

SEMI-ANNUAL REPORT
30 September 2023

AHAM Select
Balanced Fund
(Formerly known as
Affin Hwang Select
Balanced Fund)

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

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

AHAM SELECT BALANCED FUND (FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

Semi-Annual Report and Unaudited Financial Statements
For the 6 Months Financial Period Ended 30 September 2023

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FUND INFORMATION

Fund Name	AHAM Select Balanced Fund (Formerly known as Affin Hwang 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	Weighted average of the FTSE Bursa Malaysia Top 100 Index ("FBM 100") performance (for equity investment) and current Maybank 12-month fixed deposit rate
Distribution Policy	Subject to the availability of income, the Fund will distribute income on a semi-annual basis. However, the income available for distribution may fluctuate from year to year.

FUND PERFORMANCE DATA

Category	As at 30 Sep 2023 (%)	As at 30 Sep 2022 (%)	As at 30 Sep 2021 (%)
Portfolio composition			
Quoted equities – local			
- Construction	-	1.36	-
- Consumer products & services	5.56	11.80	8.33
- Financial services	4.93	4.48	5.71
- Health care	4.34	-	-
- Industrial products & services	4.74	5.30	3.05
- Plantation	-	1.81	-
- Technology	7.30	7.84	8.82
- Telecommunications & media	-	-	3.78
- Utilities	4.99	0.49	-
- Property	4.62	-	-
Total quoted equities – local	36.48	33.08	29.69
Quoted equities – foreign			
- Consumer discretionary	-	5.51	7.58
- Consumer staples	1.93	1.54	2.91
- Financial services	1.82	2.83	1.95
- Healthcare	-	0.54	2.93
- Industrial	-	-	-
- Energy	-	-	1.01
- Real estate	0.90	0.45	1.08
- Technology	9.34	4.46	8.47
Total quoted equities – foreign	13.99	15.33	25.93
Unquoted fixed income securities – local	43.09	39.95	40.75
Cash & cash equivalent	6.44	11.64	3.63
Total	100.00	100.00	100.00
Total NAV (RM'million)	305.139	300.812	322.038
NAV per Unit (RM)	0.6803	0.6613	0.7621
Unit in Circulation (million)	448.529	454.862	422.551
Highest NAV	0.6920	0.7182	0.7940
Lowest NAV	0.6690	0.6584	0.7453
Return of the Fund (%)	0.19	-5.85	-0.68
- Capital Growth (%)	0.19	-7.63	-2.46
- Income Distribution (%)	Nil	1.92	1.83
Gross Distribution per Unit (sen)	Nil	1.30	1.40
Net Distribution per Unit (sen)	Nil	1.30	1.40
Total Expense Ratio (%) ¹	0.80	0.80	0.82
Portfolio Turnover Ratio (times) ²	0.41	0.26	0.42

¹The TER of the Fund was unchanged compared to the previous period under review.

²The PTR of the Fund was higher than previous period under review due to higher trading activities during the financial period.

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

Financial Period ended 30 September 2023

No income distribution or unit split were declared for the financial period ended 30 September 2023.

Financial Period ended 30 September 2022

Cum Date	Ex-Date	Cum-distribution (RM)	Distribution per Unit (RM)	Ex-distribution (RM)
14-Jun-22	15-Jun-22	0.6916	0.0130	0.6769

Financial Period ended 30 September 2021

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

Breakdown of Distribution

No income distribution or unit split were declared for the financial period ended 30 September 2023.

Fund Performance

Table 1: Performance of the Fund

	6 Months (1/4/23 - 30/9/23)	1 Year (1/10/22 - 30/9/23)	3 Years (1/10/20 - 30/9/23)	5 Years (1/10/18 - 30/9/23)	Since Commencement (18/8/03 - 30/9/23)
Fund	0.19%	5.52%	1.37%	23.29%	364.47%
Benchmark	1.39%	4.17%	1.76%	(2.16%)	106.54%
Outperformance	(1.20%)	1.35%	(0.39%)	25.45%	257.93%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/10/22 - 30/9/23)	3 Years (1/10/20 - 30/9/23)	5 Years (1/10/18 - 30/9/23)	Since Commencement (18/8/03 - 30/9/23)
Fund	5.52%	0.45%	4.27%	7.93%
Benchmark	4.17%	0.58%	(0.43%)	3.67%
Outperformance	1.35%	(0.13%)	4.70%	4.26%

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2023 (1/4/22 -	FYE 2022 (1/4/21 -	FYE 2021 (1/4/20 -	FYE 2020 (1/4/19 -	FYE 2019 (1/4/18 -
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	31/3/23)	31/3/22)	31/3/21)	31/3/20)	31/3/19)
Fund	(0.84%)	(5.05%)	34.52%	(2.18%)	(1.15%)
Benchmark	(3.06%)	0.08%	12.32%	(8.70%)	(4.07%)
Outperformance	2.22%	(5.13%)	22.20%	6.52%	2.92%

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.

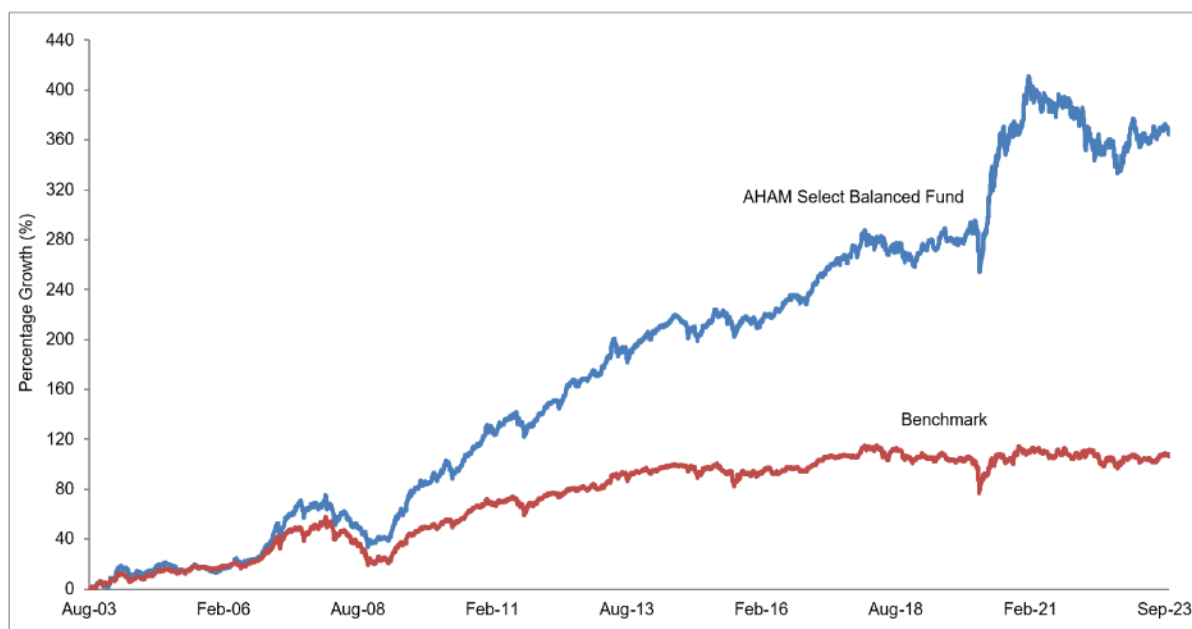
MANAGER'S REPORT

Performance Review (1 April 2023 to 30 September 2023)

For the period 1 April 2023 to 30 September 2023, the Fund registered a 0.19% return compared to the benchmark return of 1.39%. The Fund thus underperformed the Benchmark by 1.20%. The Net Asset Value per unit ("NAV") of the Fund as at 30 September 2023 was RM0.6803 while the NAV as at 31 March 2023 was RM0.6790.

Since commencement, the Fund has registered a return of 364.47% compared to the benchmark return of 106.54%, outperforming by 257.93%.

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 30 September 2023, the asset allocation of the Fund stood at 50.47% (2022: 48.41%) in equities, 43.09% in fixed income securities, while the balance was held in cash and cash equivalent. During the period under review, the Manger increased exposure towards property, utilities and healthcare while trimming exposure from Consumer product & services, construction and plantation. Cash level was decreased to 6.44% level as the Manager took the opportunity to increase exposure to equities after passing through a period of volatility.

Strategies Employed

The Fund remained focus on providing investors with a balanced exposure into both equities and fixed income opportunities.

With extreme volatility in markets due to geopolitical instability and a market recovering from the impact of a global pandemic, the Manager increased cash levels and continue to seek for opportunities in high quality equities and fixed income instruments.

Market Review

Over the period under review, the Standard and Poor's ("S&P") 500 returned 5.18% while the Morgan Stanley Capital International ("MSCI") AC World index returned 2.84%. Specific to the Asian region, MSCI AC Asia ex Japan Index returned -4.35% while locally, the Financial Times Stock Exchange ("FTSE") Bursa Malaysia returned 2.26%. Bond markets were neutral over the year with the Bloomberg Barclays Global Aggregate Index returning -5.06%. Domestically, bond markets' benchmark 10-year Malaysian Government Securities ("MGS") yield closed at 3.97%.

Market volatility persisted across the global economy as macro events and policy rate hikes over the past year affected stock and bond markets. The economic fallout from the Covid-19 pandemic coupled with the Russia-Ukraine conflict has disrupted supply chains and commodity markets, weighing heavily on global economic growth. Central banks continue to attempt rein in inflation contributed by supply-demand imbalances and volatility in energy prices among other factors through monetary policy, which inadvertently played a role in destabilising the banking sector March this year.

The US Federal Reserve ("Fed") raised their policy rates in monetary policy committee meetings since March last year, to of 5.50% in July 2023. Although holding interest rates at the September 2023 Federal Open Market Committee Meeting (FOMC), the central bank signalled that interest rates could stay higher for longer to keep a lid on inflation. The sharp pace of policy tightening over the past months raised concerns in the financial markets of an over-tightening that could lead to a growth slowdown, or even a potential recession. Further signs of tension in the economy were also visible in March this year as the fallout of Silicon Valley Bank and the emergency rescue of Credit Suisse triggered concerns of contagion to other vulnerable banks. In addition to fractures in the banking sector, other notable events over the year included the concern over the US approaching its debt ceiling in January, failing which to reach a consensus to suspend or raise the limit could result in a catastrophic default. However, investors heaved a sigh of relief after lawmakers passed a bill to raise the debt ceiling, in a deal that included concessions on spending expected to have limited effect on economic growth. Despite narrowly avoiding a default, the U.S did not escape unscathed as Fitch Ratings downgraded its rating on U.S. debt, quoting in a press release "The repeated debt-limit political standoffs and last-minute resolutions have eroded confidence in fiscal management,".

US equities was volatile throughout the year, as the financial sector disruption troubled markets in the first quarter of 2023, while gains in the second quarter of the year was mostly driven by the fervour and enthusiasm over new developments in artificial intelligence ("AI"). Zooming in closer on a monthly basis, although US equities ended July 2023 upbeat, gains were pared back, falling 1.77% over the month of August as stronger than expected economic data spurred bond yields close at 4.11%, a new high. US equities continued to swoon in September as the Fed struck a hawkish stance in its policy meeting, with the Nasdaq index plunging 5.81% as rate sensitive shares lost ground.

In Asia, despite starting off 2023 strong, Chinese equity trended downwards following the country's reopening after the pandemic started to cool before lifting in July, driven by stimulus optimism in China, evident as the MSCI China Index vaulted 9.30% in July as top party leaders unveiled measures at its Politburo meeting to reinvigorate growth in the country. Among the measures include a pledge by Beijing to provide stimulus support for its beleaguered property sector. Top party leaders also emphasised the need for measures to tackle youth unemployment as well as accelerate the issuance of local government special bonds to spur government investment. While there were no explicit announcements of blockbuster stimulus, the overall policy tone from the Politburo meeting did exceed expectations. There was an acknowledgement of pressing issues on-the-ground that could result in targeted easing measures to bolster growth and lift sentiment. Investors however remain doubtful on whether the stimulus measures would suffice to arrest the decline in growth as gains made in July were quickly neutralised by the end of August. Bright spots were seen in China's economy by September as recent purchasing managers index ("PMI") data bouncing back to expansion territory climbing to 50.2 in September from 49.7 in the previous month, beating market expectations. The 50-point threshold separates growth from contraction.

Back in Malaysia, several policy announcements by the government caught the attention of investors. These positive sentiments lifted foreign investors' confidence as they poured into local equities. These included the Ekonomi Madani Plan which outlined several key economic targets, Part 1 of the National Energy Transition Roadmap which intends to achieve 70% renewable energy capacity mix by 2050 and Part 2 of the National Energy Transition Roadmap as well as the New Industrial Masterplan. There was also greater political clarity

following the conclusion of state elections. As widely expected, the Pakatan Harapan-Barisan Nasional coalition retained Selangor, Penang and Negeri Sembilan, while Perikatan Nasional held on to their strongholds in Kedah, Kelantan and Terengganu. The more recent by-elections for the Pulau Pulau parliamentary seat and Simpang Jeram state seat in Johor concluded with the Pakatan Harapan-Barisan Nasional (PH-BN) coalition defending both seats.

In line with a higher U.S. Treasury (“UST”), the MGS yields also bore the brunt selling off by +10-17bps higher month on month in September 2023, led by the long end. The MGS curve bear steepened moderately in 3Q23 as investors demand a higher risk premium on long duration in a bearish environment while the front end held up better as Bank Negara Malaysia’s (“BNM”) language in the September Monetary Policy Committee (“MPC”) meeting gave clearer signal of an extended OPR pause for the remaining of the year. The yields for 3-year, 5-year, and 10-year papers ended September 2023 at 3.58% (+12bps), 3.72% (+14bps) and 3.98% (+14bp), respectively with the 30-year yield +17bps closing the month at 4.44%. We may see further correction in yields as USTs remain volatile while the domestic bond market has done relatively well over the past 8 months.

The strong US growth, higher coupon supply and renewed inflation concerns following higher oil prices weighed heavily on USTs by the end of the financial year. The 2-year, 5-year and 10-year yields ended the September 2023 at 5.04% (+18bps), 4.61% (+35bps) and 4.57% (+46bps) respectively. The 30-year UST also went higher by 49bps to close at 4.70%. The inversion between the 2-year and 10-year US Treasury narrowed to -47bps (Aug: -75bps).

Investment Outlook

The US economic data continue to send mixed signals, leading to an increased market conviction that the US may avoid a recession in 2023 and move towards a soft landing. Economic data has been stronger than expected and earnings have been resilient. The larger cap stocks in particular have outperformed driven by various factors. There is a risk that the Fed will hike rates by another 25bps in 2023; however. With developed markets peak cycle in the horizon, risk appetite is seen returning to the Emerging Markets (“EM”) space given that EM has better shielded economics against inflation.

In Asia, improvements in China’s economic data may indicate that the country’s economic downturn is stabilising. It will be crucial to continuously monitor key economic indicators and substantial stimulus announcements from Beijing.

Local factors remain supportive of MGS given slower GDP growth, moderate inflation, stable interest rate and neutral supply profile although UST risk persist. Easing inflationary pressure and resilient demand from domestic investors could also provide support. The state election results affirmed the current political status quo, we could see renewed focus by the government on implementing policy reforms. Expectations are high for fiscal reform measures, including targeted fuel subsidies and stimulus packages for significant infrastructure projects. We could also see more granular details on policy frameworks previously announced such as the National Energy Transition Roadmap and the New Industrial Master Plan.

State of Affairs of the Fund

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

Soft Commissions received from Brokers

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

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

During the financial year under review, 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 were carried out during the reported period.

Securities Financing Transactions

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

Changes Made To the Fund's Prospectus

There were no changes made to the Fund's prospectus during the financial period under review.

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF AHAM SELECT BALANCED FUND (FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND) ("Fund")

We have acted as Trustee of the Fund for the financial period ended 30 September 2023 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 period 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.

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
15 November 2023

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

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AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

UNAUDITED SEMI-ANNUAL STATEMENT OF COMPREHENSIVE INCOME
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

	<u>Note</u>	6 months financial period ended <u>30.9.2023</u> RM	6 months financial period ended <u>30.9.2022</u> RM
INVESTMENT INCOME/(LOSS)			
Dividend income		2,671,457	2,428,330
Interest income from financial assets at amortised cost		241,917	111,786
Interest income from financial assets at fair value through profit or loss		2,685,482	2,663,167
Net gain on foreign currency exchange		386,834	1,876,496
Net loss on financial assets at fair value through profit or loss	9	(2,123,566)	(22,769,452)
		<u>3,862,124</u>	<u>(15,689,673)</u>
EXPENSES			
Management fee	4	(2,343,581)	(2,306,464)
Trustee fee	5	(109,422)	(107,672)
Fund accounting fee	6	(12,500)	-
Auditors' remuneration		(5,397)	(5,265)
Tax agent's fee		(2,005)	(1,905)
Transaction costs		(421,586)	(439,675)
Other expenses		(141,526)	(45,557)
		<u>(3,036,017)</u>	<u>(2,906,538)</u>
NET PROFIT/(LOSS) BEFORE TAXATION		826,107	(18,596,211)
Taxation	7	(217,159)	-
NET PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL PERIOD		<u>608,948</u>	<u>(18,596,211)</u>
Net profit/(loss) after taxation is made up of the following:			
Realised amount		(1,320,717)	977,865
Unrealised amount		1,929,665	(19,574,076)
		<u>608,948</u>	<u>(18,596,211)</u>

The accompanying summary of significant accounting policies and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

UNAUDITED SEMI-ANNUAL STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023

	<u>Note</u>	<u>2023</u> RM	<u>2022</u> RM
ASSETS			
Cash and cash equivalents	10	17,093,414	32,646,678
Amount due from brokers		2,589,776	1,779,675
Amount due from Manager			
- creation of units		-	290,815
Dividends receivable		1,337,350	891,519
Financial assets at fair value through profit or loss	9	285,464,159	265,650,352
Tax recoverable		34,236	-
TOTAL ASSETS		<u>306,518,935</u>	<u>301,259,039</u>
LIABILITIES			
Amount due to brokers		617,320	-
Amount due to Manager			
- management fee		381,135	379,820
- cancellation of units		316,355	-
Amount due to Trustee		17,786	17,725
Fund accounting fee		2,083	-
Auditors' remuneration		5,397	5,251
Tax agent's fee		5,905	5,705
Other payables and accruals		34,418	38,054
TOTAL LIABILITIES		<u>1,380,399</u>	<u>446,555</u>
NET ASSET VALUE OF THE FUND		<u>305,138,536</u>	<u>300,812,484</u>
EQUITY			
Unitholders' capital		284,600,735	289,069,470
Retained earnings		20,537,801	11,743,014
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>305,138,536</u>	<u>300,812,484</u>
NUMBER OF UNITS IN CIRCULATION	11	<u>448,529,000</u>	<u>454,862,000</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.6803</u>	<u>0.6613</u>

The accompanying summary of significant accounting policies and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

UNAUDITED SEMI-ANNUAL STATEMENT OF CHANGES IN EQUITY
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

	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 period	-	608,948	608,948
Movement in Unitholders' capital:			
Creation of units arising from applications	7,743,900	-	7,743,900
Cancellation of units	(15,448,535)	-	(15,448,535)
Balance as at 30 September 2023	<u>284,600,735</u>	<u>20,537,801</u>	<u>305,138,536</u>
Balance as at 1 April 2022	275,187,947	36,082,612	311,270,559
Total comprehensive loss for the financial period	-	(18,596,211)	(18,596,211)
Distribution (Note 8)	-	(5,743,387)	(5,743,387)
Movement in Unitholders' capital:			
Creation of units arising from applications	18,327,375	-	18,327,375
Creation of units arising from distribution	5,655,865	-	5,655,865
Cancellation of units	(10,101,717)	-	(10,101,717)
Balance as at 30 September 2022	<u>289,069,470</u>	<u>11,743,014</u>	<u>300,812,484</u>

The accompanying summary of significant accounting policies and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

UNAUDITED SEMI-ANNUAL STATEMENT OF CASH FLOWS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

	<u>Note</u>	6 months financial period ended <u>30.9.2023</u> RM	6 months financial period ended <u>30.9.2022</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		124,395,976	63,757,723
Purchase of investments		(124,309,021)	(90,427,998)
Dividends received		2,443,080	2,318,845
Interest received		3,349,554	3,214,276
Management fee paid		(2,356,287)	(2,319,309)
Trustee fee paid		(110,015)	(108,271)
Fund accounting fee paid		(10,417)	-
Payment for other fees and expenses		(578,997)	(497,634)
Net realised gain/(loss) on foreign currency exchange		1,355,011	(8,972)
Tax paid		(144,500)	-
Net cash flows generated from/(used in) operating activities		<u>4,034,384</u>	<u>(24,071,340)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		8,323,211	19,779,441
Payments for cancellation of units		(15,132,180)	(10,101,717)
Payment for distribution		-	(87,522)
Net cash flows (used in)/generated from financing activities		<u>(6,808,969)</u>	<u>9,590,202</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		(2,774,585)	(14,481,138)
EFFECTS OF FOREIGN CURRENCY EXCHANGE		483,305	1,885,468
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD		<u>19,384,694</u>	<u>45,242,348</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	10	<u><u>17,093,414</u></u>	<u><u>32,646,678</u></u>

The accompanying summary of significant accounting policies and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

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 revenues and expenses during the reported financial period. It also requires the Manager to exercise their judgment in the process of applying the Fund’s accounting policies. Although these estimates and judgment are based on the Manager’s best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgment 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 effective:

- Amendments to MFRS 3 ‘Reference to Conceptual Framework’ (effective 1 January 2022) replace the reference to Framework for Preparation and Presentation of Financial Statements with 2018 Conceptual Framework.
- Annual Improvements to MFRSs 2018 – 2020 Cycle (effective for annual periods beginning on or after 1 January 2022).
- Amendments to MFRS 137 ‘Onerous contracts - cost of fulfilling a contract’ (effective 1 January 2022) clarify that direct costs of fulfilling a contract include both the incremental cost of fulfilling the contract as well as an allocation of other costs directly related to fulfilling contracts.

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

(b) Standards and amendments that have been issued 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
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

(b) Standards and amendments that have been issued 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 gain and losses on sale of investment is 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
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

D TAXATION

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

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

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

E DISTRIBUTION

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

F FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). The financial statements are presented in Ringgit Malaysia (“RM”), which is the Fund’s functional and presentation currency.

G FOREIGN CURRENCY TRANSLATION

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

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 equity securities as fair value through other comprehensive income.

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(i) Classification (continued)

The contractual cash flows of the Fund's debt securities are solely payment 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 brokers, amount due from Manager and dividend receivables as financial assets at amortised cost as these financial assets are held to collect contractual cash flows that represent SPPI.

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.

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

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 period 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.

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

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.

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
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

Qualitative criteria:

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

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

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

Write-off

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

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

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 changes 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
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (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 is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial period 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 NAV per unit at the time of creation or cancellation. The Fund's NAV per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units.

L CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS 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 judgments 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 judgment 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
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

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 Eight Supplemental Deed dated 28 December 2022 (the “Deeds”) entered into between AHAM Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”). The Fund has changed its name from HwangDBS 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.

- (i) Securities of companies listed on Bursa Malaysia and any other exchanges of countries who are members of International Organization of Securities Commissions;
- (ii) Unlisted securities including, without limitation, securities that have been approved by the relevant 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, exchanged-traded funds and private retirement schemes as well as providing fund management services to private clients. On 10 November 2022, the Manager has changed its name from Affin Hwang Asset Management Berhad to AHAM Asset Management Berhad.

The financial statements were authorised for issue by the Manager on 15 November 2023.

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVE 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>2023</u>				
<u>Financial assets</u>				
Cash and cash equivalents	10	17,093,414	-	17,093,414
Amount due from brokers		2,589,776	-	2,589,776
Amount due from Manager		-	-	-
- creation of units		-	-	-
Dividend receivables		1,337,350	-	1,337,350
Quoted equities	9	-	153,994,940	153,994,940
Unquoted fixed income securities	9	-	131,469,219	131,469,219
Total		<u>21,020,540</u>	<u>285,464,159</u>	<u>306,484,699</u>
<u>Financial liabilities</u>				
Amount due to brokers		617,320	-	617,320
Amount due to Manager		-	-	-
- management fee		381,135	-	381,135
- cancellation of units		316,355	-	316,355
Amount due to Trustee		17,786	-	17,786
Fund accounting fee		2,083	-	2,083
Auditor's remuneration		5,397	-	5,397
Tax agent's Fee		5,905	-	5,905
Other payable and accruals		34,418	-	34,418
Total		<u>1,380,399</u>	<u>-</u>	<u>1,380,399</u>

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVE 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>2022</u>				
<u>Financial assets</u>				
Cash and cash equivalents	10	32,646,678	-	32,646,678
Amount due from brokers		1,779,675	-	1,779,675
Amount due from Manager				
- creation of units		290,815	-	290,815
Dividend receivables		891,519	-	891,519
Quoted equities	9	-	145,505,871	145,505,871
Unquoted fixed income securities	9	-	120,144,481	120,144,481
Total		<u>35,608,687</u>	<u>265,650,352</u>	<u>301,259,039</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		379,820	-	379,820
Amount due to Trustee		17,725	-	17,725
Auditor's remuneration		5,251	-	5,251
Tax agent's Fee		5,705	-	5,705
Other payable and accruals		38,054	-	38,054
Total		<u>446,555</u>	<u>-</u>	<u>446,555</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.

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.

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

Market risk (continued)

(a) Price risk (continued)

The Fund's overall exposure to price risk was as follow.

	<u>2023</u> RM	<u>2022</u> RM
Quoted investments		
Quoted equities	153,994,940	145,505,871
Unquoted investments		
Unquoted fixed income securities*	131,469,219	120,144,481

*Include interest receivable of RM1,522,879 (2022: RM1,422,851)

The following table summarises the sensitivity of the Fund's profit/(loss) after taxation and NAV to price risk movements. The analysis is based on the assumptions that the market price increased by 10% (2022: 2%) and decreased by 10% (2022: 2%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the unquoted investments having regard to the historical volatility of the prices.

<u>% Change in price</u>	<u>Market value</u> RM	<u>Impact on</u> <u>profit/(loss)</u> <u>after tax/NAV</u> RM
<u>2023</u>		
-10%	255,547,152	(28,394,128)
0%	283,941,280	-
+10%	312,335,408	28,394,128
<u>2022</u>		
-2%	258,942,951	(5,284,550)
0%	264,227,501	-
+2%	269,512,051	5,284,550

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

Market risk (continued)

(b) Interest rate risk

In general, when interest rates rise, prices of 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 securities until maturity, such price fluctuations would dissipate as it approaches maturity, and thus the growth of the NAV shall not be affected at maturity. In order to mitigate interest rates exposure of the Fund, the Manager will manage the duration of the portfolio via shorter or longer tenured assets depending on the view of the future interest rate trend of the Manager, which is based on its continuous fundamental research and analysis.

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

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

The table below summarises the sensitivity of the Fund's profit/(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 2% (2022: 2%) with all other variables held constant.

<u>% Change in interest rate</u>	<u>Impact on profit/(loss) after tax/NAV</u>	
	<u>2023</u>	<u>2022</u>
	RM	RM
+ 2% (2022: + 2%)	(508,065)	(681,249)
- 2% (2022: - 2%)	511,032	689,017
	<u> </u>	<u> </u>

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

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

Market risk (continued)

(c) Currency risk

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

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

	<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	-	32	-	32
Chinese Yuan	-	140	-	140
Euro	-	497	-	497
Hong Kong Dollar	11,376,378	3,534,374	-	14,910,752
Indonesian Rupiah	2,896,288	-	-	2,896,288
Korean Won	7,615,686	-	-	7,615,686
Singapore Dollar	2,747,143	1,736,683	-	4,483,826
Taiwan Dollar	12,164,241	-	28,621	12,192,862
Thai Baht	5,881,151	-	-	5,881,151
United States Dollar	-	11,649,205	-	11,649,205
	<u>42,680,887</u>	<u>16,920,931</u>	<u>28,621</u>	<u>59,630,439</u>
			<u>Other payables and accruals</u> RM	<u>Total</u> RM
<u>Financial liabilities</u>				
Euro			10	10

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVE 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>2022</u>				
<u>Financial assets</u>				
Australian Dollar	-	32	-	32
Chinese Yuan	-	6,009,291	-	6,009,291
Euro	4,662,372	60,629	-	4,723,001
Hong Kong Dollar	30,064,606	223,656	-	30,288,262
Indonesian Rupiah	1,857,440	-	-	1,857,440
Singapore Dollar	2,837,488	2,409,605	-	5,247,093
Taiwan Dollar	5,113,796	-	26,327	5,140,123
Thai Baht	1,505,785	-	-	1,505,785
United States Dollar	-	13,790,435	-	13,790,435
	<u>46,041,487</u>	<u>22,493,648</u>	<u>26,327</u>	<u>68,561,462</u>

The table below summarises the sensitivity of the Fund's profit/(loss) after tax and NAV to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes by 10% (2022: 10%), 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 increase/(decrease) 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.

	<u>Change in in price</u> %	<u>Impact on profit/(loss) after tax/NAV</u> RM
<u>2023</u>		
Australian Dollar	+/-10	+/- 3
Chinese Yuan	+/-10	+/- 14
Euro	+/- 10	+/- 49
Hong Kong Dollar	+/-10	+/- 1,491,075
Indonesian Rupiah	+/-10	+/- 289,629
Korean Won	+/-10	+/- 761,569
Singapore Dollar	+/-10	+/- 448,383
Taiwan Dollar	+/-10	+/- 1,219,286

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVE 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: (continued).

	Change in in price %	Impact on profit/(loss) after tax/NAV RM
<u>2023</u> (continued)		
Thai Baht	+/-10	+/- 588,115
United States Dollar	+/-10	+/- 1,164,921
<u>2022</u>		
Australian Dollar	+/-10	+/- 3
Chinese Yuan	+/-10	+/- 600,929
Euro	+/- 10	+/- 472,300
Hong Kong Dollar	+/-10	+/- 3,028,826
Indonesian Rupiah	+/-10	+/- 185,744
Singapore Dollar	+/-10	+/- 524,709
Taiwan Dollar	+/-10	+/- 514,012
Thai Baht	+/-10	+/- 150,579
United States Dollar	+/-10	+/- 1,379,044

Credit risk

Credit risk refers to the ability of an issuer or counterparty to make timely payments of interest, principals and proceeds from realisation of 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 placement on deposit in licensed financial institution is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions.

The settlement terms of amount due from brokers are governed by the relevant rules and regulations as prescribed by the respective stock exchange.

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 SC's Guidelines on Unit Trust Funds.

AHAM SELECT BALANCED FUND
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NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

Credit risk (continued)

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

	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>				
Consumer Discretionary				
- AA1	7,143,384	-	-	7,143,384
- NR	-	-	301,164	301,164
Consumer Staples				
- AA2	5,056,749	-	-	5,056,749
Energy				
- A+	5,755,793	-	-	5,755,793
- AAA	8,159,597	-	-	8,159,597
Financial Services				
- AA2	8,006,080	-	-	8,006,080
- AAA	4,646,658	17,093,414	-	21,740,072
- NR	-	-	3,156,409	3,156,409
Government				
- SOV	19,866,362	-	-	19,866,362
Health Care				
- A+	7,897,596	-	-	7,897,596
- NR	-	-	92,878	92,878
Industrial Product & Services				
- AA-	511,356	-	-	511,356
- AA1	5,726,707	-	-	5,726,707
- AAA	1,023,363	-	-	1,023,363
Quasi-Gov				
- AAA	5,308,297	-	-	5,308,297
Real Estate				
- AA-	5,121,004	-	-	5,121,004
- A2	5,112,969	-	-	5,112,969
- AAA	4,144,245	-	-	4,144,245
Technology				
- NR	-	-	102,103	102,103
Telecommunication & Media				
- AAA	5,313,269	-	-	5,313,269
Utilities				
- AA-	10,139,266	-	-	10,139,266
- AA3	5,257,970	-	-	5,257,970
- AAA	17,278,554	-	-	17,278,554
- NR	-	-	274,572	274,572
	<u>131,469,219</u>	<u>17,093,414</u>	<u>3,927,126</u>	<u>152,489,759</u>

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

Credit risk (continued)

The following table set out the credit risk concentration 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>2022</u>				
Consumer Discretionary				
- AA1	2,019,665	-	-	2,019,665
- NR	-	-	260,918	260,918
Consumer Staples				
- AA2	4,953,299	-	-	4,953,299
Financial Services				
- A1	5,096,238	-	-	5,096,238
- AA2	7,852,500	-	-	7,852,500
- AA3	5,137,997	-	-	5,137,997
- AAA	5,280,987	32,646,678	-	37,927,665
- NR	-	-	189,157	189,157
Government				
- SOV	14,831,086	-	-	14,831,086
Health Care				
- AA-	4,946,656	-	-	4,946,656
Industrial Product & Services				
- AA-	512,851	-	-	512,851
- AA1	5,357,507	-	-	5,357,507
- AA3	4,086,585	-	-	4,086,585
- NR	-	-	91,145	91,145
Plantation				
- NR	-	-	255,000	255,000
Quasi-Gov				
- AAA	9,942,670	-	-	9,942,670
Real Estate				
- A2	5,058,369	-	-	5,058,369
Technology				
- NR	-	-	95,299	95,299
Telecommunication & Media				
- AA+	10,226,713	-	-	10,226,713
Utilities				
- AA-	9,854,163	-	-	9,854,163
- AA1	3,056,865	-	-	3,056,865
- AA3	5,253,621	-	-	5,253,621
- AAA	16,676,709	-	-	16,676,709
- NR	-	-	1,779,675	1,779,675

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

Credit risk (continued)

The following table set out the credit risk concentration 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>2022</u>				
Others - NR	-	-	290,815	290,815
	<u>120,144,481</u>	<u>32,646,678</u>	<u>2,962,009</u>	<u>155,753,168</u>

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

AHAM SELECT BALANCED FUND
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NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVE 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 payments and cancellations of units by unitholders. The liquid assets comprise cash, deposit with licensed financial institution 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</u> <u>one month</u> RM	<u>Between</u> <u>one month</u> <u>to one year</u> RM	<u>Total</u> RM
<u>2023</u>			
Amount due to broker	617,320	-	617,320
Amount due to Manager			
- management fee	381,135	-	381,135
- cancellation of units	316,355	-	316,355
Amount due to Trustee	17,786	-	17,786
Fund accounting fee		2,083	2,083
Auditors' remuneration	-	5,397	5,397
Tax agent's fee	-	5,905	5,905
Other payable and accruals	-	34,418	34,418
	<u>1,332,596</u>	<u>47,803</u>	<u>1,380,399</u>
<u>2022</u>			
Amount due to Manager			
- management fee	379,820	-	379,820
Amount due to Trustee	17,725	-	17,725
Auditors' remuneration	-	5,251	5,251
Tax agent's fee	-	5,705	5,705
Other payable and accruals	-	38,054	38,054
	<u>397,545</u>	<u>49,010</u>	<u>446,555</u>

Capital risk

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

AHAM SELECT BALANCED FUND
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NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

3 FAIR VALUE ESTIMATION

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

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

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

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

(i) Fair value hierarchy

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

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

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

The determination of what constitutes 'observable' requires significant judgment 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>2023</u>				
Financial assets at fair value through profit or loss:				
- quoted equities	153,994,940	-	-	153,994,940
- unquoted fixed income securities	-	131,469,219	-	131,469,219
	<u>153,994,940</u>	<u>131,469,219</u>	<u>-</u>	<u>285,464,159</u>

AHAM SELECT BALANCED FUND
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NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2022</u>				
Financial assets at fair value through profit or loss:				
- quoted equities	145,505,871	-	-	145,505,871
- unquoted fixed income securities	-	120,144,481	-	120,144,481
	<u>145,505,871</u>	<u>120,144,481</u>	<u>-</u>	<u>265,650,352</u>

Investments whose 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, amount due from brokers, amount due from Manager, and dividends receivables and all current liabilities are reasonable approximation of the fair values due their short-term nature.

4 MANAGEMENT FEE

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

For the 6 months financial period ended 30 September 2023, the management fee is recognised at a rate of 1.50% (2022: 1.50%) per annum on the NAV of the Fund calculated on a daily basis as stated in the Prospectus.

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

AHAM SELECT BALANCED FUND
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NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
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5 TRUSTEE FEE

In accordance with the Deeds, the Trustee is entitled to an annual fee at a rate not exceeding 0.30% per annum on the NAV of the Fund, (excluding foreign custodian fees and charges).

For the 6 months financial period ended 30 September 2023, the trustee's fee is recognised at a rate of 0.07% (2022: 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 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 RM12,500 (2022: RM Nil) for the financial period.

7 TAXATION

	6 months financial period ended <u>30.9.2023</u> RM	6 months financial period ended <u>30.9.2022</u> RM
Current taxation	217,159	-

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:

	6 months financial period ended <u>30.9.2023</u> RM	6 months financial period ended <u>30.9.2022</u> RM
Net profit/(loss) before taxation	826,107	(18,596,211)
Tax at Malaysian statutory rate of 24% (2022: 24%)	198,266	(4,463,091)
Tax effects of:		
(Investment income not subject to tax)/ investment loss not brought to tax	(653,375)	3,765,522
Expenses not deductible for tax purposes	164,889	140,354
Restrictions on tax deductible expenses for Unit Trust Funds	507,379	557,215
Tax expense	217,159	-

AHAM SELECT BALANCED FUND
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NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

8 DISTRIBUTION

	6 months financial period ended <u>30.9.2023</u> RM	6 months financial period ended <u>30.9.2022</u> RM
Distribution to unitholders is from the following sources:		
Previous financial period's realised income	-	5,743,387
Gross/Net distribution amount	-	5,743,387
Gross/Net distribution per unit (sen)	-	1.30
Ex-date	-	15.6.2022

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

Included in distribution for the financial period is an amount of RM Nil (2022: RM5,743,387) made from previous financial period's realised income.

There are unrealised losses of RM Nil (2022: RM19,574,076) during the financial period.

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2023</u> RM	<u>2022</u> RM
Financial assets at fair value through profit or loss:		
- quoted equities - local	111,314,053	99,464,384
- quoted equities – foreign	42,680,887	46,041,487
- unquoted fixed income securities – local	131,469,219	120,144,481
	<u>285,464,159</u>	<u>265,650,352</u>
Net loss on financial assets at fair value through profit or loss:		
- realised loss on sales of investments	(3,963,357)	(2,394,362)
- unrealised gain/(loss) on changes in fair value	1,839,791	(20,375,090)
	<u>(2,123,566)</u>	<u>(22,769,452)</u>

AHAM SELECT BALANCED FUND
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NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

(a) Quoted equities - local

(i) Quoted equities - local as at 30 September 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	10,992,537	3.60
Genting Malaysia Bhd	2,383,300	6,975,518	5,958,250	1.96
	<u>5,019,400</u>	<u>20,041,210</u>	<u>16,950,787</u>	<u>5.56</u>
<u>Financial Services</u>				
CIMB Group Holdings Bhd	2,769,200	14,495,728	15,036,756	4.93
<u>Health Care</u>				
KPJ Healthcare Bhd	11,609,800	13,007,936	13,235,172	4.34
<u>Industrial Products & Services</u>				
Nextgreen Global Bhd	4,000,000	3,320,000	3,460,000	1.13
Press Metal Aluminium Holding Bhd	2,336,000	11,347,418	11,002,560	3.61
	<u>6,336,000</u>	<u>14,667,418</u>	<u>14,462,560</u>	<u>4.74</u>
<u>Property</u>				
IOI Properties Group Bhd	3,862,300	6,379,633	6,334,172	2.08
Mah Sing Group Bhd	8,715,000	7,528,596	7,756,350	2.54
	<u>12,577,300</u>	<u>13,908,229</u>	<u>14,090,522</u>	<u>4.62</u>
<u>Technology</u>				
Frontken Corp Bhd	2,201,000	5,904,694	6,867,120	2.25
Inari Amertron Bhd	3,674,100	11,878,106	10,654,890	3.49
Southern Score Builders Bhd	24,500,000	4,900,000	4,777,500	1.56
	<u>30,375,100</u>	<u>22,682,800</u>	<u>22,299,510</u>	<u>7.30</u>

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

(a) Quoted equities - local (continued)

(i) Quoted equities - local as at 30 September 2023 are as follows: (continued)

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Utilities</u>				
Tenaga Nasional Bhd	1,525,400	14,114,526	15,238,746	4.99
Total quoted equities - local	<u>70,212,200</u>	<u>112,917,847</u>	<u>111,314,053</u>	<u>36.48</u>
Accumulated unrealised loss on quoted equities - local		<u>(1,603,794)</u>		
Total quoted equities - local		<u>111,314,053</u>		

(ii) Quoted equities - local as at 30 September 2022 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Construction</u>				
Gamuda Bhd	1,042,978	3,699,504	4,098,904	1.36
<u>Consumer Products & Services</u>				
Fraser & Neave Holdings Bhd	235,100	4,811,008	4,984,120	1.66
Genting Bhd	3,727,400	18,474,664	16,661,478	5.54
Genting Malaysia Bhd	4,982,500	14,582,939	13,851,350	4.60
	<u>8,945,000</u>	<u>37,868,611</u>	<u>35,496,948</u>	<u>11.80</u>
<u>Financial Services</u>				
AMMB Holdings Bhd	1,543,600	4,908,894	6,004,604	2.00
CIMB Group Holdings Bhd	1,455,054	6,864,400	7,464,427	2.48
	<u>2,998,654</u>	<u>11,773,294</u>	<u>13,469,031</u>	<u>4.48</u>

AHAM SELECT BALANCED FUND
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NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

(a) Quoted equities - local (continued)

(ii) Quoted equities - local as at 30 September 2022 are as follows: (continued)

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Industrial Products & Services</u>				
Petronas Chemical Group Bhd	525,700	4,683,286	4,410,623	1.47
Press Metal Aluminium Holding Bhd	2,174,000	10,590,749	8,782,960	2.92
SKP Resources Bhd	1,642,250	3,221,362	2,726,135	0.91
	<u>4,341,950</u>	<u>18,495,397</u>	<u>15,919,718</u>	<u>5.30</u>
<u>Plantation</u>				
Ta Ann Holdings Bhd	1,700,000	6,879,718	5,440,000	1.81
<u>Technology</u>				
Frontken Corp Bhd	3,001,000	8,050,879	8,222,740	2.73
Inari Amertron Bhd	3,135,100	10,228,065	7,869,101	2.62
My EG Services Bhd	8,860,505	8,801,336	7,487,127	2.49
	<u>14,996,605</u>	<u>27,080,280</u>	<u>23,578,968</u>	<u>7.84</u>
<u>Utilities</u>				
YTL Corp Bhd	2,632,100	1,642,011	1,460,815	0.49
Total quoted equities - local	<u>36,657,287</u>	<u>107,438,815</u>	<u>99,464,384</u>	<u>33.08</u>
Accumulated unrealised loss on quoted equities - local		<u>(7,974,431)</u>		
Total quoted equities - local		<u>99,464,384</u>		

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

(b) Quoted equities - foreign

(i) Quoted equities - foreign as at 30 September 2023 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Hong Kong</u>				
<u>Financial Services</u>				
AIA Group Ltd	69,600.00	3,104,279	2,660,736	0.87
<u>Technology</u>				
Meituan	33,140	3,288,655	2,275,668	0.75
Tencent Holdings Ltd	35,100	7,320,936	6,439,974	2.11
	<u>68,240</u>	<u>10,609,591</u>	<u>8,715,642</u>	<u>2.86</u>
<u>Indonesia</u>				
<u>Financial Services</u>				
Bank Rakyat Indonesia Persero	1,823,400	3,104,547	2,896,288	0.95
<u>Korea</u>				
<u>Technology</u>				
Samsung Electro-Mechanics Co	6,268	2,971,175	2,994,875	0.98
Samsung Electronics Co Ltd	15,020	3,110,972	3,575,241	1.17
Samsung Electronics Co Ltd - Pref Shares	5,523	910,208	1,045,570	0.34
	<u>26,811</u>	<u>6,992,355</u>	<u>7,615,686</u>	<u>2.49</u>
<u>Singapore</u>				
<u>Real Estate</u>				
Mapletree Pan Asia Commercial	557,400	3,232,740	2,747,143	0.90

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

(b) Quoted equities - foreign (continued)

(i) Quoted equities - foreign as at 30 September 2023 are as follows: (continued)

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Taiwan</u>				
<u>Technology</u>				
Taiwan Semiconductor Manufacturing Company Ltd	83,000	3,861,266	6,303,933	2.07
United Microelectronics Co	400,200	3,002,685	2,629,044	0.86
Unimicron Technology Co	128,000	3,497,519	3,231,264	1.06
	<u>611,200</u>	<u>10,361,470</u>	<u>12,164,241</u>	<u>3.99</u>
<u>Thailand</u>				
<u>Consumer Staples</u>				
CP ALL PCL	759,500	6,208,636	5,881,151	1.93
	<u>3,916,151</u>	<u>43,613,618</u>	<u>42,680,887</u>	<u>13.99</u>
Accumulated unrealised loss on quoted equities - foreign		(932,731)		
Total quoted equities - foreign		<u>42,680,887</u>		

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

(b) Quoted equities - foreign (continued)

(ii) Quoted equities - foreign as at 30 September 2022 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>France</u>				
<u>Consumer Discretionary</u>				
LVMH Moet Hennessy Louis Vuitton	1,682	5,042,753	4,662,372	1.55
<u>Hong Kong</u>				
<u>Consumer Discretionary</u>				
Alibaba Group Holding Ltd	47,000	2,943,424	2,162,364	0.73
JD com Inc	35,419	5,159,990	4,152,315	1.38
Li Ning Company Ltd	43,000	1,697,873	1,526,287	0.51
Shenzhou Intl Group Holdings	33,000	1,580,289	1,195,699	0.40
	<u>158,419</u>	<u>11,381,576</u>	<u>9,036,665</u>	<u>3.02</u>
<u>Consumer Staples</u>				
China Mengniu Dairy Co Ltd	252,000	5,772,800	4,636,092	1.54
<u>Financial Services</u>				
AIA Group Ltd	69,600	3,104,279	2,690,372	0.89
Hong Kong Exchange & Clearing	15,500	3,096,262	2,466,168	0.82
	<u>85,100.00</u>	<u>6,200,541</u>	<u>5,156,540</u>	<u>1.71</u>
<u>Health Care</u>				
Wuxi Biologics Cayman Inc	57,500	2,515,676	1,609,680	0.54
<u>Real Estate</u>				
Link Reit	41,500	1,557,625	1,345,594	0.45
<u>Technology</u>				
Baidu Inc	61,000	5,763,874	4,110,635	1.37
Tencent Holdings Ltd	26,500	5,983,606	4,169,400	1.39
	<u>87,500</u>	<u>11,747,480</u>	<u>8,280,035</u>	<u>2.76</u>

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

(b) Quoted equities - foreign (continued)

(ii) Quoted equities - foreign as at 30 September 2022 are as follows: (continued)

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Indonesia</u>				
<u>Financial Services</u>				
Bank Mandiri Persero Tbk PT	650,000	1,605,308	1,857,440	0.62
<u>Singapore</u>				
<u>Consumer Discretionary</u>				
ComfortDelGro Corporation Ltd	669,000	3,069,641	2,837,488	0.94
<u>Taiwan</u>				
<u>Technology</u>				
Taiwan Semiconductor Manufacturing Company Ltd	83,000	3,861,267	5,113,796	1.70
<u>Thailand</u>				
<u>Financial Services</u>				
Bangkok Bank	90,000	1,558,840	1,505,785	0.50
Total quoted equities - foreign	<u>2,175,701</u>	<u>54,313,507</u>	<u>46,041,487</u>	<u>15.33</u>
Accumulated unrealised loss on quoted equities - foreign		<u>(8,272,020)</u>		
Total quoted equities - foreign		<u>46,041,487</u>		

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

(c) Unquoted fixed income securities - local

(i) Unquoted fixed income securities - local as at 30 September 2023 are as follows:

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Bonds</u>				
4.20% Bumitama Agri Ltd 22.07.2026 (AA2)	5,000,000	5,122,052	5,056,749	1.66
5.27% Celcom Networks Sdn Bhd 28.10.2026 (AAA)	5,000,000	5,136,310	5,313,269	1.74
4.40% CIMB Group Holding Bhd 08.09.2027 (AA2)	3,000,000	3,008,239	3,026,768	0.99
3.42% Danum Capital Bhd 21.02.2035 (AAA)	5,000,000	5,019,083	4,646,658	1.52
4.90% Eco World Capital Bhd 10.08.2028 (AA-)	5,000,000	5,045,358	5,121,004	1.68
5.85% Edra Energy Sdn Bhd 05.01.2026 (AA3)	5,000,000	5,328,483	5,257,970	1.72
4.73% Gas Malaysia Distribution 10.12.2027 (AAA)	2,000,000	2,030,176	2,082,889	0.68
5.35% Genm Capital Bhd 03.05.2030 (AA1)	5,000,000	5,108,927	5,118,299	1.68
4.86% Genting Capital Bhd 08.06.2027 (AA1)	2,000,000	2,030,561	2,025,085	0.66
4.13% GII 09.07.2029 (SOV)	9,000,000	9,714,503	9,205,625	3.02
5.73% IJM Land Bhd Call: 19.03.2027 (A2)	5,000,000	5,009,440	5,112,969	1.68
2.97% Imtiaz Sukuk II Bhd 07.10.2025 (AA2)	5,000,000	5,076,349	4,979,312	1.63
5.74% Jimah East Power Sdn Bhd 04.06.2029 (AA-)	5,000,000	5,417,682	5,396,397	1.77
4.54% Johor Co 06.07.2033 (AAA)	4,000,000	4,043,031	4,144,245	1.36
6.40% MEX II Sdn Bhd 28.04.2034 (D)	5,000,000	5,389,197	-	-
2.632% MGS 15.04.2031 (SOV)	5,000,000	4,631,585	4,632,766	1.52
3.885% MGS 15.08.2029 (SOV)	6,000,000	6,491,202	6,027,971	1.98
4.00% Pengurusan Air SPV Bhd 30.10.2034 (AAA)	5,000,000	5,085,347	4,913,629	1.61
4.31% Petroleum Sarawak Exploration & Production Sdn Bhd 22.02.2028 (AAA)	3,000,000	3,019,923	3,039,970	1.00
4.54% Petroleum Sarawak Exploration & Production Sdn Bhd 22.02.2030 (AAA)	5,000,000	5,119,598	5,119,627	1.68
4.44% Plus Bhd 12.01.2028 (AAA)	1,000,000	1,009,793	1,023,363	0.33
5.65% Sarawak Energy Bhd 23.06.2026 (AAA)	5,000,000	5,394,763	5,308,297	1.74
4.47% Sarawak Hidro Sdn Bhd 11.08.2027 (AAA)	5,000,000	5,316,245	5,124,979	1.68
4.56% Sarawak Hidro Sdn Bhd 10.08.2029 (AAA)	5,000,000	5,275,718	5,157,057	1.69
5.04% Southern Power Generation SB 28.04.2028 (AA-)	4,500,000	4,596,862	4,742,869	1.55
3.95% TG Excellence Bhd Call: 27.02.2025 (A+)	8,000,000	7,978,788	7,897,596	2.59
5.90% TRlplc Medical Sdn Bhd 23.10.2035 (AA1)	5,000,000	5,467,777	5,726,707	1.88
5.70% UiTM Solar Power Sdn Bhd 27.04.2027 (A+)	5,000,000	5,114,210	5,224,239	1.71

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

9 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 30 September 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 (continued)</u>				
6.20% UiTM Solar Power Sdn Bhd 27.04.2032 (A+)	500,000	504,871	531,554	0.17
5.17% WCT Holdings Bhd 23.10.2023 (AA-)	500,000	511,275	511,356	0.17
Total unquoted fixed income securities – local	<u>133,500,000</u>	<u>137,997,348</u>	<u>131,469,219</u>	<u>43.09</u>
Accumulated unrealised loss on unquoted fixed income securities – local		<u>(6,528,129)</u>		
Total unquoted fixed income securities – local		<u>131,469,219</u>		

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

9 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 30 September 2022 are as follows:

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Bonds</u>				
7.10% BGS Management Sdn Bhd 28.12.2022 (AA3)	5,000,000	5,111,283	5,137,997	1.71
4.20% Bumitama Agri Ltd 22.07.2026 (AA3)	5,000,000	5,150,689	4,953,299	1.65
5.27% Celcom Networks Sdn Bhd 28.10.2026 (AA+)	5,000,000	5,143,319	5,259,919	1.75
4.40% CIMB Group Holding Bhd 08.09.2032 (AA2)	3,000,000	3,008,239	2,983,838	0.99
2.96% Danga Capital Bhd 25.01.2028 (AAA)	5,000,000	4,829,587	4,651,923	1.55
3.42% Danum Capital Bhd 21.02.2035 (AAA)	5,000,000	5,018,615	4,275,840	1.42
4.30% Danum Capital Bhd 13.02.2026 (AAA)	1,000,000	1,023,401	1,005,147	0.33
3.93% EDOTCO Malaysia Sdn Bhd 09.09.2025 (AA+)	5,000,000	5,011,742	4,966,794	1.65
5.85% Edra Energy Sdn Bhd 05.01.2026 (AA3)	5,000,000	5,436,494	5,253,621	1.75
4.86% Genting Capital Bhd 08.06.2027 (AA1)	2,000,000	2,030,579	2,019,665	0.67
5.23% Hong Leong Financial Group Bhd Call: 30.11.2022 (A1)	5,000,000	5,088,832	5,096,238	1.69
4.64% IJM Corporation Bhd 02.06.2023 (AA3)	4,000,000	4,104,527	4,086,585	1.36
5.73% IJM Land Bhd Call: 19.03.2027 (A2)	5,000,000	5,009,434	5,058,369	1.68
2.97% Imtiaz Sukuk II Bhd 07.10.2025 (AA2)	5,000,000	5,078,416	4,868,662	1.62
5.74% Jimah East Power Sdn Bhd 04.06.2029 (AA-)	5,000,000	5,466,413	5,221,761	1.74
6.40% MEX II Sdn Bhd 28.04.2034 (D)*	5,000,000	5,415,868	-	-
4.00% Pengurusan Air SPV Bhd 30.10.2034 (AAA)	5,000,000	5,084,798	4,635,680	1.54
5.65% Sarawak Energy Bhd 23.06.2026 (AAA)	5,000,000	5,504,536	5,290,747	1.76
4.47% Sarawak Hidro Sdn Bhd 11.08.2027 (AAA)	5,000,000	5,385,076	5,020,829	1.67
4.56% Sarawak Hidro Sdn Bhd 10.08.2029 (AAA)	5,000,000	5,312,478	4,985,808	1.66
5.04% Southern Power Generation SB 28.04.2028 (AA-)	4,500,000	4,596,260	4,632,402	1.54
3.95% TG Excellence Bhd Call: 27.02.2025 (AA-)	5,000,000	5,017,717	4,946,656	1.64
4.055% TNB Northern Energy Bhd 29.11.2023 (AAA)	2,000,000	2,015,253	2,034,392	0.68
5.90% TRIpIc Medical Sdn Bhd 23.10.2035 (AA1)	5,000,000	5,487,678	5,357,507	1.78
5.17% WCT Holdings Bhd 23.10.2023 (AA-)	500,000	511,780	512,851	0.17
5.05% YTL Power International Bhd 03.05.2027 (AA1)	3,000,000	3,061,796	3,056,865	1.02

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

9 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 30 September 2022 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)				
4.13% GII 09.07.2029 (SOV)	9,000,000	9,813,715	8,966,315	2.98
3.885% MGS 15.08.2029 (SOV)	6,000,000	6,563,384	5,864,771	1.95
Total unquoted fixed income securities – local	<u>125,000,000</u>	<u>130,281,909</u>	<u>120,144,481</u>	<u>39.95</u>
Accumulated unrealised loss on unquoted fixed income securities – local		<u>(10,137,428)</u>		
Total unquoted fixed income securities – local		<u>120,144,481</u>		

* MEX II Sdn Bhd

MEX II Sdn Bhd defaulted on its bond obligations on 31 December 2021. The Company subsequently applied for Judicial Management Order which was dismissed by the High Court in April 2022. MEX II's appeal against the High Court's decision was dismissed by the Court of Appeal on 15 May 2023.

MEX II has been under receivership since May 2022. EY-Parthenon was initially appointed as the Receiver and Manager ("R&M") but they had served their notice of resignation in February 2023. BDO has since been appointed as the R&M and has been working closely with the Sukukholders Working Group on potential solutions to maximize recovery value for Sukukholders. Engagement with the Government of Malaysia ("Government") is currently ongoing and BDO is planning to submit a proposal to the Government in the coming months.

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

10 CASH AND CASH EQUIVALENTS

	<u>2023</u> RM	<u>2022</u> RM
Cash and bank balances	17,093,414	22,519,259
Deposit with a licensed financial institution	-	10,127,419
	<u>17,093,414</u>	<u>32,646,678</u>

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

	<u>2023</u> %	<u>2022</u> %
Deposit with a licensed financial institution	-	2.50

Deposit with a licensed financial institution have an average maturity of nil day (2022: 1 day).

11 NUMBER OF UNIT IN CIRCULATION

	<u>2023</u> No. of units	<u>2022</u> No. of units
At the beginning of the financial period	459,816,000	434,800,000
Creation of units arising from applications	11,422,000	26,357,000
Creation of units arising from distribution	-	8,385,271
Cancellations of units	(22,709,000)	(14,680,271)
At the end of the financial period	<u>448,529,000</u>	<u>454,862,000</u>

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

12 TRANSACTIONS WITH BROKERS AND DEALERS

- (i) Details of transactions with the top 10 brokers and dealers for the 6 months financial period ended 30 September 2023 is as follows:

<u>Name of brokers/dealers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage</u> %
CIMB Bank Bhd	25,953,000	10.41	-	-
Citibank Bhd	15,912,500	6.38	-	-
CLSA Securities Malaysia Bhd	15,489,475	6.21	36,487	12.17
United Overseas Bank (M) Bhd	15,009,000	6.02	-	-
JP Morgan Securities (M) Sdn Bhd	13,005,535	5.22	32,514	10.84
Macquarie (M) Sdn Bhd	12,827,710	5.15	22,420	7.47
Maybank Investment Bank Bhd	12,401,677	4.97	31,004	10.34
CLSA Ltd	11,980,126	4.81	5,990	2.00
Malayan Banking Bhd	11,050,600	4.43	-	-
RHB Investment Bank Bhd	10,522,312	4.22	5,843	1.95
Others#	105,168,927	42.18	165,654	55.23
	<u>249,320,862</u>	<u>100.00</u>	<u>299,912</u>	<u>100.00</u>

- (ii) Details of transactions with the top 10 brokers and dealers for the 6 months financial period ended 30 September 2022 is as follows:

<u>Name of brokers/dealers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage</u> %
Affin Hwang Investment Bank Bhd #	15,640,042	11.41	39,100	12.73
JP Morgan Securities (M) Sdn Bhd	15,397,417	11.23	38,494	12.53
UOB Kay Hian Securities (M) Sdn Bhd	11,983,291	8.75	29,958	9.75
Hong Kong Securities Clearing Co Ltd	9,703,274	7.08	19,407	6.31
RHB Investment Bank Bhd	9,284,837	6.78	10,712	3.48
Merrill Lynch Intl-Equity LDN	8,462,358	6.17	21,935	7.14
Cantor Fitzgerald (GILTS) Ltd	8,236,994	6.01	20,592	6.70
UOB Kay Hian Pte Ltd	5,848,499	4.27	14,621	4.76
CLSA Securities Malaysia Bhd	5,301,366	3.87	11,882	3.87
CIMB investment Bank Berhad	5,048,856	3.68	12,622	4.11
Others	42,150,392	30.75	87,961	28.62
	<u>137,057,326</u>	<u>100.00</u>	<u>307,284</u>	<u>100.00</u>

Included in transactions with brokers and dealers are trades conducted on normal terms in the stockbroking industry with Affin Hwang Investment Bank Bhd, former holding company of the Manager amounting to RM6,397,467 (2022: RM15,640,042). The Manager is of the opinion that all transactions with the former related company have been entered into at agreed terms between the related parties.

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

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

<u>Related parties</u>	<u>Relationships</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 (formerly known as Affin Hwang 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
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

The number of units held by the Manager and party related to the Manager as at the end of the financial period as follows:

	2023		2022	
	No. of units	RM	No. of units	RM
<u>The Manager:</u>				
AHAM Asset Management Berhad (The unit are held legally for booking purposes)	79,941	54,384	7,666	5,070
	79,941	54,384	7,666	5,070

14 TOTAL EXPENSE RATIO (“TER”)

	6 months financial period ended <u>30.9.2023</u> %	6 months financial period ended <u>30.9.2022</u> %
TER	0.80	0.80
	0.80	0.80

TER is derived from the following calculation:

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

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

The average NAV of the Fund for the financial period calculated on a daily basis is RM311,753,395 (2022: RM306,765,658).

AHAM SELECT BALANCED FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT BALANCED FUND)

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (CONTINUED)

15 PORTFOLIO TURNOVER RATIO (“PTR”)

	6 months financial period ended <u>30.9.2023</u>	6 months financial period ended <u>30.9.2022</u>
PTR (times)	<u>0.41</u>	<u>0.26</u>

PTR is derived from the following calculation:

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

where: total acquisition for the financial period = RM124,926,341 (2022: RM89,520,169)

total disposal for the financial period = RM132,400,591 (2022: RM67,207,427)

16 SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD

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
(FORMERLY KNOWN AS AFFIN HWANG 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 my opinion as the Manager, the financial statements set out on pages 1 to 44 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 September 2023 and of its financial performance, changes in equity and cash flows for the financial period ended 30 September 2023 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
15 November 2023

DIRECTORY OF SALES OFFICE

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AHAM Asset Management Berhad

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