



**ANNUAL REPORT**  
30 April 2024

# **AHAM EduGrowth & Income Fund**

MANAGER  
AHAM Asset Management Berhad  
199701014290 (429786-T)

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

**Built On Trust**

[aham.com.my](http://aham.com.my)

# AHAM EDUGROWTH & INCOME FUND

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

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## FUND INFORMATION

Fund Name	AHAM EduGrowth & Income Fund
Fund Type	Income and Growth
Fund Category	Mixed Asset (Fund of Funds)
Investment Objective	The Fund seeks to provide investors with regular income and moderate capital growth over medium to long-term period through a portfolio of collective investment schemes
Benchmark	Absolute return of 6% per annum
Distribution Policy	Subject to the availability of income, the Fund will distribute income on a semi-annual basis, after the end of its first financial year

## FUND PERFORMANCE DATA

Category	As At 30 Apr 2024 (%)	As At 30 Apr 2023 (%)	As At 30 Apr 2022 (%)
Portfolio Composition			
<b>Collective investment schemes – local</b>			
- AHAM Select Asia (ex Japan) Quantum Fund - MYR Class	5.09	4.89	-
- AHAM Aiiman Money Market Fund	-	4.17	-
- AHAM Tactical Fund	5.18	5.04	3.99
- AHAM Principled Growth Fund	5.20	5.07	4.11
- AHAM Select Balanced Fund	6.52	6.69	6.36
- AHAM Select SGD Income Fund – SGD class	5.23	5.11	3.97
- AHAM ESG SGD Bond Fund – SGD class	12.51	12.10	-
- AHAM Select Asia (ex Japan) Opportunity Fund - MYR Class	6.49	6.45	6.22
- AHAM Select Bond Fund – MYR class	-	-	12.54
- AHAM Income Extra Fund	4.10	-	-
<b>Total collective investment schemes – local</b>	<b>50.32</b>	<b>49.52</b>	<b>37.19</b>
<b>Collective investment schemes – foreign</b>			
- Baillie Gifford Worldwide Global Inc Growth Fd	4.36	4.00	3.84
- Schroder Asian Income Fund - USD A Dis	8.12	7.97	9.06
- Baillie Gifford Worldwide Long Term Global Growth Fund	4.03	4.10	3.61
- HSBC Global Liquidity Fd PLC	11.42	8.91	13.60
- - US Dollar Liquidity Fund-J			
- PIMCO GIS Income Fund Institutional USD Income	8.51	9.30	
- TT Environmental Solutions - FUND-A1 USD A		4.11	3.74
<b>Total collective investment schemes – foreign</b>	<b>36.44</b>	<b>38.39</b>	<b>33.85</b>
<b>Cash and cash equivalent</b>	<b>13.24</b>	<b>12.09</b>	<b>28.96</b>
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Total NAV (RM' million)	2.423	2.2970	2.145
NAV per Unit (RM)	0.2553	0.2326	0.2360
Unit in Circulation (million)	9.491	9.874	9.088
Highest NAV	0.2642	0.2366	0.2598
Lowest NAV	0.2317	0.2230	0.2333
Return of the Fund (%)	13.19	-1.44	-7.41
- Capital Return (%)	9.76	-1.44	-7.41
- Income Return (%)	3.12	Nil	Nil
Gross Distribution per Unit (sen)	0.79	Nil	Nil
Net Distribution per Unit (sen)	0.79	Nil	Nil
Total Expense Ratio (%) <sup>1</sup>	1.63	1.60	1.86
Portfolio Turnover Ratio (times) <sup>2</sup>	0.46	0.98	2.31

<sup>1</sup> The TER of the Fund increased due to an increase in Fund expenses during the financial year.

<sup>2</sup> The PTR of the Fund decreased due to lower trading activities during the financial year.

**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	= (1+Capital return) x (1+Income return) – 1

**Income Distribution / Unit Split**

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

Cum Date	Ex-Date	Cum-distribution	Distribution per Unit (RM)	Ex-distribution
16-Apr-24	17-Apr-24	0.2620	0.0079	0.2531

No unit split was 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-Apr-24	0.7900	100.00	0.0000	0.00

Table 1: Performance of the Fund

	1 Year (1/5/23 - 30/4/24)	3 Years (1/5/21 - 30/4/24)	Since Commencement (29/12/20 - 30/4/24)
Fund	13.19%	3.28%	5.31%
Benchmark	6.02%	19.12%	21.48%
Outperformance	7.17%	(15.84%)	(16.17%)

Table 2: Average Total Return

	1 Year (1/5/23 - 30/4/24)	3 Years (1/5/21 - 30/4/24)	Since Commencement (29/12/20 - 30/4/24)
Fund	13.19%	1.08%	1.56%
Benchmark	6.02%	6.00%	6.00%
Outperformance	7.17%	(4.92%)	(4.44%)

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 (29/12/20 - 30/4/21)
Fund	13.19%	(1.44%)	(7.41%)	1.96%
Benchmark	6.02%	6.00%	6.00%	1.98%
Outperformance	7.17%	(7.44%)	(13.41%)	(0.02%)

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

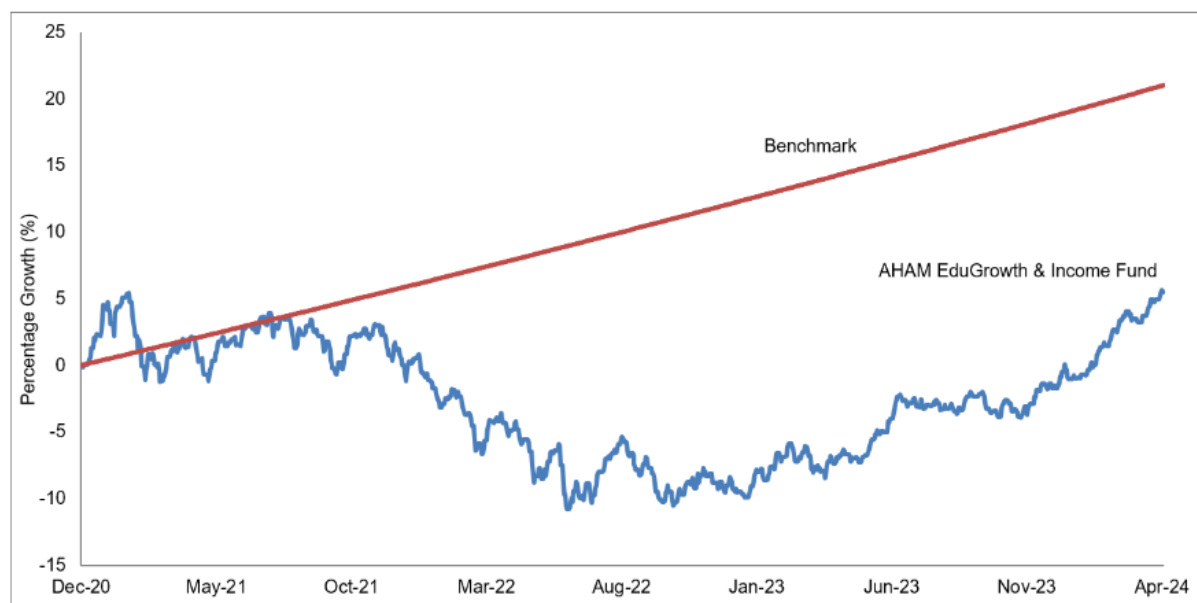
## MANAGER'S REPORT

### Performance Review (1 May 2023 to 30 April 2024)

For the period 1 May 2023 to 30 April 2024, the Fund registered a 13.19% return compared to the benchmark return of 6.02%. The Fund thus outperformed the Benchmark by 7.17%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2024 was MYR0.2553 while the NAV as at 30 April 2023 was MYR0.2326. During the same period under review, the Fund has declared an income distribution of RM0.0079 per unit.

Since commencement, the Fund has registered a return of 5.31% compared to the benchmark return of 21.48%, underperforming by 16.17%.

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."*  
Benchmark: 6.0% per annum

### Asset Allocation

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

As at 30 April 2024, the Fund's exposure stood at 86.76% in collective investment schemes.

### Strategies Employed

The Fund maintained a relatively diversified strategy over the period under review, with exposure mainly into domestic collective investment schemes.

### Market Review

The global sentiment has seen an improvement especially in the 4th quarter of 2023. Credit spreads of corporate bonds have tightened over the past 6 months which contributed well to the performances of bonds. As a recap, the global fixed income market has been presented with unprecedented challenges over the past 3 years. The aftermath of the Coronavirus disease of 2019 ("Covid-19 pandemic"), coupled with supply chain

disruptions and geopolitical events, sparked a period of high inflation and robust global growth. In response, central banks globally adopted an aggressive stance, leading to one of the most severe interest rate hike cycles in history. The United State (“US”) Federal Reserve, for instance, raised interest rates by over 500 basis points (bps) from March 2022 till July 2023. Moreover, central banks started Quantitative Tightening, reining in their balance sheets. These measures triggered market adjustments, causing bond prices to decline. On a positive note, the Fed has stopped raising interest rates since the mid of 2023. Some notable key economic developments contributing to this was the gradual softening in the US labour market coupled with lower inflationary data. Over the period under review, US treasury yields rose from 3.58%, peaked at 5% in October and ended April at 4.68% and meanwhile JPM Asia Credit Index delivered 5.4% returns (USD).

In the Asian credit landscape, the default crisis among China's property developers proved especially impactful. Over late 2021 to 2023, majority of China private developers defaulted on their bonds obligations, including offshore bonds. What initially began with Evergrande's default spread rapidly, affecting even high-quality developers. This situation led to a significant risk-off sentiment and widespread credit spread widening, not only in the High Yield sector but also among Investment Grade names in the same industry. Over the reporting period, overall home sales data in China had remained soft as policy easing measures in the China property space were insufficient to lift home-buyer sentiment. Outside of this segment in China, bonds from other sectors such as the State-Owned Enterprises and Tech sector have been well demanded. Overall, secondary and primary bond issuances in the broader Asia-pacific region have continued to be well supported amid resilient credit profile and improving demand/supply dynamics.

As for global banking segment, in March 2023, financial markets grappled with the collapse of US regional banks such as Silicon Valley bank and also the unprecedented write-off of Credit Suisse Additional Tier 1 (“AT1”), a global systematically important bank (G-SIB). Since then, investor sentiment was quick to reverse as bond prices of banks has substantially recovered. Market participants perceive these events to be isolated. The financial results of global banks continued to show resilience, suggesting healthy fundamentals.

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

The Malaysian Government implemented the foreign sourced income tax that was applicable in 2022 and 2023. As a transition measure, the foreign sourced income received in Malaysia from 1 January 2022 until 30 June 2022 was to be taxed at a 3% rate on a gross basis. The foreign sourced income received in Malaysia from 1 July 2022 till end 2023 was to be subject to tax based on the prevailing income tax rate. This foreign sourced income tax on coupon and interest received affected the Fund's performance. We highlight that FSI has been exempted from 1 January 2024 which is a removal of a headwind to the Fund's performance from 1 January 2024 onwards.

On equities, the Morgan Stanley Capital International (“MSCI”) Asia Pacific ex-Japan Index delivered 15% total return in MYR terms during the period under review. There was a divergence in performance in the key Asian markets. Much of the returns for the period were driven by the Taiwanese, South Korean and Indian markets while the Chinese markets suffered heavy losses especially in the second half of 2023.

The Taiwan market was one of the best performing equity market in Asia on the back of the strong momentum in AI developments. The sector also saw demand stabilization in the traditional segments. The Indian market also did well on the back of strong net foreign buying in 2023 as well as consistent domestic support. India delivered on strong economic growth and stable macro policies. The Hong Kong and China markets saw heavy selling in 2023 due to weaker than expected economic data post the reopening frenzy, a property crisis, mixed geopolitical developments and an initial absence of policy stimulus.

Equity markets struggled in the first half of the period under review due to rising bond yields, concerns on tight financial conditions and a weak China economy. The second half saw a strong rebound in equity performance driven by a rapid shift in interest rate expectations from “higher for longer” to a sooner than expected rate cuts as the Federal Reserve turned dovish at the end of 2023. Going into 2024, risk assets were also buoyed by better than expected global economic data. The Taiwan market continued to lead in terms of market performance in early 2024 as confidence built up over a technology cycle bottoming out. The Hong Kong and China markets bottomed in January as policy makers stepped up on policy easing and economic data improved. Foreign selling abated as policy makers vowed to do more to save the property market.

### **Investment Outlook**

The Fund remains an overweight in Asia with a balanced mix of equities and fixed income exposure. The manager took on the view that inflation will remain stickier than market expects moving forward on the back of resilient macro data and the risk of policies post-election towards the end of the year. Hence, the strategy will try to focus to diversify the source of return drivers and into strategies that are less sensitive to the interest rate outlook. The Fund looks to reduce some of its Asian small cap exposure moving forward given lacklustre performance within the Asian small cap space, and looks to redeploy into higher earnings quality sectors such as semiconductor. Also, strategy looks to take on more active Asian fixed income exposure given the structural shift from China real estate heavy exposure in the past (pre-Covid) to more dispersion in terms of sector and country allocation, with an emphasis on active management expertise to generate alpha returns within this asset class.

### **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**

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

During the financial period under review, no soft commission was received by the 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 Prospectus**

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



## **TRUSTEE’S REPORT TO THE UNITHOLDERS OF AHAM EDUGROWTH & INCOME 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 Deed, 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 TMF Trustees Malaysia Berhad  
(Company No.: (200301008392 [610812-W]))

**NORHAYATI BINTI AZIT  
DIRECTOR – FUND SERVICES**

Kuala Lumpur  
24 June 2024

**AHAM EDUGROWTH & INCOME FUND**

**FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024**

# **AHAM EDUGROWTH & INCOME FUND**

## **FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024**

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## AHAM EDUGROWTH & INCOME FUND

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

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
<b>INVESTMENT INCOME</b>			
Dividend income		41,985	39,443
Interest income from financial assets at amortised cost		-	14
Net (loss)/gain on foreign currency exchange		(3,323)	5,787
Net gain/(loss) on financial assets at fair value through profit or loss	9	302,306	(35,155)
		<u>340,968</u>	<u>10,089</u>
<b>EXPENSES</b>			
Management fee	4	(32,628)	(29,826)
Trustee fee	5	(1,439)	(1,328)
Transaction costs		(76)	(734)
Other expenses		(5,140)	(4,354)
		<u>(39,283)</u>	<u>(36,242)</u>
<b>NET PROFIT/(LOSS) BEFORE TAXATION</b>		301,685	(26,153)
Taxation	7	(3,750)	(4,005)
<b>NET PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL YEAR</b>		<u>297,935</u>	<u>(30,158)</u>
Net profit/(loss) after taxation is made up of the following:			
Realised amount		96,116	(31,905)
Unrealised amount		201,819	1,747
		<u>297,935</u>	<u>(30,158)</u>

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

## AHAM EDUGROWTH & INCOME FUND

### STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
<b>ASSETS</b>			
Cash and cash equivalents		68,804	59,261
Amount due from brokers		-	33,466
Amount due from Manager			
- management fee rebate receivable		1,546	849
Dividends receivable		2,057	2,060
Financial assets at fair value through profit or loss	9	2,354,973	2,251,848
<b>TOTAL ASSETS</b>		<u>2,427,380</u>	<u>2,347,484</u>
<b>LIABILITIES</b>			
Amount due to Manager			
- management fee		2,766	2,590
- cancellation of units		-	46,600
Amount due to Trustee		121	115
Tax payable		1,325	1,538
<b>TOTAL LIABILITIES</b>		<u>4,212</u>	<u>50,843</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>2,423,168</u>	<u>2,296,641</u>
<b>EQUITY</b>			
Unitholders' capital		2,367,663	2,466,367
Retained earnings/(accumulated losses)		55,505	(169,726)
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		<u>2,423,168</u>	<u>2,296,641</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>	10	<u>9,491,000</u>	<u>9,874,000</u>
<b>NET ASSET VALUE PER UNIT (RM)</b>		<u>0.2553</u>	<u>0.2326</u>

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

## AHAM EDUGROWTH & INCOME FUND

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

	Unitholders' capital RM	Retained earnings/ (accumulated losses) RM	Total RM
Balance as at 1 May 2023	2,466,367	(169,726)	2,296,641
Total comprehensive income for the financial year	-	297,935	297,935
Distribution (Note 8)		(72,704)	(72,704)
Movement in unitholders' capital:			
Creation of units arising from applications	166,290	-	166,290
Creation of units arising from distributions	72,704	-	72,704
Cancellation of units	(337,698)	-	(337,698)
Balance as at 30 April 2024	<u>2,367,663</u>	<u>55,505</u>	<u>2,423,168</u>
Balance as at 1 May 2022	2,284,756	(139,568)	2,145,188
Total comprehensive loss for the financial year	-	(30,158)	(30,158)
Movement in unitholders' capital:			
Creation of units arising from applications	304,003	-	304,003
Cancellation of units	(122,392)	-	(122,392)
Balance as at 30 April 2023	<u>2,466,367</u>	<u>(169,726)</u>	<u>2,296,641</u>

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

## AHAM EDUGROWTH & INCOME FUND

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

	<u>2024</u> RM	<u>2023</u> RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from sale of investments	1,283,140	2,014,636
Purchase of investments	(1,066,601)	(2,263,056)
Dividend received	41,967	38,138
Interest received	-	14
Management fee rebate received	15,335	9,170
Management fee paid	(32,452)	(29,720)
Trustee fee paid	(1,433)	(1,319)
Payment for other fees and expenses	(5,119)	(5,076)
Net realised (loss)/gain on foreign currency exchange	(5,527)	3,448
Tax paid	(3,963)	(2,588)
	<hr/>	<hr/>
Net cash flows generated from/(used in) operating activities	225,347	(236,353)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	166,290	304,238
Payments for cancellation of units	(384,298)	(75,792)
	<hr/>	<hr/>
Net cash flows (used in)/generated from financing activities	(218,008)	228,446
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		
	7,339	(7,907)
<b>EFFECTS OF FOREIGN CURRENCY EXCHANGE</b>		
	2,204	2,339
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>		
	<hr/>	<hr/>
	59,261	64,829
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>		
	<hr/> <hr/>	<hr/> <hr/>
	68,804	59,261

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 EDUGROWTH & INCOME 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 L.

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

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

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

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



## **AHAM EDUGROWTH & INCOME 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**

##### Dividend income

Dividend income from 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.

##### Interest income

Interest income from short-term deposits with licensed financial institutions is 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 gain and loss on sale of investments

For collective investment schemes ("CIS") and exchange traded funds ("ETF"), 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 a weighted average cost basis.

#### **C TRANSACTION COSTS**

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include the bid-ask spread, fees and commissions paid to agents, advisors, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

## **AHAM EDUGROWTH & INCOME FUND**

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

#### **D TAXATION**

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

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

Withholding taxes on investment income from foreign investment are based on tax regime of the respective countries that the Fund invests in. Such withholding taxes are not "income tax" in nature and are recognised, measured based on the requirements of MFRS 137. They are presented within other expenses line in the statement of comprehensive income.

#### **E DISTRIBUTION**

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

#### **F 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.

#### **G FOREIGN CURRENCY TRANSLATION**

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

#### **H 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.

## AHAM EDUGROWTH & INCOME FUND

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

#### H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(i) Classification (continued)

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.

Investment in CIS and ETF 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, amount due from brokers, amount due from Manager and dividends receivable as financial assets measured at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

The Fund classifies amount due to Manager and amount due to Trustee 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. Transaction costs are expensed in the statement of comprehensive income.

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

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

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

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

## AHAM EDUGROWTH & INCOME FUND

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

#### H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

The fair value of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the financial year end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

If a valuation based on the market price does not represent the fair value of the securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the securities are valued as determined in good faith by the Manager, based on the methods or basis approved by the Trustee after appropriate technical consultation.

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

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.

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.

## **AHAM EDUGROWTH & INCOME FUND**

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

#### **H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)**

##### (iii) Impairment (continued)

###### Definition of default and credit-impaired financial assets (continued)

###### Qualitative criteria:

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

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

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

###### Write-off

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

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

#### **I CASH AND CASH EQUIVALENTS**

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances and short-term deposits held in highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **J AMOUNTS DUE FROM/(TO) BROKERS**

Amounts due from and to brokers 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 brokers balance is held for collection. Refer to Note H for accounting policy on recognition and measurement.

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

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

## **AHAM EDUGROWTH & INCOME FUND**

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

#### **K 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 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 unit back to the Fund.

Units are created and cancelled at 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.

#### **L CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES**

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

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

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

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

#### **M REALISED AND UNREALISED PORTIONS OF PROFIT OR LOSS AFTER TAX**

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

## **AHAM EDUGROWTH & INCOME 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 Affin Hwang EduGrowth & Income Fund (the "Fund") pursuant to the execution of a Deed dated 16 March 2020 and First Supplemental Deed dated 16 January 2023 (the "Deeds") entered into between AHAM Asset Management Berhad (the "Manager") and TMF Trustees Malaysia Berhad (the "Trustee"). The Fund has changed its name from Affin Hwang EduGrowth & Income Fund to AHAM EduGrowth & Income Fund as amended in the First Supplemental Deed dated 16 January 2023.

The Fund commenced operations on 1 December 2020 and will continue its operations until terminated by the Trustee as provided under Division 12.3 of the Deed.

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

- (a) Units/shares in collective investment schemes;
- (b) Money market instruments;
- (c) Deposits;
- (d) Derivatives; and
- (e) Any other form of investments as may be permitted by the SC from time to time which is in line with the objective of the Fund.

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

The main objective of the Fund is to provide investors with regular income and moderate capital growth over medium to long-term period through a portfolio of collective investment schemes.

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 June 2024.

## AHAM EDUGROWTH & INCOME 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 cost RM	At fair value through profit or loss RM	Total RM
<u>2024</u>				
<u>Financial assets</u>				
Cash and cash equivalents		68,804	-	68,804
Amount due from Manager				
- management fee rebate receivable		1,546	-	1,546
Dividends receivable		2,057	-	2,057
Collective investment schemes	9	-	2,102,576	2,102,576
Exchange-traded funds	9	-	252,397	252,397
Total		<u>72,407</u>	<u>2,354,973</u>	<u>2,427,380</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		2,766	-	2,766
Amount due to Trustee		121	-	121
Total		<u>2,887</u>	<u>-</u>	<u>2,887</u>
<u>2023</u>				
<u>Financial assets</u>				
Cash and cash equivalents		59,261	-	59,261
Amount due from brokers		33,466	-	33,466
Amount due from Manager				
- management fee rebate receivable		849	-	849
Dividends receivable		2,060	-	2,060
Collective investment schemes	9	-	2,018,990	2,018,990
Exchange-traded funds	9	-	232,858	232,858
Total		<u>95,636</u>	<u>2,251,848</u>	<u>2,347,484</u>



## AHAM EDUGROWTH & INCOME 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 (continued)</u>				
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		2,590	-	2,590
- cancellation of units		46,600	-	46,600
Amount due to Trustee		115	-	115
		<hr/>	<hr/>	<hr/>
Total		49,305	-	49,305
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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 Unit Trust Funds.

#### 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
<b>Quoted investments</b>		
Collective investment schemes	2,102,576	2,018,990
Exchange-traded funds	252,397	232,858
	<hr/>	<hr/>
	2,354,973	2,251,848
	<hr/> <hr/>	<hr/> <hr/>

## AHAM EDUGROWTH & INCOME 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)

##### (a) Price risk (continued)

The following table summarises the sensitivity of the Fund's profit/(loss) after taxation and NAV to price risk movements. The analysis is based on the assumptions that the market price increased by 5% (2023: 10%) and decreased by 5% (2023: 10%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities, having regard to the historical volatility of the prices.

<u>% Change in price</u>	<u>Market value</u> RM	Impact on profit/ (loss) after <u>tax/NAV</u> RM
<u>2024</u>		
-5%	2,237,224	(117,749)
0%	2,354,973	-
+5%	2,472,722	117,749
<u>2023</u>		
-10%	2,026,663	(225,185)
0%	2,251,848	-
+10%	2,477,033	225,185

##### (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.

The Fund is not exposed to any interest rate risk as at 30 April 2024 and 30 April 2023.

## AHAM EDUGROWTH & INCOME 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)

##### (c) Currency risk

Currency risk is associated with investments denominated in foreign currencies. When the foreign currencies fluctuate in an unfavourable movement against Ringgit Malaysia, the investments will face currency losses in addition to the capital gain/(loss). The Manager will evaluate the likely directions of the foreign currency versus Ringgit Malaysia based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels and technical chart considerations.

The following table sets out the foreign currency risk concentrations and counterparties of the Fund:

	Collective investment schemes RM	Exchange- traded fund RM	Cash and cash equivalents RM	Other assets* RM	Total RM
<u>2024</u>					
Euro	-	-	750	-	750
Pound Sterling	-	-	1,670	-	1,670
Singapore Dollar	429,971	-	8,026	725	438,722
United States Dollar	883,019	252,397	41,527	2,057	1,179,000
	<u>1,312,990</u>	<u>252,397</u>	<u>51,973</u>	<u>2,782</u>	<u>1,620,142</u>
<u>2023</u>					
Euro	-	-	42	-	42
Pound Sterling	-	-	551	-	551
Singapore Dollar	395,152	-	2,180	117	397,449
United States Dollar	881,743	232,858	38,098	12,707	1,165,406
	<u>1,276,895</u>	<u>232,858</u>	<u>40,871</u>	<u>12,824</u>	<u>1,563,448</u>

\*Other assets consist of amount due from brokers, amount due from Manager and dividends receivable.

## AHAM EDUGROWTH & INCOME 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)

##### (c) Currency risk (continued)

The table below summarises the sensitivity of the Fund's profit/(loss) after tax and NAV to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes by 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 unitholders by each currency's respective historical volatility. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change in price %	Impact on profit/ (loss) after tax/NAV RM
<u>2024</u>		
Euro	+/- 5.35	+/- 40
British Pound Sterling	+/- 5.77	+/- 96
Singapore Dollar	+/- 3.49	+/- 15,311
United States Dollar	+/- 5.51	+/- 64,963
<u>2023</u>		
Euro	+/- 8.28	+/- 3
British Pound Sterling	+/- 11.04	+/- 61
Singapore Dollar	+/- 4.44	+/- 17,647
United States Dollar	+/- 5.62	+/- 65,496

## AHAM EDUGROWTH & INCOME 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 bank balances and other instruments, which are capable of being converted into cash within 7 days.

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

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

	<u>Within one month</u> RM	<u>Between one month to one year</u> RM	<u>Total</u> RM
<u>2024</u>			
Amount due to Manager			
- management fee	2,766	-	2,766
Amount due to Trustee	121	-	121
	<u>2,887</u>	<u>-</u>	<u>2,887</u>
<u>2023</u>			
Amount due to Manager			
- management fee	2,590	-	2,590
- cancellation of units	46,600	-	46,600
Amount due to Trustee	115	-	115
	<u>49,305</u>	<u>-</u>	<u>49,305</u>

##### 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 Unit Trust Funds.

The settlement terms of amount due from brokers are governed by the relevant rules and regulations as prescribed by the relevant regulatory authority in its home jurisdiction.

## AHAM EDUGROWTH & INCOME 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 and counterparties of the Fund:

	<u>Cash and cash equivalents</u> RM	<u>Amount due from brokers</u> RM	<u>Amount due from Manager</u> RM	<u>Dividends receivable</u> RM	<u>Total</u> RM
<u>2024</u>					
Financial services					
- AAA	68,804	-	-	-	68,804
Others					
- Non-Rated("NR")	-	-	1,546	2,057	3,603
	<u>68,804</u>	<u>-</u>	<u>1,546</u>	<u>2,057</u>	<u>72,407</u>
<u>2023</u>					
Financial services					
- AAA	59,261	-	-	-	59,261
Others					
- Non-Rated("NR")	-	33,466	849	2,060	36,375
	<u>59,261</u>	<u>33,466</u>	<u>849</u>	<u>2,060</u>	<u>95,636</u>

##### Capital risk

The capital of the Fund is represented by equity consisting of unitholders' capital and retained earnings (2023: unitholders' capital net of accumulated losses). The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of 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.

## AHAM EDUGROWTH & INCOME FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 year end date. The Fund utilises the current 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.

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 EDUGROWTH & INCOME 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 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:				
- collective investment schemes	2,102,576	-	-	2,102,576
- exchange-traded funds	252,397	-	-	252,397
	<u>2,354,973</u>	<u>-</u>	<u>-</u>	<u>2,354,973</u>
<u>2023</u>				
Financial assets at fair value through profit or loss:				
- collective investment schemes	2,018,990	-	-	2,018,990
- exchange-traded funds	232,858	-	-	232,858
	<u>2,251,848</u>	<u>-</u>	<u>-</u>	<u>2,251,848</u>

Investments whose value are based on quoted market prices in active markets, and are therefore classified within Level 1, include collective investment schemes and exchange-traded funds. The Fund does not adjust the published prices and quoted prices for this instrument.

- (ii) The carrying values of cash and cash equivalents, amount due from brokers, amount due from Manager, dividends receivable and all current liabilities are a reasonable approximation of the fair values due to their short-term nature.



## **AHAM EDUGROWTH & INCOME FUND**

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

#### **4 MANAGEMENT FEE**

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

For the period from 1 May 2022 to 31 October 2022, the management fee is recognised at the rate of 1.40% (2022: 1.40%) per annum, which subsequently revised to 1.30% for the period from 1 November 2022 to 31 December 2022, 1.28% for the period from 1 January 2023 to 31 March 2023, 1.35% for the period from 1 April 2023 to 30 September 2023 and 1.37% for the period from 1 October 2023 to 30 April 2024 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 the amounts recognised above.

#### **5 TRUSTEE FEE**

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

For the financial year ended 30 April 2024, the Trustee fee is recognised at a rate of 0.06% (2023: 0.06%) per annum on the NAV of the Fund, calculated on a daily basis as stated in the Fund's Prospectus.

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

#### **6 AUDITORS' REMUNERATION AND TAX AGENT'S FEE**

For the financial year ended 30 April 2024 and 30 April 2023, auditors' remuneration of RM7,500 and tax agent's fee of RM3,500 are borne by the Manager.

## AHAM EDUGROWTH & INCOME FUND

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

#### 7 TAXATION

	<u>2024</u> RM	<u>2023</u> RM
Current taxation	3,455	4,044
Under/(over) provision in prior financial year	295	(39)
	<u>3,750</u>	<u>4,005</u>

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

	<u>2024</u> RM	<u>2023</u> RM
Net profit/(loss) before taxation	<u>301,685</u>	<u>(26,153)</u>
Tax at Malaysian statutory rate of 24% (2023: 24%)	72,404	(6,277)
Tax effects of:		
(Investment income not subject to tax)/		
Investment loss not brought to tax	(74,132)	3,793
Expenses not deductible for tax purposes	1,598	1,537
Restriction on tax deduction expenses for Unit Trust Funds	3,585	4,966
Foreign income subject to different tax rate	-	25
Under/(over) provision in prior financial year	295	(39)
Tax expense	<u>3,750</u>	<u>4,005</u>

## AHAM EDUGROWTH & INCOME FUND

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

#### 8 DISTRIBUTIONS

	<u>2024</u> RM
Distribution to unitholders is from the following sources:	
Dividend Income	15,974
Net gain on financial assets at fair value through profit or loss	64,000
	<hr/>
Gross realised income	79,974
Less: Expenses	(7,270)
	<hr/>
	72,704
Less: Taxation	-
	<hr/>
Net distribution amount	<u>72,704</u>

<u>2024</u>	<u>Gross/Net distribution per unit</u> (sen)			
17.04.2024				<u>0.79</u>
	<u>Distribution</u> <u>income</u> RM	<u>Distribution</u> <u>income</u> %	<u>Distribution</u> <u>capital</u> RM	<u>Distribution</u> <u>capital</u> %
<u>Ex-date</u>				
17.04.2024	<u>72,704</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

There was no distribution made during the financial year ended 30 April 2023.

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 EDUGROWTH & INCOME FUND

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

#### 9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2024</u> RM	<u>2023</u> RM
Financial assets at fair value through profit or loss:		
- collective investment schemes – local	1,219,557	1,137,247
- collective investment schemes – foreign	883,019	881,743
- exchange-traded funds - foreign	252,397	232,858
	<u>2,354,973</u>	<u>2,251,848</u>
Net gain/(loss) on financial assets at fair value through profit or loss		
- realised gain/(loss) on sale of investments	86,659	(43,717)
- unrealised gain/(loss) on changes in fair value	199,615	(592)
- management fee rebate on collective investment schemes#	16,032	9,154
	<u>302,306</u>	<u>(35,155)</u>

# In arriving at the fair value of the Fund's investment in collective investment schemes, the management fee initially paid to the Manager of collective investment schemes have been considered as part of its NAV. 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 have 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 EDUGROWTH & INCOME FUND

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

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

(a) Collective investment schemes – local

(i) Collective investment schemes – local as at 30 April 2024 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
AHAM Aiiman Money Market Fund	62	34	35	0.00
AHAM Income Extra Fund	95,411	99,001	99,285	4.10
AHAM Principled Growth Fund	370,661	130,832	126,099	5.20
AHAM Select Asia (ex Japan) Opportunity Fund - MYR Class	203,773	184,522	157,150	6.49
AHAM Select Asia (ex Japan) Quantum Fund - MYR Class	63,256	126,600	123,418	5.09
AHAM Select Balanced Fund	203,641	151,133	158,086	6.52
AHAM Tactical Fund	367,964	110,687	125,513	5.18
AHAM ESG SGD Bond Fund - SGD Class	173,405	271,770	303,207	12.51
AHAM Select SGD Income Fund - SGD Class	69,222	123,771	126,764	5.23
Total collective investment schemes – local	<u>1,547,395</u>	<u>1,198,350</u>	<u>1,219,557</u>	<u>50.32</u>
Accumulated unrealised gain on collective investment schemes – local		<u>21,207</u>		
Total collective investment schemes – local		<u>1,219,557</u>		

## AHAM EDUGROWTH & INCOME FUND

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

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

(a) Collective investment schemes – local (continued)

(ii) Collective investment schemes – local as at 30 April 2023 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
AHAM Aiiman Money Market Fund	172,206	93,674	95,695	4.17
AHAM Principled Growth Fund	383,692	136,765	116,450	5.07
AHAM Select Asia (ex Japan) Opportunity Fund - MYR Class	213,002	192,879	148,249	6.45
AHAM Select Asia (ex Japan) Quantum Fund - MYR Class	56,518	113,600	112,302	4.89
AHAM Select Balanced Fund	228,263	169,469	153,575	6.69
AHAM Select SGD Income Fund - SGD Class	66,400	118,663	117,369	5.11
AHAM Tactical Fund	420,566	126,546	115,824	5.04
Affin Hwang SGD Bond Fund - SGD Class	171,627	268,706	277,783	12.10
Total collective investment schemes – local	<u>1,712,274</u>	<u>1,220,302</u>	<u>1,137,247</u>	<u>49.52</u>
Accumulated unrealised loss on collective investment schemes – local		<u>(83,055)</u>		
Total collective investment schemes – local		<u>1,137,247</u>		

## AHAM EDUGROWTH & INCOME FUND

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

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

(b) Collective investment schemes – foreign

(i) Collective investment schemes – foreign as at 30 April 2024 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
Baillie Gifford Worldwide Global Income Growth Fund Class B USD Acc	1,435	86,364	105,750	4.36
Baillie Gifford Worldwide Long Term Global Growth Fund Class B USD Acc	656	82,625	97,667	4.03
HSBC Global Liquidity Fund PLC - US Dollar Liquidity Fund J	50,959	264,648	276,667	11.42
PIMCO GIS Income Fund Institutional USD Income	4,097	203,720	206,167	8.51
Schroder Asian Income Fund - USD A Distribution	5,122	207,487	196,768	8.12
Total collective investment schemes – foreign	<u>62,269</u>	<u>844,844</u>	<u>883,019</u>	<u>36.44</u>
Accumulated unrealised gain on collective investment schemes – foreign		<u>38,175</u>		
Total collective investment schemes – foreign		<u>883,019</u>		

(ii) Collective investment schemes – foreign as at 30 April 2023 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
Baillie Gifford Worldwide Global Income Growth Fund Class B USD Acc	1,435	86,364	91,886	4.00

## AHAM EDUGROWTH & INCOME FUND

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

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

(b) Collective investment schemes – foreign (continued)

(ii) Collective investment schemes – foreign as at 30 April 2023 are as follows:  
(continued)

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
Baillie Gifford Worldwide Long Term Global Growth Fund Class B USD Acc	884	111,330	94,121	4.10
HSBC Global Liquidity Fund PLC - US Dollar Liquidity Fund J	42,531	200,807	204,677	8.91
PIMCO GIS Income Fund Institutional USD Income	4,514	218,938	213,615	9.30
TT International Funds PLC - TT Environmental Solutions Fund Class A1 USD Accumulation	1,132	101,208	94,327	4.11
Schroder Asian Income Fund - USD A Distribution	5,071	207,723	183,117	7.97
Total collective investment schemes – foreign	<u>55,567</u>	<u>926,370</u>	<u>881,743</u>	<u>38.39</u>
Accumulated unrealised loss on collective investment schemes – foreign		<u>(44,627)</u>		
Total collective investment schemes – foreign		<u>881,743</u>		

(c) Exchange-traded funds – foreign

(i) Exchange-traded funds – foreign as at 30 April 2024 are as follows:

<u>Name of counter</u>	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
Ishares Core S&P 500 UCITS ETF	99	237,822	252,397	10.42
Total exchange-traded funds - foreign	<u>99</u>	<u>237,822</u>	<u>252,397</u>	<u>10.42</u>
Accumulated unrealised gain on exchange-traded funds - foreign		<u>14,575</u>		
Total exchange-traded funds - foreign		<u>252,397</u>		



## AHAM EDUGROWTH & INCOME FUND

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

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

(c) Exchange-traded funds – foreign (continued)

(ii) Exchange-traded funds – foreign as at 30 April 2023 are as follows:

<u>Name of counter</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
Ishares Core S&P 500 UCITS ETF	121	230,834	232,858	10.14
Total exchange-traded funds - foreign	121	230,834	232,858	10.14
Accumulated unrealised gain on exchange-traded funds - foreign		2,024		
Total exchange-traded funds - foreign		232,858		

#### 10 NUMBER OF UNITS IN CIRCULATION

	<u>2024</u> No. of units	<u>2023</u> No. of units
At the beginning of the financial year	9,874,000	9,088,000
Creation of units arising from applications	676,000	1,318,000
Creation of units arising from distributions	287,480	-
Cancellation of units	(1,346,480)	(532,000)
At the end of the financial year	9,491,000	9,874,000

## AHAM EDUGROWTH & INCOME FUND

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

#### 11 TRANSACTIONS WITH BROKERS

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

<u>Name of brokers</u>	<u>Value of trade</u> RM	Percentage of total trade %	Brokerage fees RM	Percentage of total brokerage fees %
MFEX Mutual Funds Exchange AB	1,233,549	53.67	-	-
CLSA Ltd	335,201	14.59	-	-
AHAM Asset Management Bhd #	261,979	11.40	-	-
AllianceBernstein (Singapore) Ltd	252,059	10.97	76	100.00
Flow Traders	170,235	7.41	-	-
Schroder Investment Management (Singapore) Ltd	45,214	1.96	-	-
	<u>2,298,237</u>	<u>100.00</u>	<u>76</u>	<u>100.00</u>

(ii) Details of transaction with the Top 10 brokers for the financial year ended 30 April 2023 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> RM	Percentage of total trade RM%	Brokerage fees RM	Percentage of total brokerage fees %
MFEX Mutual Funds Exchange AB	1,916,423	44.85	-	-
AHAM Asset Management Bhd #	1,828,127	42.79	-	-
Cantor Fitzgerald (HK) Capital Markets Ltd	338,278	7.92	677	92.23
AllianceBernstein (Singapore) Ltd	57,931	1.36	18	2.45
CLSA Ltd	42,138	0.99	21	2.86
CLSA Securities (Malaysia) Sdn Bhd	22,736	0.53	11	1.50
Schroder Investment Management (Singapore) Ltd	22,319	0.52	-	-
Schroder Investment Management (Europe) Ltd	19,872	0.46	-	-
Macquarie Capital Securities Ltd	14,478	0.34	7	0.96
Schroder Investment Management (Hong Kong) Ltd	10,317	0.24	-	-
	<u>4,272,619</u>	<u>100.00</u>	<u>734</u>	<u>100.00</u>

# Included in transactions with brokers are trades conducted with AHAM Asset Management Berhad, the Manager amounting to RM261,979 (2023: RM1,828,127), respectively. The Manager is of the opinion that all the transactions have been entered into in the normal course of business at agreed terms between the related parties.

## AHAM EDUGROWTH & INCOME FUND

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

#### 12 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 EDUGROWTH & INCOME FUND

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

#### 12 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 year are as follows:

	<u>2024</u>		<u>2023</u>	
	No. of units	RM	No. of units	RM
<u>The Manager:</u>				
AHAM Asset Management Berhad (the units are held legally for booking purposes)	10,078	2,573	10,889	2,533

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

#### 13 TOTAL EXPENSE RATIO (“TER”)

	<u>2024</u> %	<u>2023</u> %
TER	1.63	1.60

TER is derived from the following calculation:

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

A	=	Management fee, excluding management fee rebates
B	=	Trustee fee
C	=	Other expenses
D	=	Average NAV of Fund calculated on a daily basis

The average NAV of the Fund for the financial year calculated on a daily basis is RM2,397,489 (2023: RM2,213,503).

#### 14 PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2024</u>	<u>2023</u>
PTR (times)	0.46	0.98

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 = RM1,066,525 (2023: RM2,253,055)  
total disposal for the financial year = RM1,163,015 (2023: RM2,081,819)

## **AHAM EDUGROWTH & 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 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  
24 June 2024

# INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF AHAM EDUGROWTH & INCOME FUND

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Our opinion

In our opinion, the financial statements of AHAM EduGrowth & Income 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 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.

### *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.

## INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF AHAM EDUGROWTH & INCOME FUND

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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 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 EDUGROWTH & INCOME FUND

### 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements 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 EDUGROWTH & INCOME FUND

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  
24 June 2024

## **DIRECTORY OF SALES OFFICE**

### **HEAD OFFICE**

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## **DIRECTORY OF SALES OFFICE (CONTINUED)**

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