



ANNUAL REPORT
30 September 2023

AHAM ESG SGD
Bond Fund (Formerly
known as Affin Hwang
SGD Bond Fund)

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

TRUSTEE
Deutsche Trustees Malaysia
Berhad (763590-H)

Built On Trust

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AHAM ESG SGD Bond Fund (Formerly known as Affin Hwang SGD Bond Fund)

Annual Reports and Audited Financial Statements For The Financial Year Ended 30 September 2023

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FUND INFORMATION

Fund Name	AHAM ESG SGD Bond Fund (Formerly known as Affin Hwang SGD Bond Fund)
Fund Type	Income
Fund Category	Bond
Investment Objective	The Fund aims to provide regular income
Benchmark	Singapore Dollar Banks Saving Deposits Rate
Distribution Policy	Depending on the level of income the Fund generates, the Fund will provide distribution on an annual basis.

FUND PERFORMANCE DATA

Category	As at 30 Sep 2023 (%)	As at 30 Sep 2022 (%)	As at 30 Sep 2021 (%)
Portfolio composition			
Unquoted fixed income securities – foreign	94.77	95.87	94.88
Cash & cash equivalent	5.23	4.13	5.12
Total	100.00	100.00	100.00

Currency class	<u>MYR</u> <u>Class</u>	<u>SGD</u> <u>Class</u>	<u>MYR</u> <u>Class</u>	<u>SGD</u> <u>Class</u>	<u>RM</u> <u>Class</u>	<u>SGD</u> <u>Class</u>
Total NAV (million)	16.226	11.801	18.350	7.376	20.455	6.224
NAV per Unit (in respective currencies)	0.5514	0.4896	0.5096	0.4817	0.5056	0.5030
Unit in Circulation (million)	29.425	24.103	36.008	15.313	40.465	12.374
Highest NAV	0.5552	0.4914	0.5176	0.5032	0.5140	0.5043
Lowest NAV	0.5050	0.4735	0.4938	0.4817	0.4947	0.4907
Return of the Fund (%)	8.20	1.64	0.79	-4.23	1.12	0.60
- Capital Growth (%)	8.20	1.64	0.79	-4.23	1.12	0.60
- Income Distribution (%)	Nil	Nil	Nil	Nil	Nil	Nil
Gross Distribution per Unit (sen)	Nil	Nil	Nil	Nil	Nil	Nil
Net Distribution per Unit (sen)	Nil	Nil	Nil	Nil	Nil	Nil
Total Expense Ratio (%) ¹		1.13		1.12		0.75
Portfolio Turnover Ratio (times) ²		0.92		0.62		1.17

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

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

An illustration of the above would be as follow:-

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

¹The Fund's TER was higher than the previous year due to higher expenses incurred for the Fund for the financial year.

²The PTR of the Fund was higher than previous year due to increased trading activities during the financial year.

Income Distribution / Unit Split

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

Breakdown of Distribution

No income distribution were declared for the financial year ended 30 September 2023.

Fund Performance

Table 1: Performance of the Fund

	1 Year (1/10/22 - 30/9/23)	Since Commencement (16/3/21 - 30/9/23)
Benchmark	1.74%	2.05%
SGD Class	1.64%	(2.08%)
Outperformance	(0.10%)	(4.13%)
MYR Class	8.20%	10.28%
Outperformance	6.46%	8.23%

Source of Benchmark: Monetary Authority of Singapore

Table 2: Average Total Return

	1 Year (1/10/22 - 30/9/23)	Since Commencement (16/3/21 - 30/9/23)
Benchmark	1.74%	0.80%
SGD Class	1.64%	(0.82%)
Outperformance	(0.10%)	(1.62%)
MYR Class	8.20%	3.92%
Outperformance	6.46%	3.12%

Source of Benchmark: Monetary Authority of Singapore

Table 3: Annual Total Return

	FYE 2023 (1/10/22 - 30/9/23)	FYE 2022 (1/10/21 - 30/9/22)	FYE 2021 (16/3/21 - 30/9/21)
Benchmark	1.74%	0.27%	0.04%
SGD Class	1.64%	(4.23%)	0.60%
Outperformance	(0.10%)	(4.50%)	0.56%
MYR Class	8.20%	0.79%	1.12%
Outperformance	6.46%	0.52%	1.08%

Source of Benchmark: Monetary Authority of Singapore

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 October 2022 to 30 September 2023)

SGD Class

For the period 1 October 2022 to 30 September 2023, the Fund registered a 1.64% return compared to the benchmark return of 1.74%. The Fund thus underperformed the Benchmark by 0.10%. The Net Asset Value per unit ("NAV") of the Fund as at 30 September 2023 was SGD0.4896 while the NAV as at 30 September 2022 was SGD0.4817.

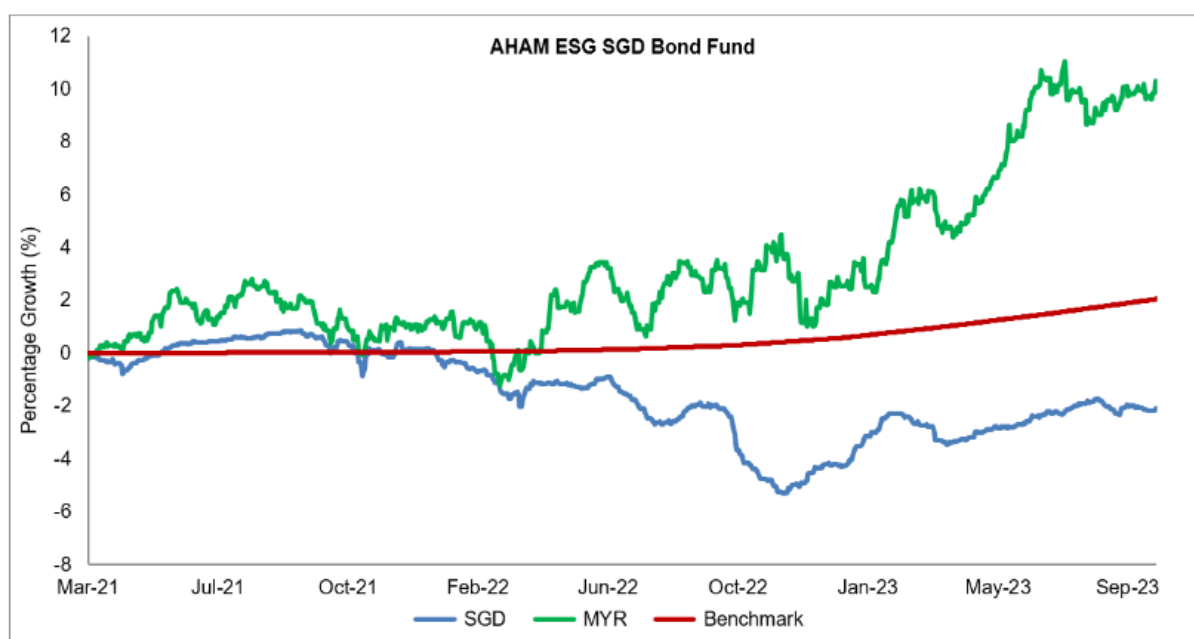
Since commencement, the Fund has registered a return of -2.08% compared to the benchmark return of 2.05%, underperforming by 4.13%.

MYR Class

For the period 1 October 2022 to 30 September 2023, the Fund registered a 8.20% return compared to the benchmark return of 1.74%. The Fund thus outperformed the Benchmark by 6.46%. The Net Asset Value per unit ("NAV") of the Fund as at 30 September 2023 was MYR0.5514 while the NAV as at 30 September 2022 was MYR0.5096.

Since commencement, the Fund has registered a return of 10.28% compared to the benchmark return of 2.05%, outperforming by 8.23%.

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 Monetary Authority of Singapore."

Benchmark: 12-Month Singapore Commercial Banks Weighted Average FD 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 94.77% of the Fund's NAV in fixed income securities while the remaining was held in cash and cash equivalent.

Strategy Employed

Over the financial year under review, the Fund maintained its investment strategy of investing in bonds with at least 50% of its NAV in specifically SGD denominated bonds.

Sustainable and Responsible Investment (“SRI”) Strategy

Throughout the financial year under review, the Fund has complied with the Securities Commission Malaysia’s Guidelines on Sustainable and Responsible Investment.

The Fund adopted negative or exclusionary screening by excluding investments in companies with principal business activities in alcohol, coal mining, forestry and logging, fossil fuel, gaming, tobacco, military and other businesses regarded as vice in its investments.

The fund also included Environmental, Social and Governance (“ESG”) factors in the investment decision making and portfolio construction process. These factors assist the Manager in identifying potential tail risks and/or best-in-class practices such as competitive edge, customer behaviour, reputational risk and accessibility to funding. It also served as additional portfolio risk management tool by increasing awareness about the portfolio’s exposures to certain negative ESG risk factors.

Market Review

Over the year under review, the Standard and Poor’s (“S&P”) 500 returned 19.59% while the Morgan Stanley Capital International (“MSCI”) AC World index returned 19.95%. Specific to the Asian region, MSCI AC Asia ex Japan Index returned 8.35% while locally, the Financial Times Stock Exchange (“FTSE”) Bursa Malaysia returned 2.12%. Bond markets were neutral over the year with the Bloomberg Barclays Global Aggregate Index returning 2.24%. 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 United States (“U.S.”) 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 U.S. 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,”.

U.S. 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 U.S. 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. U.S. 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.

In line with a higher U.S. Treasury ("UST"), the MGS yields also bore the brunt selling off by +10-17 basis points ("bps") 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% (+14bps), 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 U.S. 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 U.S. Treasury narrowed to -47bps (Aug: -75bps).

Investment Outlook

The U.S. economic data continue to send mixed signals, leading to an increased market conviction that the U.S. 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.

State of Affairs of the Fund

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

Soft Commissions received from Brokers

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

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

During the financial year under review, no soft commission was received by the Manager on behalf of the Fund.

Cross Trade

No cross trade transactions have been carried out during the reported year.

Securities Financing Transactions

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

Changes Made To the Fund's Prospectus

A Replacement Prospectus dated 29 September 2023 ("Effective Date") was issued during the financial year under review to reflect the various changes made to the Fund. This includes:

1. a change in the name of the Fund; and
2. updates to the investment restrictions and limits to be in line with the Securities Commission Malaysia's ("SC") Guidelines on Unit Trust Funds.

Kindly refer next page for the full list of changes made to the Fund.

AHAM SGD BOND FUND (FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND) (“FUND”)

LIST HIGHLIGHTING THE AMENDMENTS FROM THE PROSPECTUS DATED 23 FEBRUARY 2021 (“PROSPECTUS”) AS MODIFIED BY THE FIRST SUPPLEMENTAL PROSPECTUS DATED 8 OCTOBER 2021 (“SUPPLEMENTAL PROSPECTUS”) AND THE REPLACEMENT PROSPECTUS DATED 29 SEPTEMBER 2023 (“REPLACEMENT PROSPECTUS”) IN RELATION TO THE FUND.

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS
Introduction:		
<p>In general, the amendments made to the Prospectus are to reflect the following:</p> <ol style="list-style-type: none"> Requirements of Guidelines on Unit Trust Funds (Revised: 28 November 2022) (“Revised GUTF”) and Prospectus Guidelines For Collective Investment Schemes (Revised: 1 September 2022) (“Revised PCIS”); Change in the shareholding of AHAM which took effect on 29 July 2022 whereby AHAM ceased to be a subsidiary of Affin Hwang Investment Bank and the Affin Banking Group. AHAM’s ultimate major shareholders now, is CVC Capital Partners Asia V, a private equity fund managed by CVC Capital Partners (“Change in Shareholding”); and Amendments made to the First Supplemental Deed which was registered and lodged with the SC on 31 January 2023 (“Supplemental Deed”). <p>We are of the view that other amendments reflected in the Replacement Prospectus do not materially prejudice the unit holders’ interests as they do not result in (1) change to the nature/objective of the Fund; (2) change to the risk profile of the Fund; (3) change in the distribution policy; (4) introduction of a new category of fees/charges; or (5) increase in fees/charges of the Fund (collectively known as “Material Prejudice Circumstances”). Hence a unit holders’ approval is not required under paragraph 9.70 of the Revised GUTF and section 295(4)(a) of the Capital Markets and Services Act 2007.</p> <p>Additionally, except for the amendments pertaining to (1) change in investment strategy on the sustainable and responsible investment’s assessment to allow investment in companies that fall under the excluded business activities or practices provided such activities do not exceed 10% of the companies revenue; (2) repurchase proceed payout period; (3) risk associated with suspension of repurchase request, we are of the view that other amendments are not significant changes that will affect unit holders’ decision to stay invested in the Fund as they do not result in change to (1) investment strategy; (2) distribution policy; or (3) minimum balance of the Fund (“Significant Change Circumstances”).</p>		
1.	GENERAL AMENDMENTS	
1.1	<ol style="list-style-type: none"> References to “Affin Hwang Asset Management Berhad” and “Affin Hwang SGD Bond Fund” are now amended to “<u>AHAM Asset Management Berhad</u>” and “<u>AHAM SGD Bond Fund</u>”. References to Affin Hwang Asset Management Berhad’s email address and website namely “customer@affinhwangam.com” and “www.affinhwangam.com” are now amended to “<u>customer@aham.com.my</u>” and “<u>www.aham.com.my</u>”. Reference to the “investment committee” is now amended to <u>person(s) or member(s) of a committee undertaking the oversight function’s</u> 	

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS
	<p>4. Reference to the following terms are now amended:-</p> <p>(i) "interim report" amended to "<u>semi-annual report</u>";</p> <p>(ii) "Reuters" amended to "<u>Refinitiv</u>"; and</p> <p>(iii) "supplementary" amended to "<u>supplemental</u>".</p> <p>5. The tax adviser report of the Fund is updated with the latest version of such report.</p> <p>The above amendments (1) to (4) are made throughout the Replacement Prospectus. Additionally, there are also housekeeping amendments including editorial change, stylistic or formatting changes and grammar.</p>	
2.	COVER PAGE	
2.1	<p>AFFIN HWANG SGD BOND FUND IS A QUALIFIED SUSTAINABLE AND RESPONSIBLE INVESTMENT FUND UNDER THE GUIDELINES ON SUSTAINABLE AND RESPONSIBLE INVESTMENT FUNDS.</p> <p>INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.</p> <p>FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 3.</p> <div data-bbox="185 979 864 1094" style="border: 2px solid black; padding: 5px; margin-top: 10px;"> <p>! YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.</p> </div>	<p>AHAM SGD BOND FUND IS A QUALIFIED SUSTAINABLE AND RESPONSIBLE INVESTMENT FUND UNDER THE GUIDELINES ON SUSTAINABLE AND RESPONSIBLE INVESTMENT FUNDS.</p> <p><u>THIS IS A REPLACEMENT PROSPECTUS THAT REPLACES AND SUPERCEDES THE PROSPECTUS DATED 23 FEBRUARY 2021 AND THE FIRST SUPPLEMENTAL PROSPECTUS DATED 8 OCTOBER 2021.</u></p> <p>INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.</p> <p>FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 4.</p> <div data-bbox="1155 1070 1834 1185" style="border: 2px solid black; padding: 5px; margin-top: 10px;"> <p>! YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.</p> </div>
3.	CORPORATE DIRECTORY	
3.1	<p>The Manager/AHAM Affin Hwang Asset Management Berhad (199701014290 (429786-T)) Registered Office 27th Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur Tel No. : (603) 2142 3700</p>	<p>The Manager/AHAM AHAM Asset Management Berhad <i>(formerly known as Affin Hwang Asset Management Berhad)</i> Registered Office</p>

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS
	Fax No. : (603) 2140 3799 Business Address Ground Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur Tel No. : (603) 2116 6000 Fax No. : (603) 2116 6100 Toll free line : 1-800-88-7080 E-mail : customercare@affinhwangam.com Website : www.affinhwangam.com	3 rd Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur Tel No. : (603) 2142 3700 Fax No. : (603) 2140 3799 Business Address Ground Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur Tel No. : (603) 2116 6000 Fax No. : (603) 2116 6100 Toll free line : 1-800-88-7080 E-mail : customercare@aham.com.my Website : www.aham.com.my
3.2	Board of Directors of the Manager /AHAM <ul style="list-style-type: none"> ➤ Raja Tan Sri Dato' Seri Aman bin Raja Haji Ahmad (Chairman, Non-independent Director) ➤ Dato' Teng Chee Wai (Non-independent Director) ➤ Ms Eleanor Seet Oon Hui (Non-independent Director) ➤ Puan Mona Suraya binti Kamaruddin (Non-independent Director) ➤ En. Faizal Sham bin Abu Mansor (Independent Director) ➤ Maj. Gen. Dato' Zulkiflee bin Mazlan (R) (Independent Director) 	Deleted.
3.3	The Trustee Deutsche Trustees Malaysia Berhad (200701005591 (763590-H)) Registered Office and Business Address Level 20, Menara IMC, 8, Jalan Sultan Ismail, 50250 Kuala Lumpur Tel No. : (603) 2053 7522 Fax No. : (603) 2053 7526	Deutsche Trustees Malaysia Berhad Registered Office and Business Address Level 20, Menara IMC, 8, Jalan Sultan Ismail, 50250 Kuala Lumpur Tel No. : (603) 2053 7522 Fax No. : (603) 2053 7526 Email : dtmb.rtm@db.com
3.4	Trustee's Delegate (Local and foreign Custodian) Deutsche Bank (Malaysia) Berhad (312552-W) Business Address Level 18-20, Menara IMC, 8, Jalan Sultan Ismail, 50250 Kuala Lumpur Tel No. : (603) 2053 6788 Fax No. : (603) 2031 8710	Deleted.

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS
4.	GLOSSARY	
4.1	the Board Means the board of directors of Affin Hwang Asset Management Berhad.	Means the board of directors of <u>the Manager</u> .
4.2	Business Day Means a day on which Bursa Malaysia is open for trading. The Manager may declare certain Business Days a non-Business Day if one or more of the foreign markets in which the Fund is invested in are closed for business.	Means a day on which Bursa Malaysia <u>and/or one or more of the foreign markets in which the Fund is invested in are open for business/trading.</u>
4.3	Nil.	Inserted the following after “ Commencement Date ”: CVC Capital Partners Asia Fund V Means collectively (1) CVC Capital Partners Asia V L.P.; (2) CVC Capital Partners Investment Asia V L.P.; and (3) CVC Capital Partners Asia V Associates L.P.
4.4	Deed Refers to deed dated 30 October 2020 entered into between the Manager and the Trustee and includes any subsequent amendments and variations to the Deed.	Refers to <u>the</u> dated 30 October 2020 <u>and the first supplemental deed dated 28 December 2022</u> entered into between the Manager and the Trustee.
4.5	Nil.	Inserted the following after “ Deed ”: eligible market(s) Means an exchange, government securities market or an OTC market – a) <u>that is regulated by a regulatory authority of that jurisdiction;</u> b) <u>that is open to the public or to a substantial number of market participants; and</u> c) <u>on which financial instruments are regularly traded</u>
4.6	Latest Practicable Date or LPD Means 31 August 2020 and is the latest practicable date whereby the information	Means <u>30 November 2022</u> and is the latest practicable date whereby the

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS
	disclosed in this Prospectus shall remain relevant and current as at the date of issue of this Prospectus.	information disclosed in this Prospectus shall remain relevant and current as at the date of issue of this Prospectus.
4.7	medium to long-term Means a period between 3 years to 5 years and above.	Means a period <u>of 3 years and above.</u>
4.8	Nil.	<u>MYR Class</u> <u>Represents a Class issued by the Fund which is denominated in MYR.</u>
4.9	Net Asset Value or NAV Means the value of all the assets of the Fund less the value of all the liabilities of the Fund at a valuation point.	Means the value of all the assets of the Fund less the value of all the liabilities of the Fund at a valuation point. <u>Where the Fund has more than one Class, there shall be a Net Asset Value of the Fund attributable to each Class.</u>
4.10	NAV per Unit Means the NAV of the Fund at a particular valuation point divided by the total number of Units in Circulation of the Fund at that valuation point.	Means the NAV of the Fund at a particular valuation point divided by the total number of Units in Circulation at that valuation point; <u>where the Fund has more than one Class, there shall be a Net Asset Value per Unit for each Class; the Net Asset Value per Unit of a Class at a particular valuation point shall be the Net Asset Value of the Fund attributable to that Class divided by the number of Units in Circulation of that Class at the same valuation point.</u>
4.11	RM Class Represents a Class issued by the Fund which is denominated in RM.	Deleted.
4.12	Unit(s) Means an undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and means a unit of the Fund.	Means an undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and means a unit of the Fund <u>and if the Fund has more than one Class, it means a unit issued for each Class.</u>
5.	RISK FACTORS	
5.1	GENERAL RISKS Liquidity risk	

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS
	Liquidity risk refers to two scenarios. The first is where an investment cannot be sold due to unavailability of a buyer for that investment. The second scenario exists where the investment, by its nature, is thinly traded. This will have the effect of causing the investment to be sold below its fair value which would adversely affect the NAV of the Fund.	Liquidity risk refers to two scenarios. The first is where an investment cannot be sold due to unavailability of a buyer for that investment. The second scenario exists where the investment, by its nature, is thinly traded. This will have the effect of causing the investment to be sold below its fair value which would adversely affect the NAV of the Fund <u>and subsequently the value of Unit Holders' investments in the Fund.</u>
5.2	<p>GENERAL RISKS</p> <p>Loan financing risk</p> <p>This risk occurs when you take a loan or financing to finance your investment. The inherent risk of investing with borrowed money includes you being unable to service the loan repayments. In the event Units are used as collateral, you may be required to top-up your existing instalment if the prices of Units fall below a certain level due to market conditions. Failing which, the Units may be sold at a lower NAV per Unit as compared to the NAV per Unit at the point of purchase towards settling the loan.</p>	<p>Loan / financing risk</p> <p>This risk occurs when you take a loan or financing to finance your investment. The inherent risk of investing with borrowed/<u>financed</u> money includes you being unable to service the loan/<u>financing</u> repayments. In the event Units are used as collateral, you may be required to top-up your existing instalment if the prices of Units fall below a certain level due to market conditions. Failing which, the Units may be sold at a lower NAV per Unit as compared to the NAV per Unit at the point of purchase towards settling the loan/<u>financing</u>.</p>
5.3	Nil.	<p>Inserted the following after “Loan financing risk”:</p> <p><u>Suspension of repurchase request risk</u> <u>Having considered the best interests of Unit Holders, the repurchase requests by the Unit Holders may be subject to suspension due to exceptional circumstances, where the market value or fair value of a material portion of the Fund’s assets cannot be determined. In such case, Unit Holders will not be able to redeem their Units and will be compelled to remain invested in the Fund for a longer period of time. Hence, their investments will continue to be subject to the risks inherent to the Fund.</u></p>
5.4	<p>SPECIFIC RISKS</p> <p>Credit and default risk</p> <p>Credit risk relates to the creditworthiness of the issuers of the bonds, money market instruments and deposits (hereinafter referred as “investment”) and their expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the investment. In the</p>	<p>Credit risk relates to the creditworthiness of the issuers of the bonds, money market instruments <u>and the Financial Institutions where the deposits are placed</u> (hereinafter referred <u>to</u> as “investment”) and their expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuer</p>

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	<p>case of rated investments, this may lead to a credit downgrade. Default risk relates to the risk of an issuer of the investment either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the investment. This could adversely affect the value of the Fund.</p>	<p><u>and/or Financial Institution</u> may impact the value as well as liquidity of the investment. In the case of rated investments, this may lead to a credit downgrade. Default risk relates to the risk of an issuer <u>and/or a Financial Institution</u> of the investment either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the investment. This could adversely affect the value of the Fund.</p>
5.5	<p>SPECIFIC RISKS</p> <p>Interest rate risk</p> <p>This risk refers to the impact of interest rate changes on the valuation of bonds or money market instruments (hereinafter referred as “investment”). When interest rates rise, the investment prices generally decline and this may lower the market value of the investment. The reverse may apply when interest rates fall. For investments into fixed deposits, the fluctuations in the interest rates will not affect the placement of fixed deposits but will result in the opportunity loss by the Fund if the placement of fixed deposits is made at lower interest rate.</p>	<p>This risk refers to the impact of interest rate changes on the valuation of bonds or money market instruments (hereinafter referred <u>to</u> as “investment”). <u>Generally, movement in interest rates affects the prices of investment inversely. For example, when interest rates rise, prices of investment will fall. The fluctuations of the prices of investment will also have an impact on the NAV of the Fund. This risk can largely be eliminated by holding investment until their maturity. We also manage interest rate risk by considering each investment’s sensitivity to interest rate changes. When interest rates are expected to increase, the Fund would then likely seek to switch to investment that are less sensitive to interest rate changes.</u> For investments into deposits, the fluctuations in the interest rates will not affect the placement of deposits but will result in the opportunity loss by the Fund if the placement of deposits is made at lower interest rate.</p>
5.6	<p>SPECIFIC RISKS</p> <p>Structured products risk</p> <p>The NAV of the Fund will be impacted by the valuation of the structured product. Factors that may impact the valuation of the structured products will include, but not limited to movement of the underlying asset, volatility of the underlying assets, interest rate levels, the correlation of the underlying assets and other such factors. Any change in the aforesaid factors would either positively or negatively impact the valuation of the structured products hence impacting the NAV of the Fund. As such, the Fund’s NAV will be exposed to potential price volatility, which will be dependent on the valuation of the structured products that the Fund invested in.</p>	<p><u>Embedded derivatives risk</u></p> <p>The NAV of the Fund will be impacted by the valuation of the <u>embedded derivatives</u>. Factors that may impact the valuation of the embedded derivatives will include, but not limited to movement of the underlying asset, volatility of the underlying assets, interest rate levels, the correlation of the underlying assets and other such factors. Any change in the aforesaid factors would either positively or negatively impact the valuation of the <u>embedded derivatives</u> hence impacting the NAV of the Fund. As such, the Fund’s NAV will be exposed to potential price volatility, which will be dependent on the valuation of the <u>embedded derivatives</u> that the Fund invested in.</p>

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5.7	<p>SPECIFIC RISKS</p> <p>Derivatives risk</p> <p>Valuation of derivatives takes into account a multitude of factors such as movement of the underlying assets, the correlation of the underlying assets with the Fund, the implied future direction of the underlying assets and other factors. Any diverse changes of the factors mentioned above, may result in a lower NAV price and higher volatility for the Fund’s NAV.</p>	Deleted.
5.8	<p>SPECIFIC RISKS</p> <p>Counterparty risk</p> <p>Counterparty risk concerns the Fund’s investment in structured products and derivatives (“Investments”). Counterparty risk is prevalent as the potential returns derived from the Investments are dependent on the ongoing ability and willingness of the issuer i.e. a financial institution to fulfill their respective financial commitments to the Fund in a timely manner. Bankruptcy, fraud or regulatory non-compliance arising out of and/or in connection with the issuer may impair the operations and/or the performance of the Fund. However, we will conduct stringent credit selection process of the issuer of the Investments prior to commencement of Investments and monitoring mechanisms established by us may potentially mitigate this risk. If, we are of the opinion there is material adverse change to an issuer, we may consider unwinding the issuer’s Investments to mitigate potential losses that may arise.</p>	<p>Counterparty risk concerns the Fund’s investment in <u>embedded derivatives</u> and derivatives (“Investments”). Counterparty risk is prevalent as the potential returns derived from the Investments are dependent on the ongoing ability and willingness of the issuer i.e. a Financial Institution to fulfill their respective financial commitments to the Fund in a timely manner. Bankruptcy, fraud or regulatory non-compliance arising out of and/or in connection with the issuer may impair the operations and/or the performance of the Fund. However, we will conduct stringent credit selection process of the issuer of the Investments prior to commencement of Investments and monitoring mechanisms established by us may potentially mitigate this risk. If, we are of the opinion there is material adverse change to an issuer, we may consider unwinding the issuer’s Investments to mitigate potential losses that may arise.</p>
5.9	<p>SPECIFIC RISKS</p> <p>Currency risk</p> <p>As the investments of the Fund may be denominated in currencies other than the base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. You should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.</p>	<p>As the investments of the Fund may be denominated in currencies other than the base currency <u>of the Fund</u>, any fluctuation in the exchange rate between the base currency <u>of the Fund</u> and the currencies in which the investments are denominated may have an impact on the value of these investments. You should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.</p>

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		<p><i>Currency risk at the Class level</i> <u>The impact of the exchange rate movement between the base currency of the Fund and the currency of the MYR Class may result in a depreciation of your holdings as expressed in the base currency of the Fund.</u></p>
5.10	<p>RISK MANAGEMENT</p> <p>In our day-to-day running of the business, we employ a proactive risk management approach to manage portfolio risks and operational risks. The Board of Directors of AHAM (“the Board”) has established a board compliance and risk management committee to oversee AHAM’s risk management activities both at operational level and at portfolio management level to ensure that the risk management process is in place and functioning. The board compliance and risk management committee comprises of at least three Board members and is chaired by an independent director. At the operational level, we have established a compliance and risk oversight committee with the primary function of identifying, evaluating and monitoring risks as well as to formulate internal control measures to manage and mitigate the exposure to risks that may affect the performance of the Fund, returns to the investors or Unit Holders’ interest within a clearly defined framework and is primarily responsible for ensuring that the policies and procedures that have been implemented are reviewed on an on-going basis with periodic assessments. The compliance and risk oversight committee reports to the board compliance and risk management committee on a quarterly basis.</p> <p>In managing portfolio risks, we engage a stringent screening process by conducting fundamental analysis of economic, political and social factors to evaluate their likely effects on the performance of the markets and sectors. Regular meetings are held to discuss investment themes and portfolio decisions taken at the meetings are then implemented according to the investment guidelines which also take into account requirements for minimum portfolio diversification across individual investment holdings, sectors, geographies and asset classes (based on the respective portfolio’s objective and strategy). We also practise prudent liquidity management with the objective to ensure that the Fund is able to meet its short-term expenses including repurchase requests by the Unit Holders.</p> <p>We have in place a system that is able to monitor the transactions to ensure compliance with the Fund’s investment limits and restrictions. These limits are system-</p>	<p>In our day-to-day running of the business, we employ a proactive risk management approach to manage portfolio risks, operational risks <u>and liquidity risks</u>. The Board has established a board compliance and risk management committee to oversee AHAM’s risk management activities both at operational level and at portfolio management level to ensure that the risk management process is in place and functioning. The board compliance and risk management committee comprises of at least three Board members and is chaired by an independent director. At the operational level, we have established a compliance and risk oversight committee with the primary function of identifying, evaluating and monitoring risks as well as to formulate internal control measures to manage and mitigate the exposure to risks that may affect the performance of the Fund, returns to the investors or Unit Holders’ interest within a clearly defined framework and is primarily responsible for ensuring that the policies and procedures that have been implemented are reviewed on an on-going basis with periodic assessments. The compliance and risk oversight committee reports to the board compliance and risk management committee on a quarterly basis.</p> <p>In managing portfolio risks, we engage a stringent screening process by conducting fundamental analysis of economic, political and social factors to evaluate their likely effects on the performance of the markets and sectors. Regular meetings are held to discuss investment themes and portfolio decisions taken at the meetings are then implemented according to the investment guidelines which also take into account requirements for minimum portfolio diversification across individual investment holdings, sectors, geographies and asset classes (based on the respective portfolio’s objective and strategy). We also practise prudent liquidity management with the objective to ensure that the Fund is able to meet its short-term expenses including repurchase requests by the Unit Holders.</p> <p>We have in place a system that is able to monitor the transactions to ensure compliance with the Fund’s investment limits and restrictions. These limits are</p>

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	<p>controlled and not manually tracked, thus reducing the probability of human error occurring in ensuring the Fund’s limits and restrictions are adhered to. We also undertake stringent evaluation of movements in market prices and regularly monitor, review and report to the investment committee to ensure that the Fund’s investment objective is met. Regular portfolio reviews by senior members of the investment team further reduce the risk of implementation inconsistencies and violations of the Guidelines. We also have in place a credit risk management process to reduce counterparty risk of derivatives and structured products whereby such risk arises when the counterparty is not able to meet their contractual obligations. Prior to entering into a contract with the counterparty, we will conduct an evaluation on the credit standing of the counterparty to ensure they are able to meet their contractual obligations. It is important to note that an event of downgrade does not constitute a default. If we view that the downgrade in the rating of the counterparty may lead to high credit risk, we will not hesitate to take pre-emptive measures to unwind these positions.</p> <p>We also employ a performance attribution system that enables us to review the performance of the Fund to determine the key factors that have contributed and detracted from the Fund’s performance. This system complements our overall risk management process as the system also provides standard risk analytics on the portfolio such as the Fund’s standard deviation, tracking error and measures of excess return. The data produced by the performance attribution system is reviewed regularly and at least on a monthly basis in meetings chaired by the managing director and participated by the portfolio managers and the performance evaluation team.</p>	<p>system-controlled and not manually tracked, thus reducing the probability of human error occurring in ensuring the Fund’s limits and restrictions are adhered to. We also undertake stringent evaluation of movements in market prices and regularly monitor, review and report to the <u>person(s) or members of a committee undertaking the oversight function of the Fund</u> to ensure that the Fund’s investment objective is met. Regular portfolio reviews by senior members of the investment team further reduce the risk of implementation inconsistencies and violations of the Guidelines. We also have in place a credit risk management process to reduce counterparty risk of derivatives and <u>embedded derivatives</u> whereby such risk arises when the counterparty is not able to meet their contractual obligations. Prior to entering into a contract with the counterparty, we will conduct an evaluation on the credit standing of the counterparty to ensure they are able to meet their contractual obligations. It is important to note that an event of downgrade does not constitute a default. <u>If we are of the view that the downgrade in the rating of the counterparty may lead to high credit risk, we will not hesitate to take pre-emptive measures to unwind these positions.</u></p> <p>We also employ a performance attribution system that enables us to review the performance of the Fund to determine the key factors that have contributed <u>to</u> and detracted from the Fund’s performance. This system complements our overall risk management process as the system also provides standard risk analytics on the portfolio such as the Fund’s standard deviation, tracking error and measures of excess return. The data produced by the performance attribution system is reviewed regularly and at least on a monthly basis in meetings chaired by the managing director and participated by the portfolio managers and the performance evaluation team.</p> <p><u>Liquidity Risk Management</u> <u>We have established liquidity risk management policies to enable us to identify, monitor and manage the liquidity risk of the Fund in order to meet the repurchase requests from the Unit Holders with minimal impact to the Fund as well as safeguarding the interests of the remaining Unit Holders. Such policies take into account, amongst others, the asset class of the Fund and the redemption policy of the Fund. To manage the liquidity risk, we have put in place the following procedures:</u></p> <p>a) <u>The Fund may hold a maximum of 30% of its NAV in money market instruments and/or deposits. This will allow the Fund to have sufficient buffer</u></p>

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		<p>to meet the Unit Holders' repurchase request;</p> <p>b) <u>Regular review by the designated fund manager on the Fund's investment portfolio including its liquidity profile;</u></p> <p>c) <u>Daily monitoring of the Fund's net flows and periodic liquidity stress testing of the Fund's assets against repurchase requests during normal and adverse market conditions are performed as pre-emptive measures in tracking the Fund's liquidity status. This will ensure that we are prepared and able to take the necessary action proactively to address any liquidity concerns, which would mitigate the potential risks in meeting Unit Holders' repurchase requests; and</u></p> <p>d) <u>Suspension of repurchase requests from the Unit Holders under exceptional circumstances where the market value or fair value of a material portion of the Fund's assets cannot be determined. During the suspension period, the repurchase requests from the Unit Holders will be accepted but will not be processed. Such repurchase requests will only be processed on the next Business Day once the suspension is lifted. That said, the action to suspend repurchase requests from the Unit Holders shall be exercised only as a last resort by the Manager having considered the best interests of Unit Holders.</u></p>
6.	ABOUT <u>AHAM</u> SGD BOND FUND	
6.1	Deed Deed dated 30 October 2020.	Deed dated 30 October 2020 and first supplemental deed dated 28 December 2022.
6.2	ASSET ALLOCATION ➤ A minimum of 70% of the Fund's NAV will be invested in bond; ➤ A maximum of 30% of the Fund's NAV will be invested in money market instruments and deposits; and ➤ A maximum of 10% of the Fund's NAV in structured products.	➤ A minimum of 70% of the Fund's NAV will be invested in bonds; ➤ A maximum of 30% of the Fund's NAV will be invested in money market instruments and deposits; and ➤ A maximum of 10% of the Fund's NAV <u>will be invested in embedded derivatives.</u>
6.3	INVESTMENT STRATEGY The Fund will focus on achieving its objective by investing a minimum 70% of the Fund's NAV in bonds with at least 50% of its NAV in SGD denominated bonds. The Fund will also invest a maximum of 30% of its NAV in money market instruments and deposits as well as up to 10% of its NAV in structured products.	The Fund will focus on achieving its objective by investing a minimum <u>of</u> 70% of the Fund's NAV in bonds with at least 50% of its NAV in SGD denominated bonds. The Fund will also invest a maximum of 30% of its NAV in money market instruments and deposits as well as up to 10% of its NAV in <u>embedded derivatives.</u>

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	<p>We will combine a top-down and bottom-up investment approach to identify investment opportunities. Macroeconomic trends and market analysis are the important considerations in deriving the top-down perspective on interest rate outlook and bond markets. For its bottom-up approach, we will conduct analysis on the issuers to assess its ability to service its debt obligations.</p> <p>The Fund’s investment in bonds will consist of government and corporate bonds. The selection of bonds will not be constrained by credit ratings of issuances. However, the selection will depend largely on its quality where the respective issuers display strong ability to meet their financial obligations, healthy cash-flow, the collateral type, value, claims priority as well as offer highest safety for timely payment of interest and principal.</p> <p>To achieve its objective, the Fund will also have the flexibility to hold exposure up to 20% of the Fund’s NAV in collective investment schemes that have similar investment objective to the Fund.</p> <p>The Fund also may invest into foreign markets other than Singapore where the regulatory authorities are the ordinary or associate members of the International Organization of Securities Commissions.</p> <p>The Fund is actively managed and the frequency of trading of securities is dependent on market opportunities.</p> <p>Sustainable and Responsible Investment (“SRI”) Strategy.</p> <p>The Fund will adopt the following SRI methodologies, including the selection, retention and realisation of its investments:</p> <p><i>Negative or exclusionary screening</i></p> <p>The Fund will exclude investments in companies undertaking business activities or practices in alcohol, coal mining, forestry and logging, fossil fuel, gaming, tobacco, military weapons and other businesses regarded as vice in its investments.</p> <p><u>Assessment Framework</u></p>	<p>We will combine a top-down and bottom-up investment approach to identify investment opportunities. Macroeconomic trends and market analysis are the important considerations in deriving the top-down perspective on interest rate outlook and bond markets. For its bottom-up approach, we will conduct analysis on the issuers to assess its ability to service its debt obligations.</p> <p>The Fund’s investment in bonds will consist of government and corporate bonds. The selection of bonds will not be constrained by credit ratings of issuances. However, the selection will depend largely on its quality where the respective issuers display strong ability to meet their financial obligations, healthy cash-flow, the collateral type, value, claims priority as well as offer highest safety for timely payment of interest and principal.</p> <p>To achieve its objective, the Fund will also have the flexibility to hold exposure up to 20% of the Fund’s NAV in collective investment schemes that have similar investment objective to the Fund.</p> <p>The Fund also may invest into foreign markets other than Singapore <u>which are eligible markets.</u></p> <p>Sustainable and Responsible Investment (“SRI”) Strategy.</p> <p>The Fund will adopt the following SRI methodologies, including the selection, retention and realisation of its investments:</p> <p><i>Negative or exclusionary screening</i></p> <p>The Fund will exclude investments in companies undertaking business activities or practices in alcohol, coal mining, forestry and logging, fossil fuel, gaming, tobacco, military weapons and other businesses regarded as vice in its investments.</p> <p><u>Assessment Framework</u></p> <p>The Manager will periodically review the sustainability aspects of the Fund’s portfolio to ensure the investments of the Fund are consistent with the sustainability considerations adopted in the investment strategy employed at all</p>

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	<p>The Manager will periodically review the sustainability aspects of the Fund’s portfolio to ensure the investments of the Fund are consistent with the sustainability considerations adopted in the investment strategy employed at all time based on internally developed SRI assessment framework which covers the abovementioned strategies.</p> <p>The Manager will not allow any investments in the company that fall under the excluded business activities or practices in the Fund’s portfolio, even though the involvement of the company in such business activities or practices in a very low percentage.</p> <p>The Manager will evaluate the Fund’s investment on a quarterly basis to determine whether the Fund’s investment is consistent with its investment policy and strategies of SRI factors. This is to assure that the companies that the Fund’s invested are in line with the sustainability considerations adopted and the overall impact of the investments with its SRI strategies is not inconsistent with any other sustainability considerations.</p> <p>In the event that the invested company becomes inconsistent with the sustainability considerations adopted in the investment strategies employed, the Manager will dispose the investments if the value of the investment held exceeds or is equal to the original investment cost (which may include transaction cost).</p> <p>On the other hand, the Fund is allowed to hold the investment which is inconsistent with the sustainability considerations if the value of the investment is below the original investment cost. It is also permissible for the Fund to retain the profit received during the holding period until the market value of the investment held is equal to the original investment costs.</p> <p>Derivatives Derivatives trades may be carried out for hedging purposes through financial instruments including, but not limited to, forward contracts, future contracts and swaps. Future and forward contracts are generally contracts between two parties to trade an asset at an agreed price on a pre-determined future date. Swaps, whereas, is an agreement to swap or exchange two financial instruments between two parties.</p>	<p>time based on internally developed SRI assessment framework which covers the abovementioned strategies.</p> <p><u>When assessing the Fund’s investments in the company, the Manager will review the company’s level of involvement in the excluded business activities or practices and will apply a maximum revenue threshold of 10% to such activities or practices.</u></p> <p>The Manager will evaluate the Fund’s investment on a quarterly basis to determine whether the Fund’s investment is consistent with its investment policy and strategies of SRI factors. This is to assure that the companies that the Fund’s invested are in line with the sustainability considerations adopted and the overall impact of the investments with its SRI strategies is not inconsistent with any other sustainability considerations.</p> <p>In the event that the invested company becomes inconsistent with the sustainability considerations adopted in the investment strategies employed, the Manager will dispose the investments if the value of the investment held exceeds or is equal to the original investment cost (which may include transaction cost).</p> <p>On the other hand, the Fund is allowed to hold the investment which is inconsistent with the sustainability considerations if the value of the investment is below the original investment cost. It is also permissible for the Fund to retain the profit received during the holding period until the market value of the investment held is equal to the original investment costs.</p> <p>Derivatives and Embedded Derivatives Derivatives trades may be carried out for hedging purposes through financial instruments including, but not limited to, forward contracts, future contracts and swaps. Future and forward contracts are generally contracts between two parties to trade an asset at an agreed price on a pre-determined future date. Swaps, whereas, is an agreement to swap or exchange two financial instruments between two parties.</p> <p>The intention of hedging is to <u>preserve</u> the value of the asset from any adverse price movements. For example, to hedge against foreign currency exchange risk, the Fund may enter into a currency forward contract to offset any adverse foreign currency movements by determining an agreed rate for an agreed tenure with its</p>

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	<p>The intention of hedging is to protect the value of the asset from any adverse price movements. For example, to hedge against foreign currency exchange risk, the Fund may enter into a currency forward contract to offset any adverse foreign currency movements by determining an agreed rate for an agreed tenure with its counterparty. While these hedging transactions would protect the Fund against potential losses, trades for hedging purposes would also limit the returns that the Fund may have potentially received from foreign exchange gains would the Fund not have hedged its foreign currency exposure.</p> <p>Structured Products We may also invest into structured products such as, but not limited to, credit linked notes. Investment into these structured products will provide the Fund with the exposure to the reference asset. Each of these products has its own targeted maturity and will expose investors to the price fluctuations of, in case of credit linked note, the credit that the credit linked note is linked to. As a result, any fluctuation in the price of the structured product may also lead to fluctuations in the NAV of the Fund, i.e. if the price of the structured product sees a drop in price, the NAV of the Fund will also be negatively impacted. As the note is structured by an external party, investments into a structured product will also expose the Fund to counterparty risk, which we will attempt to mitigate by carrying out a stringent selection process on its counterparty prior to an investment being made. Risk into structured products will also be mitigated by limiting the Fund's total exposure to not more than 10% of the Fund's NAV.</p> <p>Temporary Defensive Position We hold the option to take temporary defensive positions that may be inconsistent with the Fund's principal strategy and asset allocation to protect the Fund against adverse market conditions that may impact the financial markets. To manage the risk of the Fund, we may shift the Fund's assets to be temporarily invested in money market instruments and/or fixed deposits.</p> <p>Cross Trades Policy We may conduct cross trades between funds we currently manage provided that all criteria imposed by the regulators are met. Notwithstanding, cross trades between the personal account of our employee and the Fund's account(s); and between our proprietary trading accounts and the Fund's account(s) are strictly prohibited. Compliance with the criteria are monitored by our compliance unit, and reported to our compliance and risk management committee, to avoid conflict of interests and</p>	<p>counterparty. While these hedging transactions <u>will assist with mitigating</u> the potential <u>foreign exchange</u> losses, <u>any potential</u> foreign exchange gains <u>from the hedging strategy will be capped as well.</u></p> <p><u>The Fund may also</u> invest in <u>embedded derivatives</u> such as, but not limited to, credit linked notes. Investment into these <u>embedded derivatives</u> will provide the Fund with the exposure to the reference asset. Each of these <u>embedded derivatives</u> has its own targeted maturity and will expose investors to the price fluctuations of, in case of credit linked note, the credit that the credit linked note is linked to. As a result, any fluctuation in the price of the <u>embedded derivatives</u> may also lead to fluctuations in the NAV of the Fund, i.e. if the price of the <u>embedded derivative</u> sees a drop in price, the NAV of the Fund will also be negatively impacted. As the note is structured by an external party, investments into an <u>embedded derivative</u> will also expose the Fund to counterparty risk, which we will attempt to mitigate by carrying out a stringent selection process on its counterparty prior to an investment being made. Risk into <u>embedded derivatives</u> will also be mitigated by limiting the Fund's total exposure to not more than 10% of the Fund's NAV.</p> <p><u>The Fund adopts commitment approach to measure the Fund's global exposure to derivatives and embedded derivatives. The commitment approach is a methodology that aggregates the underlying market values or notional values of derivatives and/or embedded derivatives after taking into account the possible effects of netting and/or hedging arrangements. The Fund's global exposure from the derivatives position must not exceed 100% of NAV of the Fund at all times.</u></p> <p>Temporary Defensive Position We hold the option to take temporary defensive positions that may be inconsistent with the Fund's principal strategy and asset allocation to protect the Fund against adverse market conditions that may impact the financial markets. To manage the risk of the Fund, we may shift the Fund's assets to be temporarily invested in money market instruments and/or deposits.</p> <p>Cross Trades Policy We may conduct cross trades between funds <u>which we are</u> currently managing provided that all criteria imposed by the regulators are met. Notwithstanding <u>the above</u>, cross trades between the personal account of our employee and the Fund's account(s); and between our proprietary trading accounts and the Fund's account(s)</p>

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	manipulation that could have a negative impact on the investors.	are strictly prohibited. Compliance with the criteria <u>would be</u> monitored by our compliance unit, and reported to our compliance and risk management committee, to avoid conflict of interests and manipulation that could have a negative impact on the investors.
6.4	PERMITTED INVESTMENTS <ul style="list-style-type: none"> ➤ Debentures; ➤ Money market instruments; ➤ Deposits; ➤ Derivatives; ➤ Units/shares in collective investment schemes; ➤ Structured products; and ➤ Any other form of investments as may be permitted by the SC from time to time that is in line with the Fund’s investment objective. 	<ul style="list-style-type: none"> ➤ Debentures ➤ Money market instruments; ➤ Deposits; ➤ Derivatives; ➤ Units/shares in collective investment schemes; ➤ <u>Embedded derivatives</u>; and ➤ Any other form of investments as may be permitted by the SC from time to time that is in line with the Fund’s investment objective.
6.5	INVESTMENT RESTRICTIONS AND LIMITS <ul style="list-style-type: none"> (a) The value of the Fund’s investments in unlisted securities must not exceed 10% of the Fund’s NAV. The said limit does not apply to debentures that are traded on an organised OTC market and structured products; (b) The value of the Fund’s placement in deposits with any single institution must not exceed 20% of the Fund’s NAV; (c) The value of the Fund’s investments in debentures issued by any single issuer must not exceed 20% of the Fund’s NAV. This single issuer limit may be increased to 30% if the debentures are rated by any domestic or global rating agency to be of the best quality and offer highest safety for timely payment of interest and principal; (d) The aggregate value of the Fund’s investments in transferable securities, money market instruments, OTC derivatives, structured products and deposits issued by or placed with (as the case may be) any single issuer or institution must not exceed 25% of the Fund’s NAV; where the single issuer limit is increased to 30% pursuant (c), the aggregate value of the Fund’s investment must not exceed 30%; (e) The value of the Fund’s investments in units or shares of any collective investment 	<p><u>Subject to the Guidelines, the purchase of permitted investments stated above shall not contravene the following limits, unless otherwise revised by the SC from time to time:</u></p> <ul style="list-style-type: none"> (a) <u>The Fund’s assets must be relevant and consistent with the investment objective of the Fund.</u> (b) <u>The aggregate value of the Fund’s investments in transferable securities that are not traded or dealt in or under the rules of an eligible market must not exceed 15% of the Fund’s NAV, subject to a maximum limit of 10% of the Fund’s NAV in a single issuer (“Exposure Limit”).</u> (c) The value of the Fund’s placement in deposits with any single <u>Financial Institution</u> must not exceed 20% of the Fund’s NAV (<u>“Single Financial Institution Limit”</u>). <u>The Single Financial Institution Limit does not apply to placements of deposits arising from:</u> <ul style="list-style-type: none"> (i) <u>Subscription monies received prior to the commencement of investment</u>

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	<p>scheme must not exceed 20% of the Fund's NAV;</p> <p>(f) The value of the Fund's investments in debentures issued by any one group of companies must not exceed 30% of the Fund's NAV;</p> <p>(g) The Fund's investments in debentures must not exceed 20% of the bonds issued by any single issuer;</p> <p>(h) The Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issuer. This limit does not apply to money market instruments that do not have a predetermined issue size;</p> <p>(i) The Fund's investments in collective investment schemes must not exceed 25% of the units/shares in any one collective investment scheme;</p> <p>(j) For investments in derivatives, the exposure to the underlying assets of that derivatives must not exceed the investment spread limits stipulated in the Guidelines and the value of the Fund's OTC derivative transaction with any single counter-party shall not exceed 10% of the Fund's NAV;</p> <p>(k) The Fund's exposure from derivatives position shall not exceed the Fund's NAV at all times;</p> <p>(l) The value of the Fund's investments in structured products issued by a single counterparty must not exceed 15% of the Fund's NAV;</p> <p>(m) The single counterparty limit in item (l) above is entirely waived if:</p> <p style="padding-left: 20px;">(i) The counterparty has a minimum long-term rating by any domestic or global rating agency that indicates a strong capacity for timely payment of financial obligations provided; and</p> <p style="padding-left: 20px;">(ii) The structured product has a capital protection feature; and</p> <p>(n) Any other investment limits or restrictions imposed by the relevant regulatory authorities or pursuant to the Guidelines, any laws and/or regulations applicable to the Fund.</p> <p>Please note that the above restrictions and limits does not apply to securities or instruments issued or guaranteed by the Malaysian government or Bank Negara Malaysia.</p> <p>The aforesaid investment restrictions and limits will be complied with at all times based on the most up-to-date valuation of the investments and instruments of the Fund. However, a 5% allowance in excess of any limit or restriction under the Guidelines is permitted where the limit or restriction is breached through the appreciation or depreciation of the NAV of the Fund (whether as a result of an</p>	<p><u>by the Fund;</u></p> <p>(ii) <u>Liquidation of investments prior to the termination of the Fund, where the placement of deposits with various Financial Institutions would not be in the best interests of Unit Holders; or</u></p> <p>(iii) <u>Monies held for the settlement of redemption or other payment obligations, where the placement of deposits with various Financial Institutions would not be in the best interests of Unit Holders.</u></p> <p>(d) The value of the Fund's investments in <u>bonds and money market instruments</u> issued by any single issuer must not exceed 20% of the Fund's NAV ("<u>Single Issuer Limit</u>"). <u>In determining the Single Issuer Limit, the value of the Fund's investments in instruments in the Exposure Limit issued by the same issuer must be included in the calculation.</u></p> <p>(e) The aggregate value of the Fund's investments in, <u>or exposure to, a single issuer through bonds, money market instruments, underlying assets of deposits and embedded derivatives and counterparty exposure arising from the use of OTC derivatives</u> must not exceed 25% of the Fund's NAV ("<u>Single Issuer Aggregate Limit</u>"). <u>In determining the Single Issuer Aggregate Limit, the value of the Fund's investments in instruments in Exposure Limit above issued by the same issuer must be included in the calculation.</u></p> <p>(f) The Single Issuer Limit may be increased to 30% if the <u>bonds</u> are rated by any domestic or global rating agency to <u>have the highest long-term credit rating.</u></p> <p>(g) Where the Single Issuer Limit is increased to 30% pursuant to above, the <u>Single Issuer Aggregate Limit may be raised to 30% of the Fund's NAV.</u></p> <p>(h) <u>The Single Issuer Limit may be raised to 35% of the Fund's NAV if the issuing entity is, or the issue is guaranteed by, either a foreign government, foreign government agency, foreign central bank or supranational, that has a minimum long-term credit rating of investment grade (including gradation and subcategories) by an international rating agency.</u></p> <p>(i) <u>Where the Single Issuer Limit is increased to 35% of the Fund's NAV, the Single Issuer Aggregate Limit may be raised, subject to the Group Limit not exceeding 35% of the Fund's NAV.</u></p> <p>(j) The value of the Fund's investments in units or shares of a collective investment scheme must not exceed 20% of the Fund's NAV <u>provided that the collective investment scheme complies with the requirements of the Guidelines.</u></p> <p>(k) <u>The value of the Fund's investments in units or shares of a collective</u></p>

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	<p>appreciation or depreciation in value of the investments of the Fund, or as a result of repurchase of Units or payments made from the Fund).</p> <p>We will not make any further acquisitions to which the relevant limit is breached and we shall within a reasonable period of not more than three (3) months from the date of the breach, take all necessary steps and actions to rectify the breach.</p>	<p><u>investment scheme that invests in real estate most not exceed 15% of the Fund's NAV.</u></p> <p>(l) <u>The value of the Fund's investments in bonds and money market instruments issued by any group of companies must not exceed 30% of the Fund's NAV ("Group Limit"). In determining the Group Limit, the value of the Fund's investments in instruments in Exposure Limit above issued by the issuers within the same group of companies must be included in the calculation.</u></p> <p>(m) <u>The Fund's investments in bonds must not exceed 20% of the bonds issued by a single issuer. This limit may be disregarded at the time of acquisition if at that time of acquisition the gross amount of bonds in issue cannot be determined.</u></p> <p>(n) <u>The Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issuer. This limit does not apply to money market instruments that do not have a predetermined issue size.</u></p> <p>(o) <u>The Fund's investments in collective investment scheme must not exceed 25% of the units or shares in the collective investment scheme.</u></p> <p>(p) <u>For investments in derivatives/<u>embedded derivatives</u>, the exposure to the underlying assets of that derivatives must not exceed the investment restrictions or limitations applicable to such underlying assets and investments as stipulated in the Guidelines and the value of the Fund's OTC derivative transaction with any single counter-party shall not exceed 10% of the Fund's NAV.</u></p> <p>(q) <u>The Fund's <u>global</u> exposure from derivatives position shall not exceed the Fund's NAV at all times.</u></p> <p>(r) <u>Any other investment limits or restrictions imposed by the relevant regulatory authorities or pursuant to any laws and regulations applicable to the Fund.</u></p> <p>Please note that the above restrictions and limits does not apply to securities or instruments issued or guaranteed by the Malaysian government or Bank Negara Malaysia.</p> <p><u>In respect of the above investment restrictions and limits, any breach as a result of any (a) appreciation or depreciation in value of the Fund's investments; (b) repurchase of Units or payment made out of the Fund; (c) change in capital of a corporation in which the Fund has invested in; or (d) downgrade in or cessation of a credit rating, must be rectified as soon as practicable within three months from the date of the breach unless otherwise specified in the Guidelines. Nevertheless, the three-month period may be extended if it is in the best interests of Unit</u></p>

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		<u> Holders and the Trustee’s consent has been obtained. Such extension must be subject to at least a monthly review by the Trustee.</u>
6.6	<p>VALUATION OF THE FUND</p> <p>Bonds For unlisted MYR denominated bonds, valuation will be done using the price quoted by a bond pricing agency (“BPA”) registered with the SC. If the Manager is of the view that the price quoted by BPA differs from the market price quoted by at least three (3) independent dealers by more than 20 basis points, the Manager may use the market price, provided that the Manager records its basis for using a non-BPA price, obtains the necessary internal approvals to use the non-BPA price and keeps an audit trail of all decisions and basis for adopting the market yield. For unlisted foreign bonds, they will be valued using the average indicative yield quoted by 3 independent and reputable institutions.</p> <p>For listed bonds, the valuations shall be based on the market price i.e. closing bid price. Where no market value is publicly available or where the use of the quoted market value is inappropriate, or where no market price is available, including in the event of suspension in the quotation of the listed bonds for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, such listed bonds are valued at fair value determined in good faith by the Manager or its delegate, based on the methods or bases approved by the Trustee after appropriate technical consultation.</p>	<p><u>Unlisted Securities</u> For unlisted MYR denominated bonds, valuation will be done using the price quoted by a bond pricing agency (“BPA”) registered with the SC. <u>For non-MYR denominated unlisted bonds, valuation will be based on the average indicative price quoted by independent and reputable institutions. Where the Manager is of the view that the price quoted by BPA differs from the fair value or where reliable market quotations are not available, the fair value will be determined in good faith by the Manager using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.</u></p> <p>For <u>other unlisted bonds, valuation will be based on fair value as determined in good faith by the Manager using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.</u></p> <p><u>Listed Securities</u> <u>Valuation of investments in listed securities shall be based on the closing price or last known transacted price on the eligible market on which the investment is quoted. If the price is not representative of its fair value or is not available to the market, including in the event of suspension in the quotation of the listed securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, such listed securities will be valued at fair value determined in good faith by the Manager or its delegate, based on the methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.</u></p>
6.7	<p>VALUATION OF THE FUND</p> <p>Money Market Instruments The valuation of MYR denominated money market instruments will be done using the price quoted by a BPA registered with the SC. For foreign money market instruments, valuation will be done using the indicative yield quoted by independent and reputable institution.</p>	<p>Valuation of MYR denominated money market instruments will be done using the price quoted by a BPA registered with the SC. For <u>non-MYR denominated</u> money market instruments, valuation will be done using <u>an average of quotations provided by reputable institutions. Where the Manager is of the view that the price quoted by BPA differs from the fair value or where reliable market quotations are not</u></p>

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		<u>available, the fair value will be determined in good faith by the Manager. This may be determined by reference to the valuation of other money market instruments which are comparable in rating, yield, expected maturity date and/or other characteristics.</u>
6.8	<p>VALUATION OF THE FUND</p> <p>Derivatives and Structured Products The valuation of derivatives and structured products will be based on the prices provided by the respective issuers. The issuers generate the market valuation through the use of their own proprietary valuation models, which incorporate all the relevant and available market data with respect to the derivatives and structured products (e.g. interest rates, movement of the underlying assets, volatility of the underlying assets, the correlation of the underlying assets and such other factors). For foreign exchange forward contracts (“FX Forwards”), we will apply interpolation formula to compute the value of the FX Forwards based on the rates provided by the Bloomberg or Reuters. If the rates are not available on the Bloomberg or Reuters, the FX Forwards will be valued by reference to the average indicative rate quoted by at least 3 independent dealers. In the case where the Manager is unable to obtain quotation from 3 independent dealers, the FX Forwards will be valued in accordance with a fair value as determined by us in good faith, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.</p>	<p>Derivatives and Embedded Derivatives Valuation of derivatives and <u>embedded derivatives</u> will be based on the prices provided by the respective issuers. The issuers generate the market valuation through the use of their own proprietary valuation models, which incorporate all the relevant and available market data with respect to the derivatives and <u>embedded derivatives</u> (e.g. interest rates, movement of the underlying assets, volatility of the underlying assets, the correlation of the underlying assets and such other factors). For foreign exchange forward contracts (“FX Forwards”), interpolation formula <u>is applied</u> to compute the value of the FX Forwards based on the rates provided by Bloomberg <u>or Refinitiv</u>. If the rates are not available on Bloomberg <u>or Refinitiv</u>, the FX Forwards will be valued <u>based on fair value as determined in good faith by the Manager, using methods or bases</u> which have been verified by the auditor of the Fund and approved by the Trustee.</p>
6.9	<p>VALUATION OF THE FUND</p> <p>Collective investment schemes An unlisted collective investment schemes will be valued based on its last published repurchase price. For listed collective investment schemes, the valuations shall be based on the market price of the respective collective investment schemes. Where the use of the quoted market value is inappropriate, or where no market price is available, including in the event of suspension in the quotation of the collective investment schemes for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, such investments are valued at fair value determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation and verified by the auditors of the Fund.</p>	<p>Unlisted collective investment schemes will be valued based on its last published repurchase price.</p> <p>For listed collective investment schemes, the valuation <u>will be done in a similar manner used in the valuation of listed securities as described above.</u></p>
6.10	<p>POLICY ON GEARING AND MINIMUM LIQUID ASSETS REQUIREMENTS</p> <p>The Fund is not permitted to borrow cash or other assets (including the borrowing of securities within the meaning of the Securities Borrowing and Lending Guidelines [SBL</p>	<p><u>FINANCING AND SECURITIES LENDING</u></p> <p>The Fund is not permitted to borrow <u>or lend</u> cash or other assets in connection with its activities. However, the Fund may borrow cash for the purpose of meeting</p>

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	<p>Guidelines]) in connection with its activities. However, the Fund may borrow cash for the purpose of meeting repurchase requests for Units and such borrowings are subjected to the following:-</p> <ul style="list-style-type: none"> • the Fund borrowing is only on a temporary basis and that borrowings are not persistent; • the borrowing period should not exceed one (1) month; • the aggregate borrowings of the Fund should not exceed 10% of the Fund’s NAV at the time the borrowing is incurred; and • the Fund may only borrow from Financial Institutions. <p>Except for securities lending as provided under the SBL Guidelines, none of the cash or investments of the Fund may be lent. Further, the Fund may not assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person.</p> <p>In structuring the investment portfolio of the Fund, we will maintain sufficient liquid assets to ensure short-term liquidity in the Fund to meet operating expenses and possible repurchase of Units.</p>	<p>repurchase requests for Units and such borrowings are subjected to the following:-</p> <ul style="list-style-type: none"> • the Fund’s borrowing is only on a temporary basis and that borrowings are not persistent; • the borrowing period should not exceed one (1) month; • the aggregate borrowings of the Fund should not exceed 10% of the Fund’s NAV at the time the borrowing is incurred; and • the Fund may only borrow from Financial Institutions. <p><u>The</u> Fund may not assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person.</p>
7.	DEALING INFORMATION	
7.1	<p>HOW TO MAKE PAYMENT FOR PURCHASE APPLICATION?</p> <ul style="list-style-type: none"> ➤ Bank Transfer You may transfer the purchase payment into our bank account via telegraphic transfer or online transfer, and include your name in the transaction description for our reference. You may obtain our bank account details from our online download center at www.affinhwangam.com. ➤ Cheque, Bank Draft or Money Order Issuance of cheque, bank draft or money order for investment in MYR should be made payable to “Affin Hwang Asset Management Berhad-CTA”, crossed and drawn on a local bank. You are required to write your name, identity card number or business registration number at the back of the cheque, bank draft or money order. 	<ul style="list-style-type: none"> ➤ You may transfer the purchase payment into our bank account via telegraphic transfer or online transfer, and include your name in the transaction description for our reference. <u>Payment must be made in the currency of the Class which you intend to invest into.</u> You may obtain our bank account details from our online download center at www.aham.com.my. ➤ Bank charges or other bank fees, if any, will be borne by you.

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	<ul style="list-style-type: none"> ➤ Bank charges or other bank fees, if any, will be borne by you. 	
7.2	<p>HOW TO REPURCHASE UNITS?</p> <ul style="list-style-type: none"> ➤ It is important to note that, you must meet the above minimum holding of Units after a repurchase transaction. <p>If you insist on making a repurchase request knowing that after the transaction you will hold less than the minimum holdings of Units, we may withdraw all your holding of Units and pay the proceeds to you</p> <p>We may, with the consent of the Trustee, reserve the right to defer your repurchase request if such transaction would adversely affect the Fund or the interest of the Unit Holders.</p> <ul style="list-style-type: none"> ➤ You may submit the repurchase request by completing a transaction form and returning it to us between 8.45 a.m. and 3.30 p.m. on a Business Day. ➤ In the transaction form, you may choose to receive the repurchase proceeds in the manner of a cheque (for RM) or bank transfer (for all Classes). If cheque is your option, we will issue the cheque in your name. If bank transfer is your option, proceeds will be transferred to your bank account. Where Units are held jointly, payment will be made to the person whose name appears first in the register of Unit Holders. ➤ Any incurred bank charges and other bank fees due to a withdrawal by cheque, bank transfer or other special arrangement method will be borne by you. 	<ul style="list-style-type: none"> ➤ It is important to note that, you must meet the above minimum holding of Units after a repurchase transaction. <p>If you insist on making a repurchase request knowing that after the transaction you will hold less than the minimum holdings of Units, we may withdraw all your holding of Units and pay the proceeds to you</p> <p>We may, with the consent of the Trustee, reserve the right to defer your repurchase request if such transaction would adversely affect the Fund or the interest of the Unit Holders.</p> <ul style="list-style-type: none"> ➤ You may submit the repurchase request by completing a transaction form and returning it to us between 8.45 a.m. and 3.30 p.m. on a Business Day. ➤ <u>Payment of the repurchase proceeds will be made via bank transfer where proceeds will be transferred to your bank account.</u> Where Units are held jointly, payment will be made to the person whose name appears first in the register of Unit Holders. ➤ Bank charges and other bank fees, <u>if any</u>, will be borne by you.
7.3	<p>WHAT IS THE PROCESS OF REPURCHASE APPLICATION?</p> <p>2nd bullet: -</p> <ul style="list-style-type: none"> ➤ Repurchase of Units must be made in terms of Units and not in terms of SGD or MYR value. 	<ul style="list-style-type: none"> ➤ Repurchase of Units must be made in terms of Units <u>or value, provided it meets the minimum repurchase amount of a Class.</u>

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7.4	<p>WHAT IS THE REPURCHASE PROCEEDS PAYOUT PERIOD?</p> <ul style="list-style-type: none"> ➤ You will be paid within ten (10) days from the day the repurchase request is received by us, provided that all documentations are completed and verifiable. 	<ul style="list-style-type: none"> ➤ You will be paid within seven (7) Business Days from the day the repurchase request is received by us, provided that all documentations are completed and verifiable.
7.5	<p>COOLING-OFF PERIOD</p> <p>You have the right to apply for and receive a refund for every Unit that you have paid for within six (6) Business Days from the date we received your purchase application. You will be refunded for every Unit held based on the NAV per Unit and the Sales Charge, on the day those Units were first purchased and you will be refunded within ten (10) days from the receipt of the cooling-off application.</p> <p>Please note that the cooling-off right is applicable to you if you are an individual investor and investing in any of our funds for the first time. However, if you are a staff of AHAM or a person registered with a body approved by the SC to deal in unit trusts, you are not entitled to this right.</p> <p>We will process your cooling-off request if your request is received or deemed to have been received by us at or before 3.30 p.m. on a Business Day (or “T day”). Any cooling-off request received after 3.30 p.m. will be transacted on the next Business Day (or “T + 1 day”).</p> <p>Processing is subject to receipt of a complete transaction form and such other documents as may be required by us.</p>	<p>You have the right to apply for and receive a refund for every Unit that you have paid for within six (6) Business Days from the date we received your purchase application.</p> <p><u>You will be refunded for every Unit held based on the prices mentioned below and the Sales Charge imposed on the day those Units were purchased.</u></p> <ul style="list-style-type: none"> ➤ <u>If the price of a Unit on the day the Units were first purchased (“original price”) is higher than the price of a Unit at the point of exercise of the cooling-off right (“market price”), you will be refunded based on the market price at the point of cooling-off; or</u> ➤ <u>If the market price is higher than the original price, you will be refunded based on the original price at the point of cooling-off.</u> <p><u>You will be refunded within seven (7) Business Days from our receipt of the cooling-off application.</u></p> <p>Please note that the cooling-off right is applicable to you if you are an individual investor and investing in any of our funds for the first time. However, if you are a staff of AHAM or a person registered with a body approved by the SC to deal in unit trusts, you are not entitled to this right.</p> <p>We will process your cooling-off request if your request is received or deemed to have been received by us at or before 3.30 p.m. on a Business Day (or “T day”). Any cooling-off request received after 3.30 p.m. will be transacted on the next Business Day (or “T + 1 day”).</p>

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		Processing is subject to receipt of a complete transaction form and such other documents as may be required by us.
7.6	<p>SUSPENSION OF DEALING IN UNITS</p> <p>The Trustee may suspend the dealing in Units:</p> <ul style="list-style-type: none"> ➤ where the Trustee considers that it is not in the interests of the existing Unit Holders to permit the assets of the Fund to be sold or that the assets cannot be liquidated at an appropriate price or on adequate terms and immediately call a Unit Holders’ meeting to decide on the next course of action; or ➤ without the consent of the Unit Holders, due to exceptional circumstances when there is a good and sufficient reason to do so having regard to the interests of the Unit Holders. In such case, the period of the suspension shall not exceed twenty one (21) days of the commencement of the suspension. 	<p><u>The Manager may, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the dealing in Units* due to exceptional circumstances, where there is good and sufficient reason to do so. The Manager will cease the suspension as soon as practicable after the exceptional circumstances have ceased, and in any event, within twenty-one (21) days from the commencement of suspension.</u></p> <p><u>The period of suspension may be extended if the Manager satisfies the Trustee that it is in the best interest of the Unit Holders for the dealing in Units to remain suspended, subject to a weekly review by the Trustee.</u></p> <p><u>The Trustee may suspend the dealing in Units, if the Trustee, on its own accord, considers that exceptional circumstances have been triggered. In such a case, the Trustee shall immediately call for a Unit Holders’ meeting to decide on the next course of action.</u></p> <p><u>*The action to impose suspension shall only be exercised as a last resort by the Manager, as disclosed in the section on “Liquidity Risk Management”.</u></p>
7.7	<p>DISTRIBUTION POLICY</p> <p>Depending on the level of income the Fund generates, the Fund will provide distribution on an annual basis.</p> <p>However, the amount of income available for distribution may fluctuate from year to year.</p> <p>Income distribution, if any, will be paid out in the currencies in which the Classes are denominated. You may elect the mode of distribution in cash payment or additional Units by way of reinvestment by ticking the appropriate column in the application form. You may also inform us at any time before the income distribution date of your wish of receiving cash payment or additional Units via reinvestment. All distribution will be automatically reinvested into additional Units in the Fund if you do not elect</p>	<p>Depending on the level of income the Fund generates, the Fund will provide distribution on an annual basis.</p> <p>However, the amount of income available for distribution may fluctuate from year to year.</p> <p>Income distribution, if any, will be paid out in the currencies in which the Classes are denominated. You may elect the mode of distribution in cash payment or additional Units by way of reinvestment by ticking the appropriate column in the application form. You may also inform us at any time before the income distribution date of your wish of receiving cash payment or additional Units via reinvestment. All distribution will be automatically reinvested into additional Units in the Fund if you</p>

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS
	<p>the mode of distribution in the application form.</p> <p>Any distribution payable which is less than or equal to the amount of SGD/RM 300.00 will be automatically reinvested on your behalf.</p> <p><u>Cash Payment Process</u> Income distribution by way of cash payment will be paid via telegraphic transfer. Income will be transferred to your bank account within seven (7) Business Days after the distribution date.</p> <p>To enable the cash payment process, Unit Holders investing in the SGD Class are required to have a foreign currency account with any financial institution denominated in the currency of the SGD Class.</p> <p><u>Reinvestment Process</u> We will create the Units based on the NAV per Unit of the Class at the income payment date which is two (2) Business Days after the distribution date. There will not be any additional cost for reinvestments of those additional Units, i.e., no Sales Charge will be imposed on such transaction.</p> <p>There will not be any additional cost to you for reinvestments in new additional Units i.e no Sales Charge will be imposed on such reinvestment.</p> <p style="text-align: center;">Unit prices and distributions payable, if any, may go down as well as up.</p>	<p>do not elect the mode of distribution in the application form.</p> <p>Any distribution payable which is less than or equal to the amount of SGD/<u>MYR</u> 300.00 will be automatically reinvested on your behalf.</p> <p><u>Notwithstanding the above, we may also reinvest the distribution proceeds which remain unclaimed after twelve (12) months from the date of payment, provided that you still have an account with us.</u></p> <p><u>Cash Payment Process</u> Income distribution by way of cash payment will be paid via telegraphic transfer. Income will be transferred to your bank account within seven (7) Business Days after the distribution date.</p> <p>To enable the cash payment process, Unit Holders investing in the SGD Class are required to have a foreign currency account with any Financial Institution denominated in the currency of the SGD Class.</p> <p><u>Reinvestment Process</u> We will create the Units based on the NAV per Unit of the Class at the income payment date which is <u>within</u> two (2) Business Days after the distribution date.</p> <p>There will not be any cost to you for reinvestments in new additional Units i.e no Sales Charge will be imposed on such reinvestment.</p> <p style="text-align: center;">Unit prices and distributions payable, if any, may go down as well as up.</p>
7.8	<p>UNCLAIMED MONEYS</p> <p>Any monies payable to you which remain unclaimed after twelve (12) months from the date of payment will be paid to the Registrar of Unclaimed Monies by the Manager in accordance with the requirements of the Unclaimed Moneys Act, 1965.</p>	<p>Any monies payable to you which remain unclaimed after twelve (12) months from the date of payment will <u>be dealt as follows:</u></p> <p>a) <u>we may reinvest the unclaimed distribution proceeds provided that you still have an account with us; or</u></p> <p>b) <u>we will pay to the Registrar of Unclaimed Monies in accordance with the requirements of the Unclaimed Moneys Act, 1965.</u></p>

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS
8.	FEES, CHARGES AND EXPENSES	
8.1	<p>CHARGES</p> <p>SALES CHARGE</p> <p>Up to 2.00% of the NAV per Unit.</p> <p>Note: All Sales Charge will be rounded up to two (2) decimal places.</p>	<p>Up to 2.00%* of NAV per Unit <u>of a Class</u>.</p> <p>Note: All Sales Charge will be rounded up to two (2) decimal places.</p>
8.2	<p>ANNUAL MANAGEMENT FEE</p> <p>The annual management fee is up to 1.00% per annum of the NAV of the Fund. This fee is calculated and accrued daily and payable monthly to the Manager.</p> <p><i>Please note that the example below is for illustration only:</i></p> <p>Assuming that the NAV of the Fund is SGD 200 million for that day, the accrued management fee for that day would be:</p> $\frac{\text{SGD } 200,000,000 \times 1.00\%}{365 \text{ days}} = \text{SGD } 5,479.45 \text{ per day}$	<p>The annual management fee is up to 1.00% per annum of the NAV of the Fund (<u>before deducting the management fee and trustee fee</u>). This fee is calculated and accrued daily and payable monthly to the Manager.</p> <p><i>Please note that the example below is for illustration only:</i></p> <p>Assuming that the NAV of the Fund is SGD 200 million for that day, the accrued management fee for that day would be:</p> $\frac{\text{SGD } 200,000,000 \times 1.00\%}{365 \text{ days}} = \text{SGD } 5,479.45 \text{ per day}$
8.3	ADMINISTRATIVE FEES	

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS
	<p>Only fees and expenses that are directly related to or necessary for the operation and administration of the Fund may be charged to the Fund. These include the following:</p> <ul style="list-style-type: none"> • Commissions or fees paid to dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes; • (where the custodial function is delegated by the Trustee) charges and fees paid to custodians taking into custody any foreign investments of the Fund; • Taxes and other duties charged on the Fund by the government and/or other authorities; • Costs, fees and expenses properly incurred by the auditor appointed for the Fund; • Costs, fees and expenses incurred for the valuation of any investment of the Fund by independent valuers for the benefit of the Fund; • Costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee; • Costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee; • Costs and/or expenses associated with the distributions declared pursuant to the Deed and the payment of such distribution including without limitation fees, costs and/or expenses for the revalidation or reissuance of any distribution cheque or telegraphic transfer; • Costs, fees and expenses incurred for the fund valuation and accounting of the fund performed by a fund valuation agent; and • Other fees or expenses related to the Fund allowed under the Deed. 	<p>Only fees and expenses that are directly related to or necessary for the operation and administration of the Fund may be charged to the Fund. These include the following:</p> <ul style="list-style-type: none"> • Commissions or fees paid to dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes; • (where the custodial function is delegated by the Trustee) charges and fees paid to custodians taking into custody any foreign investments of the Fund; • Taxes and other duties charged on the Fund by the government and/or other authorities; • Costs, fees and expenses properly incurred by the auditor appointed for the Fund; • <u>Costs and expenses incurred in relation to the distribution of income (if any);</u> • Costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee; • Costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee; • Costs and/or expenses associated with the distributions declared pursuant to the Deed and the payment of such distribution including without limitation fees, costs and/or expenses for the revalidation or reissuance of any distribution cheque or telegraphic transfer; • Costs, fees and expenses incurred for the fund valuation and accounting of the fund performed by a fund valuation agent; and • Other fees or expenses related to the Fund allowed under the Deed.
8.4	<p>REBATES AND SOFT COMMISSIONS</p> <p>We or any of our delegates thereof will not retain any rebate or soft commission from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission should be directed to the account of the Fund.</p> <p>The soft commission can be retained by us or our delegates provided that:-</p> <ul style="list-style-type: none"> ➤ the goods and services are of demonstrable benefit to the Unit Holder in the form 	<p>We or any of our delegates will not retain any rebate or soft commission from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission should be directed to the account of the Fund.</p> <p>The soft commissions can be retained by us or our delegates provided that:-</p> <ul style="list-style-type: none"> ➤ the <u>soft commissions bring direct benefit or advantage to the management of</u>

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS												
	<p>of research and advisory services that assist in the decision-making process relating to the Fund's investments; and</p> <ul style="list-style-type: none"> ➤ any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund. 	<p><u>the fund and may include research and advisory related services;</u></p> <ul style="list-style-type: none"> ➤ any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund; <u>and</u> ➤ <u>the availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and we or our delegates will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.</u> 												
9.	PRICING													
9.1	<p>INCORRECT PRICING</p> <p>2nd paragraph: - The Trustee will not consider an incorrect valuation and/or pricing of the Fund and/or the Units to be of minimal significance if the error involves a discrepancy of 0.5% or more of the NAV per Unit unless the total impact on your account is less than MYR 10.00. An incorrect valuation and/or pricing not considered to be of minimal significance by the Trustee will result in reimbursement of moneys in the following manner:</p>	<p>The Trustee will not consider an incorrect valuation and/or pricing of the Fund and/or the Units to be of minimal significance if the error involves a discrepancy of 0.5% or more of the NAV per Unit unless the total impact on your account is less than MYR 10.00 <u>or in the case of a foreign currency Class, less than 10.00 denominated in the foreign currency denomination of the Class.</u> An incorrect valuation and/or pricing not considered to be of minimal significance by the Trustee will result in reimbursement of moneys in the following manner:</p>												
9.2	<p>COMPUTATION OF SELLING PRICE AND REPURCHASE PRICE</p> <p>Under a single pricing regime, the Selling Price and the Repurchase Price are equivalent to the NAV per Unit. Any applicable Sales Charge and Repurchase Charge are payable separately from the Selling Price and the Repurchase Price.</p> <p>Forward Pricing will be used to determine the Selling Price and the Repurchase Price, i.e. the NAV per Unit as at the next valuation point after we receive the purchase request or repurchase request.</p> <p>Calculation of Selling Price</p> <p>For illustration purposes, let's assume the following:-</p> <table border="1" data-bbox="188 1345 904 1428"> <thead> <tr> <th>Class</th> <th>SGD Class</th> <th>MYR Class</th> </tr> </thead> <tbody> <tr> <td>Investment Amount</td> <td>SGD 10,000</td> <td>MYR 10,000</td> </tr> </tbody> </table>	Class	SGD Class	MYR Class	Investment Amount	SGD 10,000	MYR 10,000	<p>Under a single pricing regime, the Selling Price and the Repurchase Price are equivalent to the NAV per Unit. Any applicable Sales Charge and Repurchase Charge are payable separately from the Selling Price and the Repurchase Price.</p> <p>Forward Pricing will be used to determine the Selling Price and the Repurchase Price, i.e. the NAV per Unit as at the next valuation point after we receive the purchase request or repurchase request.</p> <p>Calculation of Selling Price</p> <p>For illustration purposes, let's assume the following:-</p> <table border="1" data-bbox="1158 1345 1852 1428"> <thead> <tr> <th>Class</th> <th>SGD Class</th> <th>MYR Class</th> </tr> </thead> <tbody> <tr> <td>Investment Amount</td> <td>SGD 10,000</td> <td>MYR 10,000</td> </tr> </tbody> </table>	Class	SGD Class	MYR Class	Investment Amount	SGD 10,000	MYR 10,000
Class	SGD Class	MYR Class												
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NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS
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<i>Selling Price</i>	SGD 1.00	MYR 1.00
<i>Number Of Units Received*</i>	SGD 10,000 ÷ SGD 1.00 = 10,000 Units	MYR 10,000 ÷ MYR 1.00 = 10,000 Units
<i>Sales Charge</i>	2.00%	2.00%
<i>Sales Charge Paid By Investor**</i>	2.00% x SGD 1.00 x 10,000 Units = SGD 200	2.00% x MYR 1.00 x 10,000 Units = MYR 200
<i>Total Amount Paid By Investor***</i>	SGD 10,000 + SGD 300 = SGD 10,200	MYR 10,000 + MYR 300 = MYR 10,200

Formula for calculating:-

* Number of Units received = $\frac{\text{Amount invested}}{\text{Selling Price}}$

** Sales Charge paid by Investor = $\frac{\text{Sales Charge} \times \text{Selling Price per Unit} \times \text{Number of Units received}}{\text{Number of Units received}}$

*** Total amount paid by Investor = $\text{Amount invested} + \text{Sales Charge paid by investor}$

Calculation of Repurchase Price

For illustration purposes, let's assume the following:-

<i>Class</i>	SGD Class	MYR Class
<i>Units Repurchased</i>	20,000 Units	20,000 Units
<i>Repurchase Price</i>	SGD 1.00	MYR 1.00
<i>Repurchased Amount[^]</i>	20,000 Units x SGD 1.00 = SGD 20,000	20,000 Units x MYR 1.00 = MYR 20,000
<i>Repurchase Charge</i>	0.00%	0.00%
<i>Repurchase Charge Paid By Investor^{^^}</i>	0.00% x SGD 20,000 = SGD 0.00	0.00% x MYR 20,000 = MYR 0.00
<i>Total Amount Received By investor^{^^^}</i>	SGD 20,000 - SGD 0.00 = SGD 20,000	MYR 20,000 - MYR 0.00 = MYR 20,000

Formula for calculating:-

[^] Repurchase amount = $\text{Unit repurchased} \times \text{Repurchase Price}$

^{^^} Repurchase Charge paid by Investor = $\text{Repurchase Charge} \times \text{Repurchase amount}$

^{^^^} Total amount received by = $\text{Repurchased amount} - \text{Repurchase}$

<i>Selling Price per Unit</i>	SGD 1.00	MYR 1.00
<i>Number Of Units Received*</i>	SGD 10,000 ÷ SGD 1.00 = 10,000 Units	MYR 10,000 ÷ MYR 1.00 = 10,000 Units
<i>Sales Charge</i>	2.00%	2.00%
<i>Sales Charge Paid By Investor**</i>	2.00% x SGD 1.00 x 10,000 Units = SGD 200	2.00% x MYR 1.00 x 10,000 Units = MYR 200
<i>Total Amount Paid By Investor***</i>	SGD 10,000 + SGD 200 = SGD 10,200	MYR 10,000 + MYR 200 = MYR 10,200

Formula for calculating:-

* Number of Units received = $\frac{\text{Investment Amount}}{\text{Selling Price}}$

** Sales Charge paid by Investor = $\frac{\text{Sales Charge} \times \text{Selling Price per Unit} \times \text{Number of Units received}}{\text{Number of Units received}}$

*** Total amount paid by Investor = $\text{Investment Amount} + \text{Sales Charge paid by investor}$

Calculation of Repurchase Price

For illustration purposes, let's assume the following:-

<i>Class</i>	SGD Class	MYR Class
<i>Units Repurchased</i>	20,000 Units	20,000 Units
<i>Repurchase Price per Unit</i>	SGD 1.00	MYR 1.00
<i>Repurchase Amount[^]</i>	20,000 Units x SGD 1.00 = SGD 20,000	20,000 Units x MYR 1.00 = MYR 20,000
<i>Repurchase Charge</i>	0.00%	0.00%
<i>Repurchase Charge Paid By Investor^{^^}</i>	0.00% x SGD 20,000 = SGD 0.00	0.00% x MYR 20,000 = MYR 0.00
<i>Total Amount Received By investor^{^^^}</i>	SGD 20,000 - SGD 0.00 = SGD 20,000	MYR 20,000 - MYR 0.00 = MYR 20,000

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS
		<div style="border: 1px solid black; border-radius: 15px; padding: 10px;"> <p>Formula for calculating:-</p> <p>^ Repurchase Amount = Unit repurchased x Repurchase Price per Unit</p> <p>^^ Repurchase Charge paid by Investor = Repurchase Charge x Repurchase amount</p> <p>^^^ Total amount received by Investor = Repurchase amount - Repurchase Charge paid by investor</p> </div>
10.	SALIENT TERMS OF THE DEED	
10.1	<p>Provisions Regarding Unit Holders' Meetings</p> <p>Quorum Required For Convening A Unit Holders' Meeting</p> <p>The quorum required for a meeting of the Unit Holders shall be five (5) Unit Holders, whether present in person or by proxy, provided that if the Fund has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders shall be two (2) Unit Holders, whether present in person or by proxy; if the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty five per centum (25%) of the Units in Circulation of the Fund at the time of the meeting.</p>	<p>(a) The quorum required for a meeting of the Unit Holders <u>of the Fund or a Class, as the case may be</u>, shall be five (5) Unit Holders <u>(irrespective of the Class)</u>, whether present in person or by proxy; <u>however</u>, if the Fund <u>or a Class, as the case may be</u>, has five (5) or less Unit Holders <u>(irrespective of the Class)</u>, the quorum required for a meeting of the Unit Holders <u>of the Fund or a Class, as the case may be</u>, shall be two (2) Unit Holders <u>(irrespective of the Class)</u>, whether present in person or by proxy.</p> <p>(b) If the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty-five per centum (25%) of the Units in Circulation <u>(irrespective of the Class)</u> of the Fund <u>or a particular Class, as the case may be</u>, at the time of the meeting.</p> <p>(c) <u>If the Fund or a Class, as the case may be, has only one (1) remaining Unit Holder, such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders of the Fund or a Class, as the case may be.</u></p>
10.2	<p>Provisions Regarding Unit Holders' Meetings</p> <p>Unit Holders' Meeting Convened By Unit Holders</p> <p>Unless otherwise required or allowed by the relevant laws, the Manager shall, within</p>	<p>Unless otherwise required or allowed by the relevant laws, the Manager shall,</p>

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS
	<p>twenty-one (21) days of receiving a direction from not less than fifty (50) or one-tenth (1/10) of all the Unit Holders, whichever is less, summon a meeting of the Unit Holders by:</p> <ul style="list-style-type: none"> ➤ sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders; ➤ publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language national newspaper published daily and another newspaper approved by the relevant authorities; and ➤ specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting. <p>The Unit Holders may direct the Manager to summon a meeting for any purpose including, without limitation, for the purpose of:</p> <ul style="list-style-type: none"> ➤ requiring the retirement or removal of the Manager; ➤ requiring the retirement or removal of the Trustee; ➤ considering the most recent financial statements of the Fund; ➤ giving to the Trustee such directions as the meeting thinks proper; or ➤ considering any matter in relation to the Deed; <p>provided always that the Manager shall not be obliged to summon any such meeting unless direction has been received from not less than fifty (50) or one-tenth (1/10) of all the Unit Holders, whichever is the lesser number.</p>	<p>within twenty-one (21) days of receiving a direction from not less than fifty (50) or one-tenth (1/10), <u>whichever is less</u>, of all the Unit Holders <u>of the Fund or of a particular Class, as the case may be, at the registered office of the Manager</u>, summon a meeting of the Unit Holders <u>of the Fund or of that Class, as the case may be</u>, by:</p> <ul style="list-style-type: none"> ➤ sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders <u>of the Fund or Unit Holders of a particular Class, as the case may be, at the Unit Holder's last known address or, in the case of jointholders, to the jointholder whose name stands first in the records of the Manager at the jointholder's last known address</u>; ➤ publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language national newspaper published daily and another newspaper approved by the relevant authorities; and ➤ specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting. <p>The Unit Holders may direct the Manager to summon a meeting for any purpose including, without limitation, for the purpose of:</p> <ul style="list-style-type: none"> ➤ requiring the retirement or removal of the Manager; ➤ requiring the retirement or removal of the Trustee; ➤ considering the most recent financial statements of the Fund; ➤ giving to the Trustee such directions as the meeting thinks proper; or ➤ considering any matter in relation to the Deed; <p>provided always that the Manager shall not be obliged to summon such a meeting unless a direction has been received from not less than fifty (50) or one-tenth (1/10), whichever is less, of all the Unit Holders <u>of the Fund or the Unit Holders of a particular Class</u>.</p>
10.3	<p>Termination Of The Fund</p> <p>Circumstances That May Lead To The Termination Of The Fund</p> <p>The Fund may be terminated or wound up as provided for under the Deed and the Guidelines as follows:-</p> <ul style="list-style-type: none"> ➤ The SC has withdrawn the authorisation of the Fund pursuant to Section 256E of the Act; or ➤ A Special Resolution is passed at a Unit Holders' meeting to terminate or wind up 	<p>The Fund may be terminated or wound up as provided for under the Deed and the Guidelines as follows:-</p> <ul style="list-style-type: none"> ➤ The SC has withdrawn the authorisation of the Fund pursuant to Section 256E of the Act; or ➤ A Special Resolution is passed at a Unit Holders' meeting to terminate or wind up the Fund.

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS
	the Fund.	<p><u>Notwithstanding the aforesaid, the Manager may in consultation with the Trustee, determine the trust and wind up the Fund without having to obtain the prior approval of the Unit Holders upon the occurrence of any of the following events:</u></p> <ul style="list-style-type: none"> (a) <u>if any new law shall be passed which renders it illegal; or</u> (b) <u>if in the reasonable opinion of the Manager it is impracticable or inadvisable to continue the Fund and the termination of the Fund is in the best interests of the Unit Holders.</u> <p><u>If the Fund is left with no Unit Holder, the Manager shall also be entitled to terminate the Fund.</u></p> <p><u>Procedures for the Termination of the Fund</u></p> <p><u>Upon the termination of the Fund, the Manager shall give to each Unit Holder of the Fund or that Class (whichever applicable) being wound up a notice of such termination in accordance with the relevant laws; the Manager shall notify the existing Unit Holders in writing of the following options:</u></p> <ul style="list-style-type: none"> (a) <u>to receive the net cash proceeds derived from the sale of all the investments and assets of the Fund and/or assets pertaining to that Class less any payment for liabilities of the Fund and/or liabilities pertaining to that Class and any cash produce available for distribution in proportion to the number of Units held by them respectively;</u> (b) <u>to use the net cash proceeds to invest in any other collective investment scheme managed by the Manager upon such terms and conditions as shall be set out in the written notification; or</u> (c) <u>to choose any other alternative as may be proposed by the Manager in accordance with the relevant laws.</u> <p><u>In the event of the Fund being terminated:</u></p> <ul style="list-style-type: none"> (a) <u>the Trustee shall be at liberty to call upon the Manager to grant the Trustee, and the Manager shall so grant, a full and complete release from the Deed;</u> (b) <u>the Manager shall indemnify the Trustee against any claims arising out of the Trustee's execution of the Deed provided always that such claims have not been caused by any failure on the part of the Trustee to exercise the degree of care and diligence required of a trustee as contemplated by the Deed and all relevant laws;</u> (c) <u>the Manager and the Trustee shall notify the relevant authorities in such</u>

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS
		<p><u>manner as may be prescribed by any relevant law; and</u></p> <p>(d) <u>the Manager or the Trustee shall notify the Unit Holders in such manner as may be prescribed by any relevant law.</u></p> <p><u>Termination of a Class</u></p> <p><u>Circumstances that may lead to a termination of a Class</u></p> <p><u>The Manager may terminate a particular Class in accordance with the relevant laws. The Manager may only terminate a particular Class if the termination of that Class does not prejudice the interests of Unit Holders of any other Class. For the avoidance of doubt, the termination of a Class shall not affect the continuity of any other Class.</u></p> <p><u>Notwithstanding the aforesaid, the Manager may, in consultation with the Trustee, terminate a particular Class without having to obtain the prior approval of the Unit Holders upon the occurrence of any of the following events:</u></p> <p>(a) <u>if any new law shall be passed which renders it illegal; or</u> (b) <u>if in the reasonable opinion of the Manager it is impracticable or inadvisable to continue a Class and the termination of a Class is in the best interests of the Unit Holders.</u></p> <p><u>Procedure for the Termination of a Class</u></p> <p><u>If at a meeting of Unit Holders to terminate a Class, a Special Resolution to terminate the Class is passed by the Unit Holders:-</u></p> <p>(a) <u>the Trustee shall cease to create and cancel Units of that Class;</u> (b) <u>the Manager shall cease to deal in the Units of that Class;</u> (c) <u>the Trustee and the Manager shall notify the relevant authorities in writing of the passing of the Special Resolution; and</u> (d) <u>the Trustee or the Manager shall as soon as practicable inform all Unit Holders of the Fund of the termination of that Class.</u></p> <p><u>The Trustee shall then arrange for a final review and audit of the final accounts of the Fund attributable to that Class by the auditor. Upon the completion of the termination of that Class, the Trustee and the Manager shall notify the relevant authorities of the completion of the termination of that Class.</u></p>
10.4	<p>Fees And Charges</p> <p>Below are the maximum fees and charges permitted by the Deed:</p>	<p>Below are the maximum fees and charges permitted by the Deed:</p>

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS																														
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10.5	<p data-bbox="192 1206 651 1230">Other Expenses Permitted under the Deed</p> <p data-bbox="192 1270 1128 1358">Only the expenses (or part thereof) which is directly related and necessary to the operation and administration of the Fund may be charged to the Fund. These would include (but are not limited to) the following:</p> <ul data-bbox="192 1366 1128 1422" style="list-style-type: none"> ➤ commissions or fees paid to brokers/dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes; 	<p data-bbox="1162 1270 2076 1358">Only the expenses (or part thereof) which is directly related and necessary to the operation and administration of the Fund may be charged to the Fund. These would include (but are not limited to) the following:</p> <ul data-bbox="1162 1366 2076 1422" style="list-style-type: none"> ➤ commissions or fees paid to brokers/dealers in effecting dealings in the 																														

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS
	<ul style="list-style-type: none"> ➤ taxes and other duties charged on the Fund by the government and/or other authorities; ➤ costs, fees and expenses properly incurred by the auditor appointed for the Fund; ➤ costs, fees and expenses incurred for the valuation of any investments of the Fund by independent valuers for the benefit of the Fund; ➤ costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee; ➤ costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee; ➤ costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund; ➤ costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund; ➤ costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund; ➤ costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund; ➤ costs, fees and expenses incurred in the termination of the Fund or the removal of the Trustee or the Manager and the appointment of a new trustee or management company; ➤ costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund); ➤ remuneration and out of pocket expenses of the independent members of the investment committee of the Fund, unless the Manager decides otherwise; ➤ costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority; ➤ costs and expenses incurred in relation to the distribution of income (if any); ➤ (where the custodial function is delegated by the Trustee) charges and fees paid to the sub-custodians taking into custody any foreign assets of the Fund; ➤ fees, charges, costs and expenses relating to the preparation, printing, posting and/or lodgement of documents and reports which the Manager and/or the 	<ul style="list-style-type: none"> investments of the Fund, shown on the contract notes or confirmation notes; ➤ taxes and other duties charged on the Fund by the government and/or other authorities; ➤ costs, fees and expenses properly incurred by the auditor appointed for the Fund; ➤ costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee; ➤ costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee; ➤ costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund; ➤ costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund; ➤ costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund; ➤ costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund; ➤ costs, fees and expenses incurred in the termination of the Fund <u>or a Class</u> or the removal of the Trustee or the Manager and the appointment of a new trustee or management company; ➤ costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund); ➤ remuneration and out of pocket expenses of the <u>person(s) or members of a committee undertaking the oversight function</u> of the Fund, unless the Manager decides otherwise; ➤ costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority; ➤ costs and expenses incurred in relation to the distribution of income (if any); ➤ (where the custodial function is delegated by the Trustee) charges and fees paid to the sub-custodians taking into custody any foreign assets of the Fund;

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS
	<p>Trustee may be obliged to prepare, print, post and/or lodge in relation to the Fund by virtue of any relevant law;</p> <ul style="list-style-type: none"> ➤ costs, fees and expenses incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent; and ➤ any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred as mentioned above. 	<ul style="list-style-type: none"> ➤ fees, charges, costs and expenses relating to the preparation, printing, posting, <u>registration</u> and/or lodgement of documents and reports which the Manager and/or the Trustee may be obliged to prepare, print, post, <u>register</u> and/or lodge in relation to the Fund by virtue of any relevant law; ➤ costs, fees and expenses incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent; and ➤ any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred as mentioned above.
11.	THE MANAGER	
11.1	<p>ABOUT AHAM</p> <p>AHAM was incorporated in Malaysia on 2 May 1997 under the Companies Act 1965 and began its operations under the name Hwang–DBS Capital Berhad in 2001. In early 2014, AHAM was acquired by the Affin Banking Group (“Affin”) and hence, is now supported by a home-grown financial services conglomerate. Affin has over 39 years of experience in the financial industry which focuses on commercial, Islamic and investment banking services, money broking, fund management and underwriting of life and general insurance business. Meanwhile, AHAM has more than 18 years’ experience in the fund management industry. Additionally, AHAM is also 27% owned by Nikko Asset Management International Limited, a wholly-owned subsidiary of Tokyo-based Nikko Asset Management Co., Ltd., an Asian investment management franchise.</p> <p>AHAM distributes its funds through the following various channels:</p> <ul style="list-style-type: none"> ➤ In-house/internal sales team; ➤ IUTA & CUTA (Corporate Unit Trust Advisers); and ➤ Unit trust consultants. <p>AHAM’s head office is located in Kuala Lumpur and has a total of 7 main sales offices located in Peninsular and East Malaysia. The sales offices are in Penang, Ipoh, Johor Bahru, Melaka, Kuching, Miri and Kota Kinabalu.</p>	<p>AHAM was incorporated in Malaysia on 2 May 1997 and began its operations under the name Hwang–DBS Capital Berhad in 2001. <u>AHAM has more than 20 years’ experience in the fund management industry. In late 2022, AHAM’s ultimate major shareholder is CVC Capital Partners Asia Fund V, a private equity fund managed by CVC Capital Partners (“CVC”), which has approximately 68.35% controlling interest in AHAM. CVC is a global private equity and investment advisory firm with approximately USD125 billion of assets under its management.</u> AHAM is also 27% owned by Nikko Asset Management International Limited, a wholly-owned subsidiary of Tokyo-based Nikko Asset Management Co., Ltd., an Asian investment management franchise.</p> <p>AHAM distributes its funds through the following various channels:</p> <ul style="list-style-type: none"> ➤ In-house/internal sales team; ➤ IUTA & CUTA (Corporate Unit Trust <u>Scheme</u> Advisers); and ➤ Unit trust consultants. <p>AHAM’s head office is located in Kuala Lumpur and has a total of 7 main sales offices located in Peninsular and East Malaysia. The sales offices are in Penang, Ipoh, Johor Bahru, Melaka, Kuching, Miri and Kota Kinabalu.</p>
11.2	<p>Board of Directors</p> <p>Raja Tan Sri Dato’ Seri Aman bin Raja Haji Ahmad (Chairman, Non-independent</p>	Deleted.

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS
	Director) Dato’ Teng Chee Wai (Non-independent Director) Ms Eleanor Seet Oon Hui (Non-independent Director) Puan Mona Suraya binti Kamaruddin (Non-independent Director) En. Faizal Sham bin Abu Mansor (Independent Director) Maj. Gen. Dato’ Zulkiflee bin Mazlan (R) (Independent Director)	
11.3	DESIGNATED FUND MANAGER Mr Ooi Phee Lip Mr Ooi Phee Lip joined AHAM in 2010 and has been working in the fixed income division. Currently, he serves as a portfolio manager responsible for managing unit trust funds and discretionary portfolio manager for high net worth clients. Additionally, he is also part of the research team covering the resources sectors. Prior to joining AHAM, he spent five (5) years at RAM Rating Services Sdn. Bhd (“RAM”). His last role with RAM was as a manager, specializing in structured finance transactions as well as performing credit analysis on corporates and banks. Mr Ooi Phee Lip graduated with a Bachelor of Science (Industrial Engineering) from Arizona State University, United States of America in 2002 and is a Chartered Financial Analyst (CFA) charterholder.	Deleted.
11.4	INVESTMENT COMMITTEE The investment committee (“committee”) formulates, establishes and implements investment strategies and policies. The committee will continually review and monitor the success of these strategies and policies using predetermined benchmarks towards achieving a proper performance for the Fund. The committee will also ensure investment guidelines and regulations are complied with. The committee will meet at least once every quarterly or more should the need arise.	Deleted.
11.5	MATERIAL LITIGATION As at LPD, AHAM is not engaged in any material litigation and arbitration, including those pending or threatened, and AHAM is not aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of AHAM.	Deleted.

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS
11.6	For further information on AHAM, the investment committee and/or AHAM's delegate, you may obtain the details from our website at www.affinwangam.com.my .	For further information on AHAM <u>including material litigation (if any)</u> , the <u>Board, the designated fund manager of the Fund and/or AHAM's delegate</u> , you may obtain the details from our website at www.aham.com.my .
12.	THE TRUSTEE	
12.1	Experience in Trustee Business 1 st paragraph: - DTMB is part of Deutsche Bank's Securities Services, which provides trust, custody and related services on a range of securities and financial structures. As at LPD, DTMB is the trustee for 190 collective investment schemes including unit trust funds, wholesale funds and exchange-traded funds and private retirement schemes.	DTMB is part of Deutsche Bank's Securities Services, which provides trust, custody and related services on a range of securities and financial structures. As at LPD, DTMB is the trustee for <u>224</u> collective investment schemes including unit trust funds, wholesale funds and exchange-traded funds and private retirement schemes.
12.2	Trustee's Disclosure of Material Litigation and Arbitration As at the LPD, neither the Trustee nor its delegate is (a) engaged in any material litigation and arbitration, including those pending or threatened, nor (b) aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Trustee and any of its delegate.	As at LPD, the Trustee <u>has not</u> (a) engaged in any material litigation and arbitration, including those pending or threatened, nor (b) aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Trustee.
12.3	Disclosure on Related Party Transactions/ Conflict of Interest As the Trustee for the Fund and the Manager's delegate for the fund accounting and valuation services, there may be related party transactions involving or in connection with the Fund in the following events:	As the trustee for the Fund and the Manager's delegate for the fund accounting and valuation services <u>(where applicable)</u> , there may be related party transactions involving or in connection with the Fund in the following events:

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS								
	<p>(1) Where the Fund invests in the products offered by Deutsche Bank AG and any of its group companies (e.g. money market placement, etc.);</p> <p>(2) Where the Fund has obtained financing from Deutsche Bank AG and any of its group companies, as permitted under the SC's guidelines and other applicable laws;</p> <p>(3) Where the Manager appoints DTMB to perform its back office functions (e.g. fund accounting and valuation); and</p> <p>(4) Where DTMB has delegated its custodian functions for the Fund to DBMB.</p> <p>DTMB will rely on the Manager to ensure that any related party transactions, dealings, investments and appointments are on terms which are the best that are reasonably available for or to the Fund and are on an arm's length basis as if between independent parties.</p> <p>While DTMB has internal policies intended to prevent or manage conflicts of interests, no assurance is given that their application will necessarily prevent or mitigate conflicts of interests. DTMB's commitment to act in the best interests of the Unit Holders does not preclude the possibility of related party transactions or conflicts.</p>	<p>(1) Where the Fund invests in the products offered by Deutsche Bank AG and any of its group companies (e.g. money market placement, etc.);</p> <p>(2) Where the Fund has obtained financing from Deutsche Bank AG and any of its group companies, as permitted under the SC's guidelines and other applicable laws;</p> <p>(3) Where the Manager appoints DTMB to perform its back office functions (e.g. fund accounting and valuation); and</p> <p>(4) Where DTMB has delegated its custodian functions for the Fund to DBMB.</p> <p>DTMB will rely on the Manager to ensure that any related party transactions, dealings, investments and appointments are on terms which are the best that are reasonably available for or to the Fund and are on an arm's length basis as if between independent parties.</p> <p>While DTMB has internal policies intended to prevent or manage conflicts of interests, no assurance is given that their application will necessarily prevent or mitigate conflicts of interests. DTMB's commitment to act in the best interests of the Unit Holders does not preclude the possibility of related party transactions or conflicts.</p>								
13.	RELATED PARTIES TRANSACTION AND CONFLICT OF INTEREST									
13.1	<p>Save for the transaction disclosed below, as at 30 June 2020 the Manager is not aware of any existing and/or proposed related party transactions or potential conflict of interest situations or other subsisting contracts of arrangements involving the Fund.</p> <p>Related Party Transactions</p> <table border="1" data-bbox="185 1118 898 1385"> <thead> <tr> <th data-bbox="185 1118 356 1249">Name of Party Involved in the Transaction</th> <th data-bbox="356 1118 551 1249">Nature of Transaction</th> <th data-bbox="551 1118 721 1249">Name of Related Party</th> <th data-bbox="721 1118 898 1249">Nature of Relationship</th> </tr> </thead> <tbody> <tr> <td data-bbox="185 1249 356 1385">AHAM</td> <td data-bbox="356 1249 551 1385">Placement of deposit and money market instruments</td> <td data-bbox="551 1249 721 1385">Affin Hwang Investment Bank Berhad (Affin Hwang IB)</td> <td data-bbox="721 1249 898 1385">Affin Hwang IB holds 63% equity interest in the Manager.</td> </tr> </tbody> </table>	Name of Party Involved in the Transaction	Nature of Transaction	Name of Related Party	Nature of Relationship	AHAM	Placement of deposit and money market instruments	Affin Hwang Investment Bank Berhad (Affin Hwang IB)	Affin Hwang IB holds 63% equity interest in the Manager.	<p><u>As at LPD</u> the Manager is not aware of any existing and/or proposed related party transactions or potential conflict of interest situations or other subsisting contracts of arrangements involving the Fund.</p> <p>The tax advisers and solicitors have confirmed that they do not have any existing or potential conflict of interest with AHAM and/or the Fund.</p> <p>Policy on Dealing with Conflict of Interest</p> <p>AHAM has in place policies and procedures to deal with any conflict of interest situations. In making an investment transaction for the Fund, AHAM will not make improper use of its position in managing the Fund to gain, directly or indirectly, any advantage or to cause detriment to the interests of Unit Holders. Where the interests of the directors or the <u>person(s) or member(s) of a committee undertaking the oversight function's</u> interests may conflict with that of the Fund, they are to refrain from participating in the decision-making process relating to the matter.</p>
Name of Party Involved in the Transaction	Nature of Transaction	Name of Related Party	Nature of Relationship							
AHAM	Placement of deposit and money market instruments	Affin Hwang Investment Bank Berhad (Affin Hwang IB)	Affin Hwang IB holds 63% equity interest in the Manager.							

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS												
	<p>Details of the Substantial Shareholders of AHAM’s Direct and Indirect Interest in other Corporation Carrying on a Similar Business</p> <p>Nikko Asset Management International Limited, a substantial shareholder of AHAM is wholly owned by Nikko Asset Management Co., Ltd. (“Nikko AM”). Nikko AM’s office is situated in Japan where it provides investment management services, focused on sourcing, packaging and distributing retail investment fund products which are managed in-house or outsourced to third party sub-advisers.</p> <p>Details of the Directors of AHAM’s Direct and Indirect Interest in other Corporation Carrying on a Similar Business</p> <table border="1" data-bbox="188 580 902 919"> <thead> <tr> <th data-bbox="188 580 342 671">Name of Director</th> <th data-bbox="342 580 553 671">Name of Corporation or Business</th> <th data-bbox="553 580 741 671">Nature of Interest in Shareholding (Direct/Indirect)</th> <th data-bbox="741 580 902 671">Nature of Interest in Directorship</th> </tr> </thead> <tbody> <tr> <td data-bbox="188 671 342 831">Dato’ Teng Chee Wai</td> <td data-bbox="342 671 553 831">AIIMAN Asset Management Sdn Bhd (“AIIMAN”) AIIMAN is wholly-owned by the Manager</td> <td data-bbox="553 671 741 831">Indirect interest</td> <td data-bbox="741 671 902 831">Non-independent Director</td> </tr> <tr> <td data-bbox="188 831 342 919">Puan Mona Suraya binti Kamaruddin</td> <td data-bbox="342 831 553 919">AIIMAN</td> <td data-bbox="553 831 741 919">-</td> <td data-bbox="741 831 902 919">Non-independent Director</td> </tr> </tbody> </table> <p>Conflict of Interest</p> <p>The auditors, tax advisers and solicitors have confirmed that they do not have any existing or potential conflict of interest with AHAM and/or the Fund.</p> <p>Cross trades</p> <p>AHAM may conduct cross trades between funds it is currently managing provided that all criteria imposed by the regulators are met. Notwithstanding the above, cross trades between the personal account of an employee of AHAM and the Fund’s account(s) and between AHAM’s proprietary trading accounts and the Fund’s account(s) are strictly prohibited. Compliance with the criteria are monitored by the AHAM’s Compliance Unit, and reported to the AHAM’s compliance and risk oversight committee, to avoid conflict of interests and manipulation that could have a negative impact on investors.</p> <p>Policy on Dealing with Conflict of Interest</p>	Name of Director	Name of Corporation or Business	Nature of Interest in Shareholding (Direct/Indirect)	Nature of Interest in Directorship	Dato’ Teng Chee Wai	AIIMAN Asset Management Sdn Bhd (“AIIMAN”) AIIMAN is wholly-owned by the Manager	Indirect interest	Non-independent Director	Puan Mona Suraya binti Kamaruddin	AIIMAN	-	Non-independent Director	<p>Staff of AHAM are required to seek prior approval from the executive director or the managing director of AHAM before dealing in any form of securities. All transactions with related parties are to be executed on terms which are best available to the Fund and which are not less favourable to the Fund than an arms-length transaction between independent parties.</p>
Name of Director	Name of Corporation or Business	Nature of Interest in Shareholding (Direct/Indirect)	Nature of Interest in Directorship											
Dato’ Teng Chee Wai	AIIMAN Asset Management Sdn Bhd (“AIIMAN”) AIIMAN is wholly-owned by the Manager	Indirect interest	Non-independent Director											
Puan Mona Suraya binti Kamaruddin	AIIMAN	-	Non-independent Director											

NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS	(B) REPLACEMENT PROSPECTUS												
	<p>AHAM has in place policies and procedures to deal with any conflict of interest situations. In making an investment transaction for the Fund, AHAM will not make improper use of its position in managing the Fund to gain, directly or indirectly, any advantage or to cause detriment to the interests of Unit Holders. Where the interests of the directors or the committee member's interests may conflict with that of the Fund, they are to refrain from participating in the decision-making process relating to the matter. Staff of AHAM are required to seek prior approval from the executive director or the managing director of AHAM before dealing in any form of securities. All transactions with related parties are to be executed on terms which are best available to the Fund and which are not less favourable to the Fund than an arms-length transaction between independent parties.</p>													
14.	RELEVANT INFORMATION													
14.1	<p>ANTI-MONEY LAUNDERING POLICIES AND PROCEDURES</p> <p>1st paragraph: - Pursuant to the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ("AMLATFPUAA") and SC's Guidelines on Prevention of Money Laundering and Terrorism Financing for Capital Market Intermediaries, it is our responsibility to prevent AHAM from being used for money laundering and terrorism financing activities. To this end, we have established an Anti-Money Laundering/Counter-Financing of Terrorism Framework (AML/CFT Framework) and put in place anti-money laundering process and procedures to combat such activities. This includes a robust due diligence process and procedures for client on-boarding (such as know-your-client procedures and customer due diligence) as well as ongoing monitoring of clients transactions to detect any suspicious transactions.</p>	<p>Pursuant to the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ("AMLATFPUAA") and SC's Guidelines on Prevention of Money Laundering and Terrorism Financing for <u>Reporting Institutions in the Capital Market</u>, it is our responsibility to prevent AHAM from being used for money laundering and terrorism financing activities. To this end, we have established an Anti-Money Laundering/Counter-Financing of Terrorism Framework (AML/CFT Framework) and put in place anti-money laundering process and procedures to combat such activities. This includes a robust due diligence process and procedures for client on-boarding (such as know-your-client procedures and customer due diligence) as well as ongoing monitoring of clients transactions to detect any suspicious transactions.</p>												
15.	<p>DIRECTORY OF SALES OFFICE</p> <p>AFFIN HWANG ASSET MANAGEMENT BERHAD:</p> <table border="1" data-bbox="188 1262 913 1423"> <thead> <tr> <th data-bbox="188 1262 517 1289">HEAD OFFICE</th> <th data-bbox="517 1262 712 1289">JOHOR</th> <th data-bbox="712 1262 913 1289">SARAWAK</th> </tr> </thead> <tbody> <tr> <td data-bbox="188 1289 517 1423">Ground Floor, Menara Boustead 69 Jalan Raja Chulan 50200 Kuala Lumpur Tel : 03 – 2116 6000 Fax : 03 – 2116 6100</td> <td data-bbox="517 1289 712 1423">Unit 22-05, Level 22 Menara Landmark No. 12, Jalan</td> <td data-bbox="712 1289 913 1423">Ground Floor, No. 69 Block 10, Jalan Laksamana Cheng Ho</td> </tr> </tbody> </table>	HEAD OFFICE	JOHOR	SARAWAK	Ground Floor, Menara Boustead 69 Jalan Raja Chulan 50200 Kuala Lumpur Tel : 03 – 2116 6000 Fax : 03 – 2116 6100	Unit 22-05, Level 22 Menara Landmark No. 12, Jalan	Ground Floor, No. 69 Block 10, Jalan Laksamana Cheng Ho	<p>DIRECTORY OF SALES OFFICES</p> <p>AHAM ASSET MANAGEMENT BERHAD (FORMERLY KNOWN AS AFFIN HWANG ASSET MANAGEMENT BERHAD):</p> <table border="1" data-bbox="1149 1295 1854 1423"> <thead> <tr> <th data-bbox="1149 1295 1435 1323">HEAD OFFICE</th> <th data-bbox="1435 1295 1653 1323">JOHOR</th> <th data-bbox="1653 1295 1854 1323">SARAWAK</th> </tr> </thead> <tbody> <tr> <td data-bbox="1149 1323 1435 1423">Ground Floor, Menara Boustead 69 Jalan Raja Chulan 50200 Kuala Lumpur</td> <td data-bbox="1435 1323 1653 1423">Unit 22-05, Level 22 Menara Landmark No. 12, Jalan Ngee Heng</td> <td data-bbox="1653 1323 1854 1423">Ground Floor, No. 69 Block 10, Jalan Laksamana Cheng</td> </tr> </tbody> </table>	HEAD OFFICE	JOHOR	SARAWAK	Ground Floor, Menara Boustead 69 Jalan Raja Chulan 50200 Kuala Lumpur	Unit 22-05, Level 22 Menara Landmark No. 12, Jalan Ngee Heng	Ground Floor, No. 69 Block 10, Jalan Laksamana Cheng
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NO.	(A) PROSPECTUS AND SUPPLEMENTAL PROSPECTUS			(B) REPLACEMENT PROSPECTUS		
	<p>Toll Free No : 1-800-88-7080 Email: customercare@affinhwangam.com Website: www.affinhwangam.com</p> <p>PENANG No. 10-C-23 & 10-C-24, Precinct 10 Jalan Tanjung Tokong 10470 Penang Tel: 04 – 899 8022 Fax: 04 – 899 1916</p> <p>PERAK 13A Persiaran Greentown Z Greentown Business Centre 30450 Ipoh, Perak Tel: 05 - 241 0668 Fax: 05 – 255 9696</p>	<p>Ngee Heng 80000 Johor Bahru Johor Tel: 07 – 227 8999 Fax: 07 – 223 8998</p> <p>MELAKA Ground Floor No. 584 Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel: 06 -281 2890 Fax: 06 -281 2937</p> <p>SABAH Unit 1.09(a), Level 1, Plaza Shell 29, Jalan Tunku Abdul Rahman 88000 Kota Kinabalu, Sabah Tel: 088 - 252 881 Fax: 088 - 288 803</p>	<p>93200 Kuching, Sarawak Tel : 082 – 233 320 Fax : 082 – 233 663</p> <p>1st Floor, Lot 1291 Jalan Melayu, MCLD 98000 Miri, Sarawak Tel : 085 - 418 403 Fax : 085 – 418 372</p>	<p>Tel: 03 – 2116 6000 Fax: 03 – 2116 6100 Toll Free No: 1-800-88-7080 Email: customercare@aham.com.my Website: www.aham.com.my</p> <p>PENANG <u>B-16-2, Lorong Bayan Indah 3 11900 Bayan Lepas Pulau Pinang</u> Toll Free No : 1800-888-377</p> <p>PERAK <u>1 Persiaran Greentown 6 Greentown Business Centre 30450 Ipoh, Perak</u> Tel: 05 - 241 0668 Fax: 05 – 255 9696</p>	<p>80000 Johor Bahru Johor Tel: 07 – 227 8999 Fax: 07 – 223 8998</p> <p>MELAKA Ground Floor No. 584 Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel: 06 -281 2890 Fax: 06 -281 2937</p> <p>SABAH Unit 1.09(a), Level 1, Plaza Shell 29, Jalan Tunku Abdul Rahman 88000 Kota Kinabalu, Sabah Tel: 088 - 252 881 Fax: 088 - 288 803</p>	<p>Ho 93200 Kuching, Sarawak Tel: 082 – 233 320 Fax: 082 – 233 663</p> <p>1st Floor, Lot 1291 Jalan Melayu, MCLD 98000 Miri, Sarawak Tel: 085 - 418 403 Fax: 085 – 418 372</p>

**TRUSTEE’S REPORT
TO THE UNIT HOLDERS OF AHAM ESG SGD BOND FUND (FORMERLY KNOWN AS
AFFIN HWANG SGD BOND FUND) (“Fund”)**

We have acted as Trustee of the Fund for the financial year 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 year covered by these financial statements in accordance with the following:

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

For Deutsche Trustees Malaysia Berhad

Ng Hon Leong
Head, Fund Operations

Sylvia Beh
Chief Executive Officer

Kuala Lumpur
27 November 2023

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023

**AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)**

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023

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AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023

	<u>Note</u>	<u>2023</u> SGD	<u>2022</u> SGD
INVESTMENT INCOME/(LOSS)			
Interest income for financial assets at fair value through profit or loss		607,437	652,649
Net loss on foreign currency exchange		(10,431)	(17,307)
Net loss on financial assets at fair value through profit or loss	7	(185,145)	(910,738)
Net gain/(loss) on forward foreign currency contracts at fair value through profit or loss	9	99,683	(96,898)
		<u>511,544</u>	<u>(372,294)</u>
EXPENSES			
Management fee	4	(141,917)	(139,391)
Trustee fee	5	(4,266)	(4,186)
Auditors' remuneration		(2,624)	(2,763)
Tax agent's fee		(1,081)	(858)
Other expenses		(10,550)	(8,946)
		<u>(160,438)</u>	<u>(156,144)</u>
NET PROFIT/(LOSS) BEFORE TAXATION		351,106	(528,438)
Taxation	6	(108,716)	(59,313)
INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>242,390</u>	<u>(587,751)</u>
Increase/(decrease) in net asset attributable to unitholders are made up of the following:			
Realised amount		36,538	51,314
Unrealised amount		205,852	(639,065)
		<u>242,390</u>	<u>(587,751)</u>

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

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023

	<u>Note</u>	<u>2023</u> SGD	<u>2022</u> SGD
ASSETS			
Cash and cash equivalents		1,149,495	425,949
Amount due from Manager			
- creation of units		5,259	182,419
Financial assets at fair value through profit or loss	7	15,642,680	12,503,169
Forward foreign currency contracts at fair value through profit or loss	9	2,944	-
Tax recoverable		5,650	3,426
Prepaid tax		-	25,244
TOTAL ASSETS		<u>16,806,028</u>	<u>13,140,207</u>
LIABILITIES			
Forward foreign currency contracts at fair value through profit or loss	9	-	50,135
Amount due to dealer		244,940	-
Amount due to Manager			
- management fee		13,382	10,840
Amount due to Trustee		401	325
Auditors' remuneration		2,945	2,763
Tax agent's fee		1,101	1,055
Deferred tax liabilities	8	33,085	30,770
Other payables and accruals		656	874
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)		<u>296,510</u>	<u>96,762</u>
NET ASSET VALUE OF THE FUND		<u>16,509,518</u>	<u>13,043,445</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>16,509,518</u>	<u>13,043,445</u>

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023 (CONTINUED)

	<u>Note</u>	<u>2023</u> SGD	<u>2022</u> SGD
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS			
- MYR Class		4,708,041	5,667,549
- SGD Class		11,801,477	7,375,896
		<u>16,509,518</u>	<u>13,043,445</u>
NUMBER OF UNITS IN CIRCULATION			
- MYR Class	10 (a)	29,425,000	36,008,000
- SGD Class	10 (b)	24,103,000	15,313,000
		<u>53,528,000</u>	<u>51,321,000</u>
NET ASSET VALUE PER UNIT (SGD)			
- MYR Class		0.1600	0.1574
- SGD Class		0.4896	0.4817
		<u>0.1600</u>	<u>0.1574</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
- MYR Class		RM0.5514	RM0.5096
- SGD Class		SGD0.4896	SGD0.4817
		<u>RM0.5514</u>	<u>SGD0.4817</u>

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

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023**

	<u>2023</u> SGD	<u>2022</u> SGD
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR	13,043,445	12,875,258
Movement due to units created and cancelled during the financial year:		
Creation of units arising from applications	7,734,903	6,918,811
- MYR Class	2,488,651	1,899,297
- SGD Class	5,246,252	5,019,514
Cancellation of units	(4,511,220)	(6,162,873)
- MYR Class	(3,504,081)	(2,600,578)
- SGD Class	(1,007,139)	(3,562,295)
Net increase/(decrease) in net assets attributable to unitholders during the financial year	242,390	(587,751)
- MYR Class	55,922	(282,185)
- SGD Class	186,468	(305,566)
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL YEAR	<u>16,509,518</u>	<u>13,043,445</u>

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

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023

	<u>2023</u> SGD	<u>2022</u> SGD
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sale and redemption of investments	11,442,299	8,396,927
Purchase of investments	(14,389,532)	(9,891,984)
Interest received	474,954	487,771
Management fee paid	(139,375)	(138,948)
Trustee fee paid	(4,190)	(4,173)
Payments for other fees and expenses	(18,802)	(12,360)
Realised gain/(loss) on forward foreign currency contracts	46,604	(61,106)
Net realised loss on foreign currency exchange	(1,416)	(19,622)
Tax paid	(87,925)	(57,213)
	<hr/>	<hr/>
Net cash flows used in operating activities	(2,677,383)	(1,300,708)
	<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	7,912,063	6,801,021
Payments for cancellation of units	(4,511,220)	(6,466,376)
	<hr/>	<hr/>
Net cash flows generated from financing activities	3,400,843	334,645
	<hr/>	<hr/>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	723,460	(966,063)
EFFECTS OF FOREIGN CURRENCY EXCHANGE	86	2,315
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	425,949	1,389,697
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	1,149,495	425,949
	<hr/> <hr/>	<hr/> <hr/>

Cash and cash equivalents as at 30 September 2023 and 30 September 2022 comprise of bank balances.

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

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR 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 revenue and expenses during the reported financial year. 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 ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR 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

Interest income

Interest income from unquoted fixed income securities is recognised based on effective interest rate method on an accrual basis.

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

Realised gains and losses on sale of investments

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

C TAXATION

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

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

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

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

C TAXATION (CONTINUED)

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

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

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

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

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

D 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 Singapore Dollar (“SGD”), which is the Fund’s functional and presentation currency.

E 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.

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

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

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(i) Classification (continued)

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

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

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

The Fund classifies amount due to dealer, amount due to Manager, amount due to Trustee, payables for 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.

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 de-recognised 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.

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

F 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 (“SC”) as per the SC’s Guidelines on Unit Trust Funds. Where such quotations are not available or where the Manager is of the view that the price quoted by the BPA for a specific unquoted fixed income security 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 a 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 including money market instruments denominated in foreign currencies are revalued at least twice a week by reference to the mid price quoted in Bloomberg using 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 except forward foreign currency contracts 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 and lifetime 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 ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)**

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

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

Qualitative criteria:

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

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

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

Write-off

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

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

G CASH AND CASH EQUIVALENTS

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

H AMOUNT DUE FROM/(TO) DEALER

Amount due from and to dealer 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 dealer balance is held for collection. Refer to Note F for accounting policy on recognition and measurement.

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

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

AHAM ESG SGD BOND FUND (FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

I CREATION AND CANCELLATION OF UNITS

The unitholders' contributions to the Fund meet the definition of puttable instruments classified as financial liability under MFRS 132 'Financial Instruments: Presentation'.

The Fund issues cancellable units, in two classes of units, known respectively as the MYR Class and SGD class, which are cancelled at the unitholders' option and do not have identical features. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's net asset value ("NAV") of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position date if the unitholder exercises the right to put back the unit to the Fund.

Units are created and cancelled at the unitholders' option at prices based on the Fund's NAV per unit of respective classes at the close of business on the relevant dealing day. The Fund's NAV per unit of respective classes is calculated by dividing the net assets attributable to unitholders of respective classes with the total number of outstanding units of respective classes.

J DERIVATIVE FINANCIAL INSTRUMENTS

A derivative financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity.

The Fund's derivative financial instruments comprise forward foreign currency contracts. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Financial derivative position will be "marked to market" at the close of each valuation day. Foreign exchange gains and losses on the derivative financial instruments are recognised in profit or loss when settled or at the date of the statement of financial position at which time they are included in the measurement of the derivative financial instrument. Derivative instruments that have a positive fair value and a negative fair value are presented as financial assets measured at fair value through profit or loss and financial liabilities measured at fair value through profit or loss, respectively.

The fair value of forward foreign currency contracts are determined using forward exchange rates at the date of statements of financial position, with the resulting value discounted back to present value.

The method of recognising the resulting gains or losses depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. Derivatives that do not qualify for hedge accounting are classified as financial assets/liabilities measured at fair value through profit or loss.

K INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

Income not distributed is included in net assets attributable to unitholders.

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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.

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.

Functional currency

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in SGD primarily due to the following factors:

- i) Significant portion of the Fund's investment is in unquoted investments denominated in SGD.
- ii) Significant portion of the Fund's expenses are denominated in SGD.

M REALISED AND UNREALISED PORTIONS OF INCREASE OR DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

The analysis of realised and unrealised amounts in net assets attributable to unitholders as presented on the statement of comprehensive income is prepared in accordance with SC's Guidelines on Unit Trust Funds.

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023

1 INFORMATION ON THE FUND

The Unit Trust Fund was constituted under the name Affin Hwang SGD Bond Fund (the “Fund”) pursuant to the execution of a Deed dated 30 October 2020, First Supplemental Deed dated 28 December 2022 and Second Supplemental Deed dated 26 June 2023 (the “Deed”) entered into between AHAM Asset Management Berhad (the “Manager”) and Deutsche Trustees Malaysia Berhad (the “Trustee”). The Fund has changed its name from Affin Hwang SGD Bond Fund to AHAM ESG SGD Bond Fund as amended by Second Supplemental Deed dated 26 June 2023.

The Fund commenced operations on 16 March 2021 and will continue its operations until terminated by the Trustee as provided under Clause 12.3 of the Deed.

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

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

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

The main objective of the Fund is to provide regular income.

The Manager is a company incorporated in Malaysia. The principal activities of the Manager are establishment and management of unit trust funds, exchange-traded funds and private retirement schemes as well as providing fund management services to private clients. 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 27 November 2023.

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	<u>Note</u>	At amortised cost SGD	At fair value through profit or loss SGD	<u>Total</u> SGD
<u>2023</u>				
<u>Financial assets</u>				
Cash and cash equivalents		1,149,495	-	1,149,495
Amount due from Manager				
- creation of units		5,259	-	5,259
Unquoted fixed income securities	7	-	15,642,680	15,642,680
Forward foreign currency contracts	9	-	2,944	2,944
Total		<u>1,154,754</u>	<u>15,645,624</u>	<u>16,800,378</u>
<u>Financial liabilities</u>				
Amount due to dealer		244,940	-	244,940
Amount due to Manager				
- management fee		13,382	-	13,382
Amount due to Trustee		401	-	401
Auditors' remuneration		2,945	-	2,945
Tax agent's fee		1,101	-	1,101
Other payables and accruals		656	-	656
Total		<u>263,425</u>	<u>-</u>	<u>263,425</u>
<u>2022</u>				
<u>Financial assets</u>				
Cash and cash equivalents		425,949	-	425,949
Amount due from Manager				
- creation of units		182,419	-	182,419
Unquoted fixed income securities	7	-	12,503,169	12,503,169
Total		<u>608,368</u>	<u>12,503,169</u>	<u>13,111,537</u>

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

Financial instruments are as follows: (continued)

	<u>Note</u>	At amortised cost SGD	At fair value through profit or loss SGD	<u>Total</u> SGD
<u>2022</u> (continued)				
<u>Financial liabilities</u>				
Forward foreign currency contracts	9	-	50,135	50,135
Amount due to Manager				
- management fee		10,840	-	10,840
Amount due to Trustee		325	-	325
Auditors' remuneration		2,763	-	2,763
Tax agent's fee		1,055	-	1,055
Other payables and accruals		874	-	874
Total		<u>15,857</u>	<u>50,135</u>	<u>65,992</u>

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

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

Market risk

(a) Price risk

Price risk arises mainly from the uncertainty about future prices of investments. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Manager manages the risk of unfavourable changes in prices by continuous monitoring of the performance and risk profile of the investment portfolio.

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

	<u>2023</u> SGD	<u>2022</u> SGD
Unquoted investments*		
Unquoted fixed income securities	<u>15,642,680</u>	<u>12,503,169</u>

* Includes interest receivable of SGD137,852 (2022: SGD129,387).

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

Market risk (continued)

(a) Price risk (continued)

The following table summarises the sensitivity of the Fund's profit/(loss) after taxation and NAV to price risk movements. The analysis is based on the assumptions that the market price increased by 5% (2022: 1%) and decreased by 5% (2022: 1%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted and unquoted securities, having regard to the historical volatility of the prices.

<u>% Change in price</u>	<u>Market value</u> SGD	<u>Impact on</u> <u>profit/(loss)</u> <u>after tax/NAV</u> SGD
<u>2023</u>		
-5%	14,729,587	(775,241)
0%	15,504,828	-
+5%	16,280,069	775,241
	<u> </u>	<u> </u>
<u>2022</u>		
-1%	12,250,044	(123,738)
0%	12,373,782	-
+1%	12,497,520	123,738
	<u> </u>	<u> </u>

(b) Interest rate risk

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

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

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

Market risk (continued)

(b) Interest rate risk (continued)

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 NAV and profit/(loss) after tax 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> SGD	<u>2022</u> SGD
+ 2%	(123,937)	(106,110)
- 2%	127,394	101,490
	<u> </u>	<u> </u>

(c) Currency risk

Currency risk is associated with investments denominated in foreign currencies. When the foreign currencies fluctuate in an unfavourable movements against Singapore Dollar, 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 Singapore Dollar based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels and technical chart considerations.

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

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

	Unquoted fixed income <u>securities</u> SGD	Cash and cash <u>equivalents</u> SGD	Forward foreign currency <u>contracts</u> SGD	Amount due from <u>Manager</u> SGD	<u>Total</u> SGD
<u>2023</u>					
<u>Financial assets</u>					
Australian Dollar	224,474	792	1,363	-	226,629
British Pound Sterling	-	5,577	-	-	5,577
Chinese Yuan	-	22,709	-	-	22,709
Malaysian Ringgit	-	584,882	-	5,259	590,141
United States Dollar	839,575	21,099	1,581	-	862,255
	<u>1,064,049</u>	<u>635,059</u>	<u>2,944</u>	<u>5,259</u>	<u>1,707,311</u>
				Net assets attributable to	
			<u>Other liabilities*</u> SGD	<u>unitholders</u> SGD	<u>Total</u> SGD
<u>Financial liabilities</u>					
Malaysian Ringgit			<u>4,702</u>	<u>4,708,041</u>	<u>4,712,743</u>

* Other liabilities consist of payables for auditors' remuneration, tax agent's fee and other payables and accruals.

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

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

	Unquoted fixed income <u>securities</u> SGD	Cash and cash <u>equivalents</u> SGD	Amount due from <u>Manager</u> SGD	<u>Total</u> SGD
<u>2022</u>				
<u>Financial assets</u>				
Chinese Yuan	203,270	6,647	-	209,917
Malaysian Ringgit	-	12,226	12,289	24,515
United States Dollar	2,116,661	108,045	-	2,224,706
	<u>2,319,931</u>	<u>126,918</u>	<u>12,289</u>	<u>2,459,138</u>
	Forward foreign currency <u>contracts</u> SGD	Other <u>liabilities*</u> SGD	Net assets attributable to <u>unitholders</u> SGD	<u>Total</u> SGD
<u>Financial liabilities</u>				
Malaysian Ringgit	-	4,692	5,667,549	5,672,241
United States Dollar	50,135	-	-	50,135
	<u>50,135</u>	<u>4,692</u>	<u>5,667,549</u>	<u>5,722,376</u>

* Other liabilities consist of amount due to Manager, payables for auditors' remuneration, tax agent's fee and other payables and accruals.

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

The table below summarises the sensitivity of the Fund's profit/(loss) after tax and NAV to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes based on each currency's respective historical volatility, with all other variables remain constants. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Any increase/(decrease) in foreign exchange rate will result in a corresponding (decrease)/increase in the net assets attributable to unitholders by each currency's respective historical volatility. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change in <u>rate</u> %	Impact on profit/(loss) <u>after tax/ NAV</u> SGD
<u>2023</u>		
Chinese Yuan	+/- 4.32	+/- 981
Malaysian Ringgit	+/- 4.45	-/+ 183,456
United States Dollar	+/- 5.61	+/- 862,255
Australian Dollar	+/- 8.84	+/- 20,034
British Pound Sterling	+/- 6.64	+/- 370
<u>2022</u>		
Chinese Yuan	+/- 3.73	+/- 7,830
Malaysian Ringgit	+/- 3.35	-/+189,199
United States Dollar	+/- 4.50	+/-2,222,450

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payment and cancellations of unit by unitholders. Liquid assets comprise of cash, and other instruments, which are capable of being converted into cash within 7 days.

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

Liquidity risk (continued)

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> SGD	<u>Between</u> <u>one month</u> <u>to one year</u> SGD	<u>Total</u> SGD
<u>2023</u>			
Amount due to dealer	244,940	-	244,940
Amount due to Manager			
- management fee	13,382	-	13,382
Amount due to Trustee	401	-	401
Auditors' remuneration	-	2,945	2,945
Tax agent's fee	-	1,101	1,101
Other payables and accruals	-	656	656
Net assets attributable to unitholders*	16,509,518	-	16,509,518
	<u>16,768,241</u>	<u>4,702</u>	<u>16,772,943</u>
<u>2022</u>			
Forward foreign currency contracts at fair value through profit or loss	-	50,135	50,135
Amount due to Manager			
- management fee	10,840	-	10,840
Amount due to Trustee	325	-	325
Auditors' remuneration	-	2,763	2,763
Tax agent's fee	-	1,055	1,055
Other payables and accruals	-	874	874
Net assets attributable to unitholders*	13,043,445	-	13,043,445
	<u>13,054,610</u>	<u>54,827</u>	<u>13,109,437</u>

* Units are cancelled on demand at the unitholders' option (Note I). However, the Manager does not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as unitholders of these instruments typically retain them for the medium to long term return.

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

Credit risk

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

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

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 Deed and SC's Guidelines on Unit Trust Funds.

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

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

	Unquoted fixed income securities SGD	Cash and cash equivalents SGD	Amount due from Manager SGD	Forward foreign currency contracts SGD	Total SGD
<u>2023</u>					
Financial Services					
- AA1	-	1,149,495	5,259	2,944	1,157,698
- A2	1,438,976	-	-	-	1,438,976
- A3	504,460	-	-	-	504,460
- Ba1	255,464	-	-	-	255,464
- Baa1	2,496,189	-	-	-	2,496,189
- Baa2	481,275	-	-	-	481,275
- Baa3	246,897	-	-	-	246,897
- BBB	251,419	-	-	-	251,419
- BBB-	487,659	-	-	-	487,659
- BBB+	229,225	-	-	-	229,225
- NR	3,344,832	-	-	-	3,344,832
Government					
- A3	229,043	-	-	-	229,043
- Aaa	580,363	-	-	-	580,363
- Ba1	221,199	-	-	-	221,199
- NR	3,190,092	-	-	-	3,190,092

AHAM ESG SGD BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022 (CONTINUED)

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

Credit risk (continued)

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

	Unquoted fixed income <u>securities</u> SGD	Cash and cash <u>equivalents</u> SGD	Amount due from <u>Manager</u> SGD	Forward foreign currency <u>contracts</u> SGD	<u>Total</u> SGD
<u>2023</u> (continued)					
Industrial					
- AA	252,671	-	-	-	252,671
- Aaa	219,779	-	-	-	219,779
- Ba1	250,485	-	-	-	250,485
- BBB+	503,613	-	-	-	503,613
- NR	459,039	-	-	-	459,039
	<u>15,642,680</u>	<u>1,149,495</u>	<u>5,259</u>	<u>2,944</u>	<u>16,800,378</u>
		Unquoted fixed income <u>securities</u> SGD	Cash and cash <u>equivalents</u> SGD	Amount due from <u>Manager</u> SGD	<u>Total</u> SGD
<u>2022</u>					
Basic Materials					
- Baa3		280,459	-	-	280,459
Consumer Discretionary					
- BB+		290,666	-	-	290,666
- NR		494,151	-	-	494,151
Financial Services					
- AA1		276,825	425,949	-	702,774
- A2		210,810	-	-	210,810
- A3		250,380	-	-	250,380
- BB-		249,789	-	-	249,789
- Baa1		792,760	-	-	792,760
- Baa2		247,840	-	-	247,840
- Baa3		462,770	-	-	462,770
- BBB		480,588	-	-	480,588
- BBB+		226,025	-	-	226,025
- BBB-		246,689	-	-	246,689
- NR		748,218	-	-	748,218

AHAM ESG SGD BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

Credit risk (continued)

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

	Unquoted fixed income <u>securities</u> SGD	Cash and cash <u>equivalents</u> SGD	Amount due from <u>Manager</u> SGD	<u>Total</u> SGD
<u>2022</u> (continued)				
Government				
- Aaa	442,972	-	-	442,972
Industrials				
- A-	624,932	-	-	624,932
Real Estate				
- A3	252,627	-	-	252,627
- Baa2	470,225	-	-	470,225
- BBB-	233,510	-	-	233,510
- NR	4,741,543	-	-	4,741,543
Telecommunications				
- NR	479,390	-	-	479,390
Others				
- NR	-	-	182,419	182,419
	<u>12,503,169</u>	<u>425,949</u>	<u>182,419</u>	<u>13,111,537</u>

Capital risk

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

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR 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 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.

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR 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 and financial liabilities (by class) measured at fair value:

	<u>Level 1</u> SGD	<u>Level 2</u> SGD	<u>Level 3</u> SGD	<u>Total</u> SGD
<u>2023</u>				
Financial assets at fair value through profit or loss				
- unquoted fixed income securities	-	15,642,680	-	15,642,680
- forward foreign currency contracts	-	2,944	-	2,944
	<u>-</u>	<u>15,645,624</u>	<u>-</u>	<u>15,645,624</u>
<u>2022</u>				
Financial assets at fair value through profit or loss				
- unquoted fixed income securities	-	12,503,169	-	12,503,169
Financial liabilities at fair value through profit or loss				
- forward foreign currency contracts	-	50,135	-	50,135

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 includes unquoted fixed income securities and forward foreign currency contracts. 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 Manager and all current liabilities except for forward foreign currency contracts are a reasonable approximation of the fair values due to their short-term nature.

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

4 MANAGEMENT FEE

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

For the financial year ended 30 September 2023, the management fee is recognised at a rate of 1.00% (2022: 1.00%) per annum on the NAV of the Fund, calculated on a daily basis, as stated in the Fund's Prospectus.

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

5 TRUSTEE FEE

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

For the financial year ended 30 September 2023, the Trustee's fee is recognised at a rate of 0.03% (2022: 0.03%) per annum on the NAV of the Fund, (excluding foreign custodian fees and charges), calculated on a daily basis, as stated in the Fund's Prospectus.

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

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

6 TAXATION

	<u>2023</u> SGD	<u>2022</u> SGD
Current taxation	110,551	28,543
Deferred tax (Note 8)	2,315	30,770
Over provision in previous financial year	(4,150)	-
	<u>108,716</u>	<u>59,313</u>

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

	<u>2023</u> SGD	<u>2022</u> SGD
Net profit/(loss) before taxation	351,106	(528,438)
	<u>84,265</u>	<u>(126,825)</u>
Tax at Malaysian statutory rate of 24% (2022: 24%)		
Tax effects of:		
(Investment income not subject to tax)/		
Investment loss not brought to tax	(6,435)	140,571
Expenses not deductible for tax purposes	3,815	3,280
Restriction on tax deductible expenses for Unit Trust Funds	31,221	34,194
Foreign income subject to different tax rate	-	8,093
Over provision in previous financial year	(4,150)	-
	<u>108,716</u>	<u>59,313</u>

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2023</u> SGD	<u>2022</u> SGD
Financial assets at fair value through profit or loss:		
- unquoted fixed income securities – foreign	15,642,680	12,503,169
Net loss on financial assets at fair value through profit or loss		
- realised loss on sale of investments	(113,477)	(178,936)
- unrealised loss on changes in fair value	(71,668)	(731,802)
	<u>(185,145)</u>	<u>(910,738)</u>

(a) Unquoted fixed income securities – foreign

(i) Unquoted fixed income securities – foreign as at 30 September 2023 is as follows:

	<u>Nominal</u> <u>value</u> SGD	<u>Adjusted</u> <u>cost</u> SGD	<u>Fair</u> <u>value</u> SGD	<u>Percentage</u> <u>of NAV</u> %
<u>Bonds</u>				
2.90% AIA Group Ltd Call: 11.06.2031 (A2)	250,000	249,846	210,830	1.28
5.10% AIA Group Ltd Call: 12.03.2029 (A2)	500,000	501,327	501,527	3.04
4.20% Ascott REIT MTN Pte Ltd 06.09.2028 (BBB)	250,000	250,719	251,419	1.52
3.75% Barclays PLC Call: 23.05.2025 (Baa1)	500,000	509,789	493,830	2.99
BNP Paribas SA 5.90% Call: 28.02.2028 (BBB-)	250,000	250,129	247,674	1.50
3.375% CapitaRetail China Trust Call: 27.10.2025 (NR)	250,000	244,908	239,479	1.45

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

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

(i) Unquoted fixed income securities – foreign as at 30 September 2023 is as follows:
(continued)

	Nominal <u>value</u> SGD	Adjusted <u>cost</u> SGD	Fair <u>value</u> SGD	Percentage <u>of NAV</u> %
<u>Bonds</u> (continued)				
3.00% Capitaland Ascendas REIT Call: 17.09.2025 (Baa2)	500,000	498,583	481,275	2.92
1.88% Changi Airport Group Pte Ltd 12.05.2031 (Aaa)	250,000	222,397	219,779	1.33
3.94% CMT MTN Pte Ltd 19.06.2030 (A3)	500,000	505,610	504,460	3.06
6.21% DBS Group Holdings Ltd Call: 08.04.2026 (A2)	221,043	237,176	224,474	1.36
3.3% DBS Group Holdings Ltd Call: 27.02.2025 (Baa1)	272,334	267,395	259,539	1.57
3.98% DBS Group Holdings Ltd Call: 12.09.2025 (Baa1)	250,000	256,347	249,393	1.51
4.50% Erajaya Digital Pte Ltd Call: 24.05.2026 (AA)	250,000	251,171	252,671	1.53
2.18% FLCT Treasury Pte Ltd 26.07.2028 (BBB+)	250,000	251,000	229,225	1.39
4.12% Ford Motor Credit Co LLC 20.06.2024 (Ba1)	250,000	251,011	250,485	1.52
3.00% Frasers Property AHL Ltd 09.10.2028 (NR)	500,000	507,192	472,242	2.86
4.98% Frasers Property Treasury Pte Ltd Call: 11.04.2024 (NR)	500,000	513,733	508,152	3.08
3.29% GLL IHT Pte Ltd 26.10.2026 (NR)	250,000	253,560	244,460	1.48
3.40% GLL IHT Pte Ltd 10.08.2025 (NR)	250,000	255,022	246,561	1.49
4.60% GLL IHT Pte Ltd Call: 23.01.2023 (NR)	250,000	252,744	247,356	1.50
5.30% HSBC Holdings PLC Call: 26.03.2029 (Baa1)	250,000	250,182	252,707	1.53
5.25% HSBC Holdings PLC Call: 27.06.2027 (Baa1)	500,000	506,904	513,054	3.11

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

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

(i) Unquoted fixed income securities – foreign as at 30 September 2023 is as follows:
(continued)

	Nominal <u>value</u> SGD	Adjusted <u>cost</u> SGD	Fair <u>value</u> SGD	Percentage <u>of NAV</u> %
<u>Bonds</u> (continued)				
3.80% Huarong Finance 2017 Co Ltd 07.11.2025 (Ba1)	250,000	247,872	221,199	1.34
4.25% Hyundai Capital Services Inc 12.07.2025 (BBB+)	500,000	502,511	503,613	3.05
3.15% Keppel REIT Call: 11.09.2025 (NR)	250,000	245,337	236,707	1.43
4.20% Lendlease Global Commercial REIT Call: 04.06.2026 (NR)	250,000	253,423	241,848	1.46
5.25% Lloyds Banking Group PLC Call 22.08.2028 (Baa1)	250,000	251,438	250,213	1.52
4.50% Macquarie Group Ltd Call: 18.08.2025 (A2)	250,000	251,356	252,281	1.53
3.15% Mapletree Industrial Trust Treasury Company Pte Ltd Call: 11.05.2026 (BBB-)	250,000	253,085	239,985	1.45
3.5% Mapletree North Asia Commercial Trust Call: 08.06.2026 (NR)	500,000	499,696	460,664	2.79
3.95% Mapletree Treasury Services Ltd Call: 12.11.2023 (NR)	250,000	314,777	245,192	1.49
0% Monetary Authority of Singapore Bill 22.12.2023 (NR)	500,000	495,395	495,500	3.00
6.15% NWD Finance BVI Ltd Call: 16.03.2025 (NR)	272,334	260,409	199,849	1.21
3.13% Singapore Airlines Limited 17.11.2026 (NR)	250,000	258,518	247,212	1.50
0% Singapore Treasury Bill 02.04.2024 (NR)	250,000	244,940	245,025	1.48
0% Singapore Treasury Bill 03.10.2023 (NR)	500,000	499,841	499,950	3.03
0% Singapore Treasury Bill 31.10.2023 (NR)	200,000	199,346	199,360	1.21
2.375% Singapore Government Bond 01.06.2025 (NR)	500,000	498,692	493,108	2.99
2.625% Singapore Government Bond 01.08.2032 (NR)	300,000	294,232	283,905	1.72
3.375% Singapore Government Bond 01.09.2033 (Aaa)	200,000	206,163	200,176	1.21

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

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

(i) Unquoted fixed income securities – foreign as at 30 September 2023 is as follows:
(continued)

	Nominal <u>value</u> SGD	Adjusted <u>cost</u> SGD	Fair <u>value</u> SGD	Percentage <u>of NAV</u> %
<u>Bonds</u> (continued)				
3.3% SingTel Group Treasury Pte Ltd Call: 14.07.2031 (A3)	250,000	259,685	229,043	1.39
5.375% Standard Chartered PLC Call: 03.10.2024 (Ba1)	250,000	260,000	255,464	1.55
3.95% StarHub Limited Call: 16.12.2022 (NR)	500,000	668,154	480,840	2.91
4.85% UBS Group AG Call: 04.09.2024 (Baa3)	250,000	258,573	246,897	1.50
2.55% United Overseas Bank Ltd Call: 22.06.2028 (Baa1)	250,000	231,331	229,989	1.39
3.58% United Overseas Bank Ltd Call: 17.07.2026 (Baa1)	250,000	257,289	247,464	1.50
3.5% United Overseas Bank Ltd Call: 27.02.2024 (A2)	250,000	249,812	249,864	1.51
0.75% United States Treasury N/B 31.12.2023 (Aaa)	136,167	133,946	134,900	0.82
1.375% United States Treasury N/B 15.11.2040 (Aaa)	108,934	72,438	65,360	0.40
2.75% United States Treasury N/B 15.11.2042 (Aaa)	136,167	117,163	101,238	0.61
2.875% United States Treasury N/B 15.05.2052 (Aaa)	108,934	109,309	78,689	0.48
2.33% UOL Treasury Services 31.08.2028 (NR)	500,000	500,989	459,039	2.78
4.48% Wing Tai Holdings Limited Call: 24.05.2024 (NR)	250,000	253,116	247,514	1.50
Total unquoted fixed income securities – foreign	<u>16,205,913</u>	<u>16,435,581</u>	<u>15,642,680</u>	<u>94.77</u>
Accumulated unrealised loss on unquoted fixed income securities – foreign		<u>(792,901)</u>		
Total unquoted fixed income securities – foreign		<u>15,642,680</u>		

AHAM ESG SGD BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

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

(ii) Unquoted fixed income securities – foreign as at 30 September 2022 is as follows:

	Nominal <u>value</u> SGD	Adjusted <u>cost</u> SGD	Fair <u>value</u> SGD	Percentage <u>of NAV</u> %
<u>Bonds</u>				
2.9% AIA Group Ltd Call: 11.06.2031 (A2)	250,000	249,818	210,810	1.62
3.75% Barclays PLC Call: 23.05.2025 (Baa2)	250,000	264,265	247,840	1.90
4.25% Cagamas Global Plc 27.09.2023 (NR)	250,000	250,116	250,341	1.92
3.375% Capitaretail China Trust Call: 27.10.2025 (NR)	250,000	244,886	239,904	1.84
3% Capitaland Ascendas REIT Call: 17.09.2025 (Baa2)	500,000	498,576	470,225	3.61
3.35% CNAC HK Finbridge Co Ltd Call: 22.09.2023 (Baa3)	200,000	270,998	280,459	2.15
3.3% DBS Group Holdings Ltd Call: 27.02.2025 (Baa1)	200,000	260,349	262,898	2.02
3.98% DBS Group Holdings Ltd Call: 12.09.2025 (Baa1)	250,000	259,207	248,143	1.90
2.18% FLCT Treasury Pte Ltd 26.07.2028 (BBB+)	250,000	251,000	226,025	1.73
3.0% Frasers Property AHL 09.10.2028 (NR)	500,000	507,192	453,042	3.47
3.95% Frasers Property Treasury Pte Ltd Call: 05.10.2022 (NR)	250,000	246,117	254,793	1.95
4.98% Frasers Property Treasury Pte Ltd Call: 11.04.2024 (NR)	500,000	517,267	505,102	3.87
3.29% GLL IHT Pte Ltd 26.10.2026 (NR)	250,000	253,560	242,535	1.86
3.4% GLL IHT Pte Ltd 10.08.2025 (NR)	250,000	256,997	245,861	1.88
4.6% GLL IHT Pte Ltd Call: 23.01.2023 (NR)	500,000	504,396	493,361	3.78
3.3% Henderson Land MTN Ltd 13.05.2023 (NR)	1,000,000	208,559	203,270	1.56
1.5% HPHT Finance Ltd Call: 17.08.2026 (A-)	500,000	651,220	624,932	4.79
5.25% HSBC Holdings PLC Call: 27.06.2027 (A3)	250,000	253,453	252,627	1.94

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

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

(ii) Unquoted fixed income securities – foreign as at 30 September 2022 is as follows:
(continued)

	Nominal <u>value</u> SGD	Adjusted <u>cost</u> SGD	Fair <u>value</u> SGD	Percentage <u>of NAV</u> %
<u>Bonds</u> (continued)				
3.8% Huarong Finance 2017 Co., Ltd 07.11.2025 (Baa3)	250,000	245,258	217,198	1.67
3.15% Keppel REIT Call: 11.09.2025 (NR)	250,000	245,321	236,857	1.82
4.2% Lendlease Global Commercial REIT Call: 04.06.2026 (NR)	250,000	253,423	239,973	1.84
4.25% LS Finance 2022 Ltd 16.10.2022 (BB+)	200,000	270,935	290,666	2.23
4.5% Macquarie Group Ltd Call: 18.08.2025 (A3)	250,000	251,356	250,381	1.92
3.15% Mapletree Industrial Trust Call: 11.05.2026 (BBB-)	250,000	253,085	233,510	1.79
3.5% Mapletree North Asia Commercial Trust Call: 08.06.2026 (NR)	750,000	749,521	683,646	5.24
3.95% Mapletree Treasury Services Call: 12.11.2022 (NR)	250,000	254,079	243,842	1.87
4.602% Oversea-Chinese Banking Corp Call: 15.06.2027 (Aa1)	200,000	279,183	276,826	2.12
3.13% Singapore Airlines Limited 17.11.2026 (NR)	250,000	260,214	242,637	1.86
0% Singapore Treasury Bill 25.07.2023 (NR)	200,000	194,939	194,920	1.49
0% Singapore Treasury Bill 27.12.2022 (NR)	150,000	149,275	148,890	1.14
3.3% SingTel Group Treasury Pte Ltd Call: 14.07.2031 (BBB)	250,000	259,702	227,767	1.75
4.1% SPH REIT Call: 30.08.2024 (NR)	500,000	503,841	488,210	3.74
5.375% Standard Chartered PLC Call: 03.10.2024 (BB-)	250,000	263,172	249,789	1.92
3.95% StarHub Limited Call: 16.12.2022 (NR)	500,000	668,732	479,390	3.68
4.85% UBS Group AG Call: 04.09.2024 (Baa3)	250,000	258,575	245,572	1.88

AHAM ESG SGD BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

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

(ii) Unquoted fixed income securities – foreign as at 30 September 2022 is as follows:
(continued)

	Nominal <u>value</u> SGD	Adjusted <u>cost</u> SGD	Fair <u>value</u> SGD	Percentage <u>of NAV</u> %
<u>Bonds</u> (continued)				
5.875% UBS Group Funding Switzerland AG Call: 28.11.2023 (BBB)	250,000	261,408	252,820	1.94
3.58% United Overseas Bank Ltd Call: 17.07.2026 (BBB-)	250,000	259,132	246,689	1.89
3.875% United Overseas Bank Ltd Call: 19.10.2023 (Baa1)	200,000	278,614	281,719	2.16
2.875% United States Treasury N/B 15.05.2052 (NR)	80,000	109,329	99,162	0.76
2.33% UOL Treasury Services 31.08.2028 (NR)	500,000	500,989	454,989	3.49
4.48% Wing Tai Holdings Limited Call: 24.05.2024 (NR)	250,000	251,848	251,514	1.93
4.48% Wing Tai Holdings Limited Call: 24.05.2025 (NR)	250,000	254,495	254,035	1.95
	<hr/>	<hr/>	<hr/>	<hr/>
Total unquoted fixed income securities – foreign	<u>13,180,000</u>	<u>13,224,402</u>	<u>12,503,169</u>	<u>95.87</u>
Accumulated unrealised loss on unquoted fixed income securities – foreign		<u>(721,233)</u>		
Total unquoted fixed income securities – foreign		<u><u>12,503,169</u></u>		

AHAM ESG SGD BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

8 DEFERRED TAX LIABILITIES

	<u>2023</u> SGD	<u>2022</u> SGD
Deferred tax liabilities	33,085	30,770

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

	Foreign interest receivables on financial assets at fair value through profit or loss	
	<u>2023</u> SGD	<u>2022</u> SGD
Balance at the beginning of the financial year	30,770	-
Transfer to income statement (Note 6)	2,315	30,770
Balance as at the end of the financial year	<u>33,085</u>	<u>30,770</u>

9 FORWARD FOREIGN CURRENCY CONTRACTS

As at 30 September 2023, there are 2 (2022: 1) forward foreign currency contracts outstanding. The notional principal amount of the outstanding forward foreign currency contracts amounted to SGD900,900 (2022: SGD2,205,838). The forward foreign currency contracts entered into during the financial year were for hedging against the currency exposure arising from the investment in the foreign unquoted fixed income securities denominated in Australian Dollar and United States Dollar. As the Fund has not adopted hedge accounting during the financial year, the change in the fair value of the forward foreign currency contract is recognised immediately in the statement of comprehensive income.

	<u>2023</u> SGD	<u>2022</u> SGD
Financial assets at fair value through profit or loss:		
- forward foreign currency contracts	<u>2,944</u>	<u>-</u>
Financial liabilities at fair value through profit or loss:		
- forward foreign currency contracts	<u>-</u>	<u>50,135</u>

AHAM ESG SGD BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

9 FORWARD FOREIGN CURRENCY CONTRACTS (CONTINUED)

	<u>2023</u> SGD	<u>2022</u> SGD
Net gain/(loss) on forward foreign currency contracts at fair value through profit or loss:		
- realised gain/(loss) on forward foreign currency contracts	46,604	(61,106)
- unrealised gain/(loss) on changes in fair value	53,079	(35,792)
	<u>99,683</u>	<u>(96,898)</u>

(a) Forward foreign currency contracts

(i) Forward foreign currency contracts as at 30 September 2023 is as follows:

	<u>Receivables</u> SGD	<u>Payables</u> SGD	<u>Fair value</u> SGD	<u>Percentage of NAV</u> %
CIMB Investment Bank Bhd	222,350	220,987	1,363	0.01
Affin Hwang Investment Bank Bhd#	678,550	676,969	1,581	0.01
Total forward foreign currency contracts	<u>900,900</u>	<u>897,956</u>	<u>2,944</u>	<u>0.02</u>

(ii) Forward foreign currency contracts as at 30 September 2022 is as follows:

	<u>Receivables</u> SGD	<u>Payables</u> SGD	<u>Fair value</u> SGD	<u>Percentage of NAV</u> %
Affin Hwang Investment Bank Bhd#	2,205,838	2,255,973	(50,135)	(0.38)
Total forward foreign currency contracts	<u>2,205,838</u>	<u>2,255,973</u>	<u>(50,135)</u>	<u>(0.38)</u>

The Manager is of the opinion that all transactions with the former immediate holding company of the Manager have been entered in the normal course of business at agreed terms between the related parties.

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

10 NUMBER OF UNITS IN CIRCULATION

(a) MYR Class units in circulation

	<u>2023</u>	<u>2022</u>
	No. of units	No. of units
At the beginning of the financial year	36,008,000	40,465,000
Creation of units arising from applications	15,674,000	11,645,000
Cancellation of units	<u>(22,257,000)</u>	<u>(16,102,000)</u>
At the end of the financial year	<u><u>29,425,000</u></u>	<u><u>36,008,000</u></u>

(b) SGD Class units in circulation

	<u>2023</u>	<u>2022</u>
	No. of units	No. of units
At the beginning of the financial year	15,313,000	12,374,000
Creation of units arising from applications	10,856,000	10,077,000
Cancellation of units	<u>(2,066,000)</u>	<u>(7,138,000)</u>
At the end of the financial year	<u><u>24,103,000</u></u>	<u><u>15,313,000</u></u>

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022 (CONTINUED)

11 TRANSACTIONS WITH DEALERS

- (i) Details of transactions with the top dealers for the financial year ended 30 September 2023 are as follows:

<u>Name of dealers</u>	<u>Value of trade</u> SGD	Percentage of <u>total trade</u> %
DBS Bank Ltd	6,538,686	30.34
Standard Chartered Bank Malaysia Bhd	2,940,078	13.64
OCBC Bank (Malaysia) Bhd	2,765,655	12.84
The Hongkong And Shanghai Banking Corporation Ltd	2,204,008	10.22
United Overseas Bank (Malaysia) Bhd	1,188,565	5.51
Citigroup Global Markets Inc.	743,625	3.45
CIMB Bank Bhd	674,109	3.13
JP Morgan Chase Bank Bhd	584,964	2.71
HSBC Bank Malaysia Berhad	548,271	2.54
Commerzbank Ag London	500,000	2.32
Others	2,867,528	13.30
	<u>21,555,489</u>	<u>100.00</u>

- (ii) Details of transactions with the top dealers for the financial year ended 30 September 2022 are as follows:

<u>Name of dealers</u>	<u>Value of trade</u> SGD	Percentage of <u>total trade</u> %
DBS Bank Ltd	2,469,244	17.42
Citibank Bhd	1,755,755	12.38
Standard Chartered Bank Malaysia Bhd	1,492,300	10.53
HSBC Singapore	1,392,254	9.82
HSBC Bank Malaysia Bhd	1,269,327	8.95
JP Morgan Chase Bank Bhd	831,902	5.87
Euroclear Bank S.A / N.V	764,471	5.39
United Overseas Bank (Malaysia) Bhd	745,325	5.26
Barclays Capital Inc	517,368	3.65
Others	2,939,595	20.73
	<u>14,177,541</u>	<u>100.00</u>

**AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)**

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

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

<u>Related parties</u>	<u>Relationship</u>
CVC Capital Partners Asia V L.P. ("CVC Asia V")	Ultimate holding company of the Provider
Lembaga Tabung Angkatan Tentera ("LTAT")	Substantial shareholder of the Manager and former ultimate holding corporate body of the Manager
Affin Bank Berhad ("ABB")	Former penultimate holding company of the Provider
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 International Limited ("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 company of the ultimate holding companies of the Manager
Subsidiaries and associated companies of ABB as disclosed in its financial statements	Subsidiaries and associated company of the former penultimate holding company of the Manager
Directors of AHAM Asset Management Berhad	Directors of the Manager

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

The units held by the Manager as at the end of the financial year are as follows:

	<u>2023</u>		<u>2022</u>	
<u>The Manager:</u>	No. of units	SGD	No. of units	SGD
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) (The units are held legally for booking purposes)				
- MYR Class	16,629	2,661	2,622	413
- SGD Class	3,762	1,842	3,274	1,577
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

13 TOTAL EXPENSE RATIO (“TER”)

	<u>2023</u>	<u>2022</u>
	%	%
TER	1.13	1.12
	<u> </u>	<u> </u>

TER is derived from the following calculation:

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

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

The average NAV of the Fund for the financial year calculated on a daily basis is SGD14,225,747 (2022: SGD13,953,242).

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

14 PORTFOLIO TURNOVER RATIO ("PTR")

	<u>2023</u>	<u>2022</u>
PTR (times)	<u>0.92</u>	<u>0.62</u>

PTR is derived from the following calculation:

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

where: total acquisition for the financial year = SGD14,634,472 (2022: SGD9,146,755)
total disposal for the financial year = SGD11,555,776 (2022: SGD8,292,938)

15 SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Change in substantial shareholders of AHAM Asset Management Berhad

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

AHAM ESG SGD BOND FUND
(FORMERLY KNOWN AS AFFIN HWANG SGD BOND FUND)

STATEMENT BY THE MANAGER

I, Dato' Teng Chee Wai, for and on behalf of the board of directors of the Manager, **AHAM Asset Management Berhad**, do hereby state that in the opinion of the Manager, the financial statements set out on pages 1 to 43 are drawn up in accordance with the provisions of the Deed 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 net assets attributable to unitholders and cash flows for the financial year 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
27 November 2023

**INDEPENDENT AUDITORS' REPORT
TO THE UNITHOLDERS OF AHAM ESG SGD BOND FUND
(Formerly known as Affin Hwang SGD Bond Fund)**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of AHAM ESG SGD Bond Fund (“the Fund”) (formerly known as Affin Hwang SGD Bond Fund) give a true and fair view of the financial position of the Fund as at 30 September 2023, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 September 2023, and the statement of comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 1 to 43.

Basis for opinion

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

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

Independence and other ethical responsibilities

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

**INDEPENDENT AUDITORS' REPORT
TO THE UNITHOLDERS OF AHAM ESG SGD BOND FUND
(Formerly known as Affin Hwang SGD Bond Fund)**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the Manager for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**INDEPENDENT AUDITORS' REPORT
TO THE UNITHOLDERS OF AHAM ESG SGD BOND FUND
(Formerly known as Affin Hwang SGD Bond Fund)**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

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

**INDEPENDENT AUDITORS' REPORT
TO THE UNITHOLDERS OF AHAM ESG SGD BOND FUND
(Formerly known as Affin Hwang SGD Bond Fund)**

OTHER MATTERS

This report is made solely to the unitholders of the Fund, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants**

Kuala Lumpur
27 November 2023

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