	-
Creation of units arising from applications	66,066,709
Creation of units arising from distributions	117,874
Cancellation of units	<u>(1,629,583)</u>
At the end of the financial period	<u><u>66,555,000</u></u>
(b) MYR Hedged-class units in circulation	
At the date of launch	-
Creation of units arising from applications	166,217,468
Creation of units arising from distributions	2,032,608
Cancellation of units	<u>(1,049,076)</u>
At the end of the financial period	<u><u>167,201,000</u></u>
(c) USD Class units in circulation	
At the date of launch	-
Creation of units arising from applications	6,770,877
Creation of units arising from distributions	30,239
Cancellation of units	<u>(20,116)</u>
At the end of the financial period	<u><u>6,781,000</u></u>

AHAM WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

12 TRANSACTIONS WITH BROKER

- (i) Details of transactions with the broker for the financial period from 9 May 2023 (date of launch) to 31 May 2024 are as follows:

<u>Name of broker</u>	<u>Value of trade</u> USD	<u>Percentage</u> <u>of total trade</u> %
Franklin Templeton International Services S.a.r.l.	30,772,030	100.00

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

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

<u>Related parties</u>	<u>Relationship</u>
CVC Capital Partners Asia V L.P. ("CVC Asia V")	Ultimate holding company of the Manager
Lembaga Tabung Angkatan Tentera ("LTAT")	Substantial shareholder of the Manager
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 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 its financial statements	Subsidiaries and associated companies of the ultimate holding company of the Manager
Directors of AHAM Asset Management Berhad	Directors of the Manager

AHAM WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

13 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 are as follows:

	No. of units	31.5.2024 USD
<u>The Manager:</u>		
AHAM Asset Management Berhad (The units are held legally for booking purpose)		
- MYR Class	3,979	433
- MYR Hedged-class	3,713	388
- USD Class	2,901	1,440
	2,901	1,440

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

14 TOTAL EXPENSE RATIO (“TER”)

	Financial period from 9.5.2023 (date of launch) to <u>31.5.2024</u> %
TER	2.06

TER is derived from the following calculation:

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

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

The average NAV of the Fund for the financial period calculated on a daily basis is USD5,102,344.

AHAM WORLD SERIES – INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 9 MAY 2023 (DATE OF LAUNCH) TO 31 MAY 2024 (CONTINUED)

15 PORTFOLIO TURNOVER RATIO (“PTR”)

Financial
period from
9.5.2023
(date of
launch) to
31.5.2024

PTR (times)

3.06

PTR is derived from the following calculation:

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

where: total acquisition for the financial period = USD28,515,410

total disposal for the financial period = USD2,692,577

16 COMPARATIVES

There are no comparatives as this is the first set of financial statements prepared since the launch of the Fund.

AHAM WORLD SERIES – 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 33 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 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial period from 9 May 2023 (date of launch) to 31 May 2024 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

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

DATO' TENG CHEE WAI
EXECUTIVE DIRECTOR/MANAGING DIRECTOR

Kuala Lumpur
24 July 2024

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF AHAM WORLD SERIES - INCOME FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of AHAM World Series - Income Fund (“the Fund”) give a true and fair view of the financial position of the fund as at 31 May 2024, and of its financial performance and its cash flows for the financial period from 9 May 2023 (date of launch) to 31 May 2024 in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 May 2024, and the statement of comprehensive income, statement of changes in net assets attributable to unit holders and statement of cash flows for the financial period then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 1 to 33.

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.

**INDEPENDENT AUDITORS' REPORT
TO THE UNIT HOLDERS OF AHAM WORLD SERIES - 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 terminate the Fund, has no realistic alternative but to do so.

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.

INDEPENDENT AUDITORS' REPORT
TO THE UNIT HOLDERS OF AHAM WORLD SERIES - INCOME FUND
(CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

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

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

INDEPENDENT AUDITORS' REPORT
TO THE UNIT HOLDERS OF AHAM WORLD SERIES - INCOME FUND
(CONTINUED)

OTHER MATTERS

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

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
24 July 2024

DIRECTORY OF SALES OFFICE

HEAD OFFICE

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

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

PENANG

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

Toll free no : 1-800-88-8377

PERAK

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

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

PETALING JAYA

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

Tel : 03 – 7760 3062

MELAKA

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

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

JOHOR

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

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

DIRECTORY OF SALES OFFICE (CONTINUED)

SABAH

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

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

SARAWAK - KUCHING

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

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

SARAWAK - MIRI

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

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

AHAM Asset Management Berhad

Registration No: 199701014290 (429786-T)

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

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

aham.com.my