



ANNUAL REPORT
30 April 2024

AHAM Enhanced Deposit Fund

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

TRUSTEE
HSBC (Malaysia) Trustee Berhad
193701000084 (001281T)

Built On Trust

aham.com.my

AHAM ENHANCED DEPOSIT FUND

Annual Report and Audited Financial Statements For the Financial Year Ended 30 April 2024

Contents	Page
FUND INFORMATION	II
FUND PERFORMANCE DATA.....	III
MANAGER'S REPORT	VI
TRUSTEE'S REPORT	IX
FINANCIAL STATEMENT	
DIRECTORY OF SALES OFFICE	

FUND INFORMATION

Fund Name	AHAM Enhanced Deposit Fund
Fund Type	Income
Fund Category	Money Market
Investment Objective	The Fund aims to provide investors with a regular income stream and high level of liquidity to meet cash flow requirement whilst maintaining capital preservation
Benchmark	The performance benchmark of the Fund is the Maybank Overnight Repo Rate
Distribution Policy	The Fund endeavours to distribute income on a monthly basis. 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.

FUND PERFORMANCE DATA

Category	As at 30 April 2024 (%)	As at 30 April 2023 (%)	As at 30 April 2022 (%)
Portfolio Composition			
Unquoted fixed income securities – local	19.50	4.63	-
Total Unquoted fixed income securities	19.50	4.63	100.00
Cash and cash equivalent	80.50	95.37	100.00
Total	100	100.00	100.00
Total NAV (RM'million)	1,631.452	1,310.845	735.666
NAV per Unit (RM)	1.2116	1.1871	1.1725
Units in Circulation (million)	1,346.488	1,104.217	627.428
Highest NAV	1.2124	1.1881	1.1731
Lowest NAV	1.1871	1.1724	1.1711
Return of the Fund (%)	3.71	2.91	1.76
-Capital Return (%)	2.06	1.25	0.09
-Income Return (%)	1.61	1.64	1.67
Gross Distribution per Unit (sen)	1.92	1.92	1.94
Net Distribution per Unit (sen)	1.92	1.92	1.94
Total Expense Ratio (%) ¹	0.32	0.32	0.32
Portfolio Turnover Ratio (times) ²	16.27	26.07	53.01

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

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

An illustration of the above would be as follow:-

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

¹The TER of the Fund was unchanged for the financial year.

²The Fund recorded a lower PTR than previous year due to an increase in the average NAV of the Fund over the financial year under review.

Income Distribution / Unit Split

The NAV per Unit prior and subsequent to the distributions are as follow:

Cum Date	Ex-Date	Cum-distribution (RM)	Distribution per Unit (RM)	Ex-distribution (RM)
16-May-21	17-May-21	1.1722	0.0009	1.1715
26-May-21	27-May-21	1.1720	0.0009	1.1712
8-Jun-21	9-Jun-21	1.1719	0.0008	1.1711
22-Jun-21	23-Jun-21	1.1718	0.0008	1.1711
13-Jul-21	14-Jul-21	1.1722	0.0008	1.1714
27-Jul-21	28-Jul-21	1.1721	0.0008	1.1714
10-Aug-21	11-Aug-21	1.1720	0.0008	1.1713
24-Aug-21	25-Aug-21	1.1721	0.0008	1.1713
7-Sep-21	8-Sep-21	1.1720	0.0008	1.1713
21-Sep-21	22-Sep-21	1.1720	0.0008	1.1712
12-Oct-21	13-Oct-21	1.1723	0.0008	1.1716
26-Oct-21	27-Oct-21	1.1723	0.0008	1.1715
9-Nov-21	10-Nov-21	1.1722	0.0008	1.1715
23-Nov-21	24-Nov-21	1.1722	0.0008	1.1715
7-Dec-21	8-Dec-21	1.1722	0.0008	1.1715
21-Dec-21	22-Dec-21	1.1722	0.0008	1.1714
11-Jan-22	12-Jan-22	1.1725	0.0008	1.1718
25-Jan-22	26-Jan-22	1.1726	0.0008	1.1718
8-Feb-22	9-Feb-22	1.1725	0.0008	1.1717
22-Feb-22	23-Feb-22	1.1725	0.0008	1.1718
8-Mar-22	9-Mar-22	1.1725	0.0008	1.1718
22-Mar-22	23-Mar-22	1.1726	0.0008	1.1718
12-Apr-22	13-Apr-22	1.1730	0.0008	1.1723
26-Apr-22	27-Apr-22	1.1731	0.0008	1.1723
10-May-22	11-May-22	1.1731	0.0008	1.1724
24-May-22	25-May-22	1.1732	0.0008	1.1724
7-Jun-22	8-Jun-22	1.1732	0.0008	1.1725
21-Jun-22	22-Jun-22	1.1733	0.0008	1.1726
26-Jul-22	27-Jul-22	1.1749	0.0016	1.1733
23-Aug-22	24-Aug-22	1.1753	0.0016	1.1738
27-Sep-22	28-Sep-22	1.1764	0.0016	1.1749
25-Oct-22	26-Oct-22	1.1773	0.0016	1.1758
22-Nov-22	23-Nov-22	1.1783	0.0016	1.1768
27-Dec-22	28-Dec-22	1.1803	0.0016	1.1788
24-Jan-23	25-Jan-23	1.1816	0.0016	1.1806
21-Feb-23	22-Feb-23	1.1839	0.0016	1.1824
21-Mar-23	22-Mar-23	1.1857	0.0016	1.1842
25-Apr-23	26-Apr-23	1.1881	0.0016	1.1866
23-May-23	24-May-23	1.1899	0.0016	1.1884
27-Jun-23	28-Jun-23	1.1924	0.0016	1.1909
25-Jul-23	26-Jul-23	1.1940	0.0016	1.1925
22-Aug-23	23-Aug-23	1.1957	0.0016	1.1942
26-Sep-23	27-Sep-23	1.1981	0.0016	1.1966
24-Oct-23	25-Oct-23	1.1996	0.0016	1.1981
21-Nov-23	22-Nov-23	1.2013	0.0016	1.1999
26-Dec-23	27-Dec-23	1.2040	0.0016	1.2026
23-Jan-24	24-Jan-24	1.2059	0.0016	1.2045
27-Feb-24	28-Feb-24	1.2087	0.0016	1.2072
26-Mar-24	27-Mar-24	1.2106	0.0016	1.2091
23-Apr-24	24-Apr-24	1.2124	0.0016	1.2109

No unit splits were declared for the financial year ended 30 April 2024.

Income Distribution Breakdown

Class	Ex-Date	Income (per unit) (sens / cents)	Income (%)	Capital (per unit) (sens / cents)	Capital (%)
MYR	17-May-21	0.0900	100.00	0.0000	0.00
MYR	27-May-21	0.0900	100.00	0.0000	0.00
MYR	9-Jun-21	0.0800	100.00	0.0000	0.00
MYR	23-Jun-21	0.0800	100.00	0.0000	0.00
MYR	14-Jul-21	0.0800	100.00	0.0000	0.00
MYR	28-Jul-21	0.0800	100.00	0.0000	0.00
MYR	11-Aug-21	0.0800	100.00	0.0000	0.00
MYR	25-Aug-21	0.0800	100.00	0.0000	0.00
MYR	8-Sep-21	0.0800	100.00	0.0000	0.00
MYR	22-Sep-21	0.0800	100.00	0.0000	0.00
MYR	13-Oct-21	0.0800	100.00	0.0000	0.00
MYR	27-Oct-21	0.0800	100.00	0.0000	0.00
MYR	10-Nov-21	0.0800	100.00	0.0000	0.00
MYR	24-Nov-21	0.0800	100.00	0.0000	0.00
MYR	8-Dec-21	0.0800	100.00	0.0000	0.00
MYR	22-Dec-21	0.0800	100.00	0.0000	0.00
MYR	12-Jan-22	0.0800	100.00	0.0000	0.00
MYR	26-Jan-22	0.0800	100.00	0.0000	0.00
MYR	9-Feb-22	0.0800	100.00	0.0000	0.00
MYR	23-Feb-22	0.0800	100.00	0.0000	0.00
MYR	9-Mar-22	0.0800	100.00	0.0000	0.00
MYR	23-Mar-22	0.0800	100.00	0.0000	0.00
MYR	13-Apr-22	0.0800	100.00	0.0000	0.00
MYR	27-Apr-22	0.0800	100.00	0.0000	0.00
MYR	11-May-22	0.0800	100.00	0.0000	0.00
MYR	25-May-22	0.0800	100.00	0.0000	0.00
MYR	8-Jun-22	0.0800	100.00	0.0000	0.00
MYR	22-Jun-22	0.0800	100.00	0.0000	0.00
MYR	27-Jul-22	0.1600	100.00	0.0000	0.00
MYR	24-Aug-22	0.1600	100.00	0.0000	0.00
MYR	28-Sep-22	0.1600	100.00	0.0000	0.00
MYR	26-Oct-22	0.1600	100.00	0.0000	0.00
MYR	23-Nov-22	0.1600	100.00	0.0000	0.00
MYR	28-Dec-22	0.1600	100.00	0.0000	0.00
MYR	25-Jan-23	0.1600	100.00	0.0000	0.00
MYR	22-Feb-23	0.1600	100.00	0.0000	0.00
MYR	22-Mar-23	0.1600	100.00	0.0000	0.00
MYR	26-Apr-23	0.1600	100.00	0.0000	0.00
MYR	24-May-23	0.1600	100.00	0.0000	0.00
MYR	28-Jun-23	0.1600	100.00	0.0000	0.00
MYR	26-Jul-23	0.1600	100.00	0.0000	0.00
MYR	23-Aug-23	0.1600	100.00	0.0000	0.00
MYR	27-Sep-23	0.1600	100.00	0.0000	0.00
MYR	25-Oct-23	0.1600	100.00	0.0000	0.00

MYR	22-Nov-23	0.1600	100.00	0.0000	0.00
MYR	27-Dec-23	0.1600	100.00	0.0000	0.00
MYR	24-Jan-24	0.1600	100.00	0.0000	0.00
MYR	28-Feb-24	0.1600	100.00	0.0000	0.00
MYR	27-Mar-24	0.1600	100.00	0.0000	0.00
MYR	24-Apr-24	0.1600	100.00	0.0000	0.00

Fund Performance

Table 1: Performance of the Fund

	1 Year (1/5/23 - 30/4/24)	3 Years (1/5/21 - 30/4/24)	5 Years (1/5/19 - 30/4/24)	Since Commencement (14/6/05 - 30/4/24)
Fund	3.71%	8.60%	14.55%	80.83%
Benchmark	1.30%	2.44%	4.28%	39.41%
Outperformance	2.41%	6.16%	10.27%	41.42%

Source of Benchmark: Maybank

Table 2: Average Total Return

	1 Year (1/5/23 - 30/4/24)	3 Years (1/5/21 - 30/4/24)	5 Years (1/5/19 - 30/4/24)	Since Commencement (14/6/05 - 30/4/24)
Fund	3.71%	2.79%	2.75%	3.19%
Benchmark	1.30%	0.81%	0.84%	1.77%
Outperformance	2.41%	1.98%	1.91%	1.42%

Source of Benchmark: Maybank

Table 3: Annual Total Return

	FYE 2024 (1/5/23 - 30/4/24)	FYE 2023 (1/5/22 - 30/4/23)	FYE 2022 (1/5/21 - 30/4/22)	FYE 2021 (1/5/20 - 30/4/21)	FYE 2020 (1/5/19 - 30/4/20)
Fund	3.71%	2.91%	1.76%	2.05%	3.35%
Benchmark	1.30%	0.88%	0.25%	0.31%	1.48%
Outperformance	2.41%	2.03%	1.51%	1.74%	1.87%

Source of Benchmark: Maybank

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

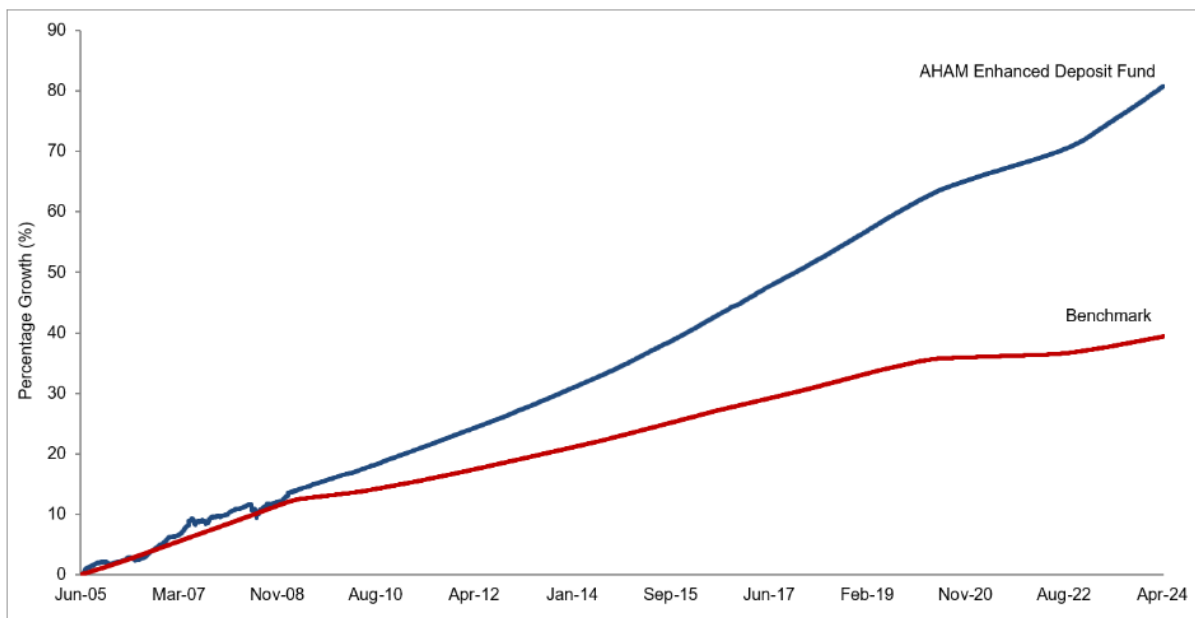
MANAGER'S REPORT

Performance Review (1 May 2023 to 30 April 2024)

For the period 1 May 2023 to 30 April 2024, the Fund has registered a return of 3.71% as compared to the benchmark return of 1.30%. The Fund thus outperformed the benchmark by 2.41%. The Net Asset Value (NAV) per unit of the Fund as at 30 April 2024 was RM1.2116 while the NAV per unit on 30 April 2023 was RM1.1871. During the same period under review, the Fund has declared a total income distribution of RM0.0192 per unit.

Since commencement, the Fund has registered a return of 80.83% compared to the benchmark return of 39.41%, outperforming by 41.42%.

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



"This information is prepared by AHAM Asset Management Berhad for information purposes only. Past earnings or the fund's distribution record is not a guarantee or reflection of the fund's future earnings/future distributions. Investors are advised that unit prices, distributions payable and investment returns may go down as well as up. Source of Benchmark is from Maybank."
 Benchmark: Maybank Overnight Repo Rate

Asset Allocation

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

As at 30 April 2024, the Manager had added holdings in local unquoted short-term fixed income securities amounting to 19.50% of the NAV with the remainder in cash and cash equivalents.

Strategies Employed

The Fund maintained a portfolio of short-dated fixed income instruments and deposits as it focuses in providing investors high level of liquidity. The fund manager will continually look out for high yielding quality short-term bonds and commercial papers to add to the portfolio, on top of deposit placements.

Market Review

At the beginning of the financial year, volatility was heightened due to uncertainties surrounding the United States ("U.S.") Federal Reserve's terminal policy rate. Inflation data in the U.S. was trending lower, lifting market sentiment and drove global fixed income yields lower despite the U.S. Federal Reserve's 'higher for longer' narrative. However, economic outlook turned robust while core inflation remained sticky, exerting pressure on the U.S. Federal Reserve to raise its policy rate. It was not until October 2024 when volatility eased but remained data driven, as market participants began to anchor the U.S. terminal policy rate at 5.00-5.25%. Optimistic expectations that the U.S. Federal Reserve will ease its monetary policy continued to be challenged by data supportive of growth and wages as we approached the financial year end.

Global volatility spilled over to Malaysian fixed income market but was relatively subdued, anchored by ample domestic liquidity. Against a backdrop of moderate domestic growth, real money investor's demand for yield and duration drove credit spreads towards historical low and kept the long end of Malaysia's sovereign yield curve supported. Nonetheless, domestic bond yields rose over the financial period, largely due to (1) Bank Negara Malaysia hiked the Overnight Policy Rate ("OPR") by 25 basis points ("bps") in May 2023 to 3.00%, and (2) wide interest differential between the U.S. and Malaysia exerted upward pressure to domestic bond yields (especially at the short end) and weighed on the Ringgit. The 3-year, 10-year, and 30-year Malaysian sovereign bond yields ended the financial year at 3.61% (+31 bps), 3.99% (+25 bps), and

4.30% (+13 bps) respectively. The yield curve bear flattened, as short-term bond yields rose more than long-term bond yields.

At the money market space, 3-months and 6-months KLIBOR (“Kuala Lumpur Interbank Offer Rate”) ended the financial year at 3.59% (+7 bps) and 3.64% (+2 bps) respectively. Growing foreign participation at the Non-Deliverable Interest Rate Swap (“NDIRS”) space kept KLIBOR (the underlying for NDIRS) elevated as foreign investors were more inclined to position for higher interest rate in Malaysia, due to the wide interest differential. The higher KLIBOR kept money market deposit rates elevated, which are attractive versus the 1-year sovereign bond yield of 3.30%. There was a seasonal deposit competition in December 2023, where money market deposit rates (up to 1-year) were quoted at 4.00% or higher. Without the seasonal effect, 6-months money market deposit rates are stable at 3.50-3.80% range.

Investment Outlook

Malaysia’s growth moderated to 3.7% in 2023 (2022: 8.7%) amid slower global trade, global tech downcycle, geopolitical tensions, and tighter monetary policies. Despite the on-going subsidy rationalization, its impact to domestic inflation would require a longer time to ascertain. Hence, the government is expected to prioritize growth over inflation in the near-term, giving rise to a stable OPR outlook.

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 year under review.

Soft Commissions received from Brokers

As per the requirements of the Securities Commission’s Guidelines on Unit Trust Funds and Guidelines on Compliance Function for Fund Management Companies, 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 unitholders 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 management company on behalf of the Fund.

Cross Trade

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

Securities Financing Transactions

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

Changes Made to The Fund’s Prospectus

A Supplemental Deed was issued with effective date 13 October 2023 to reflect various changes made to the Fund. This includes:

- i) a change in the distribution policy of the Fund to allow the Fund to distribute out of its capital; and
- ii) changes to other information in the Prospectus to reflect amongst others, changes to the information on the Manager, related parties transaction and other updates which are general in nature.

TRUSTEE'S REPORT

TO THE UNITHOLDERS OF AHAM ENHANCED DEPOSIT FUND ("Fund")

We have acted as the Trustee of the Fund for the financial year ended 30 April 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 Deeds, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the Deeds; and
3. Any creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirement.

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

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
26 June 2024

AHAM ENHANCED DEPOSIT FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

AHAM ENHANCED DEPOSIT FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

CONTENTS	PAGE(S)
STATEMENT OF COMPREHENSIVE INCOME	1
STATEMENT OF FINANCIAL POSITION	2
STATEMENT OF CHANGES IN EQUITY	3
STATEMENT OF CASH FLOWS	4
MATERIAL ACCOUNTING POLICY INFORMATION	5 - 9
NOTES TO THE FINANCIAL STATEMENTS	10 - 35
STATEMENT BY THE MANAGER	36
INDEPENDENT AUDITORS' REPORT	37 - 40

AHAM ENHANCED DEPOSIT FUND

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

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
INVESTMENT INCOME			
Interest income from financial assets at amortised cost		368	152
Interest income from financial assets at fair value through profit or loss	4	69,435,049	31,227,100
Net gain/(loss) on financial assets at fair value through profit or loss	10	471,128	(1,361)
		<u>69,906,545</u>	<u>31,225,891</u>
EXPENSES			
Management fee	5	(5,229,061)	(2,850,269)
Trustee fee	6	(354,290)	(190,018)
Fund accounting fee	7	(18,000)	(6,000)
Auditors' remuneration		(8,000)	(8,000)
Tax agent's fee		(3,900)	(3,900)
Other expenses		(12,725)	(12,503)
		<u>(5,625,976)</u>	<u>(3,070,690)</u>
NET PROFIT BEFORE TAXATION		64,280,569	28,155,201
Taxation	8	-	-
NET PROFIT AFTER TAX AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		<u>64,280,569</u>	<u>28,155,201</u>
Net profit after taxation is made up of the following:			
Realised amount		63,483,733	28,156,562
Unrealised amount		796,836	(1,361)
		<u>64,280,569</u>	<u>28,155,201</u>

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

AHAM ENHANCED DEPOSIT FUND

STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
ASSETS			
Cash and cash equivalents		139,656	3,837
Financial assets at fair value through profit or loss	10	1,631,772,659	1,311,196,602
TOTAL ASSETS		<u>1,631,912,315</u>	<u>1,311,200,439</u>
LIABILITIES			
Amount due to Manager - management fee		407,594	312,067
Amount due to Trustee		27,173	20,804
Fund accounting fee		1,500	1,500
Auditors' remuneration		8,000	8,000
Tax agent's fee		3,900	3,900
Distribution payable		-	2,186
Other payables and accruals		11,959	7,147
TOTAL LIABILITIES		<u>460,126</u>	<u>355,604</u>
NET ASSET VALUE OF THE FUND		<u>1,631,452,189</u>	<u>1,310,844,835</u>
EQUITY			
Unitholders' capital		1,544,251,209	1,259,407,856
Retained earnings		87,200,980	51,436,979
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>1,631,452,189</u>	<u>1,310,844,835</u>
NUMBER OF UNITS IN CIRCULATION	11	<u>1,346,488,000</u>	<u>1,104,217,000</u>
NET ASSET VALUE PER UNIT (RM)		<u>1.2116</u>	<u>1.1871</u>

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

AHAM ENHANCED DEPOSIT FUND

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

	Unitholders' <u>capital</u> RM	Retained <u>earnings</u> RM	<u>Total</u> RM
Balance as at 1 May 2023	1,259,407,856	51,436,979	1,310,844,835
Total comprehensive income for the financial year	-	64,280,569	64,280,569
Distributions (Note 9)	-	(28,516,568)	(28,516,568)
Movement in unitholders' capital:			
Creation of units arising from applications	907,235,301	-	907,235,301
Creation of units arising from distributions	28,476,617	-	28,476,617
Cancellation of units	(650,868,565)	-	(650,868,565)
Balance as at 30 April 2024	<u>1,544,251,209</u>	<u>87,200,980</u>	<u>1,631,452,189</u>
Balance as at 1 May 2022	696,775,217	38,891,097	735,666,314
Total comprehensive income for the financial year	-	28,155,201	28,155,201
Distributions (Note 9)	-	(15,609,319)	(15,609,319)
Movement in unitholders' capital:			
Creation of units arising from applications	831,508,527	-	831,508,527
Creation of units arising from distributions	15,602,456	-	15,602,456
Cancellation of units	(284,478,344)	-	(284,478,344)
Balance as at 30 April 2023	<u>1,259,407,856</u>	<u>51,436,979</u>	<u>1,310,844,835</u>

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

AHAM ENHANCED DEPOSIT FUND

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

	<u>2024</u> RM	<u>2023</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sales of investments	67,088,300	-
Proceeds from redemption of investments	275,000,000	208,000,000
Purchase of investments	(596,642,642)	(267,413,512)
Proceeds from maturity of deposits with licensed financial institution	3,940,891,944	4,392,433,279
Placement of deposits with licensed financial institution	(4,081,231,520)	(4,938,246,000)
Interest received	144,224,406	61,126,319
Management fee paid	(5,133,534)	(2,715,622)
Trustee fee paid	(347,921)	(181,042)
Fund accounting fee paid	(18,000)	(4,500)
Payment for other fees and expenses	(19,813)	(21,594)
	<hr/>	<hr/>
Net cash flows used in operating activities	(256,188,780)	(547,022,672)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	907,235,301	831,508,527
Payments for cancellation of units	(650,868,565)	(284,478,344)
Payments for distributions	(42,137)	(4,677)
	<hr/>	<hr/>
Net cash flows generated from financing activities	256,324,599	547,025,506
NET INCREASE IN CASH AND CASH EQUIVALENTS		
	135,819	2,834
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		
	<hr/>	<hr/>
	3,837	1,003
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR		
	<hr/> <hr/>	<hr/> <hr/>
	139,656	3,837

Cash and cash equivalents as at 30 April 2024 and 30 April 2023 comprise of bank balances.

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

AHAM ENHANCED DEPOSIT FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

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

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

- (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 ENHANCED DEPOSIT FUND

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

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

B INCOME RECOGNITION

Interest income

Interest income from deposits with licensed financial institutions and unquoted fixed income securities are recognised based on effective interest rate method on an accrual basis.

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

Realised gains and losses on sale of investments

For unquoted fixed income securities, realised gains and losses on sale of investments are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on cost adjusted for accretion of discount or amortisation of premium on investments.

C TAXATION

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

D DISTRIBUTIONS

A distribution to the Fund's unitholders are accounted for as a deduction from retained earnings. A proposed distribution is recognised as a liability in the period in which it is approved by the Trustee of the Fund.

At 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 ENHANCED DEPOSIT FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 Ringgit Malaysia (“RM”), which is the Fund’s functional and presentation currency.

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

The Fund classify 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 financial assets measured at fair value through other comprehensive income.

The contractual cash flows of the Fund’s debt securities are solely payments of principal and interest (“SPPI”). However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund’s business model’s objective. Consequently, all investments and derivatives not designated as hedging instruments are measured at fair value through profit or loss.

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

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

AHAM ENHANCED DEPOSIT FUND

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

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement

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

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

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

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

Deposits with licensed financial institutions are stated at fair value. Due to the short-term nature of the deposits, the cost-plus accrued interest calculated based on the effective interest rate method over the period from the date of placement to the date of maturity of the respective deposits is the reasonable estimate of fair value.

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

(iii) Impairment

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

Significant increase in credit risk

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

AHAM ENHANCED DEPOSIT FUND

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

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

Definition of default and credit-impaired financial assets

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

Quantitative criteria:

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

Qualitative criteria:

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

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

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

Write-off

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

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

G CASH AND CASH EQUIVALENTS

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

AHAM ENHANCED DEPOSIT FUND

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

H UNITHOLDERS' CAPITAL

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

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

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

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

I CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

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

Estimates and judgements are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

However, the Manager is of the opinion that there are no accounting policies which require significant judgement to be exercised.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is, at fair value and in compliance with the Securities Commission's ("SC") Guidelines on Unit Trust Funds.

J REALISED AND UNREALISED PORTIONS OF PROFIT OR LOSS AFTER TAX

The analysis of realised and unrealised profit or loss after tax as presented on the statement of comprehensive income is prepared in accordance with SC's Guidelines on Unit Trust Funds.

AHAM ENHANCED DEPOSIT FUND

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

1 INFORMATION ON THE FUND

The Unit Trust Fund was constituted under the name Hwang Enhanced Deposit Fund (the “Fund”) pursuant to the execution of a Master Deed dated 4 April 2005, First Supplemental Deed dated 29 December 2005, Second Supplemental Deed dated 20 February 2006, Third Supplemental Deed dated 18 June 2007, Fourth Supplemental Deed dated 15 October 2008, Fifth Supplemental Deed dated 12 March 2009, Sixth Supplemental Deed dated 19 March 2010, Seventh Supplemental Deed dated 18 January 2012, Eighth Supplemental Deed dated 27 June 2014, Ninth Supplemental Deed dated 19 December 2016, Tenth Supplemental Deed dated 25 January 2022, Eleventh Supplemental Deed dated 6 October 2022 and Twelve Supplemental Deed dated 21 June 2023 (the “Deeds”) entered into between AHAM Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”). The Fund has changed its name from HwangDBS Enhanced Deposit Fund to Hwang Enhanced Deposit Fund as amended by Seventh Supplemental Deed dated 18 January 2012, from Hwang Enhanced Deposit Fund to Affin Hwang Enhanced Deposit Fund as amended by Eighth Supplemental Deed dated 27 June 2014 and from Affin Hwang Enhanced Deposit Fund to AHAM Enhanced Deposit Fund as amended by Eleventh Supplemental Deed dated 6 October 2022.

The Fund invests 90% to 100% of its NAV in debentures, money market instruments and deposits with a remaining maturity period of no more than 397 days. Up to 10% of the NAV of the Fund may be invested in debentures, money market instruments and deposits with a remaining maturity period exceeding 397 days but no longer than 732 days. As such, the Fund shall invest in a diversified portfolio of good quality, short-term fixed income investments and money market instruments, including deposits, bankers’ acceptances, negotiable certificates of deposits and commercial papers. Other fixed income investments comprise government and government-sponsored bonds and private debt securities with maturity of not more than 732 days.

The Fund was launched on 18 April 2005 and will continue its operations until terminated by the Trustee as provided under Clause 3.2 of the Deed. (to check on the Clause with client)

The Fund may invest in any of the following’s investment:

- (a) Debentures;
- (b) Unlisted securities, including without limitation, securities that have been approved by the relevant regulatory authorities for the listing of and quotation of such securities;
- (c) Money market instruments;
- (d) Ringgit-denominated deposits;
- (e) Unit or shares in collective investment schemes; and
- (f) Any other form of investment as may be permitted by the SC from time to time which are in line with the objective of the Fund.

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

The Fund will select debt securities, the selection of which will depend largely on credit quality, to assure relative certainty of principal repayment and overall total return stability.

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 26 June 2024.

AHAM ENHANCED DEPOSIT FUND

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

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	<u>Note</u>	At amortised <u>cost</u> RM	At fair value through <u>profit or loss</u> RM	<u>Total</u> RM
<u>2024</u>				
<u>Financial assets</u>				
Cash and cash equivalents		139,656	-	139,656
Deposits with licensed financial Institutions	10	-	1,313,722,194	1,313,722,194
Unquoted fixed income securities	10	-	318,050,465	318,050,465
Total		<u>139,656</u>	<u>1,631,772,659</u>	<u>1,631,912,315</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		407,594	-	407,594
Amount due to Trustee		27,173	-	27,173
Fund accounting fee		1,500	-	1,500
Auditors' remuneration		8,000	-	8,000
Tax agent's fee		3,900	-	3,900
Other payables and accruals		11,959	-	11,959
Total		<u>460,126</u>	<u>-</u>	<u>460,126</u>

AHAM ENHANCED DEPOSIT FUND

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

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

Financial instruments are as follows: (continued)

	<u>Note</u>	At amortised <u>cost</u> RM	At fair value through <u>profit or loss</u> RM	<u>Total</u> RM
<u>2023</u>				
<u>Financial assets</u>				
Cash and cash equivalents		3,837	-	3,837
Deposits with licensed financial Institutions	10	-	1,250,541,479	1,250,541,479
Unquoted fixed income securities	10	-	60,655,123	60,655,123
Total		<u>3,837</u>	<u>1,311,196,602</u>	<u>1,311,200,439</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		312,067	-	312,067
Amount due to Trustee		20,804	-	20,804
Auditors' remuneration		8,000	-	8,000
Tax agent's fee		3,900	-	3,900
Fund accounting fee		1,500	-	1,500
Distribution payable		2,186	-	2,186
Other payables and accruals		7,147	-	7,147
Total		<u>355,604</u>	<u>-</u>	<u>355,604</u>

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

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated by the SC's Guidelines on Unit Trust Funds and the Deeds.

AHAM ENHANCED DEPOSIT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 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:

	<u>2024</u> RM	<u>2023</u> RM
Unquoted investments*		
Unquoted fixed income securities*	318,050,465	60,655,123

* Includes interest receivable of RM1,883,450 (2023: RM702,473)

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

<u>% Change in price</u>	<u>Market value</u> RM	<u>Impact on profit after tax/NAV</u> RM
<u>2024</u>		
-3%	306,682,005	(9,485,010)
0%	316,167,015	-
+3%	325,652,025	9,485,010
<u>2023</u>		
-5%	56,955,017	(2,997,633)
0%	59,952,650	-
+5%	62,950,283	2,997,633

AHAM ENHANCED DEPOSIT FUND

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

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

Market risk (continued)

(b) Interest rate risk

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

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

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

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

<u>% Change in interest rate</u>	<u>Impact on profit after tax/NAV</u>	
	<u>2024</u>	<u>2023</u>
	RM	RM
+ 1% (2023: 2%)	(84,861)	(13,793)
- 1% (2023: 2%)	89,079	15,333

AHAM ENHANCED DEPOSIT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 interest, principals and proceeds from realisation of investments. The Manager manages the credit risk by undertaking credit evaluation to minimise such risk.

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

Credit risk arising from placements of deposits in licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions.

For unquoted fixed income securities, the Manager regularly reviews the rating assigned to the issuer so that necessary steps can be taken if the rating falls below those described by the Deeds and SC's Guidelines on Unit Trust Funds.

The settlement terms of the proceeds from the creation of units' receivable from the Manager is governed by the SC's Guidelines on Unit Trust Funds.

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

	<u>Unquoted fixed income securities</u> RM	<u>Deposits with licensed financial institutions</u> RM	<u>Cash and cash equivalents</u> RM	<u>Total</u> RM
<u>2024</u>				
Basic Materials				
- AA2	10,030,826	-	-	10,030,826
Consumer Discretionary				
- AA1	50,838,301	-	-	50,838,301
- AA-	8,162,979	-	-	8,162,979
- A+	25,024,219	-	-	25,024,219
Financial Services				
- AAA	15,067,256	918,528,236	139,656	933,735,148
- AA3	-	263,491,130	-	263,491,130
- AA2	-	121,496,143	-	121,496,143
- AA1	-	10,206,685	-	10,206,685
- AA	60,767,380	-	-	60,767,380
- P1	35,816,430	-	-	35,816,430
- MARC-1	34,915,100	-	-	34,915,100
Industrials				
- AA3	10,287,595	-	-	10,287,595

AHAM ENHANCED DEPOSIT FUND

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

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

Credit risk (continued)

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

	Unquoted fixed income <u>securities</u> RM	Deposits with licensed financial <u>institutions</u> RM	Cash and cash <u>equivalents</u> RM	<u>Total</u> RM
<u>2024</u> (continued)				
Real Estate				
- AA-	15,159,201	-	-	15,159,201
- P1	19,814,400	-	-	19,814,400
- MARC-1	29,852,700	-	-	29,852,700
Utilities				
- AAA	1,277,293	-	-	1,277,293
- AA-	1,036,785	-	-	1,036,785
	<u>318,050,465</u>	<u>1,313,722,194</u>	<u>139,656</u>	<u>1,631,912,315</u>
<u>2023</u>				
Consumer Staples				
- AA1	5,082,950	-	-	5,082,950
Energy and Utilities				
- AA3	10,213,051	-	-	10,213,051
Financial Services				
- AAA	-	690,278,099	3,837	690,281,936
- AA1	-	181,989,636	-	181,989,636
- AA3	-	328,047,196	-	328,047,196
- A1	-	50,226,548	-	50,226,548
Industrials				
- AA3	10,123,311	-	-	10,123,311
Real Estate				
- AA-	10,119,678	-	-	10,119,678
- AA1	5,113,274	-	-	5,113,274
- AA3	5,068,106	-	-	5,068,106
- MARC-1	4,974,750	-	-	4,974,750
Transportation and Storage				
- AAA	5,038,103	-	-	5,038,103
Utilities				
- P1	4,921,900	-	-	4,921,900
	<u>60,655,123</u>	<u>1,250,541,479</u>	<u>3,837</u>	<u>1,311,200,439</u>

AHAM ENHANCED DEPOSIT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 unitholders, liquid assets comprise cash, deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 days.

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

	<u>Within one month</u> RM	<u>Between one month to one year</u> RM	<u>Total</u> RM
<u>2024</u>			
Amount due to Manager			
- management fee	407,594	-	407,594
Amount due to Trustee	27,173	-	27,173
Fund accounting fee	1,500	-	1,500
Auditors' remuneration	-	8,000	8,000
Tax agent's fee	-	3,900	3,900
Other payables and accruals	-	11,959	11,959
	<u>436,267</u>	<u>23,859</u>	<u>460,126</u>
<u>2023</u>			
Amount due to Manager			
- management fee	312,067	-	312,067
Amount due to Trustee	20,804	-	20,804
Fund accounting fee	1,500	-	1,500
Auditors' remuneration	-	8,000	8,000
Tax agent's fee	-	3,900	3,900
Distribution payable	2,186	-	2,186
Other payables and accruals	-	7,147	7,147
	<u>336,557</u>	<u>19,047</u>	<u>355,604</u>

AHAM ENHANCED DEPOSIT FUND

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

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

Capital risk

The capital of the Fund is represented by equity consisting of unitholders' capital and retained earnings. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unitholders.

The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

3 FAIR VALUE ESTIMATION

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

The fair value of financial assets traded in active markets (such as trading securities) is based on quoted market prices at the close of trading on the financial 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 that are not traded in an active market is determined by using valuation techniques.

(i) Fair value hierarchy

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

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

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

AHAM ENHANCED DEPOSIT FUND

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

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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

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

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2024</u>				
Financial assets at fair value through profit or loss				
- deposits with licensed financial institutions	-	1,313,722,194	-	1,313,722,194
- unquoted fixed income securities	-	318,050,465	-	318,050,465
	- 1,631,772,659		-	1,631,772,659
	<u>1,631,772,659</u>		<u>1,631,772,659</u>	<u>1,631,772,659</u>
<u>2023</u>				
Financial assets at fair value through profit or loss				
- deposits with licensed financial institutions	-	1,250,541,479	-	1,250,541,479
- unquoted fixed income securities	-	60,655,123	-	60,655,123
	- 1,311,196,602		-	1,311,196,602
	<u>1,311,196,602</u>		<u>1,311,196,602</u>	<u>1,311,196,602</u>

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include unquoted fixed income securities and deposits with licensed financial institutions. 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 and all current liabilities are a reasonable approximation of the fair values due to their short-term nature.

AHAM ENHANCED DEPOSIT FUND

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

4 INTEREST INCOME

	<u>2024</u> RM	<u>2023</u> RM
Interest income from financial assets at fair value through profit or loss:		
- deposits with licensed financial institutions	62,454,199	27,753,960
- unquoted fixed income securities	6,980,850	3,473,140
	<u>69,435,049</u>	<u>31,227,100</u>

5 MANAGEMENT FEE

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

For the financial year ended 30 April 2024, the management fee is recognised at a rate of 0.30% (2023: 0.30%) per annum on the NAV of the Fund, calculated on a daily basis.

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

6 TRUSTEE FEE

In accordance with the Deeds, the Trustee is entitled to an annual fee at a rate not exceeding 0.30% per annum on the NAV of the Fund.

The Trustee imposes a tiered trustee fee in respect of the Fund:-

Net Asset Value (NAV)	% of NAV of the Funds
< RM500 million	0.03% per annum
≥ RM500 million	0.02% per annum

For the financial year ended 30 April 2024 and 30 April 2023, Trustee's fee is recognised at a rate of 0.02% (2023: 0.02%) per annum on the NAV of the Fund, calculated on a daily basis.

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

7 FUND ACCOUNTING FEE

The fund valuation and accounting fee for the Fund is RM18,000 (2023: RM 6,000) during the financial year.

AHAM ENHANCED DEPOSIT FUND

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

8 TAXATION

	<u>2024</u> RM	<u>2023</u> RM
Current taxation - local	-	-

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

	<u>2024</u> RM	<u>2023</u> RM
Net profit before taxation	64,280,569	28,155,201
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	15,427,337	6,757,248
Tax effects of:		
Investment income not subject to tax	(16,777,571)	(7,494,214)
Expenses not deductible for tax purposes	95,979	46,626
Restrictions on tax deductible expenses for Unit Trust Fund	1,254,255	690,340
Tax expense	-	-

AHAM ENHANCED DEPOSIT FUND

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

9 DISTRIBUTIONS

	<u>2024</u> RM	<u>2023</u> RM
Distributions to unitholders are from the following sources:		
Interest income	26,487,683	-
Previous years' realised income	4,291,910	15,609,319
	<hr/>	<hr/>
Gross realised income	30,779,593	15,609,319
Less: Expenses	(2,263,025)	-
	<hr/>	<hr/>
Net distribution amount	<u>28,516,568</u>	<u>15,609,319</u>
Income distribution	28,516,568	15,609,319
Capital distribution	-	-
	<hr/>	<hr/>
Income distribution (%)	100.00	100.00
Capital distribution (%)	-	-
	<hr/>	<hr/>

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

<u>Ex-date</u>	<u>Gross/Net distribution per unit</u> (sen)
24.05.2023	0.16
28.06.2023	0.16
26.07.2023	0.16
23.08.2023	0.16
27.09.2023	0.16
25.10.2023	0.16
22.11.2023	0.16
27.12.2023	0.16
24.01.2024	0.16
28.02.2024	0.16
27.03.2024	0.16
24.04.2024	0.16
	<hr/>
	1.92
	<hr/>

AHAM ENHANCED DEPOSIT FUND

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

9 DISTRIBUTIONS (CONTINUED)

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

<u>Ex-date</u>	<u>Gross/Net distribution per unit</u> (sen)
11.05.2022	0.08
25.05.2022	0.08
08.06.2022	0.08
22.06.2022	0.08
27.07.2022	0.16
24.08.2022	0.16
28.09.2022	0.16
26.10.2022	0.16
23.11.2022	0.16
28.12.2022	0.16
25.01.2023	0.16
22.02.2023	0.16
23.03.2023	0.16
26.04.2023	0.16
	<hr/>
	1.92
	<hr/> <hr/>

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.

Included in distribution for the financial year is an amount of RM4,291,910 (2023: RM15,609,319) made from previous years' realised income.

The Fund has incurred an unrealised loss of RM Nil (2023: RM1,361) for the financial year ended 30 April 2024.

AHAM ENHANCED DEPOSIT FUND

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

10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2024</u> RM	<u>2023</u> RM
Financial assets at fair value through profit or loss:		
- deposits with licensed financial institutions	1,313,722,194	1,250,541,479
- unquoted fixed income securities – local	318,050,465	60,655,123
	<u>1,631,772,659</u>	<u>1,311,196,602</u>
Net gain/(loss) on financial assets at fair value through profit or loss:		
- realised gain on sale of investment	67,541	-
- unrealised gain/(loss) on changes in fair value	403,587	(1,361)
	<u>471,128</u>	<u>(1,361)</u>

(a) Deposits with licensed financial institutions

	<u>2024</u> RM	<u>2023</u> RM
Deposits with licensed financial institutions*	<u>1,313,722,194</u>	<u>1,250,541,479</u>

* Includes interest receivable of RM16,579,331 (2023: RM7,008,959).

Weighted average effective interest rates per annum of deposits with licensed financial institutions are as follows:

	<u>2024</u> %	<u>2023</u> %
Deposits with licensed financial institutions	<u>4.02</u>	<u>4.01</u>

The deposits with licensed financial institutions have an average remaining maturity period of 126 days (2023: 98 days).

AHAM ENHANCED DEPOSIT FUND

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

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

(b) Unquoted fixed income securities – local

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

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Bonds</u>				
4.55% DRB-Hicom Bhd 12.12.2024 (A+)	24,500,000	24,972,495	25,024,219	1.54
4.90% GENM Capital Bhd 22.08.2025 (AA1)	50,000,000	50,691,058	50,838,301	3.13
5.42% Jimah East Power Sdn Bhd 04.06.2025 (AA-)	1,000,000	1,035,186	1,036,785	0.06
5.25% Malayan Cement Bhd 13.01.2026 (AA3)	5,000,000	5,180,531	5,181,002	0.32
5.42% Malayan Cement Bhd 31.10.2025 (AA3)	5,000,000	5,108,582	5,106,593	0.31
4.15% Pac Lease Bhd 05.08.2025 (AA)	10,000,000	10,101,127	10,120,681	0.62
4.15% Pac Lease Bhd 29.07.2025 (AA)	50,000,000	50,529,413	50,646,699	3.10
4.10% Press Metal Aluminium Holdings Bhd 17.10.2024 (AA2)	10,000,000	10,026,167	10,030,826	0.61
4.99% STM Lottery Sdn Bhd 30.06.2025 (AA-)	8,000,000	8,163,178	8,162,979	0.50
5.10% TNB Western Energy Bhd 30.01.2025 (AAA)	1,250,000	1,276,189	1,277,293	0.08
3.30% Toyota Capital Malaysia Sdn Bhd 17.10.2024 (AAA)	10,000,000	10,019,941	10,019,081	0.61
4.79% UEM Sunrise Bhd 11.04.2025 (AAA)	15,000,000	15,136,051	15,159,201	0.93
4.27% Zamarad Assets Bhd 09.08.2024 (AAA)	5,000,000	5,045,366	5,048,175	0.31
	<u>194,750,000</u>	<u>197,285,284</u>	<u>197,651,835</u>	<u>12.12</u>

AHAM ENHANCED DEPOSIT FUND

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

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

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

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

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Commercial papers</u>				
0% AEON Credit Service (M) Bhd 21.06.2024 (P1)	15,000,000	14,923,343	14,923,650	0.91
0% CIMB Securities Sdn Bhd 21.06.2024 (P1)	20,000,000	19,885,447	19,899,600	1.22
0% CIMB Securities Sdn Bhd 04.06.2024 (MARC-1)	20,000,000	19,923,366	19,934,600	1.22
0% Hong Leong Islamic Bank Bhd 12.07.2024 (P1)	1,000,000	992,760	993,180	0.06
0% Pac Lease Bhd 15.05.2024 (MARC-1)	15,000,000	14,978,983	14,980,500	0.92
0% Sunreit Capital Bhd 30.07.2024 (P1)	20,000,000	19,815,059	19,814,400	1.22
0% Trusmadi Capital Sdn Bhd 14.06.2024 (MARC-1)	25,000,000	24,871,260	24,877,250	1.52
0% Trusmadi Capital Sdn Bhd 14.06.2024 (MARC-1)	5,000,000	4,972,737	4,975,450	0.31
	<u>121,000,000</u>	<u>120,362,955</u>	<u>120,398,630</u>	<u>7.38</u>
Total unquoted fixed income securities – local	<u>315,750,000</u>	<u>317,648,239</u>	<u>318,050,465</u>	<u>19.50</u>
Accumulated unrealised gain on unquoted fixed income securities – local		<u>402,226</u>		
Total unquoted fixed income securities – local		<u>318,050,465</u>		

AHAM ENHANCED DEPOSIT FUND

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

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

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

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

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds</u>				
4.28% Amanat Lebuhraya Rakyat Bhd 11.10.2024 (AAA)	5,000,000	5,010,456	5,038,103	0.38
4.05% Batu Kawan Bhd 06.06.2023 (AA1)	5,000,000	5,084,723	5,082,950	0.39
5.7% Edra Energy Sdn Bhd 05.07.2023 (AA3)	10,000,000	10,215,780	10,213,051	0.78
5% Encorp Systembilt Sdn Bhd 18.05.2023 (AA1)	5,000,000	5,113,340	5,113,274	0.39
4.25% Lafarge Cement Sdn Bhd 10.07.2023 (AA3)	10,000,000	10,130,834	10,123,311	0.77
5.15% Perbadanan Kemajuan N Selangor 10.08.2023 (AA3)	5,000,000	5,072,710	5,068,106	0.39
3.9% UEM Sunrise Bhd 21.09.2023 (AA-)	5,000,000	5,015,355	5,008,154	0.38
5% UEM Sunrise Bhd 19.05.2023 (AA-)	5,000,000	5,112,750	5,111,524	0.39
	<u>50,000,000</u>	<u>50,755,948</u>	<u>50,758,473</u>	<u>3.87</u>
<u>Commercial papers</u>				
0% Tenaga Nasional Bhd 27.09.2023 (P1)	5,000,000	4,928,853	4,921,900	0.38
0% Trusmadi Capital Sdn Bhd 15.06.2023 (MARC-1)	5,000,000	4,971,683	4,974,750	0.38
	<u>10,000,000</u>	<u>9,900,536</u>	<u>9,896,650</u>	<u>0.76</u>
Total unquoted fixed income securities – local	<u>60,000,000</u>	<u>60,656,484</u>	<u>60,655,123</u>	<u>4.63</u>
Accumulated unrealised loss on unquoted fixed income securities – local		<u>(1,361)</u>		
Total unquoted fixed income securities – local		<u>60,655,123</u>		

AHAM ENHANCED DEPOSIT FUND

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

11 NUMBER OF UNITS IN CIRCULATION

	<u>2024</u>	<u>2023</u>
	No. of units	No. of units
At the beginning of the financial year	1,104,217,000	627,428,000
Creation of units arising from applications	760,123,266	705,206,544
Creation of units arising from distributions	23,738,455	13,239,936
Cancellation of units	(541,590,721)	(241,657,480)
At the end of the financial year	<u>1,346,488,000</u>	<u>1,104,217,000</u>

12 TRANSACTIONS WITH DEALERS

(a) Money market placements

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

<u>Name of financial institutions</u>	<u>Value</u> <u>of trades</u> RM	<u>Percentage</u> <u>of total trades</u> %
Hong Leong Bank Bhd	10,668,270,562	37.72
Hong Leong Investment Bank Bhd	7,903,652,720	27.95
Public Investment Bank Bhd	4,935,684,729	17.45
Public Bank Bhd	1,524,019,771	5.39
Affin Hwang Investment Bank Bhd#	1,300,909,497	4.60
CIMB Bank Bhd	612,326,561	2.17
Ambank (M) Bhd	411,632,588	1.46
Public Islamic Bank Bhd	260,000,521	0.92
CIMB Islamic Bank Bhd	220,244,013	0.78
United Overseas Bank (M) Bhd	210,000,000	0.74
Others	230,569,630	0.82
	<u>28,277,310,592</u>	<u>100.00</u>

AHAM ENHANCED DEPOSIT FUND

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

12 TRANSACTIONS WITH DEALERS (CONTINUED)

(a) Money market placements (continued)

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

<u>Name of financial institutions</u>	<u>Value of trades RM</u>	<u>Percentage of total trades %</u>
Hong Leong Bank Bhd	10,496,697,340	42.37
Hong Leong Investment Bank Bhd	5,204,642,707	21.01
Public Bank Bhd	2,323,939,284	9.37
Affin Hwang Investment Bank Bhd#	1,209,769,723	4.88
RHB Bank Bhd	954,465,542	3.85
CIMB Bank Bhd	792,367,559	3.20
KAF Investment Bank Bhd	785,013,006	3.17
Public Islamic Bank Bhd	651,114,372	2.63
Ambank (M) Bhd	628,671,752	2.54
Hong Leong Islamic Bank Bhd	569,102,161	2.29
Others	1,161,008,653	4.69
	<u>24,776,792,099</u>	<u>100.00</u>

Included in transactions with dealers are trades conducted with Affin Hwang Investment Bank Berhad, the former immediate holding company of the Manager amounting to RM1,300,909,497 (2023: RM1,209,769,723), respectively. The Manager is of the opinion that the transactions with the related companies have been entered into in the normal course of business at agreed terms between the related parties.

AHAM ENHANCED DEPOSIT FUND

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

12 TRANSACTIONS WITH DEALERS (CONTINUED)

(b) Unquoted fixed income securities

(i) Details of transactions with the dealers for the financial year ended 30 April 2024 are as follows:

<u>Name of dealers</u>	<u>Value of trades</u> RM	<u>Percentage of total trades</u> %
Malayan Banking Bhd*	175,828,915	26.49
RHB Investment Bank Bhd*	125,161,450	18.86
OCBC Bank (Malaysia) Bhd	104,741,125	15.78
Affin Hwang Investment Bank Bhd#*	78,640,688	11.85
Ambank (M) Bhd	69,787,424	10.51
Hong Leong Bank Bhd	49,469,050	7.45
CIMB Bank Bhd*	30,013,790	4.52
Hong Leong Investment Bank Bhd	15,050,500	2.27
Hong Leong Islamic Bank Bhd	15,038,000	2.27
	<u>663,730,942</u>	<u>100.00</u>

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

<u>Name of dealers</u>	<u>Value of trades</u> RM	<u>Percentage of total trades</u> %
RHB Investment Bank Bhd*	60,034,092	22.45
Affin Hwang Investment Bank Bhd#*	50,132,750	18.75
Kenanga Investment Bank Bhd	44,868,577	16.78
Ambank (M) Bhd	27,830,913	10.41
CIMB Bank Bhd	24,901,709	9.31
Ambank Islamic Bhd	14,784,246	5.53
Hong Leong Bank Bhd	10,011,000	3.74
OCBC Bank (Malaysia) Bhd	9,973,424	3.73
Malayan Banking Bhd	9,898,522	3.70
Standard Chartered Bank Malaysia Bhd	5,036,000	1.88
Others	9,942,279	3.72
	<u>267,413,512</u>	<u>100.00</u>

There is no brokerage fee paid to the dealer.

AHAM ENHANCED DEPOSIT FUND

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

12 TRANSACTIONS WITH DEALERS (CONTINUED)

(b) Unquoted fixed income securities(continued)

Included in transactions with dealers are trades conducted with Affin Hwang Investment Bank Bhd, the former immediate holding company of the Manager amounting RM78,640,688 (2023: RM 50,132,750). The Manager is of the opinion that the transactions with the related company have been entered into in the normal course of business at agreed terms between the related parties.

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

	<u>2024</u> RM	<u>2023</u> RM
<u>Name of dealers</u>		
Malayan Banking Bhd	67,005,420	-
Affin Hwang Investment Bank Bhd	63,681,938	50,132,750
RHB Investment Bank Bhd	62,932,150	25,098,250
CIMB Bank Bhd	2,502,500	-
	<u>196,122,008</u>	<u>75,231,000</u>

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

	<u>2024</u> RM	<u>2023</u> RM
AHAM Aiiman Balanced Fund	-	202,020
AHAM Aiiman ESG Income Plus Fund (formerly known as AHAM Aiiman Income Plus Fund)	-	13,836,880
AHAM Aiiman Select Income Fund	-	1,010,100
AHAM Enhanced Income Fund	5,026,000	-
AHAM Flexible Maturity Income Fund 17	2,557,000	-
AHAM Flexible Maturity Income Fund 20	2,557,000	-
AHAM Income Extra Fund	2,502,500	20,071,000
AHAM Income Fund 6	-	40,111,000
AHAM Select Cash Fund	177,172,670	-
Private mandates managed by the Manager	6,306,838	-
	<u>196,122,008</u>	<u>75,231,000</u>

AHAM ENHANCED DEPOSIT FUND

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

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")	Former ultimate holding corporate body of the Manager and substantial shareholder of the Manager
Affin Bank Berhad ("ABB")	Former penultimate holding company of the Manager
Affin Hwang Investment Bank Berhad	Former immediate holding company of the Manager
Starlight TopCo Limited	Penultimate holding company of the Manager
Starlight Universe Limited	Intermediate holding company of the Manager
Starlight Asset Sdn Bhd	Immediate holding company of the Manager
Nikko Asset Management International Limited ("NAMI")	Former substantial shareholder of the Manager
Nikko Asset Management Co., Ltd ("NAM")	Substantial shareholder of the Manager
AHAM Asset Management Berhad	The Manager
Subsidiaries and associated companies of CVC Asia V as disclosed in their financial statements	Subsidiaries and associated companies of the ultimate holding company of the Manager
Subsidiaries and associated companies of ABB as disclosed in its financial statements	Subsidiaries and associated companies of the former penultimate holding company of the Manager
Directors of AHAM Asset Management Berhad	Directors of the Manager

AHAM ENHANCED DEPOSIT FUND

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

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

The units held by the Manager and parties related to the Manager as at the end of the financial year are as follows:

	2024		2023	
	No. of units	RM	No. of units	RM
<u>The Manager:</u>				
AHAM Asset Management Berhad (The units are held legally for booking purposes)	81,740	99,036	21,821	25,904
	<u>81,740</u>	<u>99,036</u>	<u>21,821</u>	<u>25,904</u>
<u>Parties related to the Manager:</u>				
Director of AHAM Asset Management Berhad (The units are held beneficially)	1,089,779	1,320,376	4,392,887	5,214,796
	<u>1,089,779</u>	<u>1,320,376</u>	<u>4,392,887</u>	<u>5,214,796</u>

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

14 TOTAL EXPENSE RATIO ("TER")

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

TER is derived from the following calculation:

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

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

The average NAV of the Fund for the financial year calculated on a daily basis is RM1,765,395,014 (2023: RM949,590,293).

AHAM ENHANCED DEPOSIT FUND

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

15 PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2024</u>	<u>2023</u>
PTR (times)	16.27	26.07

PTR is derived from the following calculation:

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

where: total acquisition for the financial year = RM 28,873,953,233 (2023: RM25,044,205,611)
total disposal for the financial year = RM 28,565,721,008 (2023: RM24,473,570,229)

AHAM ENHANCED DEPOSIT 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 35 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 April 2024 and of its financial performance, changes in equity and cash flows for the financial year ended 30 April 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
26 June 2024

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF AHAM ENHANCED DEPOSIT FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

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

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 April 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 1 to 35.

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.

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.

**INDEPENDENT AUDITORS' REPORT
TO THE UNITHOLDERS OF AHAM ENHANCED DEPOSIT FUND (CONTINUED)**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

Responsibilities of the Manager for the financial statements

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

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

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 UNITHOLDERS OF AHAM ENHANCED DEPOSIT FUND (CONTINUED)**

REPORT ON 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 UNITHOLDERS OF AHAM ENHANCED DEPOSIT FUND (CONTINUED)**

OTHER MATTERS

This report is made solely to the unitholders 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
26 June 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