



ANNUAL REPORT
31 March 2024

AHAM Select Balanced Fund

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

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

Built On Trust

aham.com.my

AHAM SELECT BALANCED FUND

Annual Report and Audited Financial Statements For the Financial Year Ended 31 March 2024

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FUND INFORMATION

Fund Name	AHAM Select Balanced Fund
Fund Type	Growth & Income
Fund Category	Balanced
Investment Objective	To provide investors an affordable access into a diversified investment portfolio containing a 'balanced' mixture of equities and fixed income securities to achieve a balance of growth and income over medium to long-term
Benchmark	The benchmark to be used by the Manager in measuring the performance of the Fund will be a weighted average of FTSE Bursa Malaysian Top 100 Index ("FBM 100") performance (for equity investment) and current Maybank 12-month fixed deposit rate. The weightings assigned will be in the proportion of 50:50.
Distribution Policy	Subject to the availability of income, the Fund will distribute income on a semi-annual basis. However, the amount of income available for distribution may fluctuate from year to year.

FUND PERFORMANCE DATA

Category	As at 31 Mar 2024 (%)	As at 31 Mar 2023 (%)	As at 31 Mar 2022 (%)
Portfolio composition			
Quoted equities – local			
- Construction	-	-	0.09
- Consumer products & services	4.61	5.95	8.93
- Energy	5.74	-	-
- Financials services	3.65	2.11	7.69
- Industrial products & services	-	4.80	0.80
- Healthcare	4.68	2.57	-
- Property	7.10	-	-
- Technology	8.98	9.89	8.04
- Telecommunications & media	2.73	-	-
- Transportation and logistic	4.90	-	-
- Utilities	3.29	2.45	1.22
Total quoted equities – local	45.68	27.77	26.77
Quoted equities – foreign			
- Consumer discretionary	1.20	4.93	6.2
- Consumer staples	-	0.98	2.53
- Energy	-	-	0.50
- Financial services	1.20	2.76	0.51
- Real estate	-	2.01	1.95
- Technology	4.77	8.87	3.92
- Telecommunications	-	0.55	-
Total quoted equities – foreign	7.17	20.10	15.61
Unquoted fixed income securities – local	43.53	45.51	42.71
Cash and cash equivalent	3.62	6.62	14.91
Total	100.00	100.00	100.00
Total NAV (RM'million)	332.420	312.234	311.271
NAV per Unit (RM)	0.7734	0.6790	0.7159
Unit in Circulation (million)	429.822	459.816	434.800
Highest NAV	0.7734	0.7182	0.7940
Lowest NAV	0.6690	0.6502	0.6914
Return of the Fund (%)	14.56	-0.84	-5.05
- Capital Growth (%)	13.90	-5.15	-8.37
- Income Distribution (%)	0.57	4.55	3.62
Gross Distribution per Unit (sen)	0.42	3.00	2.70
Net Distribution per Unit (sen)	0.40	3.00	2.70
Total Expense Ratio (%) ¹	1.61	1.58	1.60
Portfolio Turnover Ratio (times) ²	0.80	0.72	0.72

¹The TER of the Fund was higher than previous year due to increased expenses incurred by the Fund during the financial year.

²The Fund's PTR increased due to increased 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 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 distributions are as follow:

Cum Date	Ex-Date	Cum-distribution (RM)	Distribution per Unit (RM)	Ex-distribution (RM)
15-Jun-21	16-Jun-21	0.7848	0.0140	0.7671
14-Dec-21	15-Dec-21	0.7519	0.0130	0.7369
14-Jun-22	15-Jun-22	0.6916	0.0130	0.6769
20-Dec-22	21-Dec-22	0.6776	0.0170	0.6599
19-Dec-23	20-Dec-23	0.7024	0.0040	0.6973

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

Income Distribution Breakdown

Class	Ex-Date	Income (per unit) (sens / cents)	Income (%)	Capital (per unit) (sens / cents)	Capital (%)
MYR	16-Jun-21	1.4000	100.00	0.0000	0.00
MYR	15-Dec-21	1.3000	100.00	0.0000	0.00
MYR	15-Jun-22	1.3000	100.00	0.0000	0.00
MYR	21-Dec-22	1.7000	100.00	0.0000	0.00
MYR	20-Dec-23	0.4000	100.00	0.0000	0.00

Performance Review

Table 1: Performance of the Fund

	1 Year (1/4/23 - 31/3/24)	3 Years (1/4/21 - 31/3/24)	5 Years (1/4/19 - 31/3/24)	Since Commencement (18/8/03 - 31/3/24)
Fund	14.56%	7.85%	41.91%	431.06%
Benchmark	6.85%	3.66%	6.29%	117.67%
Outperformance	7.71%	4.19%	35.62%	313.39%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/4/23 - 31/3/24)	3 Years (1/4/21 - 31/3/24)	5 Years (1/4/19 - 31/3/24)	Since Commencement (18/8/03 - 31/3/24)
Fund	14.56%	2.55%	7.24%	8.43%
Benchmark	6.85%	1.20%	1.23%	3.84%
Outperformance	7.71%	1.35%	6.01%	4.59%

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2024 (1/4/23 - 31/3/24)	FYE 2023 (1/4/22 - 31/3/23)	FYE 2022 (1/4/21 - 31/3/22)	FYE 2021 (1/4/20 - 31/3/21)	FYE 2020 (1/4/19 - 31/3/20)
Fund	14.56%	(0.84%)	(5.05%)	34.52%	(2.18%)
Benchmark	6.85%	(3.06%)	0.08%	12.32%	(8.70%)
Outperformance	7.71%	2.22%	(5.13%)	22.20%	6.52%

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.

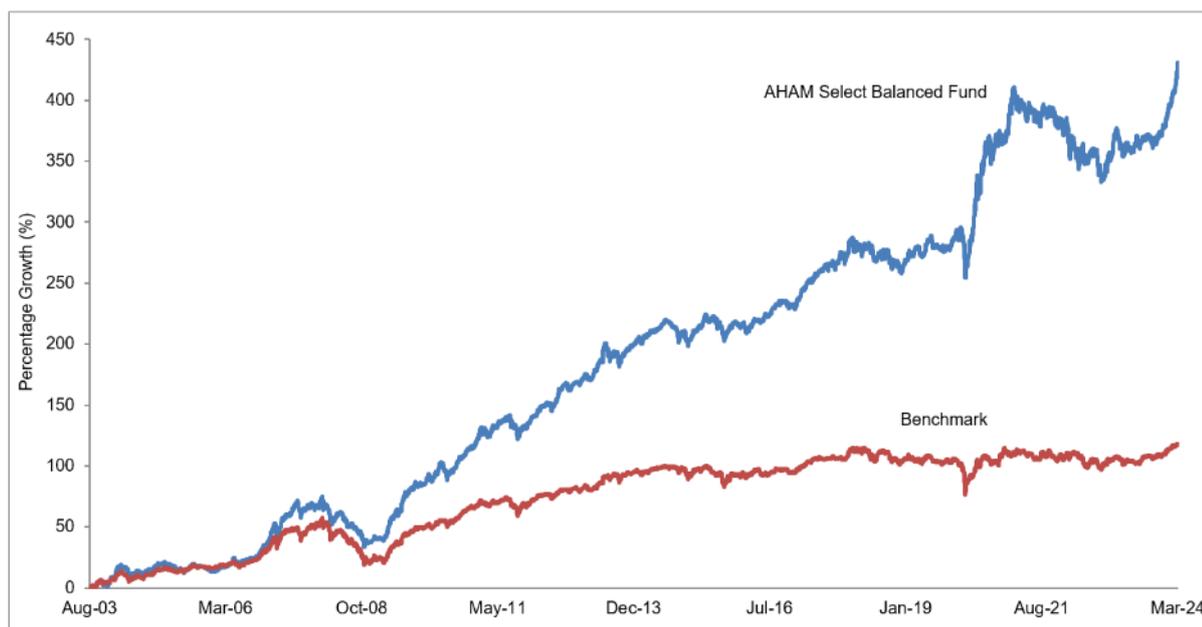
MANAGER'S REPORT

Performance Review (1 April 2023 to 31 March 2024)

For the period 1 April 2023 to 31 March 2024, the Fund registered a 14.56% return compared to the benchmark return of 6.85%. The Fund thus outperformed the Benchmark by 7.71%. The Net Asset Value per unit ("NAV") of the Fund as at 31 March 2024 was RM0.7734 while the NAV as at 31 March 2023 was RM0.6790. During the period under review, the Fund has declared an income distribution of RM0.0040 per unit.

Since commencement, the Fund has registered a return of 431.06% compared to the benchmark return of 117.67%, outperforming by 313.39%.

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: 50% FTSE Bursa Malaysian Top 100 Index + 50% Maybank 12-month fixed deposit rate

Asset Allocation

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

As at 31 March 2024, asset allocation of the Fund stood at 45.68% in local equities, 7.17% in foreign equities, 43.53% in fixed income securities, and the balance was held in cash and cash equivalent.

Strategies Employed

The Fund continues its focus on achieving a balanced portfolio of equities and fixed income, utilizing a top-down as well as a bottom-up investment approach to identify investment opportunities. On the equity portion of the portfolio, the Manager maintains focus on companies that are able to provide growth potential over the medium to long term.

Market Review

To provide a broad overview over the financial year under review, on a total return basis the Standard and Poor's ("S&P") 500 Index returned 29.72% with the Morgan Stanley Capital International ("MSCI") World index slightly behind at 25.62%. Specific to the Asian region, MSCI AC Asia ex Japan Index saw a relatively weaker return of 3.66% while locally, the Financial Times Stock Exchange ("FTSE") Bursa Malaysia Kuala Lumpur Composite Index ("KLCI") fared better at 12.10% in Ringgit terms on a total return basis. Within bond markets, Bloomberg Barclays Global Aggregate Index gained 0.51% over the financial year under review while domestically, the bond markets' benchmark 10-year Malaysian Government Securities ("MGS") yield closed at 3.86%.

The United States ("U.S.") Federal Reserve ("Fed") conducts monetary policy by setting a target range for the federal funds rate, which does not directly affect firms and household in the economy. Instead, monetary policy effect cascades to the broader economy by affecting financial conditions including the longer-term interest rates and the exchange value of the dollar. Analysts posit that the Fed's actions of supporting the U.S. economy during the peak of the coronavirus crisis by initiating large purchases of U.S. government and mortgage-backed securities, lending to support household and employers could have been overdone and led to the unwelcome surge in increased inflationary pressures. The Fed has been engaging in a tightening monetary policy stance throughout 2023 to address said inflationary pressures, only relenting towards the end of 2023 when signs of tighter policy was slowing down the economy. Unprecedented global events that unfolded in 2023 also contributed to the Fed's challenge in reigning in inflation rates.

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 U.S. 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 U.S. 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, U.S. 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.

Asia ex Japan equities experienced a mix of ups and downs over the financial year, reflecting the volatile nature of the global market landscape. The financial year commenced with a negative performance in the second quarter of 2023, marked by declines in Chinese equities as the country's economic rebound post pandemic began to slow. Despite this, markets in India, South Korea, and Taiwan saw gains, fuelled by factors such as foreign inflows and investor enthusiasm for AI related stocks. The challenges persisted through to the second half of 2023 with concerns over the Chinese economy and global economic growth weighing on investor sentiment across the region. Chinese stocks faced sharp declines amid doubts about

government stimulus measures, while markets in Hong Kong, Taiwan, and South Korea also witnessed significant downturns. However, as hopes of stable U.S. interest rates renewed investor appetite for risk assets the outlook improved in the final quarter of 2023. While Chinese stocks continued to struggle, markets in Taiwan, South Korea, and India saw robust growth, driven by factors such as technology stocks and chipmakers. Other markets in the region also achieved positive growth, albeit more modestly. Markets saw positive momentum carried into the first quarter of 2024, with Asia ex Japan equities achieving modest gains. Despite ongoing concerns, particularly regarding China's economic outlook and geopolitical tensions, markets in Taiwan, India, and the Philippines performed strongly. On the flip side, challenges persisted in markets such as Hong Kong, Thailand, and China, where share prices ended the quarter in negative territory.

Within Malaysia, several policy announcements made by the government in July 2023 caught the attention of investors as markets started to gain. These positive sentiments lifted foreign investors' confidence as they poured into local equities. They include the Ekonomi Madani Plan which outlined several key economic targets, Part 1 of the National Energy Transition Roadmap ("NETR") which intends to achieve 70% renewable energy capacity mix by 2050 and Part 2 of the NETR as well as the New Industrial Masterplan. The unveiling of Budget 2024 in October 2023 also helped shed light on the government's policies and laid down the groundwork for the government's path to fiscal consolidation. According to the Budget, the government aims to narrow the fiscal deficit from 5.0% to 4.3% in 2024 in line with its broader policy objective to bring it down to 3.10% by 2026. Towards the end of the financial year, the benchmark KLCI surged with Johor-focused names taking the spotlight following the installation of the new Yang Di-Pertuan Agong.

The bond market experienced dynamic shifts, influenced by factors such as inflation concerns, central bank policies, and global economic conditions. The second quarter of 2023 witnessed a decline in market volatility, accompanied by a rise in government bond yields, albeit with some divergence among countries. The United Kingdom ("UK") and Australia underperformed due to higher-than-expected inflation, leading to more aggressive actions by central banks to combat inflation. The Fed paused its consecutive rate increases after more than a year, marking a notable shift in monetary policy. Corporate balance sheets remained relatively strong, despite an uptick in default rates, and global high yield outperformed investment grade bonds. At the start of second half of 2023, the U.S. economy displayed resilience, with signs of improvement in the manufacturing sector and a relatively robust labour market. However, concerns over rising US debt issuance and a downgrade in the U.S. credit rating by Fitch Ratings weighed on the Treasury market. Despite a significant rise in oil prices, inflationary pressures eased in most economies, allowing major central banks to signal a pause in further rate hikes. The last quarter of 2023 was marked by a perceived shift in monetary policy direction, with central banks adopting a more dovish tone leading to a rally in government bond markets, with yields falling sharply and credit markets outperforming government bonds. Despite a slowing growth outlook, corporate bonds staged an impressive rally on hopes of averting a deep recession. The first quarter of 2024 saw a significant shift in inflation and interest rate expectations, with markets initially anticipating faster central bank action to lower rates. However, expectations were scaled back, with central banks proceeding with caution and avoiding premature declarations of victory over inflation. Global economic activity showed signs of improvement, particularly in the U.S., eurozone, and China, although inflation remained a central concern.

Investment Outlook

Global economic indicators continue to show signs of improvement, with manufacturing sectors across the globe experiencing a gradual recovery. In terms of positioning, there is an overweight stance on Taiwanese and Korean tech names, driven by expectations of higher earnings growth fueled by cyclical rebound and exposure to the AI theme. Additionally, the 'Value up' theme in Korea is expected to trigger rerating in other sectors such as banks and auto industries. Moreover, overweight positions are also allocated to India and Indonesia, driven by their promising growth potential, with a focus on banks, industrials, and consumer sectors within these countries. Conversely, a cautious positioning is adopted for China and Hong Kong, pending stronger policies to address the ongoing decline in the property sector. Singapore is held at a neutral position, given its heavy weighting by banks, which are currently priced attractively but are sensitive to interest rate cycles. Lastly, Thailand remains underweight due to its low growth prospects and relatively high valuations.

The higher for longer narrative remains amidst mixed economic data. Nevertheless, market still factors in 3 interest rate cuts with first rate cut of 25bps expected in June 2024. Hence, with developed markets approaching peak cycle, risk appetite is expected to return to the Emerging Market space.

We maintain our positive outlook for fixed income asset class in 2024, as global growth is expected to remain sanguine. We expect volatility to persist, but at a tighter range compared to 2023. The second half of 2024 may present higher noise as political uncertainties increase on the back of large number of elections especially the U.S. Presidential election in Nov 2024.

Domestically, moderating growth and contained inflation continued to be supportive of the fixed income market. Supportive technicals, driven by lower government bond supply profile in 2024 due to fiscal consolidation is also a positive factor to the market. Domestic liquidity is ample with demand from duration coming from pension funds and lifers. Nevertheless, we are mindful of upside risks to inflation on the back of readjustment of subsidies.

We prefer belly to long tenor government bonds and continue to switch and participate in primary corporate bond/sukuk issuances for yield enhancement. We target a neutral to slightly long portfolio duration positioning.

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 financial year under review.

Soft Commissions received from Brokers

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

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

During the financial year under review, the Fund has received soft commissions from brokers/dealers who have also executed trades for other funds managed by AHAM Asset Management Berhad. The soft commissions were utilised for goods and services in the form of research materials, data and quotation services, investment-related publications, market data feed, industry benchmarking agencies and investment-related publications to assist the Manager in the investment decision-making process. The soft commission received were for the benefit of the fund and there were no churning of trades.

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 UNIT HOLDERS OF AHAM SELECT BALANCED FUND ("Fund")

We have acted as Trustee of the Fund for the financial year ended 31 March 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AHAM Asset Management Berhad has operated and managed the Fund during the year covered by these financial statements in accordance with the following:-

1. Limitations imposed on the investment powers of the Management Company under the Deeds, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the Deeds; and
3. Any creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirement.

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

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
24 May 2024

AHAM SELECT BALANCED FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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AHAM SELECT BALANCED FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
INVESTMENT INCOME			
Dividend income		4,796,034	4,386,686
Interest income from financial assets at amortised cost		360,886	270,246
Interest income from financial assets at fair value through profit or loss		5,576,006	5,254,597
Net gain on foreign currency exchange		284,976	952,714
Net gain/(loss) on financial assets at fair value through profit or loss	10	38,609,955	(7,604,934)
		<u>49,627,857</u>	<u>3,259,309</u>
EXPENSES			
Management fee	4	(4,697,325)	(4,612,449)
Trustee fee	5	(219,344)	(215,328)
Fund accounting fee	6	(25,000)	-
Auditors' remuneration		(10,500)	(10,500)
Tax agent's fee		(17,900)	(3,900)
Transaction costs		(1,054,511)	(1,000,544)
Other expenses		(200,363)	(97,654)
		<u>(6,224,943)</u>	<u>(5,940,375)</u>
NET PROFIT/(LOSS) BEFORE TAXATION		43,402,914	(2,681,066)
Taxation	7	(259,200)	(63,105)
NET PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL YEAR		<u>43,143,714</u>	<u>(2,744,171)</u>
Net profit/(loss) after taxation is made up of the following:			
Realised amount		4,647,586	2,502,403
Unrealised amount		38,496,128	(5,246,574)
		<u>43,143,714</u>	<u>(2,744,171)</u>

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

AHAM SELECT BALANCED FUND

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
ASSETS			
Cash and cash equivalents	11	8,307,593	19,384,694
Amount due from broker		5,172,370	-
Amount due from Manager			
- creation of units		149,445	579,311
Dividends receivable		1,703,349	1,108,973
Financial assets at fair value through profit or loss	10	320,385,004	291,520,773
Tax recoverable		73,457	134,286
TOTAL ASSETS		<u>335,791,218</u>	<u>312,728,037</u>
LIABILITIES			
Amount due to brokers		1,205,293	-
Amount due to Manager			
- management fee		416,768	393,841
- cancellation of units		1,678,945	-
Amount due to Trustee		19,449	18,379
Fund accounting fee		2,083	-
Auditors' remuneration		10,500	10,500
Tax agent's fee		3,900	7,700
Other payables and accruals		33,965	36,003
Deferred tax liabilities	8	-	27,391
TOTAL LIABILITIES		<u>3,370,903</u>	<u>493,814</u>
NET ASSET VALUE OF THE FUND		<u>332,420,315</u>	<u>312,234,223</u>
EQUITY			
Unitholders' capital		271,102,464	292,305,370
Retained earnings		61,317,851	19,928,853
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>332,420,315</u>	<u>312,234,223</u>
NUMBER OF UNITS IN CIRCULATION	12	<u>429,822,000</u>	<u>459,816,000</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.7734</u>	<u>0.6790</u>

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

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STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Unitholders' <u>capital</u> RM	Retained <u>earnings</u> RM	<u>Total</u> RM
Balance as at 1 April 2023	292,305,370	19,928,853	312,234,223
Total comprehensive income for the financial year	-	43,143,714	43,143,714
Distributions (Note 9)	-	(1,754,716)	(1,754,716)
Movement in unitholders' capital			
Creation of units arising from applications	17,163,850	-	17,163,850
Creation of units arising from distributions	1,747,918	-	1,747,918
Cancellation of units	(40,114,674)	-	(40,114,674)
Balance as at 31 March 2024	<u>271,102,464</u>	<u>61,317,851</u>	<u>332,420,315</u>
Balance as at 1 April 2022	275,187,947	36,082,612	311,270,559
Total comprehensive loss for the financial year	-	(2,744,171)	(2,744,171)
Distributions (Note 9)	-	(13,409,588)	(13,409,588)
Movement in unitholders' capital			
Creation of units arising from applications	22,957,017	-	22,957,017
Creation of units arising from distributions	13,209,580	-	13,209,580
Cancellation of units	(19,049,174)	-	(19,049,174)
Balance as at 31 March 2023	<u>292,305,370</u>	<u>19,928,853</u>	<u>312,234,223</u>

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

AHAM SELECT BALANCED FUND

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		247,985,400	203,645,452
Purchase of investments		(243,818,366)	(240,436,537)
Dividends received		3,980,890	4,059,747
Interest received		6,544,712	6,158,204
Management fee paid		(4,674,398)	(4,611,273)
Trustee fee paid		(218,274)	(215,273)
Fund accounting fee paid		(22,917)	-
Payment for other fees and expenses		(91,675)	(112,093)
Net realised loss on foreign currency exchange		(29,768)	(129,579)
Tax paid		(225,762)	(170,000)
		<hr/>	<hr/>
Net cash flows generated from/(used in) operating activities		9,429,842	(31,811,352)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		17,593,716	24,120,587
Payments for cancellation of units		(38,435,729)	(19,049,174)
Payment for distributions		(6,798)	(200,008)
		<hr/>	<hr/>
Net cash flows (used in)/generated from financing activities		(20,848,811)	4,871,405
NET DECREASE IN CASH AND CASH EQUIVALENTS			
		(11,418,969)	(26,939,947)
EFFECTS OF FOREIGN CURRENCY EXCHANGE			
		341,868	1,082,293
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR			
		<hr/>	<hr/>
		19,384,694	45,242,348
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR			
	11	<hr/> <hr/>	<hr/> <hr/>
		8,307,593	19,384,694

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

AHAM SELECT BALANCED FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MARCH 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 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 SELECT BALANCED FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MARCH 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 and unquoted fixed income securities are recognised based on effective interest rate method on an accrual basis.

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

Realised gains and losses on sale of investments

For quoted equities, 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.

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

C 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 SELECT BALANCED FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

D DISTRIBUTIONS

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

E TAXATION

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

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

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

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

Deferred tax is provided in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements.

Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised.

Deferred and current tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

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.

AHAM SELECT BALANCED FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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.

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

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

The Fund classifies cash and cash equivalents, amount due from broker, amount due from Manager and dividends receivable as financial assets 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 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 SELECT BALANCED FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement

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

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.

Unquoted fixed income securities including money market instruments denominated in Ringgit Malaysia are revalued on a daily basis based on fair value prices quoted by a bond pricing agency ("BPA") registered with the Securities Commission's ("SC") as per the SC's Guidelines on Unit Trust Funds. Where such quotation are not available or where the Manager is of the view that the price quoted by the BPA for a specific unquoted fixed income securities differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager:

- (i) records its basis for using non-BPA price;
- (ii) obtains necessary internal approvals to use the non-BPA price; and
- (iii) keeps an audit trail of all decisions and basis for adopting the market yield.

AHAM SELECT BALANCED FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

Unquoted fixed income securities denominated in foreign currencies are revalued at least twice a week by reference to the mid-price quoted in Bloomberg. We use the Composite Bloomberg Bond Trader ("CBBT") which is a weighted average bid and ask of price contributions submitted by Bloomberg Dealers. However if such quotations are not available, the fair value shall be determined by reference to the bid and offer prices quoted by independent and reputable financial institutions.

Financial assets at amortised cost and other financial liabilities 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 SELECT BALANCED FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (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 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.

J 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 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 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.

AHAM SELECT BALANCED FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MARCH 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 net asset value ("NAV");
- the units are the most subordinated class and class features are identical;
- there are 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 unitholders exercises the right to put the unit back to the Fund.

Units are created and cancelled 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.

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 SC's 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 SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

1 INFORMATION ON THE FUND

The Unit Trust Fund was constituted under the name HwangDBS Select Balanced Fund (the "Fund") pursuant to the execution of a Deed dated 1 July 2003, First Supplemental Deed dated 29 December 2005, Second Supplemental Deed dated 18 June 2007, Third Supplemental Deed dated 15 October 2008, Fourth Supplemental Deed dated 18 January 2012, Fifth Supplemental Deed dated 27 June 2014, Sixth Supplemental Deed dated 28 April 2017, Seventh Supplemental Deed dated 5 October 2018 and Eighth Supplemental Deed dated 28 December 2022 (the "Deeds") entered into between AHAM Asset Management Berhad and HSBC (Malaysia) Trustee Berhad (the "Trustee"). The Fund has changed its name from HwangDBS Select Balanced Fund to Hwang Select Balanced Fund as amended by the Fourth Supplemental Deed dated 18 January 2012, from Hwang Select Balanced Fund to Affin Hwang Select Balanced Fund as amended by Fifth Supplemental Deed dated 27 June 2014 and from Affin Hwang Select Balanced Fund to AHAM Select Balanced Fund as amended by Eighth Supplemental Deed dated 28 December 2022.

The Fund commenced operations on 28 July 2003 and will continue its operations until being terminated by the Trustee as provided under Clause 3.1 of the Deed.

The Fund may invest in the following permitted investments subject to the following restrictions imposed or as may be amended from time to time by the SC and/or the relevant authorities and/or the Deeds:

- (i) Listed securities;
- (ii) Unlisted securities including, without limitation, securities that have been approved by the relevant regulatory authorities for the listing of and quotation for such securities;
- (iii) Debentures;
- (iv) Money market instruments;
- (v) Deposits;
- (vi) Derivatives, for the purpose of hedging only;
- (vii) Warrants;
- (viii) Units or shares in collective investment schemes; and
- (ix) Any other form of investments as may be permitted by the SC from time to time which are 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 an affordable access into a diversified investment portfolio containing a "balanced" mixture of equities and fixed income securities to achieve a balance of growth and income over medium to long term.

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 May 2024.

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	<u>Note</u>	At amortised <u>cost</u> RM	At fair value through <u>profit or loss</u> RM	<u>Total</u> RM
<u>2024</u>				
<u>Financial assets</u>				
Cash and cash equivalents	11	8,307,593	-	8,307,593
Amount due from broker		5,172,370	-	5,172,370
Amount due from Manager				
- creation of units		149,445	-	149,445
Dividends receivable		1,703,349	-	1,703,349
Quoted equities	10	-	175,685,181	175,685,181
Unquoted fixed income securities	10	-	144,699,823	144,699,823
Total		<u>15,332,757</u>	<u>320,385,004</u>	<u>335,717,761</u>
<u>Financial liabilities</u>				
Amount due to brokers		1,205,293	-	1,205,293
Amount due to Manager				
- management fee		416,768	-	416,768
- cancellation of units		1,678,945	-	1,678,945
Amount due to Trustee		19,449	-	19,449
Fund accounting fee		2,083	-	2,083
Auditors' remuneration		10,500	-	10,500
Tax agent's fee		3,900	-	3,900
Other payables and accruals		33,965	-	33,965
Total		<u>3,370,903</u>	<u>-</u>	<u>3,370,903</u>
<u>2023</u>				
<u>Financial assets</u>				
Cash and cash equivalents	11	19,384,694	-	19,384,694
Amount due from Manager				
- creation of units		579,311	-	579,311
Dividends receivable		1,108,973	-	1,108,973
Quoted equities	10	-	149,434,850	149,434,850
Unquoted fixed income securities	10	-	142,085,923	142,085,923
Total		<u>21,072,978</u>	<u>291,520,773</u>	<u>312,593,751</u>

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

Financial instruments are as follows: (continued)

	<u>Note</u>	At amortised <u>cost</u> RM	At fair value through <u>profit or loss</u> RM	<u>Total</u> RM
<u>2023</u> (continued)				
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		393,841	-	393,841
Amount due to Trustee		18,379	-	18,379
Auditors' remuneration		10,500	-	10,500
Tax agent's fee		7,700	-	7,700
Other payables and accruals		36,003	-	36,003
		<u>466,423</u>	<u>-</u>	<u>466,423</u>
Total		<u>466,423</u>	<u>-</u>	<u>466,423</u>

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

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

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 investments		
Quoted equities	<u>175,685,181</u>	<u>149,434,850</u>

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

Market risk (continued)

(a) Price risk (continued)

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

	<u>2024</u> RM	<u>2023</u> RM
Unquoted investments*		
Unquoted fixed income securities	144,699,823	142,085,923

* Includes interest receivable of RM1,616,233 (2023: RM1,551,603).

The following table summarises the sensitivity of the Fund's profit/(loss) after taxation and net asset value ("NAV") to price risk movement. 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 Fund's investments.

<u>% Change in price</u>	<u>Market value</u> RM	Impact on profit/(loss) after tax/NAV RM
<u>2024</u>		
-5%	302,830,332	(15,938,439)
0%	318,768,771	-
+5%	334,707,210	15,938,439
<u>2023</u>		
-10%	260,972,253	(28,996,917)
0%	289,969,170	-
+10%	318,966,087	28,996,917

(b) Interest rate risk

In general, when interest rates rise, unquoted fixed income securities prices will tend to fall and vice versa. Therefore, the NAV of the Fund may also tend to fall when interest rates rise or are expected to rise. However, investors should be aware that should the Fund hold an unquoted fixed income security until maturity, such price fluctuations would dissipate as it approaches maturity, and thus the growth of the NAV shall not be affected at maturity.

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

Market risk (continued)

(b) Interest rate risk (continued)

In order to mitigate interest rates exposure of the Fund, the Manager will manage the duration of the portfolio via shorter or longer tenured assets depending on the view of the future interest rate trend of the Manager, which is based on its continuous fundamental research and analysis.

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

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

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

<u>% Change in interest rate</u>	<u>Impact on profit/(loss) after tax/NAV</u>	
	<u>2024</u>	<u>2023</u>
	RM	RM
+ 1% (2023: 2%)	(266,404)	(739,187)
- 1% (2023: 2%)	267,181	746,506

The Fund's exposure to interest rate risk associated with deposit with a licensed financial institution is not material as the carrying value of the deposit is held on a short-term basis.

(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.

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

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

	<u>Quoted equities</u> RM	<u>Cash and cash equivalents</u> RM	<u>Dividends receivable</u> RM	<u>Total</u> RM
<u>2024</u>				
<u>Financial assets</u>				
Australian Dollar	-	32	-	32
Chinese Yuan	-	142	-	142
Euro	-	508	-	508
Hong Kong Dollar	4,004,723	2,193,287	-	6,198,010
Indian Rupee	4,001,024	-	-	4,001,024
Korean Won	4,782,692	-	-	4,782,692
Singapore Dollar	-	1,103,774	-	1,103,774
Taiwan Dollar	11,054,361	-	22,348	11,076,709
United States Dollar	-	2,794,265	-	2,794,265
	<u>23,842,800</u>	<u>6,092,008</u>	<u>22,348</u>	<u>29,957,156</u>
			<u>Other payables and accruals</u> RM	<u>Total</u> RM
<u>Financial liabilities</u>				
Euro			10	10

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

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

	<u>Quoted equities</u> RM	<u>Cash and cash equivalents</u> RM	<u>Dividends receivable</u> RM	<u>Total</u> RM
<u>2023</u>				
<u>Financial assets</u>				
Australian Dollar	-	31	-	31
Chinese Yuan	-	2,788,364	-	2,788,364
Euro	-	6,625,284	-	6,625,284
Hong Kong Dollar	35,491,112	4,542,164	21,251	40,054,527
Indonesian Rupiah	3,439,806	-	-	3,439,806
Korean Won	9,258,280	-	45,142	9,303,422
Singapore Dollar	3,310,821	49,471	-	3,360,292
Taiwan Dollar	8,158,620	-	26,090	8,184,710
Thai Baht	3,063,279	-	-	3,063,279
United States Dollar	-	59,735	-	59,735
	<u>62,721,918</u>	<u>14,065,049</u>	<u>92,483</u>	<u>76,879,450</u>
			<u>Other payables and accruals</u> RM	<u>Total</u> RM
<u>Financial liabilities</u>				
Euro			<u>9</u>	<u>9</u>

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 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 based on each currency's respective historical volatility, with all other variables remain constants. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Any increase/(decrease) in foreign exchange rate will result in a corresponding (decrease)/increase in the net assets attributable to 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/(loss) after <u>tax/NAV</u> RM
<u>2024</u>		
Australian Dollar	+/- 7.73	+/- 2
Chinese Yuan	+/- 4.51	+/- 6
Euro	+/- 5.31	+/- 27
Hong Kong Dollar	+/- 5.53	+/- 342,750
Indian Rupee	+/- 5.24	+/- 209,654
Korean Won	+/- 7.11	+/- 340,049
Singapore Dollar	+/- 3.49	+/- 38,522
Taiwan Dollar	+/- 4.51	+/- 499,560
United States Dollar	+/- 5.51	+/- 153,964
<u>2023</u>		
Australian Dollar	+/- 12.01	+/- 4
Chinese Yuan	+/- 5.78	+/- 161,167
Euro	+/- 8.47	+/- 561,161
Hong Kong Dollar	+/- 5.64	+/- 2,259,075
Indonesian Rupiah	+/- 5.86	+/- 201,573
Korean Won	+/- 8.80	+/- 818,701
Singapore Dollar	+/- 4.52	+/- 420,515
Taiwan Dollar	+/- 4.80	+/- 392,866
Thailand Baht	+/- 7.67	+/- 234,953
United States Dollar	+/- 5.76	+/- 3,441

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

Credit risk (continued)

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

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

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

The settlement terms of amount due from broker 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.

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

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

	<u>Unquoted fixed income securities</u> RM	<u>Cash and cash equivalents</u> RM	<u>Other assets*</u> RM	<u>Total</u> RM
<u>2024</u>				
Consumer Discretionary				
- AA1	7,308,098	-	-	7,308,098
Consumer Products & Services				
- Non-rated ("NR")	-	-	511,047	511,047
Consumer Staples				
- AA2	5,079,774	-	-	5,079,774
Energy				
- A+	5,784,668	-	-	5,784,668
- AAA	18,856,281	-	-	18,856,281
Financial Services				
- AA1	-	-	466,446	466,446
- AA2	8,069,588	-	-	8,069,588
- AAA	4,767,990	8,307,593	-	13,075,583
- NR	-	-	5,172,370	5,172,370
Government				
- NR	21,116,057	-	-	21,116,057
Health Care				
- A	7,948,636	-	-	7,948,636

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

Credit risk (continued)

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

	Unquoted fixed income <u>securities</u> RM	Cash and cash <u>equivalents</u> RM	Other <u>assets*</u> RM	<u>Total</u> RM
<u>2024</u> (continued)				
Industrials				
- A-	5,127,507	-	-	5,127,507
- AA1	5,812,573	-	-	5,812,573
- AAA	1,032,232	-	-	1,032,232
Public Administration				
- AAA	4,210,873	-	-	4,210,873
Quasi-Gov				
- AAA	5,287,025	-	-	5,287,025
Real Estate				
- AA-	7,770,044	-	-	7,770,044
- A2	5,133,304	-	-	5,133,304
Technology				
- NR	-	-	110,922	110,922
Telecommunications				
- AAA	5,309,725	-	-	5,309,725
- NR	-	-	168,610	168,610
Transportation & logistics				
- NR	-	-	177,412	177,412
Utilities				
- AA-	5,433,620	-	-	5,433,620
- AA3	5,237,069	-	-	5,237,069
- AAA	15,414,759	-	-	15,414,759
- NR	-	-	268,912	268,912
Others				
- NR	-	-	149,445	149,445
	<u>144,699,823</u>	<u>8,307,593</u>	<u>7,025,164</u>	<u>160,032,580</u>
<u>2023</u>				
Consumer Discretionary				
- AA1	2,031,038	-	-	2,031,038
- NR	-	-	451,746	451,746
Consumer Staples				
- AA2	5,029,923	-	-	5,029,923
Energy				
- A+	5,673,217	-	-	5,673,217
- AAA	3,034,791	-	-	3,034,791

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

Credit risk (continued)

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

	Unquoted fixed income <u>securities</u> RM	Cash and cash <u>equivalents</u> RM	Other <u>assets*</u> RM	<u>Total</u> RM
<u>2023</u> (continued)				
Financial Services				
- AA2	7,966,325	-	-	7,966,325
- AAA	5,573,280	19,384,694	-	24,957,974
Government				
- NR	27,364,896	-	-	27,364,896
Health Care				
- AA-	7,850,010	-	-	7,850,010
- NR	-	-	35,492	35,492
Industrials				
- AA-	511,925	-	-	511,925
- AA1	5,609,049	-	-	5,609,049
- AA3	4,065,974	-	-	4,065,974
- AAA	6,168,033	-	-	6,168,033
Quasi-Gov				
- AAA	10,133,135	-	-	10,133,135
Real Estate				
- A2	5,102,469	-	-	5,102,469
- NR	-	-	21,251	21,251
Technology				
- NR	-	-	385,204	385,204
Telecommunications				
- AA+	10,318,779	-	-	10,318,779
Utilities				
- AA-	10,064,800	-	-	10,064,800
- AA1	3,122,025	-	-	3,122,025
- AA3	5,267,068	-	-	5,267,068
- AAA	17,199,186	-	-	17,199,186
- NR	-	-	215,280	215,280
Others				
- NR	-	-	579,311	579,311
	<u>142,085,923</u>	<u>19,384,694</u>	<u>1,688,284</u>	<u>163,158,901</u>

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

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 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 units by unitholders. Liquid assets comprise cash and other instruments, which are capable of being converted into cash within 7 days.

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

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

	<u>Within one month</u> RM	<u>Between one month to one year</u> RM	<u>Total</u> RM
<u>2024</u>			
Amount due to brokers	1,205,293	-	1,205,293
Amount due to Manager			
- management fee	416,768	-	416,768
- cancellation of units	1,678,945	-	1,678,945
Amount due to Trustee	19,449	-	19,449
Auditors' remuneration	-	10,500	10,500
Fund accounting fee	2,083	-	2,083
Tax agent's fee	-	3,900	3,900
Other payables and accruals	-	33,965	33,965
	<u>3,322,538</u>	<u>48,365</u>	<u>3,370,903</u>
<u>2023</u>			
Amount due to Manager			
- management fee	393,841	-	393,841
Amount due to Trustee	18,379	-	18,379
Auditors' remuneration	-	10,500	10,500
Tax agent's fee	-	7,700	7,700
Other payables and accruals	-	36,003	36,003
	<u>412,220</u>	<u>54,203</u>	<u>466,423</u>

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

Capital risk

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

3 FAIR VALUE ESTIMATION

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

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

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

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

(i) Fair value hierarchy

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

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

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

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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

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

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2024</u>				
Financial assets at fair value through profit or loss:				
- quoted equities	175,685,181	-	-	175,685,181
- unquoted fixed income securities	-	144,699,823	-	144,699,823
	<u>175,685,181</u>	<u>144,699,823</u>	<u>-</u>	<u>320,385,004</u>
<u>2023</u>				
Financial assets at fair value through profit or loss:				
- quoted equities	149,434,850	-	-	149,434,850
- unquoted fixed income securities	-	142,085,923	-	142,085,923
	<u>149,434,850</u>	<u>142,085,923</u>	<u>-</u>	<u>291,520,773</u>

Investments where values are based on quoted market prices in active markets and are therefore classified within Level 1 include active listed equities. The Fund does not adjust the quoted prices for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include unquoted fixed income securities. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

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

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

4 MANAGEMENT FEE

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

For the financial year ended 31 March 2024, the management fee is recognised at a rate of 1.50% (2023: 1.50%) 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.

5 TRUSTEE FEE

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

For the financial year ended 31 March 2024, the Trustee fee is recognised at a rate of 0.07% (2023: 0.07%) per annum on the NAV of the Fund, inclusive of local custodian fee but exclusive of foreign sub-custodian fee, 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 FUND ACCOUNTING FEE

The fund valuation and accounting fee for the Fund is RM25,000 (2023: RM Nil) for the financial year ended 31 March 2024.

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

7 TAXATION

	<u>2024</u> RM	<u>2023</u> RM
Current taxation - local	165,006	-
Current taxation - foreign	81,262	35,714
Deferred tax liabilities (Note 8)	(27,391)	27,391
Under provision of taxation in prior year	40,323	-
	<u>259,200</u>	<u>63,105</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>43,402,914</u>	<u>(2,681,066)</u>
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	10,416,699	(643,456)
Tax effects of:		
Investment income not subject to tax	(11,661,394)	(618,743)
Expenses not deductible for tax purposes	361,708	313,782
Restrictions on tax deductible expenses for Unit Trust Fund	1,020,602	1,001,571
Under provision of taxation in prior year	40,323	-
Foreign income subject to different tax rate	81,262	9,951
Tax expense	<u>259,200</u>	<u>63,105</u>

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

8 DEFERRED TAX LIABILITIES

	<u>2024</u> RM	<u>2023</u> RM
Deferred tax liabilities	-	27,391

The movements in the deferred tax liabilities balances are as follows:

	Foreign dividend receivables on financial assets at fair value through profit or loss	
	<u>2024</u> RM	<u>2023</u> RM
Balance at the beginning of the financial year	27,391	-
Transfer to income statement (Note 7)	(27,391)	27,391
Balance as at the end of the financial year	-	27,391

9 DISTRIBUTIONS

	<u>2024</u> RM	<u>2023</u> RM
Distributions to unitholders are from the following sources:		
Dividend income	1,184,433	1,798,183
Interest income	988,344	2,701,568
Previous years' realised income	-	8,909,837
Gross realised income	2,172,777	13,409,588
Less: expenses	(344,363)	-
Less: taxation	(73,698)	-
Net distribution amount	1,754,716	13,409,588

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

9 DISTRIBUTIONS (CONTINUED)

During the financial year ended 31 March 2024, distributions were made as follows:

<u>Ex-date</u>	<u>Gross Distribution per unit (sen)</u>		<u>Net Distribution per unit (sen)</u>	
	RM		RM	
20.12.2023	0.42		0.40	
	<u>Income distribution</u>		<u>Capital distribution</u>	
	RM	%	RM	%
20.12.2023	1,754,716	100.00	-	-

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

<u>Ex-date</u>	<u>Gross/Net distribution per unit (sen)</u>			
	RM			
15.06.2022				1.30
21.12.2022				1.70
				3.00
	<u>Income distribution</u>		<u>Capital distribution</u>	
	RM	%	RM	%
15.06.2022	5,743,387	100.00	-	-
21.12.2022	7,666,201	100.00	-	-

Gross distribution per unit is derived from gross realised income less expenses divided by the number of units in circulation, while net distribution per unit is derived from gross realised income less expenses and taxation divided by the number of units in circulation.

Included in distributions for the financial year is an amount of RM Nil (2023: RM8,909,837) made from previous financial years' realised income.

The Fund has incurred an unrealised loss of RM Nil (2023: RM5,246,574) for the financial year ended 31 March 2024.

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2024</u> RM	<u>2023</u> RM
Financial assets at fair value through profit or loss:		
- quoted equities – local	151,842,381	86,712,932
- quoted equities – foreign	23,842,800	62,721,918
- unquoted fixed income securities – local	144,699,823	142,085,923
	<u>320,385,004</u>	<u>291,520,773</u>
Net gain/(loss) on financial assets at fair value through profit or loss:		
- realised loss on sale of investments	(90,519)	(1,958,978)
- unrealised gain/(loss) on changes in fair value	38,700,474	(5,645,956)
	<u>38,609,955</u>	<u>(7,604,934)</u>

(a) Quoted equities – local

(i) Quoted equities – local as at 31 March 2024 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Consumer Products & Services</u>				
Genting Malaysia Bhd	5,678,300	16,207,344	15,331,410	4.61
<u>Energy</u>				
Dialog Group Bhd	4,476,700	9,350,440	10,206,876	3.07
Veleso Energy Bhd	30,637,300	7,061,932	8,884,817	2.67
	<u>35,114,000</u>	<u>16,412,372</u>	<u>19,091,693</u>	<u>5.74</u>
<u>Financial Services</u>				
CIMB Group Holdings Bhd	1,829,200	9,575,179	12,127,596	3.65
<u>Health Care</u>				
KPJ Healthcare Bhd	8,109,800	9,086,441	15,570,816	4.68

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

(a) Quoted equities – local (continued)

(i) Quoted equities – local as at 31 March 2024 are as follows: (continued)

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Property</u>				
Mah Sing Group Bhd	11,020,300	9,665,279	13,444,766	4.04
IOI Properties Group Bhd	4,479,700	7,435,360	9,989,731	3.01
SP Setia Bhd Group	119,700	172,320	174,762	0.05
	<u>15,619,700</u>	<u>17,272,959</u>	<u>23,609,259</u>	<u>7.10</u>
<u>Technology</u>				
Frontken Corp Bhd	2,201,000	5,904,694	8,495,860	2.56
Inari Amertron Bhd	4,026,100	13,001,303	12,883,520	3.88
Southern Score Builders Bhd	24,500,000	4,900,000	8,452,500	2.54
	<u>30,727,100</u>	<u>23,805,997</u>	<u>29,831,880</u>	<u>8.98</u>
<u>Telecommunication & Media</u>				
Axiata Group Bhd	3,372,200	8,054,261	9,071,218	2.73
<u>Transportation & Logistic</u>				
Malaysia Airports Holdings Bhd	1,642,700	12,185,038	16,279,157	4.90
<u>Utilities</u>				
Tenaga Nasional Bhd	960,400	8,886,581	10,929,352	3.29
Total quoted equities – local	<u>103,053,400</u>	<u>121,486,172</u>	<u>151,842,381</u>	<u>45.68</u>
Accumulated unrealised gain on quoted equities – local		<u>30,356,209</u>		
Total quoted equities – local		<u>151,842,381</u>		

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

(a) Quoted equities – local (continued)

(ii) Quoted equities – local as at 31 March 2023 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Consumer Products & Services</u>				
Genting Bhd	2,636,100	13,065,692	12,284,226	3.93
Genting Malaysia Bhd	2,383,300	6,975,518	6,315,745	2.02
	<u>5,019,400</u>	<u>20,041,210</u>	<u>18,599,971</u>	<u>5.95</u>
<u>Financial Services</u>				
Malayan Banking Bhd	767,000	6,596,200	6,573,190	2.11
<u>Industrial Products & Services</u>				
Press Metal Aluminium Holding Bhd	3,075,000	14,937,205	14,975,250	4.80
<u>Health care</u>				
KPJ Healthcare Bhd	7,176,200	8,062,364	8,037,344	2.57
<u>Technology</u>				
Frontken Corp Bhd	3,001,000	8,050,879	9,333,110	2.99
Inari Amertron Bhd	3,135,100	10,228,065	7,680,995	2.46
My EG Services Bhd	11,330,805	11,035,122	8,611,412	2.76
Southern Score Builders Bhd	24,500,000	4,900,000	5,267,500	1.68
	<u>41,966,905</u>	<u>34,214,066</u>	<u>30,893,017</u>	<u>9.89</u>
<u>Utilities</u>				
Tenaga Nasional Bhd	828,000	7,672,618	7,634,160	2.45
Total quoted equities – local	<u>58,832,505</u>	<u>91,523,663</u>	<u>86,712,932</u>	<u>27.77</u>
Accumulated unrealised loss on quoted equities – local		<u>(4,810,731)</u>		
Total quoted equities – local		<u>86,712,932</u>		

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

(b) Quoted equities – foreign

(i) Quoted equities – foreign as at 31 March 2024 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Hong Kong</u>				
<u>Consumer Discretionary</u>				
Samsonite International SA	224,600	3,151,696	4,004,723	1.20
<u>India</u>				
<u>Financial Services</u>				
HDFC Bank Ltd	48,800	4,647,714	4,001,024	1.20
<u>South Korea</u>				
<u>Technology</u>				
Samsung Electronics Co Ltd	16,580	4,621,495	4,782,692	1.44
<u>Taiwan</u>				
<u>Technology</u>				
<u>Taiwan Semiconductor</u>				
Manufacturing Company Ltd	54,800	4,701,591	6,288,574	1.89
United Microelectronics Corp.	400,200	3,002,685	3,075,437	0.93
Unimicron Technology Corp	60,000	1,631,839	1,690,350	0.51
	<u>515,000</u>	<u>9,336,115</u>	<u>11,054,361</u>	<u>3.33</u>
Total quoted equities – foreign	<u>804,980</u>	<u>21,757,020</u>	<u>23,842,800</u>	<u>7.17</u>
Accumulated unrealised gain on quoted equities – foreign		<u>2,085,780</u>		
Total quoted equities – foreign		<u>23,842,800</u>		

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

(b) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 31 March 2023 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Indonesia</u>				
<u>Consumer Discretionary</u>				
Astra International Tbk PT	973,100	1,610,200	1,716,548	0.55
<u>Telecommunication</u>				
Telkom Indonesia Persero Tbk PT	1,443,700	1,610,107	1,723,258	0.55
<u>Hong Kong</u>				
<u>Consumer Discretionary</u>				
Alibaba Group Holding Ltd	63,200	3,583,538	3,563,763	1.15
JD.com Inc	49,319	6,726,188	4,769,068	1.53
Li Ning Company Ltd	59,000	2,313,790	2,053,211	0.66
Shenzhou International Group Holdings	70,100	3,170,122	3,247,402	1.04
	<u>241,619</u>	<u>15,793,638</u>	<u>13,633,444</u>	<u>4.38</u>
<u>Financial Services</u>				
AIA Group Ltd	69,600	3,104,279	3,232,065	1.04
Hong Kong Exchange & Clearing	27,500	4,982,220	5,383,346	1.72
	<u>97,100</u>	<u>8,086,499</u>	<u>8,615,411</u>	<u>2.76</u>
<u>Real Estate</u>				
Link REIT	51,324	1,810,122	1,455,702	0.47
Sino Land Company Ltd	252,000	1,468,797	1,501,749	0.48
	<u>303,324</u>	<u>3,278,919</u>	<u>2,957,451</u>	<u>0.95</u>

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

(b) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 31 March 2023 are as follows: (continued)

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Technology</u>				
Tencent Holdings Ltd	35,100	7,320,936	7,613,076	2.44
Meituan	33,140	3,288,655	2,671,730	0.86
	<u>68,240</u>	<u>10,609,591</u>	<u>10,284,806</u>	<u>3.30</u>
 <u>South Korea</u>				
<u>Technology</u>				
Samsung Electro-Mechanics Co	6,268	2,971,175	3,244,649	1.04
Samsung Electronics Co Ltd	15,020	3,110,972	3,253,647	1.04
Samsung Electronics Co Ltd - Preference Shares	5,523	910,208	1,007,296	0.32
SK Hynix Inc	5,842	1,530,414	1,752,688	0.56
	<u>32,653</u>	<u>8,522,769</u>	<u>9,258,280</u>	<u>2.96</u>
 <u>Singapore</u>				
<u>Real Estate</u>				
Mapletree Pan Asia Commercial	557,400	3,239,981	3,310,821	1.06
 <u>Taiwan</u>				
<u>Technology</u>				
Taiwan Semiconductor Manufacturing Company Ltd	83,000	3,861,267	6,401,383	2.05
United Microelectronics Corp.	230,000	1,642,209	1,757,237	0.56
	<u>313,000</u>	<u>5,503,476</u>	<u>8,158,620</u>	<u>2.61</u>

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

(b) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 31 March 2023 are as follows: (continued)

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Thailand</u>				
<u>Consumer Staples</u>				
CP ALL PCL	382,700	3,096,221	3,063,279	0.98
Total quoted equities – foreign	<u>4,412,836</u>	<u>61,351,401</u>	<u>62,721,918</u>	<u>20.10</u>
Accumulated unrealised gain on quoted equities – foreign		<u>1,370,517</u>		
Total quoted equities – foreign		<u>62,721,918</u>		

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

(c) Unquoted fixed income securities – local

(i) Unquoted fixed income securities – local as at 31 March 2024 are as follows:

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds</u>				
4.20% Bumitama Agri Ltd 22.07.2026 (AA2)	5,000,000	5,108,532	5,079,774	1.53
5.27% Celcom Networks Sdn Bhd 28.10.2026 (AAA)	5,000,000	5,131,226	5,309,725	1.60
4.4% CIMB Group Holdings Bhd Call: 08.09.2027 (AA2)	3,000,000	3,008,598	3,057,939	0.92
3.42% Danum Capital Bhd 21.02.2035 (AAA)	5,000,000	5,018,616	4,767,990	1.43
4.9% Eco World Capital Bhd 10.08.2028 (AA-)	5,000,000	5,043,700	5,214,833	1.57
5.85% Edra Energy Sdn Bhd 05.01.2026 (AA3)	5,000,000	5,272,287	5,237,069	1.58
5.35% GENM Capital Bhd 3.05.2030 (AA1)	5,000,000	5,107,466	5,257,333	1.58
4.86% Genting Capital Bhd 08.06.2027 (AA1)	2,000,000	2,030,553	2,050,765	0.62
5.73% IJM Land Bhd Call: 19.03.2027 (A2)	5,000,000	5,010,220	5,133,304	1.54
2.97% Imtiaz Sukuk II Bhd 07.10.2025 (AA2)	5,000,000	5,074,480	5,011,649	1.51
5.74% Jimah East Power Sdn Bhd 04.06.2029 (AA-)	5,000,000	5,393,671	5,433,620	1.63
4.54% Johor Corp 6.07.2023 (AAA)	4,000,000	4,041,539	4,210,873	1.27
6.40% MEX II Sdn Bhd 28.04.2034* (D)	5,000,000	5,434,689	-	-
2.632% Malaysian Government Securities 15.04.2031 (NR)	5,000,000	4,656,290	4,708,766	1.42
3.885% Malaysian Government Securities 15.08.2029 (NR)	6,000,000	6,454,228	6,093,118	1.83
4.13% Government Investment Issues 09.07.2029 (NR)	10,000,000	10,696,102	10,314,173	3.10

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

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

(i) Unquoted fixed income securities – local as at 31 March 2024 are as follows:
(continued)

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds (continued)</u>				
4.00% Pengurusan Air SPV Bhd 30.10.2034 (AAA)	5,000,000	5,084,252	5,068,434	1.52
4.31% Petroleum Sarawak Exploration & Production Sdn Bhd 22.02.2028 (AAA)	3,000,000	3,018,958	3,079,396	0.93
4.54% Petroleum Sarawak Exploration & Production Sdn Bhd 22.02.2030 (AAA)	5,000,000	5,112,447	5,207,105	1.57
4.44% Plus Bhd 12.01.2028 (AAA)	1,000,000	1,009,672	1,032,232	0.31
5.65% Sarawak Energy Bhd 23.06.2026 (AAA)	5,000,000	5,336,235	5,287,025	1.59
4.47% Bakun Hydro Power Generation Sdn Bhd 11.08.2027 (AAA)	5,000,000	5,279,330	5,145,592	1.55
4.56% Bakun Hydro Power Generation Sdn Bhd 10.08.2029 (AAA)	5,000,000	5,255,014	5,200,733	1.56
4.23% SMJ Energy Sdn Bhd 26.10.2028 (AAA)	5,000,000	5,091,422	5,187,303	1.56
4.67% SMJ Energy Sdn Bhd 26.10.2038 (AAA)	5,000,000	5,100,918	5,382,477	1.62
3.95% TG Excellence Bhd Call: 27.02.2025 (A)	8,000,000	7,979,346	7,948,636	2.39
5.90% TRIpIc Medical Sdn Bhd 23.10.2035 (AA1)	5,000,000	5,459,057	5,812,573	1.75
4.5% UEM Sunrise Bhd 12.02.2029 (AA-)	2,500,000	2,524,137	2,555,211	0.77
5.7% UiTM Solar Power Sdn Bhd 27.4.2027 (A+)	5,000,000	5,115,252	5,247,189	1.58
6.2% UiTM Solar Power Sdn Bhd 27.4.2032 (A+)	500,000	505,246	537,479	0.16
7.5% Yinson Holdings Bhd 08.03.2029 (AA-)	5,000,000	5,024,268	5,127,507	1.54
Total unquoted fixed income securities – local	<u>145,000,000</u>	<u>149,377,751</u>	<u>144,699,823</u>	<u>43.53</u>
Accumulated unrealised loss on unquoted fixed income securities – local		<u>(4,677,928)</u>		
Total unquoted fixed income securities – local		<u>144,699,823</u>		

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

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

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

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds</u>				
4.39% Amanat Lebuhraya Rakyat Bhd 13.10.2025 (AAA)	5,000,000	5,120,118	5,148,533	1.65
4.20% Bumitama Agri Ltd 22.07.2026 (AA2)	5,000,000	5,134,257	5,029,923	1.61
5.27% Celcom Networks Sdn Bhd 28.10.2026 (AA+)	5,000,000	5,139,139	5,310,897	1.70
4.4% CIMB Group Holdings Bhd Call: 08.09.2027 (AA2)	3,000,000	3,008,598	3,022,269	0.97
2.96% Danga Capital Bhd 25.01.2028 (AAA)	5,000,000	4,845,666	4,796,712	1.54
3.42% Danum Capital Bhd 21.02.2035 (AAA)	5,000,000	5,018,149	4,558,321	1.46
4.30% Danum Capital Bhd 13.02.2026 (AAA)	1,000,000	1,020,780	1,014,959	0.33
3.93% Edotco Malaysia Sdn Bhd 9.09.2025 (AA+)	5,000,000	5,012,278	5,007,882	1.60
5.85% Edra Energy Sdn Bhd 05.01.2026 (AA3)	5,000,000	5,381,518	5,267,068	1.69
4.73% Gas Malaysia Distribution 10.12.2027 (AAA)	2,000,000	2,030,081	2,083,610	0.67
4.86% Genting Capital Bhd 08.06.2027 (AA1)	2,000,000	2,030,303	2,031,038	0.65
4.64% IJM Corporation Bhd 02.06.2023 (AA3)	4,000,000	4,071,060	4,065,974	1.30
5.73% IJM Land Bhd Call: 19.03.2027 (A2)	5,000,000	5,009,429	5,102,469	1.63
2.97% Imtiaz Sukuk II Bhd 07.10.2025 (AA2)	5,000,000	5,076,984	4,944,056	1.58
5.74% Jimah East Power Sdn Bhd 04.06.2029 (AA-)	5,000,000	5,442,758	5,346,647	1.71
6.40% MEX II Sdn Bhd 28.04.2034* (D)	5,000,000	5,434,689	-	-
3.906% Malaysian Government Securities 15.07.2026 (NR)	2,000,000	2,043,456	2,049,801	0.66
3.582% Malaysian Government Securities 15.07.2032 (NR)	5,000,000	4,883,595	4,920,101	1.58
3.885% Malaysian Government Securities 15.08.2029 (NR)	6,000,000	6,526,969	6,050,217	1.94
4.13% Government Investment Issues 09.07.2029 (NR)	9,000,000	9,763,980	9,219,197	2.95
4.245% Government Investment Issues 30.09.2030 (NR)	5,000,000	5,146,867	5,125,580	1.64

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

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

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

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Bonds</u> (continued)				
4.00% Pengurusan Air SPV Bhd 30.10.2034 (AAA)	5,000,000	5,083,155	4,854,288	1.56
4.31% Petroleum Sarawak Explo 22.02.2028 (AAA)	3,000,000	3,019,823	3,034,791	0.97
4.44% Plus Bhd 12.01.2028 (AAA)	1,000,000	1,009,550	1,019,500	0.33
5.65% Sarawak Energy Bhd 23.06.2026 (AAA)	5,000,000	5,449,447	5,336,423	1.71
4.47% Bakun Hydro Power Generation Sdn Bhd 11.08.2027 (AAA)	5,000,000	5,348,682	5,116,129	1.64
4.56% Bakun Hydro Power Generation Sdn Bhd 10.08.2029 (AAA)	5,000,000	5,291,890	5,145,159	1.65
5.04% Southern Power Generation SB 28.04.2028 (AA-)	4,500,000	4,594,385	4,718,153	1.51
3.95% TG Excellence Bhd Call: 27.02.2025 (AA-)	8,000,000	7,977,380	7,850,010	2.51
5.90% TRIplic Medical Sdn Bhd 23.10.2035 (AA1)	5,000,000	5,477,052	5,609,049	1.80
5.7% UiTM Solar Power Sdn Bhd 27.4.2027 (A+)	5,000,000	5,112,414	5,159,758	1.65
6.2% UiTM Solar Power Sdn Bhd 27.4.2032 (A+)	500,000	504,421	513,459	0.16
5.17% WCT Holdings Bhd 23.10.2023 (AA-)	500,000	511,460	511,925	0.16
5.05% YTL Power International Bhd 03.05.2027 (AA1)	3,000,000	3,061,789	3,122,025	1.00
Total unquoted fixed income securities – local	<u>144,500,000</u>	<u>149,582,122</u>	<u>142,085,923</u>	<u>45.51</u>
Accumulated unrealised loss on unquoted fixed income securities – local		<u>(7,496,199)</u>		
Total unquoted fixed income securities – local		<u>142,085,923</u>		

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

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

* MEX II Sdn Bhd

On 3 January 2022, the Trustee declared an event of default when MEX II Sdn Bhd ("the Company") failed to make payment on the due date of 31 December 2021. On 5 January 2022, MEX II applied for a Judicial Management Order, which faced multiple adjournments before the High Court dismissed it on 26 April 2022. Despite subsequent appeals filed by MEX II, both the Court of Appeal on 15 May 2023 and the Federal Court on 26 September 2023, upheld the previous dismissal, exhausting MEX II's avenues for appeal in this matter.

BDO Consulting Sdn Bhd ("BDO") has been appointed as the Receiver and Manager effective 28 February 2023, following the notice of intention to resign from Ernst & Young Advisory Services Sdn Bhd on 13 February 2023, and cessation to act as the Receiver and Manager effective 27 February 2023. BDO is working closely with the Sukuk holders Working Group on potential solutions to maximise recovery value for the Sukuk holders. BDO has submitted a restructuring proposal to the Government of Malaysia ("GOM") and discussions with the GOM are currently ongoing.

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

11 CASH AND CASH EQUIVALENTS

	<u>2024</u> RM	<u>2023</u> RM
Cash and bank balances	6,306,524	14,310,649
Deposit with a licensed financial institution	2,001,069	5,074,045
	<u>8,307,593</u>	<u>19,384,694</u>

Weighted average effective interest rates per annum of deposit with a licensed financial institution are as follows:

	<u>2024</u> %	<u>2023</u> %
Deposit with a licensed financial institution	<u>3.00</u>	<u>2.75</u>

Deposit with a licensed financial institution of the Fund have an average remaining maturity period of 1 day (2023: 3 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	459,816,000	434,800,000
Creation of units arising from applications	24,747,000	33,206,210
Creation of units arising from distributions	2,516,439	19,763,061
Cancellation of units	(57,257,439)	(27,953,271)
At the end of the financial year	<u>429,822,000</u>	<u>459,816,000</u>

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

13 TRANSACTIONS WITH BROKERS AND DEALERS

(i) Details of transactions with the top 10 brokers and dealers for the financial year ended 31 March 2024 are as follows:

<u>Name of brokers and dealers</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> %
Citibank Bhd	38,817,900	7.86	-	-
Maybank Investment Bank Bhd	30,522,229	6.18	76,306	10.22
CLSA Securities Malaysia Sdn Bhd	27,926,312	5.66	67,579	9.05
CIMB Bank Bhd	25,953,000	5.26	-	-
RHB Investment Bank Bhd	24,357,105	4.93	21,410	2.87
Affin Hwang Investment Bank Bhd#	20,741,625	4.20	51,854	6.95
CLSA Ltd	20,361,863	4.12	26,944	3.61
United Overseas Bank (Malaysia) Bhd	20,009,000	4.05	-	-
CLSA Singapore Pte Ltd	16,706,872	3.38	16,231	2.17
Credit Lyonnais Securities Seoul	16,207,373	3.28	40,518	5.43
Others	252,144,224	51.08	445,581	59.70
	<u>493,747,503</u>	<u>100.00</u>	<u>746,423</u>	<u>100.00</u>

(ii) Details of transactions with the top 10 brokers and dealers for the financial year ended 31 March 2023 are as follows:

<u>Name of brokers and dealers</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> %
JP Morgan Securities (Malaysia) Sdn Bhd	30,241,217	7.31	75,603	10.43
Macquarie (M) Sdn Bhd	25,080,961	6.06	60,573	8.36
Affin Hwang Investment Bank Bhd#	23,980,735	5.79	59,952	8.27
RHB Investment Bank Bhd	22,853,473	5.52	19,571	2.70
JP Morgan Chase Bank Bhd	20,129,400	4.86	-	-
CIMB Islamic Bank Bhd	19,126,000	4.62	-	-
Maybank Investment Bank Bhd	18,107,447	4.37	45,269	6.25
Cmb International Global Markets Ltd	16,971,278	4.10	33,942	4.68
UOB Kay Hian Sec (M) Sdn Bhd	15,970,105	3.86	39,925	5.51
Merrill Lynch International Equities	13,749,603	3.32	36,099	4.98
Others	207,813,770	50.19	353,897	48.82
	<u>414,023,989</u>	<u>100.00</u>	<u>724,831</u>	<u>100.00</u>

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

13 TRANSACTIONS WITH BROKERS AND DEALERS (CONTINUED)

Included in transactions with brokers and dealers are trades conducted with Affin Hwang Investment Bank Bhd, the former immediate holding company of the Manager amounting to RM20,741,625 (2023: RM23,980,735). The Manager is of the opinion that the transactions with the related company have been entered into in the normal course of business at agreed terms between the related parties.

14 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 SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

14 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 :

	2024		2023	
	No. of units	RM	No. of units	RM
<u>The Manager of the Fund:</u>				
AHAM Asset Management (The unit are held legally for booking purposes)	72,672	56,205	43,497	29,534

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

15 TOTAL EXPENSE RATIO (“TER”)

	2024	2023
	%	%
TER	1.61	1.58

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 sales and service tax on transaction costs and withholding tax
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 RM312,397,735 (2023: RM307,677,350).

AHAM SELECT BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONTINUED)

16 PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2024</u>	<u>2023</u>
PTR (times)	<u>0.80</u>	<u>0.72</u>

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 = RM244,595,655 (2023: RM238,996,729)
total disposal for the financial year = RM253,824,078 (2023:RM206,072,995)

17 SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Change in substantial shareholders of AHAM Asset Management Berhad

On 19 April 2023, Nikko Asset Management International Limited ("NAMI") has divested all its equity interest of 27% in AHAM Asset Management Berhad to Nikko Asset Management Co., Ltd ("NAM") for 20% and remaining 7% of the equity interest to Lembaga Tabung Angkatan Tentera ("LTAT"), resulting in both NAM and LTAT becoming substantial shareholders of the Manager.

AHAM SELECT BALANCED 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 47 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 31 March 2024 and of its financial performance, changes in equity and cash flows for the financial year ended 31 March 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 May 2024

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF AHAM SELECT BALANCED FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of AHAM Select Balanced Fund (“the Fund”) give a true and fair view of the financial position of the Fund as at 31 March 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 31 March 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 47.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the “Auditors’ responsibilities for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (“By-Laws”) and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF AHAM SELECT BALANCED FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The Manager of the Fund is responsible for the other information. The other information comprises the Manager's Report, but does not include the financial statements of the Fund and our auditors' report thereon.

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

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

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

Responsibilities of the Manager for the financial statements

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

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

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 SELECT BALANCED 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 SELECT BALANCED 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 May 2024

DIRECTORY OF SALES OFFICE

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