



ANNUAL REPORT
30 April 2024

AHAM Shariah Gold Tracker Fund

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

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

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AHAM SHARIAH GOLD TRACKER FUND

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

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FUND INFORMATION

Fund Name	AHAM Shariah Gold Tracker Fund
Fund Type	Growth
Fund Category	Feeder fund
Investment Objective	The Fund aims to provide investors with investment results that closely track the performance of Gold price
Benchmark	LBMA Gold Price AM
Distribution Policy	The Fund is not expected to make distribution. However, incidental distribution may be declared whenever is appropriate

FUND PERFORMANCE DATA

Category	As At 30 Apr 2024 (%)	As At 30 Apr 2023 (%)	As At 30 Apr 2022 (%)
Portfolio Composition			
Collective Investment Scheme – local			
- TradePlus Shariah Gold Tracker	92.95	94.27	88.58
Cash and cash equivalent	7.05	5.73	11.42
Total	100.00	100.00	100.00
Total NAV (RM' million)	32.373	10.589	10.788
NAV per Unit (RM)	0.6624	0.5190	0.5134
Unit in Circulation (million)	48.871	20.401	21.013
Highest NAV	0.6983	0.5498	0.5301
Lowest NAV	0.5190	0.4708	0.4557
Return of the Fund (%)	27.63	1.09	10.67
- Capital Return (%)	27.63	1.09	10.67
- Income Return (%)	Nil	Nil	Nil
Gross Distribution per Unit (sen)	Nil	Nil	Nil
Net Distribution per Unit (sen)	Nil	Nil	Nil
Total Expenses Ratio (%) ¹	0.51	0.36	0.36
Portfolio Turnover Ratio (times) ²	0.78	0.21	0.49

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

¹ The Fund's TER increased due to an increase in Fund expenses over the financial year.

² The Fund recorded a higher PTR than the previous year due to higher trading activities over the financial year.

Income Distribution / Unit Split

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

Income Distribution Breakdown

No income distribution were declared for the financial year ended 30 April 2024.

Performance Review

Table 1: Performance of the Fund

	1 Year (1/5/23 - 30/4/24)	3 Years (1/5/21 - 30/4/24)	Since Commencement (17/11/20 - 30/4/24)
Fund	27.63%	42.79%	32.48%
Benchmark	24.85%	52.68%	41.70%
Outperformance	2.78%	(9.89%)	(9.22%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/23 - 30/4/24)	3 Years (1/5/21 - 30/4/24)	Since Commencement (17/11/20 - 30/4/24)
Fund	27.63%	12.59%	8.48%
Benchmark	24.85%	15.13%	10.62%
Outperformance	2.78%	(2.54%)	(2.14%)

Source of Benchmark: Bloomberg

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 (17/11/20 - 30/4/21)
Fund	27.63%	1.09%	10.67%	(7.22%)
Benchmark	24.85%	6.57%	14.75%	(7.19%)
Outperformance	2.78%	(5.48%)	(4.08%)	(0.03%)

Source of Benchmark: Bloomberg

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

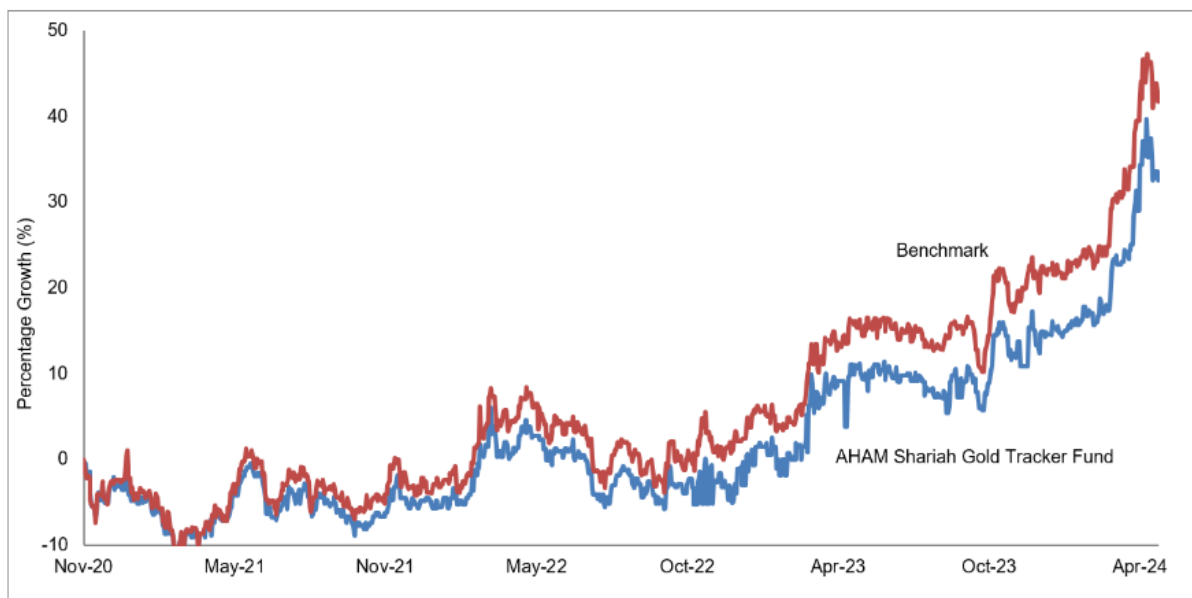
MANAGER'S REPORT

Performance Review (1 May 2023 to 30 April 2024)

For the period 1 May 2023 to 30 April 2024, the Fund registered a 27.63% return compared to the benchmark return of 24.85%. The Fund thus outperformed the Benchmark by 2.78%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2024 was MYR0.6624 while the NAV as at 30 April 2023 was MYR0.5190.

Since commencement, the Fund has registered a return of 32.48% compared to the benchmark return of 41.70%, underperforming by 9.22%.

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



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

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 92.95% in collective investment scheme and the remaining in cash and cash equivalent.

The Target Fund is invested only in Gold bullion.

Strategies Employed

The Fund invests solely into collective investment scheme and aims to provide investors with investment results that closely track the performance of TradePlus Shariah Gold Tracker price.

Market Review

From May 2023 to April 2024, gold prices experienced significant volatility, driven by a mix of economic, geopolitical, and market factors. In 2023, gold reached a record high of \$2,152.30 per ounce amid persistent high inflation, geopolitical tensions, and continued central bank purchases, particularly from China and India.

This upward trend extended into 2024, with prices peaking at \$2,251.37 per ounce by the end of March and briefly surpassing \$2,400 in mid-April.

United States ("US") inflation remained a critical driver, with headline inflation at 4.2% and core inflation at 4.6% by April 2024, reinforcing gold's appeal as an inflation hedge. The Federal Reserve's monetary policy also played a significant role, with the expectation of fewer rate cuts in 2024 compared to earlier projections supporting gold prices, with only one expected rate cut being delayed (World Gold Council) (World Gold Council).

Geopolitical uncertainties, such as the ongoing Russia-Ukraine conflict and other global tensions, have reinforced gold's status as a safe-haven asset. These tensions have also driven substantial central bank purchases, with China adding 10 metric tons ("MT") of gold in January and another 12 MT in February 2024. India's central bank also increased its reserves by 13 MT during the same period (Goldman Sachs) (INN).

China's demand for gold has been robust, driven by weak consumer confidence and economic concerns. In April 2024, the daily trading volume of Au9999 in China averaged 13.6 tons, reflecting strong local interest despite high global prices. In India, high gold prices initially dampened demand, but a notable recovery during major festivals, such as Akshaya Tritiya, indicated a gradual acclimatization to higher price levels (World Gold Council).

One of the most significant events of 2023 was the eruption of the Israel-Palestinian conflict in October, which led to a sharp depreciation of the Israeli shekel. Gold, viewed as a safe-haven asset surged significantly in the short term and investors' bullish sentiment towards oil also intensified from concern over a disruption to oil supplies in the Middle East, a major oil-producing region. The strained banking sector in US triggered by the collapse of Silicon Valley Bank ("SVB") weighed heavily on investors sentiments. With an abundant of deposits over loans, SVB had placed them into available-for-sale and held-to-maturity securities like Treasuries and mortgage-backed securities when yields were at all-time lows. However, as interest rates began to rise rapidly, it recorded massive outflows in deposits alongside the rest of the banking sector. SVB sold substantially all of its available-for-sale securities to accommodate the outflows, incurring a massive loss which eventually led to a bank run. Smaller US banks were caught also caught in the turmoil as concerns spread.

Global financial markets confounded gloomy expectations in 2023. Despite a lacklustre start to the year, even prolonging to the second half of 2023, the stock market eventually rallied, bonds reversed heavy losses made early in the year as recession fears were replaced by increasing confidence that an economic soft landing would be achieved. The rally began in November as Fed chair, Jerome Powell fanned hopes that borrowing costs had peaked. Entering 2024, US equities started the year on a strong note to the surprise of investors, underpinned by robust economic indicators that fortified the case for a soft landing. The gains were also supported by good corporate earnings, including from the top technology names of the market.

Investment Outlook

2024 could see a strong return for gold, supported by continued EM central bank buying and retail investment even with the continued absence of visible physical Western investment. China was largest contributor for the increase in demand in Gold at the start of 2024. With increased spending capacity alongside other factors such as poor domestic equity and property market and currency fragility, Gold has been the focus for Chinese investors.

A surprising factor in recent months was also the resilience of jewellery demand despite the much higher Gold prices. The price increase however only came through towards the end of March 2024 and there could be some demand weakness in the following months. China's jewellery demand could remain stable on the back of rising income while Indian jewellery demand may continue to draw support from the strong economy, although not to discount the high gold prices and weakness from election uncertainties that could weigh on demand. Technology demand is set to produce some solid growth, particularly in the chip and automotive segments.

On the supply side, mine supply is expected to beat the previous record high in 2018 on expansion where investors posit that most of this growth is to come from Canada, China and Ghana.

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 year under review, no soft commission was received by the management company 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 SHARIAH GOLD TRACKER 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.

For **TMF Trustees Malaysia Berhad**
(Company No.: (200301008392 [610812-W]))

NORHAYATI BINTI AZIT
DIRECTOR – FUND SERVICES

Kuala Lumpur
24 June 2024

SHARIAH ADVISER'S REPORT

TO THE UNITHOLDERS OF AHAM SHARIAH GOLD TRACKER FUND ("Fund")

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, AHAM Asset Management Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the Shariah principles and requirements and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters: and
2. The assets of the Fund comprise instruments that have been classified as Shariah-compliant.

For **Amanie Advisors Sdn Bhd**

Tan Sri Dr Mohd Daud Bakar
Executive Chairman

Kuala Lumpur
24 June 2024

AHAM SHARIAH GOLD TRACKER FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

AHAM SHARIAH GOLD TRACKER FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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AHAM SHARIAH GOLD TRACKER 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			
Profit income from financial assets at amortised cost		35,707	19,538
Net gain on foreign currency exchange		37,220	36
Net gain on financial asset at fair value through profit or loss	10	5,033,478	328,945
		<u>5,106,405</u>	<u>348,519</u>
EXPENSES			
Management fee	4	(50,073)	(34,482)
Trustee fee	5	(5,222)	(3,490)
Fund accounting fee	6	(12,000)	-
Auditors' remuneration	7	(7,500)	-
Tax agent's fee	7	(3,500)	-
Transaction costs		(32,494)	(5,757)
Other expenses		(9,976)	(2,068)
		<u>(120,765)</u>	<u>(45,797)</u>
NET PROFIT BEFORE TAXATION		4,985,640	302,722
Taxation	9	-	-
		<u>4,985,640</u>	<u>302,722</u>
NET PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		<u>4,985,640</u>	<u>302,722</u>
Net profit after taxation is made up of the following:			
Realised amount		1,000,074	240,117
Unrealised amount		3,985,566	62,605
		<u>4,985,640</u>	<u>302,722</u>

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

AHAM SHARIAH GOLD TRACKER 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	11	1,950,252	578,229
Amount due from Manager			
- creation of units		394,002	28,827
- management fee rebate receivable		7,539	2,663
Financial asset at fair value through profit or loss	10	30,090,900	9,982,269
TOTAL ASSETS		<u>32,442,693</u>	<u>10,591,988</u>
LIABILITIES			
Amount due to brokers		44,415	-
Amount due to Manager			
- management fee		7,527	2,731
Amount due to Trustee		753	273
Fund accounting fee		1,000	-
Auditors' remuneration		7,500	-
Tax agent's fee		3,500	-
Other payables and accruals		4,500	-
TOTAL LIABILITIES		<u>69,195</u>	<u>3,004</u>
NET ASSET VALUE OF THE FUND		<u>32,373,498</u>	<u>10,588,984</u>
EQUITY			
Unitholders' capital		26,409,318	9,610,444
Retained earnings		5,964,180	978,540
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>32,373,498</u>	<u>10,588,984</u>
NUMBER OF UNITS IN CIRCULATION	12	<u>48,871,000</u>	<u>20,401,000</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.6624</u>	<u>0.5190</u>

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

AHAM SHARIAH GOLD TRACKER 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 1 May 2023	9,610,444	978,540	10,588,984
Total comprehensive income for the financial year	-	4,985,640	4,985,640
Movements in unitholders' capital:			
Creation of units arising from applications	35,628,983	-	35,628,983
Cancellation of units	(18,830,109)	-	(18,830,109)
Balance as at 30 April 2024	<u>26,409,318</u>	<u>5,964,180</u>	<u>32,373,498</u>
Balance as 1 May 2022	10,112,425	675,818	10,788,243
Total comprehensive income for the financial year	-	302,722	302,722
Movements in unitholders' capital:			
Creation of units arising from applications	5,215,020	-	5,215,020
Cancellation of units	(5,717,001)	-	(5,717,001)
Balance as at 30 April 2023	<u>9,610,444</u>	<u>978,540</u>	<u>10,588,984</u>

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

AHAM SHARIAH GOLD TRACKER FUND

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

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of Shariah-compliant investments		6,551,152	2,552,101
Purchase of Shariah-compliant investments		(21,630,658)	(2,790,388)
Profit received		35,707	19,538
Management fee rebate received		43,892	31,832
Management fee paid		(45,277)	(34,241)
Trustee fee paid		(4,742)	(3,466)
Fund accounting fee paid		(11,000)	-
Payment for other fees and expenses		(37,970)	(7,825)
		<hr/>	<hr/>
Net cash flows used in operating activities		(15,098,896)	(232,449)
		<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		35,263,808	5,904,066
Payment for cancellation of units		(18,830,109)	(5,719,569)
		<hr/>	<hr/>
Net cash flows generated from financing activities		16,433,699	184,497
		<hr/>	<hr/>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1,334,803	(47,952)
EFFECTS OF FOREIGN CURRENCY EXCHANGE		37,220	36
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		578,229	626,145
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	11	1,950,252	578,229
		<hr/> <hr/>	<hr/> <hr/>

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

AHAM SHARIAH GOLD TRACKER 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 K.

- (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 SHARIAH GOLD TRACKER 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

Profit income

Profit from Shariah-based short-term deposits with licensed financial institutions are recognised based on effective profit rate method on an accrual basis.

Profit income is calculated by applying the effective profit 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 profit 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 exchange-traded fund ("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 or dispose of financial assets or financial 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.

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.

AHAM SHARIAH GOLD TRACKER 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 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 year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

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

The Fund classifies its investments based on both the Fund’s business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed, and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as financial assets measured at fair value through other comprehensive income.

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

Investment in 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 and amount due from Manager 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 brokers, amount due to Manager, amount due to Trustee, payables for fund accounting fee, auditors’ remuneration, tax agent’s fee and other payables and accruals as financial liabilities measured at amortised cost.

AHAM SHARIAH GOLD TRACKER FUND

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

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(i) Classification (continued)

*For the purpose of this Fund, interest refers to profits earned from Shariah-compliant investments.

(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 is presented in the statement of comprehensive income within 'net gain on financial assets at fair value through profit or loss' in the financial year which they arise.

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 exchange-traded fund are valued at the last published NAV per unit at the date of statement of financial position.

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

AHAM SHARIAH GOLD TRACKER FUND

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

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment

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

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Quantitative criteria:

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

Qualitative criteria:

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

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

AHAM SHARIAH GOLD TRACKER FUND

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

H CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances and Shariah-based 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 change in value.

I AMOUNT 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 G for accounting policy on recognition and measurement.

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

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

J 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 unit back to the Fund.

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

K 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 impact to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

AHAM SHARIAH GOLD TRACKER FUND

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

K CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

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

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

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

L 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 SHARIAH GOLD TRACKER 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 Shariah Gold Tracker Fund (the “Fund”) pursuant to the execution of a Deed dated 15 May 2020 and modified by First Supplemental Deed dated 10 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 Shariah Gold Tracker Fund to AHAM Shariah Gold Tracker Fund as amended by First Supplemental Deed dated 10 January 2023.

The Fund commenced operations on 30 October 2020 and will continue its operations until terminated by the Trustee as provided under Section 12.3 of the Deed.

The Fund may invest in the following permitted investments:

- (i) Units or shares in an Islamic collective investment scheme;
- (ii) Islamic money market instruments;
- (iii) Islamic deposits;
- (iv) Islamic derivatives; and
- (v) Any other Shariah-compliant investments permitted by the SC from time to time.

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

The Fund’s main objective is to provide investors with investment returns that closely track the performance of Gold price.

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 SHARIAH GOLD TRACKER 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 of the Fund 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	11	1,950,252	-	1,950,252
Amount due from Manager				
- creation of units		394,002	-	394,002
- management fee rebate receivable		7,539	-	7,539
Exchange-traded fund	10	-	30,090,900	30,090,900
Total		<u>2,351,793</u>	<u>30,090,900</u>	<u>32,442,693</u>
<u>Financial liabilities</u>				
Amount due to brokers		44,415	-	44,415
Amount due to Manager				
- management fee		7,527	-	7,527
Amount due to Trustee		753	-	753
Fund accounting fee		1,000	-	1,000
Auditors' remuneration		7,500	-	7,500
Tax agent's fee		3,500	-	3,500
Other payables and accruals		4,500	-	4,500
Total		<u>69,195</u>	<u>-</u>	<u>69,195</u>
<u>2023</u>				
<u>Financial assets</u>				
Cash and cash equivalents	11	578,229	-	578,229
Amount due from Manager				
- creation of units		28,827	-	28,827
- management fee rebate receivable		2,663	-	2,663
Exchange-traded fund	10	-	9,982,269	9,982,269
Total		<u>609,719</u>	<u>9,982,269</u>	<u>10,591,988</u>

AHAM SHARIAH GOLD TRACKER 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 of the Fund are as follows: (continued)

	<u>Note</u>	At amortised cost RM	At fair value through profit or loss RM	<u>Total</u> RM
<u>2023 (continued)</u>				
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		2,731	-	2,731
Amount due to Trustee		273	-	273
Total		<u>3,004</u>	<u>-</u>	<u>3,004</u>

The Fund is exposed to a variety of risks which include market risk (including price risk, profit rate risk and currency risk), credit risk, liquidity risk, capital risk and Shariah reclassification 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
Quoted investment		
Exchange-traded fund	<u>30,090,900</u>	<u>9,982,269</u>

AHAM SHARIAH GOLD TRACKER 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 after taxation and net asset value to price risk movements. The analysis is based on the assumptions that the market price increased by 10% (2023: 15%) and decreased by 10% (2023: 15%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the commodity, having regard to the historical volatility of the prices.

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

<u>% Change in price</u>	<u>Market value</u> RM	<u>Impact on profit after tax/ NAV</u> RM
<u>2024</u>		
-10%	27,081,810	(3,009,090)
0%	30,090,900	-
+10%	33,099,990	3,009,090
<u>2023</u>		
-15%	8,484,929	(1,497,340)
0%	9,982,269	-
+15%	11,479,609	1,497,340

(b) Profit rate risk

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

The Fund's exposure to the profit rate risk is mainly confined to short-term Shariah-based deposit placements with licensed financial institutions. The Manager overcomes this exposure by way of maintaining short-term Shariah-based deposits.

The Fund's exposure to profit rate risk associated with Shariah-based deposits with licensed financial institutions is not material as the deposits are held on a short-term basis.

AHAM SHARIAH GOLD TRACKER 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 a foreign currency versus Ringgit Malaysia based on considerations of economic fundamentals such as profit 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:

	Cash and cash equivalents RM	<u>Total</u> RM
<u>2024</u>		
<u>Financial assets</u>		
United States Dollar	43,572	43,572
	<u> </u>	<u> </u>
<u>2023</u>		
<u>Financial assets</u>		
United States Dollar	1,487	1,487
	<u> </u>	<u> </u>

AHAM SHARIAH GOLD TRACKER 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 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 held constant. This represents managements' 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 rate %	Impact on profit after tax/NAV RM
<u>2024</u>		
United States Dollar	+/- 5.51%	<u>+/- 2,401</u>
<u>2023</u>		
United States Dollar	+/- 5.66%	<u>+/- 84</u>

Credit risk

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

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

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

AHAM SHARIAH GOLD TRACKER 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 settlement terms of amount due from brokers are governed by the relevant rules and regulations as prescribed by the respective stock exchanges.

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 following table sets out the credit risk concentrations of the Fund:

	<u>Cash and cash equivalents</u> RM	<u>Amount due from Manager</u> RM	<u>Total</u> RM
<u>2024</u>			
Financial Services			
- AAA	1,950,252	-	1,950,252
Other			
- Non-rated ("NR")	-	401,541	401,541
	<u>1,950,252</u>	<u>401,541</u>	<u>2,351,793</u>
<u>2023</u>			
Financial Services			
- AAA	578,229	-	578,229
Other			
- NR	-	31,490	31,490
	<u>578,229</u>	<u>31,490</u>	<u>609,719</u>

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 Shariah-based liquid assets to meet anticipated payment and cancellations of units by unitholders. Shariah-based liquid assets comprise cash and Shariah-based deposits with licensed financial institutions, 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.

AHAM SHARIAH GOLD TRACKER 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 (continued)

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 brokers	44,415	-	44,415
Amount due to Manager			
- management fee	7,527	-	7,527
Amount due to Trustee	753	-	753
Fund accounting fee	1,000	-	1,000
Auditors' remuneration	-	7,500	7,500
Tax agent's fee	-	3,500	3,500
Other payables and accruals	-	4,500	4,500
	<u>53,695</u>	<u>15,500</u>	<u>69,195</u>
<u>2023</u>			
Amount due to Manager			
- management fee	2,731	-	2,731
Amount due to Trustee	273	-	273
	<u>3,004</u>	<u>-</u>	<u>3,004</u>

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 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.

Reclassification of Shariah status risk

The risk that the currently held Shariah-compliant securities in the portfolio of Shariah-compliant funds may be reclassified to be Shariah non-compliant upon review of the securities by the Shariah Advisory Council of the Securities Commission performed twice yearly. If this occurs, the Manager and the Trustee shall have the discretion to wind-up the Fund or take such other action as the Manager, the Trustee and the Shariah Adviser may deem appropriate.

AHAM SHARIAH GOLD TRACKER 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 financial year 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.

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 SHARIAH GOLD TRACKER 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 asset at fair value through profit or loss - exchanged-traded fund	30,090,900	-	-	30,090,900
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>2023</u>				
Financial asset at fair value through profit or loss - exchanged-traded fund	9,982,269	-	-	9,982,269
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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

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

4 MANAGEMENT FEE

In accordance with the Deed, the Manager is entitled to a management fee at a rate up to 5.00% per annum of the NAV of the Fund, calculated on daily basis.

For the financial year ended 30 April 2024, 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 as stated in the Fund's Prospectus.

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

AHAM SHARIAH GOLD TRACKER FUND

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

5 TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to an annual fee, at a rate up to 0.10% per annum (excluding custody fees and charges) of the NAV of the Fund, calculated on daily basis.

For the financial year ended 30 April 2024, the Trustee fee is recognised at a rate of 0.03% (2023: 0.03%) 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 amount recognised above.

6 FUND ACCOUNTING FEE

The Fund valuation and accounting fee of RM12,000 for the financial year ended 30 April 2023 are borne by the Manager.

7 AUDITORS' REMUNERATION AND TAX AGENT'S FEE

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

8 SHARIAH ADVISORY FEE

Shariah advisory fee of RM5,000 for the financial year ended 30 April 2023 are borne by the Manager.

AHAM SHARIAH GOLD TRACKER FUND

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

9 TAXATION

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

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	4,985,640	302,722
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	1,196,554	72,653
Tax effects of:		
Investment income not subject to tax	(1,213,833)	(75,915)
Expenses not deductible for tax purposes	14,686	2,716
Restriction on tax deductible expenses for Unit Trust Funds	2,593	546
Tax expense	-	-

AHAM SHARIAH GOLD TRACKER FUND

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

10 FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2024</u> RM	<u>2023</u> RM
Financial asset at fair value through profit or loss:		
- exchange-traded fund - local	<u>30,090,900</u>	<u>9,982,269</u>
Net gain on financial asset at fair value through profit or loss:		
- realised gain on sale of investment	1,036,364	234,169
- unrealised gain on changes in fair value	3,948,346	62,569
- management fee rebate on exchange-traded fund #	48,768	32,207
	<u>5,033,478</u>	<u>328,945</u>

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

(a) Exchange-traded fund - local

(i) Exchange-traded fund - local as at 30 April 2024 are as follows:

	<u>Quantity</u>	<u>Aggregate cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
TradePlus Shariah Gold Tracker*	8,722,000	25,444,567	30,090,900	92.95
Total exchange-traded fund - local	<u>8,722,000</u>	<u>25,444,567</u>	<u>30,090,900</u>	<u>92.95</u>
Accumulated unrealised gain on exchange-traded fund - local		<u>4,646,333</u>		
Total exchange-traded fund - local		<u>30,090,900</u>		

AHAM SHARIAH GOLD TRACKER FUND

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

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

(a) Exchange-traded fund – local (continued)

(ii) Exchange-traded fund - local as at 30 April 2023 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
TradePlus Shariah Gold Tracker*	3,759,800	9,284,282	9,982,269	94.27
Total exchange-traded fund - local	<u>3,759,800</u>	<u>9,284,282</u>	<u>9,982,269</u>	<u>94.27</u>
Accumulated unrealised gain on exchange-traded fund - local		<u>697,987</u>		
Total exchange-traded fund - local		<u>9,982,269</u>		

*Managed by the Manager of the Fund.

(b) Target Fund's top holdings

(i) The Target Fund's top holdings as at 30 April 2024 is as follows:

	<u>Market value RM</u>	<u>Percentage of Target Fund's NAV %</u>
Gold bullion	78,447,315	99.87
Total	<u>78,447,315</u>	<u>99.87</u>

(ii) The Target Fund's top holdings as at 30 April 2023 is as follows:

	<u>Market value RM</u>	<u>Percentage of Target Fund's NAV %</u>
Gold bullion	59,130,174	99.83
Total	<u>59,130,174</u>	<u>99.83</u>

AHAM SHARIAH GOLD TRACKER FUND

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

11 CASH AND CASH EQUIVALENTS

	<u>2024</u> RM	<u>2023</u> RM
Cash and bank balances	96,957	117,526
Deposits with licensed financial institutions	1,853,295	460,703
	<u>1,950,252</u>	<u>578,229</u>

Weighted average effective profit rates per annum of Shariah-based deposits with licensed financial institutions are as follows:

	<u>2024</u> %	<u>2023</u> %
Shariah-based deposits with licensed financial institutions	<u>2.90</u>	<u>2.65</u>

Shariah-based deposits with licensed financial institutions have an average remaining maturity period of 2 days (2023: 2 days).

12 NUMBER OF UNITS IN CIRCULATION

	<u>2024</u> No. of units	<u>2023</u> No. of units
At the beginning of the financial year	20,401,000	21,013,000
Creation of units arising from applications	60,222,000	10,295,000
Cancellation of units	(31,752,000)	(10,907,000)
At the end of the financial year	<u>48,871,000</u>	<u>20,401,000</u>

13 SHARIAH INFORMATION OF THE FUND

The Shariah Adviser confirmed that the investments portfolio of the Fund is Shariah-compliant, which comprises:

- (a) Exchange-traded fund listed in Bursa Malaysia which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission; and
- (b) Cash placements and liquid assets in local market, which are placed in Shariah-compliant investments and/or instruments.

AHAM SHARIAH GOLD TRACKER FUND

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

14 TRANSACTIONS WITH BROKERS

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

<u>Name of brokers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage fees</u> %
Affin Hwang Investment Bank Bhd#	11,688,013	41.41	-	-
Maybank Investment Bank Bhd	5,858,062	20.75	4,687	35.34
RHB Investment Bank Bhd	5,198,018	18.42	4,192	31.60
CIMB Investment Bank Bhd	3,015,014	10.68	2,412	18.18
CIMB Bank Bhd	1,589,545	5.63	1,272	9.59
CGS-CIMB Securities Sdn Bhd	877,573	3.11	702	5.29
	<u>28,226,225</u>	<u>100.00</u>	<u>13,265</u>	<u>100.00</u>

(ii) Detail of transactions with brokers for the financial year ended 30 April 2023 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage fees</u> %
Maybank Investment Bank Bhd	2,238,420	42.77	1,791	42.76
RHB Investment Bank Bhd	1,461,059	27.92	1,169	27.91
CIMB Bank Bhd	878,414	16.78	703	16.79
CIMB Investment Bank Bhd	655,653	12.53	525	12.54
	<u>5,233,546</u>	<u>100.00</u>	<u>4,188</u>	<u>100.00</u>

Included in transactions with brokers are trades with Affin Hwang Investment Bank Bhd, the former immediate holding company of the Manager amounting RM11,688,013 (2023: RM Nil). The Manager is of the opinion that all the transactions have been entered at agreed terms between the related parties.

AHAM SHARIAH GOLD TRACKER FUND

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

15 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 SHARIAH GOLD TRACKER FUND

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

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

The units held by the Manager as at the end of the financial 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)	9,348	6,192	3,011	1,563

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

AHAM SHARIAH GOLD TRACKER FUND

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

16 TOTAL EXPENSE RATIO (“TER”)

	<u>2024</u> %	<u>2023</u> %
TER	<u>0.51</u>	<u>0.36</u>

TER is derived from the following calculation:

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

- A = Management fee, excluding management fee rebates
- B = Trustee fee
- C = Fund accounting fee
- D = Auditors’ remuneration
- E = Tax agent’s fee
- F = Other expenses excluding the sales and service tax on transaction costs
- G = Average NAV of Fund calculated on a daily basis

The average NAV of the Fund for the financial year calculated on a daily basis is RM17,401,247 (2023: RM11,633,506).

17 PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2024</u>	<u>2023</u>
PTR (times)	<u>0.78</u>	<u>0.21</u>

PTR is derived from the following calculation:

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

where: total acquisition for the financial year = RM21,675,073 (2023: RM2,681,445)
and total disposal for the financial year = RM5,514,788 (2023: RM2,317,932)

AHAM SHARIAH GOLD TRACKER 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 30 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 SHARIAH GOLD TRACKER FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of AHAM Shariah Gold Tracker 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 30.

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 SHARIAH GOLD TRACKER FUND
(CONTINUED)

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, 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 SHARIAH GOLD TRACKER FUND
(CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

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

INDEPENDENT AUDITORS' REPORT
TO THE UNITHOLDERS OF AHAM SHARIAH GOLD TRACKER 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
24 June 2024

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