



ANNUAL REPORT
30 September 2024

AHAM ESG 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

Annual Reports and Audited Financial Statements For The Financial Year Ended 30 September 2024

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FUND INFORMATION

Fund Name	AHAM ESG 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 2024 (%)	As at 30 Sep 2023 (%)	As at 30 Sep 2022 (%)
Portfolio composition			
Unquoted fixed income securities – foreign	95.94	94.77	95.87
Cash & cash equivalent	4.06	5.23	4.13
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)	27.3627	15.5693	16.226	11.801	18.350	7.376
NAV per Unit (in respective currencies)	0.5476	0.5221	0.5514	0.4896	0.5096	0.4817
Unit in Circulation (million)	49.9660	29.8200	29.425	24.103	36.008	15.313
Highest NAV	0.5771	0.5221	0.5552	0.4914	0.5176	0.5032
Lowest NAV	0.5466	0.4894	0.5050	0.4735	0.4938	0.4817
Return of the Fund (%)	0.58	7.74	8.20	1.64	0.79	-4.23
- Capital Growth (%)	-0.69	6.64	8.20	1.64	0.79	-4.23
- Income Distribution (%)	1.28	1.04	Nil	Nil	Nil	Nil
Gross Distribution per Unit (sen)	0.72	0.51	Nil	Nil	Nil	Nil
Net Distribution per Unit (sen)	0.72	0.51	Nil	Nil	Nil	Nil
Total Expense Ratio (%) ¹		1.13		1.13		1.12
Portfolio Turnover Ratio (times) ²		1.17		0.92		0.62

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 unchanged during 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

MYR

Cum Date	Ex-Date	Cum-distribution	Distribution per Unit (RM)	Ex-distribution
19-Dec-23	20-Dec-23	0.5700	0.0072	0.5617

SGD

Cum Date	Ex-Date	Cum-distribution	Distribution per Unit (RM)	Ex-distribution
19-Dec-23	20-Dec-23	0.4971	0.0051	0.4920

No unit split was declared for the financial year ended 30 September 2024.

Income Distribution Breakdown

Class	Ex-Date	Income (per unit) (sens / cents)	Income (%)	Capital (per unit) (sens / Cents)	Capital %
MYR	20-Dec-23	0.7200	100	-	-
SDG	20-Dec-23	0.5100	100	-	-

Fund Performance

Table 1: Performance of the Fund

	1 Year (1/10/23 - 30/9/24)	3 Years (1/10/21 - 30/9/24)	Since Commencement (16/3/21 - 30/9/24)
Benchmark	2.24%	4.30%	4.34%
SGD Class	7.74%	4.87%	5.50%
Outperformance	5.50%	0.57%	1.16%
MYR Class	0.58%	9.70%	10.92%
Outperformance	(1.66%)	5.40%	6.58%

Source of Benchmark: Monetary Authority of Singapore

Table 2: Average Total Return

	1 Year (1/10/23 - 30/9/24)	3 Years (1/10/21 - 30/9/24)	Since Commencement (16/3/21 - 30/9/24)
Benchmark	2.24%	1.41%	1.21%
SGD Class	7.74%	1.60%	1.52%
Outperformance	5.50%	0.19%	0.31%
MYR Class	0.58%	3.13%	2.97%
Outperformance	(1.66%)	1.72%	1.76%

Source of Benchmark: Monetary Authority of Singapore

Table 3: Annual Total Return

	FYE 2024 (1/10/23 - 30/9/24)	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	2.24%	1.74%	0.27%	0.04%
SGD Class	7.74%	1.64%	(4.23%)	0.60%
Outperformance	5.50%	(0.10%)	(4.50%)	0.56%
MYR Class	0.58%	8.20%	0.79%	1.12%
Outperformance	(1.66%)	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 2023 to 30 September 2024)

SGD Class

For the period 1 October 2023 to 30 September 2024, the Fund registered a 7.74% return compared to the benchmark return of 2.24%. The Fund thus outperformed the Benchmark by 5.50%. The Net Asset Value per unit ("NAV") of the Fund as at 30 September 2024 was SGD0.5221 while the NAV as at 30 September 2023 was SGD0.4896. During the financial year under review, the Fund has declared an income distribution of SGD0.0051 per unit.

Since commencement, the Fund has registered a return of 5.50% compared to the benchmark return of 4.34%, outperforming by 1.16%.

MYR Class

For the period 1 October 2023 to 30 September 2024, the Fund registered a 0.58% return compared to the benchmark return of 2.24%. The Fund thus underperformed the Benchmark by 1.66%. The Net Asset Value per unit ("NAV") of the Fund as at 30 September 2024 was MYR0.5476 while the NAV as at 30 September 2023 was MYR0.5514. During the financial year under review, the Fund has declared an income distribution of MYR0.0072 per unit.

Since commencement, the Fund has registered a return of 10.92% compared to the benchmark return of 4.34%, outperforming by 6.58%.

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: Singapore Dollar Banks Saving Deposits Rate

Asset Allocation

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

As at 30 September 2024, the asset allocation of the Fund stood at 95.94% of the Fund's NAV in fixed income securities while the remaining was held in cash and cash equivalent.

Strategy Employed

The Fund primarily invests into Singapore Dollar ("SGD") denominated bonds and aims to provide regular income over the medium to long term period. The Fund may invest into non-SGD denominated bonds to enhance portfolio yield and for diversification purpose.

Sustainable and Responsible Investment ("SRI") Strategy

AHAM ESG SGD Bond Fund ("Fund") is a qualified sustainable and responsible investment fund under the Guidelines on Sustainable and Responsible Investment ("SRI") Funds ("Guidelines").

The Fund adopts Negative Screening and Environmental, Social, and Governance ("ESG") Integration in the selection, retention, and realisation of its investments. The Manager applies negative screening to remove securities issued by companies involved in the excluded business activities, to form a broad investable universe. Within the investable universe, the Manager applies ESG integration in the assessment and selection of investments. The application of SRI strategies are as follows :

1. Negative or Exclusionary Screening: The Fund has excluded investments in companies with principal business activities in alcohol, coal mining, forestry and logging, fossil fuel, gaming, tobacco, military weapons, and other businesses regarded as vice in its investments. The Fund has not invested in any companies that derive more than 10% revenue from the abovementioned excluded business activities.

2. ESG Integration: The Fund has included ESG factors in the investment decision-making and portfolio construction process. ESG factors (such as exposure to climate risk (E), workers' wellbeing (S), management and board competence (G)) are deemed material if they create significant financial impact on the company.

For the financial year under review, the Fund remained in compliance with its SRI investment strategies and the Guidelines. There were no active breaches to the Negative Screening. The Fund also maintained at least two-thirds of its NAV in securities that are consistent with its SRI investment strategies.

To create a broad investible universe that is consistent with the Fund's Negative Screening strategy, the Manager reviews a company's level of involvement in the excluded business activities and apply a maximum 10% revenue threshold. This is conducted using the Manager's internal methodology and utilising publicly available financial disclosures as well as third party data.

For companies that are within the Fund's investable universe, we apply ESG integration in our investment decision making process. ESG factors are integrated using a systematic ESG scoring system that evaluates companies based on their ESG performance. Companies are rated on a AAA-CCC scale for their E, S and G risks exposure and management, benchmarked to its relevant industry peers. The Fund is assessed on a quarterly basis for its ESG coverage.

Post investment, the Manager will continuously monitor the companies' involvement in the excluded business activities as well as their ESG profile, through periodic reviews and corporate engagement.

In the reporting period, the Manager has also developed and implemented a new sovereign ESG rating framework. The sovereign ESG rating framework provides a standardised and comparable measure of a country's ESG performance. The Framework highlights ESG issues that are material and relevant for investors which complements the traditional assessment of a country's sovereign credit rating. Countries are rated on a AAA-CCC scale for their E, S and G risks.

Please refer to the Fund's SRI Statement on our website for more information on its SRI performance. <https://aham.com.my/invest-with-us/list-of-funds/details?q=SGDBFHCF>

For the financial year under review, AHAM ESG SGD Bond Fund have implemented negative screening and ESG integration. Negative screening serves as the first line of defence, which allowed the Fund to actively mitigate exposure to sectors that tend to have heightened ESG risks like tobacco, alcohol, gaming, forestry and logging, fossil fuel, coal mining, and military weapons. These risks include litigation risks, regulatory crackdown and consumer backlash.

Integration of ESG criteria, in addition to traditional financial analysis, enabled the Manager to assess companies on a more comprehensive basis. Given each company and industry face unique ESG risks, the focus is placed on ESG issues that lead to a material financial impact on the company. For instance, toxic waste emissions (E factor) is more material for companies in mining sector relative to those in financial services industry; a mining company that had poorly managed its toxic waste emission exposes itself to operational, regulatory and/or reputational risks, which may lead to serious consequences on the company's financial performance.

The Manager leveraged on a variety of resource in its assessment of a company's ESG risk exposure and management, including internal ESG scorecard, third party ESG data provider and company public disclosures. The Manager may also engage with the company to seek clarification and foster knowledge transfer.

There had been no major changes to the Fund's ESG investment strategies as well as the selection, retention, and realisation of its investments in the financial year under review.

Market Review

Globally, several key developments have influenced the bond markets, including geopolitical tensions and shifts in monetary policy across major economies. The ongoing conflict in Ukraine, coupled with economic uncertainties in Europe and Asia, has led to increased volatility in global financial markets. Furthermore, central banks worldwide are grappling with the delicate balance of fostering economic recovery while managing inflation. Japan for example has increased interest rates and are expected to continue doing so going into 2025 as it sees rise in its inflationary data. This has led to fluctuations in the Japanese Yen against major currencies like the United States (“US”) dollar. These dynamics have resulted in a cautious approach among investors, who are closely monitoring developments that could impact interest rates and credit conditions. Overall, the bond market has navigated a complex landscape over the past year, characterized by resilience amid uncertainty and evolving economic conditions.

Over the past twelve months ending September 2024, the U.S. government bond market has exhibited notable resilience amid fluctuating economic conditions. The Treasury Index recorded a gain of approximately 4% for Year to date (“YTD”) September 2024, reflecting a broader trend of stability and recovery in bond prices following a volatile period earlier in the year. Investors have shown a preference for U.S. Treasuries as a safe haven, particularly as inflationary pressures have eased, and economic growth projections have moderated. This shift has resulted in a favorable environment for government bonds, with demand remaining robust despite the complexities in the broader economic landscape.

The yield on U.S. Treasuries has experienced significant fluctuations, particularly in the context of anticipated interest rate cuts by the Federal Reserve. As of end September 2024, the yield on the 10-year Treasury note was approximately 3.78%, having stabilized after reaching a peak earlier in the year. In September, the Fed began its easing cycle with a more aggressive 50bps rate cut than the market had expected. The decision was prompted by softening labour markets and by the Fed’s greater confidence in inflation moving sustainably towards the 2% target.

On the other hand, the Monetary Authority of Singapore (“MAS”) left its current monetary policy settings unchanged in the October Monetary Policy Statement (“MPS”). MAS continues its upbeat tone about its 2024 growth prospects. The central bank expects 2024 Gross Domestic Product (“GDP”) growth to come in around the upper end of the 2-3% forecast range, as opposed to closer to its potential rate of 2-3% stated in July. The recovery in economy was broad-based across external trades and domestic resilience. MAS core inflation is expected to remain moderate around 2% by end-2024.

While Singapore Government Securities (“SGS”) are highly correlated with US Treasuries, SGS outperforms United States Treasury (“UST”) with a flatter curve and tighter spreads. Technical for SGS is well supported given negative net supply amid large upcoming maturity and light issuance for the rest of 2024. The SGD corporate credit market has also shown resilience. We saw robust activity with record primary issuance volumes that are met with robust investor demand. Demand remains strong for SGD bonds mainly driven by factors such as capital inflows, currency strength, and policy support, signifies a favorable environment for bond investors. Singapore’s robust credit fundamentals and its AAA rating by global rating agencies, supported by its strong fiscal position, further enhance the attractiveness of the SGD bond market and the SGD currency.

Furthermore, the rapid growth in ESG-labelled bond issuances within the SGD space creates a bright spot for capital inflows for funding of long-term sustainability related assets and projects. As of Sept 2024, the SGD bond market saw a higher proportion sustainable bond issuances with 17% of total issuance volume being ESG-labelled bonds. The integration of ESG-labelled bonds within the SGD corporate bonds issuance, particularly from high-grade issuers, highlights the growing trend towards sustainable finance to support the country’s green transition.

Investment Outlook

The outlook for global government bonds over the next 12 months is shaped by anticipated shifts in monetary policy and macroeconomic conditions. As central banks, particularly the Federal Reserve, signal potential interest rate cuts in response to economic uncertainties, government bonds may benefit from increased demand. Lower interest rates typically lead to higher bond prices, providing opportunities for capital gains for investors holding longer-duration bonds. Furthermore, with yields on government bonds remaining relatively attractive compared to historical standards, they are likely to attract risk-averse investors seeking stability amidst market volatility. However, the pace of economic recovery and inflation dynamics will be critical factors influencing bond performance, as unexpected inflation could erode real returns. Global geopolitical developments are also another important driver of financial markets. The U.S. presidential election in November 2024 could lead to changes in domestic policies affecting U.S. businesses and, in turn, global trade activities.

Nevertheless, Singapore's economy has shown resilience with continuous GDP growth despite a highly uncertain geopolitical and external landscape. We maintain our constructive outlook for SGD fixed income assets in 2024 and 2025, with an overweight in credits given robust fundamental and technical backdrop.

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

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

TRUSTEE’S REPORT TO THE UNIT HOLDERS OF AHAM ESG SGD BOND FUND (“Fund”)

We have acted as Trustee of the Fund for the financial year ended 30 September 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AHAM Asset Management Berhad has operated and managed the fund during the year covered by these financial statements in accordance with the following:

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

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

For Deutsche Trustees Malaysia Berhad

Ng Hon Leong
Head, Fund Operations

Sylvia Beh
Chief Executive Officer

Kuala Lumpur
22 November 2024

AHAM ESG SGD BOND FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

AHAM ESG SGD BOND FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

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AHAM ESG SGD BOND FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

	<u>Note</u>	<u>2024</u> SGD	<u>2023</u> SGD
INVESTMENT INCOME			
Interest income from financial assets at amortised cost		70	-
Interest income from financial assets at fair value through profit or loss		795,622	607,437
Net gain/(loss) on foreign currency exchange		64,080	(10,431)
Net gain/(loss) on financial assets at fair value through profit or loss	8	865,742	(185,145)
Net gain on forward foreign currency contracts at fair value through profit or loss	10	60,324	99,683
		<u>1,785,838</u>	<u>511,544</u>
EXPENSES			
Management fee	4	(199,501)	(141,917)
Trustee fee	5	(5,993)	(4,266)
Fund accounting fee		(3,458)	-
Auditors' remuneration		(1,892)	(2,624)
Tax agent's fee		(1,018)	(1,081)
Other expenses		(13,200)	(10,550)
		<u>(225,062)</u>	<u>(160,438)</u>
NET PROFIT BEFORE FINANCE COST AND TAXATION		1,560,776	351,106
Finance cost	6	(176,276)	-
NET PROFIT BEFORE TAXATION		<u>1,384,500</u>	<u>351,106</u>
Taxation	7	(20,886)	(108,716)
INCREASE IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u><u>1,363,614</u></u>	<u><u>242,390</u></u>

AHAM ESG SGD BOND FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024 (CONTINUED)

	<u>Note</u>	<u>2024</u> SGD	<u>2023</u> SGD
Increase in net assets attributable to unit holders are made up of the following:			
Realised amount		300,242	36,538
Unrealised amount		1,063,372	205,852
		<u>1,363,614</u>	<u>242,390</u>

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

AHAM ESG SGD BOND FUND

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

	<u>Note</u>	<u>2024</u> SGD	<u>2023</u> SGD
ASSETS			
Cash and cash equivalents		1,085,952	1,149,495
Amount due from Manager			
- creation of units		302,423	5,259
Financial assets at fair value through profit or loss	8	23,100,841	15,642,680
Forward foreign currency contracts at fair value through profit or loss	10	65,856	2,944
Tax recoverable		61,760	5,650
TOTAL ASSETS		<u>24,616,832</u>	<u>16,806,028</u>
LIABILITIES			
Forward foreign currency contracts at fair value through profit or loss	10	25,316	-
Amount due to dealer		359,520	244,940
Amount due to Manager			
- management fee		19,579	13,382
- cancellation of units		134,137	-
Amount due to Trustee		587	401
Fund accounting fee		311	-
Auditors' remuneration		2,213	2,945
Tax agent's fee		1,084	1,101
Deferred tax liabilities	9	-	33,085
Other payables and accruals		457	656
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)		<u>543,204</u>	<u>296,510</u>
NET ASSET VALUE OF THE FUND		<u>24,073,628</u>	<u>16,509,518</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>24,073,628</u>	<u>16,509,518</u>

AHAM ESG SGD BOND FUND

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024 (CONTINUED)

	<u>Note</u>	<u>2024</u> SGD	<u>2023</u> SGD
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS			
- MYR Class		8,504,341	4,708,041
- SGD Class		15,569,287	11,801,477
		<u>24,073,628</u>	<u>16,509,518</u>
NUMBER OF UNITS IN CIRCULATION			
- MYR Class	11 (a)	49,966,000	29,425,000
- SGD Class	11 (b)	29,820,000	24,103,000
		<u>79,786,000</u>	<u>53,528,000</u>
NET ASSET VALUE PER UNIT (SGD)			
- MYR Class		0.1702	0.1600
- SGD Class		0.5221	0.4896
		<u>0.1702</u>	<u>0.4896</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
- MYR Class		RM0.5476	RM0.5514
- SGD Class		SGD0.5221	SGD0.4896
		<u>RM0.5476</u>	<u>SGD0.4896</u>

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

AHAM ESG SGD BOND FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

	<u>2024</u> SGD	<u>2023</u> SGD
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR	16,509,518	13,043,445
Movement due to units created and cancelled during the financial year:		
Creation of units arising from applications	8,896,785	7,734,903
- MYR Class	4,933,232	2,488,651
- SGD Class	3,963,553	5,246,252
Creation of units arising from distributions	152,596	-
- MYR Class	46,800	-
- SGD Class	105,796	-
Cancellation of units	(2,848,885)	(4,511,220)
- MYR Class	(1,643,979)	(3,504,081)
- SGD Class	(1,204,906)	(1,007,139)
Net increase in net assets attributable to unit holders during the financial year	1,363,614	242,390
- MYR Class	460,247	55,922
- SGD Class	903,367	186,468
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL YEAR	<u><u>24,073,628</u></u>	<u><u>16,509,518</u></u>

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

AHAM ESG SGD BOND FUND

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

	<u>2024</u> SGD	<u>2023</u> SGD
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sale and redemption of investments	20,131,915	11,442,299
Purchase of investments	(26,480,279)	(14,389,532)
Interest received	666,219	474,954
Management fee paid	(193,304)	(139,375)
Trustee fee paid	(5,807)	(4,190)
Fund accounting fee paid	(3,147)	-
Payments for other fees and expenses	(17,076)	(18,802)
Realised gain on forward foreign currency contracts	22,727	46,604
Net realised gain/(loss) on foreign currency exchange	46,885	(1,416)
Tax paid	(93,046)	(87,925)
	<hr/>	<hr/>
Net cash flows used in operating activities	(5,924,913)	(2,677,383)
	<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	8,599,621	7,912,063
Payments for cancellation of units	(2,714,748)	(4,511,220)
Payment for distributions	(23,680)	-
	<hr/>	<hr/>
Net cash flows generated from financing activities	5,861,193	3,400,843
	<hr/>	<hr/>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(63,720)	723,460
EFFECTS OF FOREIGN CURRENCY EXCHANGE	177	86
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	1,149,495	425,949
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	1,085,952	1,149,495
	<hr/> <hr/>	<hr/> <hr/>

Cash and cash equivalents as at 30 September 2024 and 30 September 2023 comprise of bank balances.

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

AHAM ESG SGD BOND FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

The following accounting policies have been used in dealing with items which are considered material in relation to the financial statements.

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reported financial year. It also requires the Manager to exercise their 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:

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

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

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

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.

AHAM ESG SGD BOND FUND

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

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.

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.

AHAM ESG SGD BOND FUND

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

C TAXATION (CONTINUED)

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 year-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

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024 (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, fund accounting 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 derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

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

AHAM ESG SGD BOND FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024 (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

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024 (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 unlikeliness to pay criteria, which indicates the debtor is in significant financial difficulty. The Fund considers the following instances:

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

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

I CREATION AND CANCELLATION OF UNITS

The unit holders' 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 unit holders' 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 unit holder exercises the right to put back the unit to the Fund.

Units are created and cancelled at the unit holders' 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 unit holders 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 IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

Income not distributed is included in net assets attributable to unit holders.

AHAM ESG SGD BOND FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024 (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.
- iii) Significant portion of the Fund's cash and cash equivalents is denominated in SGD.

M REALISED AND UNREALISED PORTIONS OF INCREASE IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

The analysis of realised and unrealised amounts in net assets attributable to unit holders 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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

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.

The financial statements were authorised for issue by the Manager on 22 November 2024.

AHAM ESG SGD BOND FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024 (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>2024</u>				
<u>Financial assets</u>				
Cash and cash equivalents		1,085,953	-	1,085,953
Amount due from Manager				
- creation of units		302,423	-	302,423
Unquoted fixed income securities	8	-	23,100,841	23,100,841
Forward foreign currency contracts	10	-	65,856	65,856
Total		<u>1,388,376</u>	<u>23,166,697</u>	<u>24,555,073</u>
<u>Financial liabilities</u>				
Forward foreign currency contracts	10	-	25,316	25,316
Amount due to dealer		359,520	-	359,520
Amount due to Manager				
- management fee		19,579	-	19,579
- cancellation of units		134,137	-	134,137
Amount due to Trustee		587	-	587
Fund accounting fee		311	-	311
Auditors' remuneration		2,213	-	2,213
Tax agent's fee		1,084	-	1,084
Other payables and accruals		457	-	457
Total		<u>517,888</u>	<u>25,316</u>	<u>543,204</u>
<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	8	-	15,642,680	15,642,680
Forward foreign currency contracts	10	-	2,944	2,944
Total		<u>1,154,754</u>	<u>15,645,624</u>	<u>16,800,378</u>

AHAM ESG SGD BOND FUND

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

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

Financial instruments are as follows: (continued)

<u>Note</u>	At amortised <u>cost</u> SGD	At fair value through <u>profit or loss</u> SGD	<u>Total</u> SGD
<u>2023</u> (continued)			
<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
	<hr/>	<hr/>	<hr/>
Total	263,425	-	263,425
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Fund is exposed to a variety of risks which include market risk (including price risk, interest rate risk and currency risk), 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>2024</u> SGD	<u>2023</u> SGD
Unquoted investments*		
Unquoted fixed income securities	23,100,841	15,642,680
	<hr/>	<hr/>

* Includes interest receivable of SGD202,083 (2023: SGD137,852).

AHAM ESG SGD BOND FUND

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

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

Market risk (continued)

(a) Price risk (continued)

The following table summarises the sensitivity of the Fund's profit after taxation and NAV to price risk movements. The analysis is based on the assumptions that the market price increased by 3% (2023: 5%) and decreased by 3% (2023: 5%) 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	Impact on profit <u>after tax/NAV</u> SGD
<u>2024</u>		
-3%	22,211,795	(686,963)
0%	22,898,758	-
+3%	23,585,721	686,963
	<u> </u>	<u> </u>
<u>2023</u>		
-5%	14,729,587	(775,241)
0%	15,504,828	-
+5%	16,280,069	775,241
	<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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024 (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 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 1% (2023: 2%) with all other variables held constant.

<u>% Change in interest rate</u>	<u>Impact on profit after tax/NAV</u>	
	<u>2024</u>	<u>2023</u>
	SGD	SGD
+ 1%	(281,117)	(123,937)
- 1%	284,438	127,394
	<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

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

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

Market risk (continued)

(c) Currency risk (continued)

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

	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>2024</u>					
<u>Financial assets</u>					
Australian Dollar	2,409,797	89,685	7,851	-	2,507,333
Chinese Yuan	664,809	1,836	2,911	-	669,556
Euro	713,283	4,375	12,152	-	729,810
Malaysian Ringgit	-	6,814	-	2,039	8,853
United States Dollar	3,898,094	147,562	42,942	-	4,088,598
	<u>7,685,983</u>	<u>250,272</u>	<u>65,856</u>	<u>2,039</u>	<u>8,004,150</u>
	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>Financial liabilities</u>					
Australian Dollar	88,966	25,293	-	-	114,259
Malaysian Ringgit	-	-	41,167	8,504,341	8,545,508
United States Dollar	270,554	23	-	-	270,577
	<u>359,520</u>	<u>25,316</u>	<u>41,167</u>	<u>8,504,341</u>	<u>8,930,344</u>

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

AHAM ESG SGD BOND FUND

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

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

Market risk (continued)

(c) Currency risk (continued)

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

	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	
			Other <u>liabilities*</u> SGD	<u>unit holders</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

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

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

Market risk (continued)

(c) Currency risk (continued)

The table below summarises the sensitivity of the Fund's profit after tax and NAV to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes 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 unit holders 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 <u>after tax/ NAV</u> SGD
<u>2024</u>		
Chinese Yuan	+/- 3.16	+/- 21,158
Malaysian Ringgit	-/+ 3.93	-/+ 335,491
United States Dollar	+/- 4.22	+/- 161,120
Australian Dollar	+/- 6.47	+/- 154,832
Euro	+/- 3.29	+/- 24,011
<u>2023</u>		
Chinese Yuan	+/- 4.32	+/- 981
Malaysian Ringgit	+/- 4.45	-/+ 183,456
United States Dollar	+/- 5.61	+/- 48,373
Australian Dollar	+/- 8.84	+/- 20,034
British Pound Sterling	+/- 6.64	+/-370

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 unit holders. Liquid assets comprise of cash, and other instruments, which are capable of being converted into cash within 7 days.

AHAM ESG SGD BOND FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024 (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 one month SGD</u>	<u>Between one month to one year SGD</u>	<u>Total SGD</u>
<u>2024</u>			
Forward foreign currency contracts	23	25,293	25,316
Amount due to dealer	359,520	-	359,520
Amount due to Manager			
- management fee	19,579	-	19,579
-cancellation of units	134,137	-	134,137
Amount due to Trustee	587	-	587
Fund accounting fee	311	-	311
Auditors' remuneration	-	2,213	2,213
Tax agent's fee	-	1,084	1,084
Other payables and accruals	-	457	457
Net assets attributable to unit holders*	24,073,628	-	24,073,628
	<u>24,587,785</u>	<u>29,047</u>	<u>24,616,832</u>
<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 unit holders*	16,509,518	-	16,509,518
	<u>16,768,241</u>	<u>4,702</u>	<u>16,772,943</u>

* Units are cancelled on demand at the unit holders' 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 unit holders of these instruments typically retain them for the medium to long term return.

AHAM ESG SGD BOND FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024 (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:

<u>2024</u>	Unquoted fixed income securities SGD	Cash and cash equivalents SGD	Amount due from Manager SGD	Forward foreign currency contracts SGD	<u>Total</u> SGD
Consumer Discretionary					
- A1	189,483	-	-	-	189,483
- Baa2	443,542	-	-	-	443,542
- Non-rated ("NR")	222,557	-	-	-	222,557
Basic Materials					
- Baa3	560,001	-	-	-	560,001
Financial Services					
- AAA	-	1,085,953	-	65,856	1,151,809
- A2	1,757,825	-	-	-	1,757,825
- A3	980,745	-	-	-	980,745
- A-	763,319	-	-	-	763,319
- Ba1	517,500	-	-	-	517,500
- Baa1	1,243,180	-	-	-	1,243,180
- Baa3	1,600,105	-	-	-	1,600,105
- BBB	542,326	-	-	-	542,326
- NR	765,444	-	-	-	765,444
Government					
- Aaa	986,234	-	-	-	986,234
- Baa1	254,646	-	-	-	254,646
- NR	842,095	-	-	-	842,095
Industrials					
- AAA	705,685	-	-	-	705,685
- A3	263,288	-	-	-	263,288
- NR	258,469	-	-	-	258,469

AHAM ESG SGD BOND FUND

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

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

Credit risk (continued)

The following table sets out the credit risk concentration and counterparties of the Fund: (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>2024</u> (continued)					
Quasi-Government					
- AAA	1,372,295	-	-	-	1,372,295
Real Estate					
- A3	1,045,749	-	-	-	1,045,749
- A-	525,864	-	-	-	525,864
- Baa1	431,262	-	-	-	431,262
- BBB+	235,950	-	-	-	235,950
- Baa2	497,425	-	-	-	497,425
- BBB	255,853	-	-	-	255,853
- BBB-	498,321	-	-	-	498,321
- NR	4,509,064	-	-	-	4,509,064
Telecommunications					
- A3	329,024	-	-	-	329,024
- NR	503,590	-	-	-	503,590
Others					
- NR	-	-	302,423	-	302,423
	<u>23,100,841</u>	<u>1,085,953</u>	<u>302,423</u>	<u>65,856</u>	<u>24,555,073</u>
	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>					
Financial Services					
- AA1	-	1,149,495	-	2,944	1,152,439
- A2	1,438,976	-	-	-	1,438,976
- Ba1	255,464	-	-	-	255,464
- Baa1	2,496,189	-	-	-	2,496,189
- Baa3	246,897	-	-	-	246,897
- BBB-	247,674	-	-	-	247,674
- NR	1,185,740	-	-	-	1,185,740

AHAM ESG SGD BOND FUND

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

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

Credit risk (continued)

The following table sets out the credit risk concentration and counterparties of the Fund: (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)					
Government					
- A3	229,043	-	-	-	229,043
- Aaa	580,363	-	-	-	580,363
- Ba1	221,199	-	-	-	221,199
- NR	3,190,092	-	-	-	3,190,092
Industrials					
- AA	252,671	-	-	-	252,671
- BBB+	503,613	-	-	-	503,613
Automotive					
- Ba1	250,485	-	-	-	250,485
Transportation					
- Aaa	219,779	-	-	-	219,779
Consumer Discretionary					
- NR	459,039	-	-	-	459,039
Real Estate					
- A3	504,460	-	-	-	504,460
- Baa2	481,275	-	-	-	481,275
- BBB	251,419	-	-	-	251,419
- BBB-	239,985	-	-	-	239,985
- BBB+	229,225	-	-	-	229,225
- NR	2,159,092	-	-	-	2,159,092
Others					
- NR	-	-	5,259	-	-
	<u>15,642,680</u>	<u>1,149,495</u>	<u>5,259</u>	<u>2,944</u>	<u>16,800,378</u>

Capital risk

The capital of the Fund is represented by net assets attributable to unit holders. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. 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 unit holders 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

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

3 FAIR VALUE ESTIMATION

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

The fair value of financial assets traded in active markets (such as trading securities) is based on quoted market prices at the close of trading on the 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

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

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

The following table analyses within the fair value hierarchy the Fund's financial assets 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>2024</u>				
Financial assets at fair value through profit or loss				
- unquoted fixed income securities	-	23,100,841	-	23,100,841
- forward foreign currency contracts	-	65,856	-	65,856
	<u>-</u>	<u>23,166,697</u>	<u>-</u>	<u>23,166,697</u>
Financial liabilities at fair value through profit or loss				
- forward foreign currency contracts	-	25,316	-	25,316
	<u>-</u>	<u>25,316</u>	<u>-</u>	<u>25,316</u>
<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>

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

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

4 MANAGEMENT FEE

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

For the financial year ended 30 September 2024, the management fee is recognised at a rate of 1.00% (2023: 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 2024, the Trustee's fee is recognised at a rate of 0.03% (2023: 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.

6 DISTRIBUTIONS

	Financial year ended <u>30.09.2024</u> SGD
Net distribution amount	<u>176,276</u>

AHAM ESG SGD BOND FUND

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

6 DISTRIBUTIONS (CONTINUED)

During the financial year ended 30 September 2024, distributions were made as follows:

<u>Ex date</u>	Gross distribution per unit (sen/cent)		Net distribution per unit (sen/cent)	
	<u>MYR Class</u>	<u>SGD Class</u>	<u>MYR Class</u>	<u>SGD Class</u>
	RM	SGD	RM	SGD
20.12.2023	0.96	0.69	0.72	0.51
<u>MYR Class</u>	Income distribution	Income distribution		
	RM	%		
20.12.2023	59,706	100.00		
<u>SGD Class</u>	Income distribution	Income distribution		
	SGD	%		
20.12.2023	116,570	100.00	-	

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

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

AHAM ESG SGD BOND FUND

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

7 TAXATION

	<u>2024</u> SGD	<u>2023</u> SGD
Current taxation	66,126	110,551
Deferred tax (Note 9)	(33,085)	2,315
Over provision in previous financial year	(12,155)	(4,150)
	<hr/>	<hr/>
Tax expense	<u>20,886</u>	<u>108,716</u>

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

	<u>2024</u> SGD	<u>2023</u> SGD
Net profit before taxation	1,560,776	351,106
	<hr/>	<hr/>
Tax at Malaysian statutory rate of 24% (2023: 24%)	374,586	84,265
Tax effects of:		
Investment income not subject to tax	(390,727)	(6,435)
Expenses not deductible for tax purposes	5,681	3,815
Restriction on tax deductible expenses for Unit Trust Fund	43,501	31,221
Over provision in previous financial year	(12,155)	(4,150)
	<hr/>	<hr/>
Tax expense	<u>20,886</u>	<u>108,716</u>

AHAM ESG SGD BOND FUND

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

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2024</u> SGD	<u>2023</u> SGD
Financial assets at fair value through profit or loss:		
- unquoted fixed income securities – foreign	<u>23,100,841</u>	<u>15,642,680</u>
Net loss on financial assets at fair value through profit or loss		
- realised gain/(loss) on sale of investments	126,142	(113,477)
- unrealised gain/(loss) on changes in fair value	<u>739,600</u>	<u>(71,668)</u>
	<u>865,742</u>	<u>(185,145)</u>

(a) Unquoted fixed income securities – foreign

(i) Unquoted fixed income securities – foreign as at 30 September 2024 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)	500,000	476,643	470,449	1.95
5.10% AIA Group Ltd Call: 12.03.2029 (A2)	750,000	773,080	788,591	3.28
5.40% AIA Group Ltd Call: 30.03.2054 (A-)	200,000	257,094	258,403	1.07
2.70% Alibaba Group Holding Ltd Call: 09.08.2040 (A1)	200,000	192,844	189,483	0.79
7.26% ANZ Holdings (New Zealand) Ltd Call: 18.10.2030 (BBB)	600,000	520,309	542,326	2.25
3.63% Ascott REIT MTN Pte Ltd 20.04.2027 (BBB)	250,000	253,300	255,853	1.06
6.12% Australia New Zealand Bank Group Call: 25.07.2034 (A3)	500,000	458,314	460,193	1.91
3.75% Barclays PLC Call: 23.05.2025 (Baa1)	500,000	509,371	506,479	2.10
0.75% Capitaland Ascendas REIT Call: 23.03.2028 (A3)	200,000	255,615	257,171	1.07
3.00% Capitaland Ascendas REIT Call: 17.09.2025 (Baa2)	500,000	498,590	497,425	2.07
3.73% Capitaland Ascendas REIT Call: 29.05.2034 (A3)	250,000	253,193	262,168	1.09
4.60% Capitaland Ascott Trust Call: 07.02.2030 (NR)	500,000	503,466	518,616	2.15
3.80% Capitaland Treasury Ltd 26.06.2031 (NR)	250,000	252,525	260,550	1.08
3.37% Capitaretail China Trust Call: 27.10.2025 (NR)	250,000	244,932	249,979	1.04

AHAM ESG SGD BOND FUND

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

8 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 2024 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)				
6.37% Celestial Dynasty Ltd Call: 22.07.2028 (NR)	200,000	256,251	258,469	1.07
1.88% Changi Airport Group Pte Ltd 12.05.2031 (Aaa)	750,000	685,708	705,685	2.93
3.75% CMT MTN Pte Ltd 10.07.2034 (A-)	500,000	504,264	525,864	2.18
3.94% CMT MTN Pte Ltd 19.06.2030 (A3)	500,000	505,610	526,410	2.19
3.95% Credit Agricole SA Call: 22.07.2027 (Baa1)	250,000	242,165	254,646	1.06
3.3% DBS Group Holdings Ltd Call: 27.02.2025 (Baa1)	400,000	545,205	509,309	2.12
6.36% DBS Group Holdings Ltd Call: 08.04.2026 (A2)	250,000	237,788	227,659	0.95
2.18% FLCT Treasury Pte Ltd 26.07.2028 (BBB+)	250,000	251,000	235,950	0.98
3.00% Frasers Property AHL 09.10.2028 (NR)	500,000	507,192	491,092	2.04
6.20% Freeport Indonesia PT Call: 14.10.2051 (Baa3)	400,000	536,136	560,001	2.33
3.29% GLL IHT Pte Ltd 26.10.2026 (NR)	250,000	253,560	251,435	1.04
3.40% GLL IHT Pte Ltd 10.08.2025 (NR)	250,000	252,990	250,286	1.04
4.60% GLL IHT Pte Ltd Call: 23.01.2025 (NR)	250,000	252,743	252,005	1.05
5.25% HSBC Holdings PLC Call: 14.06.2029 (Baa3)	500,000	507,839	523,339	2.17
6.21% HSBC Holdings PLC Call: 21.03.2029 (Baa1)	250,000	226,751	227,392	0.94
6.87% HSBC Holdings PLC Call: 11.09.2029 (Baa3)	200,000	262,262	265,465	1.10
3.15% Keppel REIT Call: 11.09.2025 (NR)	750,000	731,986	744,845	3.09
4.20% Lendlease Global Commercial REIT Call: 04.06.2026 (NR)	250,000	253,423	251,498	1.04

AHAM ESG SGD BOND FUND

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

8 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 2024 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)				
6.12% Macquarie Bank Ltd Call: 08.03.2027 (Baa3)	200,000	255,465	261,237	1.09
3.00% Manulife Financial Corp Call: 21.11.2024 (A-)	500,000	504,196	504,916	2.10
3.15% Mapletree Industrial Trust Treasury Company Pte Ltd Call: 11.05.2026 (BBB-)	500,000	497,927	498,321	2.07
3.5% Mapletree North Asia Commercial Trust Call: 08.06.2026 (NR)	500,000	499,711	498,164	2.07
3.68% Mapletree Treasury Services Ltd Call: 24.06.2036 (NR)	500,000	505,002	513,302	2.13
3.95% Mapletree Treasury Services Ltd Call: 12.11.2024 (NR)	250,000	314,576	252,142	1.05
2.60% Optus Finance Pty Ltd Call: 26.08.2028 (A3)	400,000	320,553	329,024	1.37
5.52% Oversea-Chinese Banking Corp Call: 21.05.2029 (A2)	200,000	270,924	271,126	1.13
5.90% Qantas Airways Ltd Call: 19.06.2034 (Baa2)	500,000	438,088	443,542	1.84
4.82% Sats Treasury Pte. Ltd 23.01.2029 (A3)	200,000	269,590	263,288	1.09
5.87% Scentre Group Trust 1 Call: 10.09.2029 (Baa1)	200,000	175,148	179,661	0.75
5.12% Scentre Group Trust 2 Call: 24.06.2030 (Baa1)	200,000	246,917	251,601	1.05
2.375% Singapore Government Bond 01.07.2039 (AAA)	200,000	195,054	194,388	0.81
2.625% Singapore Government Bond 01.08.2032 (NR)	300,000	294,944	302,175	1.26
3.375% Singapore Government Bond 01.09.2033 (Aaa)	500,000	517,306	532,198	2.21
3.375% Singapore Government Bond 01.05.2034 (NR)	500,000	503,518	539,920	2.24
3.3% SingTel Group Treasury Pte Ltd Call: 14.07.2031 (A3)	250,000	259,667	250,892	1.04

AHAM ESG SGD BOND FUND

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

8 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 2024 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)				
4.50% Standard Chartered PLC Call: 14.06.2032 (A3)	250,000	270,804	269,660	1.12
5.30% Standard Chartered PLC Call: 19.09.2029 (Ba1)	500,000	501,200	517,500	2.15
3.95% StarHub Limited Call: 16.12.2024 (NR)	500,000	667,557	503,590	2.09
6.60% Sumitomo Mitsui Financial Group Call: 05.06.2034 (Baa3)	400,000	549,029	550,064	2.28
2.75% Temasek Financial I Ltd Call: 28.05.2034 (Aaa)	2,000,000	366,866	369,982	1.54
3.10% Temasek Financial I Ltd Call: 28.02.2054 (Aaa)	1,600,000	293,588	294,827	1.22
3.50% Temasek Financial I Ltd Call: 15.11.2032 (Aaa)	300,000	451,500	456,112	1.89
3.78% Temasek Financial I Ltd Call: 05.03.2025 (Aaa)	250,000	250,853	251,374	1.04
2.75% United States Treasury N/B 15.11.2042 (Aaa)	100,000	117,711	106,651	0.44
2.875% United States Treasury N/B 15.05.2052 (Aaa)	150,000	181,703	152,997	0.64
2.33% UOL Treasury Services 31.08.2028 (NR)	500,000	500,989	480,889	2.00
4.38% Wing Tai Holdings Ltd Call: 03.04.2029 (NR)	250,000	255,430	259,705	1.08
4.35% Wing Tai Properties Financial Ltd Call: 24.02.2025 (NR)	250,000	216,177	222,557	0.92
Total unquoted fixed income securities – foreign	<u>25,100,000</u>	<u>23,154,142</u>	<u>23,100,841</u>	<u>95.94</u>
Accumulated unrealised loss on unquoted fixed income securities – foreign		<u>(53,301)</u>		
Total unquoted fixed income securities – foreign		<u>23,100,841</u>		

AHAM ESG SGD BOND FUND

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

8 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 2023 is as follows:

	Nominal value SGD	Adjusted cost SGD	Fair value SGD	Percentage of NAV %
<u>Bonds</u> (continued)				
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
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

AHAM ESG SGD BOND FUND

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

8 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 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)				
5.25% HSBC Holdings PLC Call: 27.06.2027 (Baa1)	500,000	506,904	513,054	3.11
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 Ltd 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

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

8 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 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 Ltd 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

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

9 DEFERRED TAX LIABILITIES

	<u>2024</u> SGD	<u>2023</u> SGD
Deferred tax liabilities	-	33,085

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>2024</u> SGD	<u>2023</u> SGD
Balance at the beginning of the financial year	33,085	30,770
Transfer to income statement (Note 7)	(33,085)	2,315
Balance as at the end of the financial year	-	33,085

10 FORWARD FOREIGN CURRENCY CONTRACTS

As at 30 September 2024, there are 14 (2023: 2) forward foreign currency contracts outstanding. The notional principal amount of the outstanding forward foreign currency contracts amounted to SGD5,673,951 (2023: SGD900,900). 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>2024</u> SGD	<u>2023</u> SGD
Financial assets at fair value through profit or loss: - forward foreign currency contracts	65,856	2,944
Financial liabilities at fair value through profit or loss: - forward foreign currency contracts	25,316	-

AHAM ESG SGD BOND FUND

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

10 FORWARD FOREIGN CURRENCY CONTRACTS (CONTINUED)

	<u>2024</u> SGD	<u>2023</u> SGD
Net gain on forward foreign currency contracts at fair value through profit or loss:		
- realised gain on forward foreign currency contracts	22,728	46,604
- unrealised gain on changes in fair value	37,596	53,079
	<u>60,324</u>	<u>99,683</u>

(a) Forward foreign currency contracts

(i) Forward foreign currency contracts as at 30 September 2024 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	5,673,951	5,633,411	40,540	0.17
Total forward foreign currency contracts	<u>5,673,951</u>	<u>5,633,411</u>	<u>40,540</u>	<u>0.17</u>

(ii) 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>

AHAM ESG SGD BOND FUND

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

11 NUMBER OF UNITS IN CIRCULATION

(a) MYR Class units in circulation

	<u>2024</u>	<u>2023</u>
	No. of units	No. of units
At the beginning of the financial year	29,425,000	36,008,000
Creation of units arising from applications	30,271,360	15,674,000
Creation of units arising from distributions	291,640	-
Cancellation of units	(10,022,000)	(22,257,000)
At the end of the financial year	<u>49,966,000</u>	<u>29,425,000</u>

(b) SGD Class units in circulation

	<u>2024</u>	<u>2023</u>
	No. of units	No. of units
At the beginning of the financial year	24,103,000	15,313,000
Creation of units arising from applications	7,927,099	10,856,000
Creation of units arising from distributions	214,901	-
Cancellation of units	(2,425,000)	(2,066,000)
At the end of the financial year	<u>29,820,000</u>	<u>24,103,000</u>

AHAM ESG SGD BOND FUND

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

12 TRANSACTIONS WITH DEALERS

- (i) Details of transactions with the top 10 dealers for the financial year ended 30 September 2024 are as follows:

<u>Name of dealers</u>	<u>Value of trade</u> SGD	Percentage of <u>total trade</u> %
DBS Bank Ltd	10,297,672	23.75
Standard Chartered Bank Malaysia Bhd	7,033,106	16.21
OCBC Bank (Malaysia) Bhd	4,055,871	9.35
The Hongkong And Shanghai Banking Corporation Ltd	2,989,215	6.90
Barclays Capital Group	1,962,850	4.53
HSBC Bank Malaysia Berhad	1,779,947	4.10
RHB Investment Bank Berhad	1,767,325	4.07
ANZ Banking Group	1,562,298	3.60
CGS CIMB Securities Sdn. Bhd	1,528,626	3.53
Deutsche Bank (Malaysia) Bhd	820,717	1.89
Others	9,577,746	22.07
	<u>43,375,372</u>	<u>100.00</u>

- (ii) Details of transactions with the top 10 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 Bhd	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>

AHAM ESG SGD BOND FUND

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

13 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
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	The Manager
Subsidiaries and associated companies of CVC Asia V as disclosed in their financial statements	Subsidiaries and associated companies of the ultimate holding companies of the Manager
Directors of AHAM Asset Management Berhad	Directors of the Manager

AHAM ESG SGD BOND FUND

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

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

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

	2024		2023	
The Manager:	No. of units	SGD	No. of units	SGD
AHAM Asset Management Berhad (The units are held legally for booking purposes)				
- MYR Class	3,041	518	16,629	2,661
- SGD Class	2,534	1,323	3,762	1,842
	2,534	1,323	3,762	1,842

14 TOTAL EXPENSE RATIO ("TER")

	2024	2023
	%	%
TER	1.13	1.13

TER is derived from the following calculation:

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

A	=	Management fee, excluding management fee rebates
B	=	Trustee fee
C	=	Fund accounting fee
D	=	Auditors' remuneration
E	=	Tax agent's fee
F	=	Other expenses
G	=	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 SGD19,967,544 (2023: SGD14,225,747).

AHAM ESG SGD BOND FUND

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

15 PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2024</u>	<u>2023</u>
PTR (times)	1.17	0.92

PTR is derived from the following calculation:

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

where: total acquisition for the financial year = SGD26,594,859 (2023: SGD14,634,472)
total disposal for the financial year = SGD20,005,771 (2023: SGD11,555,776)

AHAM ESG 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 45 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 2024 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial year ended 30 September 2024 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,
AHAM ASSET MANAGEMENT BERHAD

DATO' TENG CHEE WAI
EXECUTIVE DIRECTOR/MANAGING DIRECTOR

Kuala Lumpur
22 November 2024

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF AHAM ESG 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”) give a true and fair view of the financial position of the Fund as at 30 September 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 September 2024, and the statement of comprehensive income, statement of changes in net assets attributable to unit holders and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 1 to 45.

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 UNIT HOLDERS OF AHAM ESG SGD BOND FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the Manager for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

INDEPENDENT AUDITORS' REPORT
TO THE UNIT HOLDERS OF AHAM ESG SGD BOND FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional 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 UNIT HOLDERS OF AHAM ESG SGD BOND FUND (CONTINUED)**

OTHER MATTERS

This report is made solely to the unit holders 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
22 November 2024**

DIRECTORY OF SALES OFFICE

HEAD OFFICE

AHAM Asset Management Berhad
Ground Floor,
Menara Boustead,
69, Jalan Raja Chulan,
50200 Kuala Lumpur

Tel : 03 – 2116 6000
Toll free no : 1-800-88-7080
[Email:customer@aham.com.my](mailto:customer@aham.com.my)

PENANG

AHAM Asset Management Berhad
No. 123, Jalan Macalister,
10450 Georgetown,
Penang

Toll free no : 1-800-88-8377

PERAK

AHAM Asset Management Berhad
1, Persiaran Greentown 6,
Greentown Business Centre,
30450 Ipoh, Perak

Tel : 05 – 241 0668
Fax : 05 – 255 9696

PETALING JAYA

AHAM Asset Management Berhad
C-31-1, Jaya One,
72A Jalan Prof Diraja Ungku Aziz,
Section 13,
46200 Petaling Jaya,
Selangor

Tel : 03 – 7760 3062

MELAKA

AHAM Asset Management Berhad
Ground Floor, No. 584, Jalan Merdeka Taman
Melaka Raya,
75000 Melaka

Tel : 06 – 281 2890
Fax : 06 – 281 2937

JOHOR

AHAM Asset Management Berhad
Unit 22-05, Level 22 Menara Landmark
No. 12, Jalan Ngee Heng
80000 Johor Bahru, Johor

Tel : 07 – 227 8999
Fax : 07 – 223 8998

DIRECTORY OF SALES OFFICE (CONTINUED)

SABAH

AHAM Asset Management Berhad
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

SARAWAK - KUCHING

AHAM Asset Management Berhad
Ground Floor, No. 69
Block 10, Jalan Laksamana Cheng Ho
93200 Kuching,
Sarawak

Tel : 082 – 233 320
Fax : 082 – 233 663

SARAWAK - MIRI

AHAM Asset Management Berhad
1st Floor, Lot 1291
Jalan Melayu, MCLD,
98000 Miri,
Sarawak

Tel : 085 – 418 403
Fax : 085 – 418 372

AHAM Asset Management Berhad

Registration No: 199701014290 (429786-T)

Ground Floor, Menara Boustead, 69, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia.

Toll Free Number: 1800 88 7080 T: +603 2116 6000

aham.com.my