



ANNUAL REPORT
31 July 2023

**AHAM Select
Opportunity Fund**
(Formerly known as Affin
Hwang Select
Opportunity Fund)

MANAGER
AHAM Asset Management Berhad
*(Formerly known as Affin Hwang Asset
Management Berhad)*
199701014290 (429786-T)

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

Built On Trust

aham.com.my

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

Annual Report and Audited Financial Statements
For the Financial Year Ended 31 July 2023

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FUND INFORMATION

| | |
|----------------------|--|
| Fund Name | AHAM Select Opportunity Fund (Formerly known as Affin Hwang Select Opportunity Fund) |
| Fund Type | Growth |
| Fund Category | Equity |
| Investment Objective | To achieve consistent capital appreciation over the medium to long-term by investing mainly in listed Malaysian companies with good growth prospects. |
| Benchmark | FTSE Bursa Malaysian Top 100 Index ("FBM 100") |
| Distribution Policy | The Fund endeavours to distribute income, if any, on an annual basis. However, the amount of income available for distributon may fluctuate from year to year. |

FUND PERFORMANCE DATA

| Category | As at 31 Jul 2023 (%) | As at 31 Jul 2022 (%) | As at 31 Jul 2021 (%) |
|---|-----------------------------|-----------------------------|-----------------------------|
| Portfolio composition | | | |
| Quoted equities – local | | | |
| - Construction | - | - | 2.23 |
| - Consumer products & services | - | 2.50 | 6.10 |
| - Energy | 9.51 | 6.62 | - |
| - Financial services | 24.00 | 13.30 | 18.83 |
| - Health care | 8.11 | 3.93 | 1.70 |
| - Industrial products & services | 3.78 | 2.89 | 2.88 |
| - Plantation | 2.15 | 3.39 | 3.39 |
| - Properties | 5.91 | 4.15 | 4.64 |
| - Technology | 8.02 | 6.66 | 15.41 |
| - Telecommunication & Media | 7.23 | 10.66 | 11.55 |
| - Utilities | 6.55 | 1.15 | 2.33 |
| Total quoted equities – local | 75.26 | 55.25 | 69.06 |
| Quoted equities – foreign | | | |
| - Consumer discretionary | - | 7.37 | 13.11 |
| - Consumer staples | 2.00 | 1.77 | 2.86 |
| - Energy | - | 0.44 | - |
| - Financial services | 4.94 | 4.11 | - |
| - Health care | - | 1.02 | 1.03 |
| - Industrials | - | 0.51 | 1.36 |
| - Technology | 9.53 | 6.20 | 5.54 |
| - Telecommunication | 2.30 | 0.94 | - |
| - Basic material | 1.13 | - | - |
| Total quoted equities – foreign | 19.91 | 22.36 | 23.90 |
| Exchange-traded fund - foreign | - | - | 0.96 |
| Cash & cash equivalent | 4.83 | 22.39 | 6.08 |
| Total | 100.00 | 100.00 | 100.00 |
| Total NAV (RM'million) | 448.793 | 414.309 | 473.901 |
| NAV per Unit (RM) | 0.9840 | 0.9338 | 1.0406 |
| Unit in Circulation (million) | 456.099 | 443.670 | 455.426 |
| Highest NAV | 0.9870 | 1.1310 | 1.2010 |
| Lowest NAV | 0.8642 | 0.9026 | 0.9178 |
| Return of the Fund (%) | 6.25 | -5.41 | 13.09 |
| - Capital Growth (%) | 5.38 | -10.26 | 8.06 |
| - Income Distribution (%) | 0.83 | 5.40 | 4.66 |
| Gross Distribution per Unit (sen) | 0.80 | 5.00 | 5.00 |
| Net Distribution per Unit (sen) | 0.80 | 5.00 | 5.00 |
| Total Expense Ratio (%) ¹ | 1.59 | 1.59 | 1.59 |
| Portfolio Turnover Ratio (times) ² | 0.91 | 0.94 | 1.27 |

¹The TER of the Fund remains unchanged for the financial year.

²The decrease in the Fund's PTR for the financial year was due to lower portfolio activities.

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

The performance figures are a comparison of the growth/decline in Net Asset Value (“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 |

MANAGER’S REPORT

Income Distribution / Unit Split

The Net Asset Value per unit prior and subsequent to the distribution was as follows:-

| Cum Date | Ex-Date | Cum-distribution (RM) | Distribution per Unit (RM) | Ex-distribution (RM) |
|-----------|-----------|-----------------------|----------------------------|----------------------|
| 20-Jun-23 | 21-Jun-23 | 0.9683 | 0.0080 | 0.9602 |

No unit split were declared for the financial year ended 31 July 2023.

Fund Performance

Performance Review (1 August 2022 to 31 July 2023)

For the period 1 August 2022 to 31 July 2023, the Fund has registered a return of 6.25% as compared to the benchmark return of 0.39%. The Fund thus outperformed the benchmark by 5.86%. The Net Asset Value (“NAV”) per unit of the Fund as at 31 July 2023 was RM0.9840 while the NAV per unit on 31 July 2022 was RM0.9338. During the same period under review, the Fund has declared a gross income distribution of RM0.0080 per unit.

Since commencement, the Fund has registered a return of 863.58% compared to the benchmark return of 159.39%, outperforming by 704.19%.

Table 1: Performance of the Fund

| | 1 Year (1/8/22 - 31/7/23) | 3 Years (1/8/20 - 31/7/23) | 5 Years (1/8/18 - 31/7/23) | Since Commencement (28/9/01 - 31/7/23) |
|----------------|---------------------------------|----------------------------------|----------------------------------|--|
| Fund | 6.25% | 13.65% | 10.26% | 863.58% |
| Benchmark | 0.39% | (7.65%) | (16.32%) | 159.39% |
| Outperformance | 5.86% | 21.30% | 26.58% | 704.19% |

Source of Benchmark: Bloomberg

Table 2: Average Total Return

| | 1 Year (1/8/22 - 31/7/23) | 3 Years (1/8/20 - 31/7/23) | 5 Years (1/8/18 - 31/7/23) | Since Commencement (28/9/01 - 31/7/23) |
|----------------|---------------------------------|----------------------------------|----------------------------------|--|
| Fund | 6.25% | 4.36% | 1.97% | 10.92% |
| Benchmark | 0.39% | (2.62%) | (3.50%) | 4.46% |
| Outperformance | 5.86% | 6.98% | 5.47% | 6.46% |

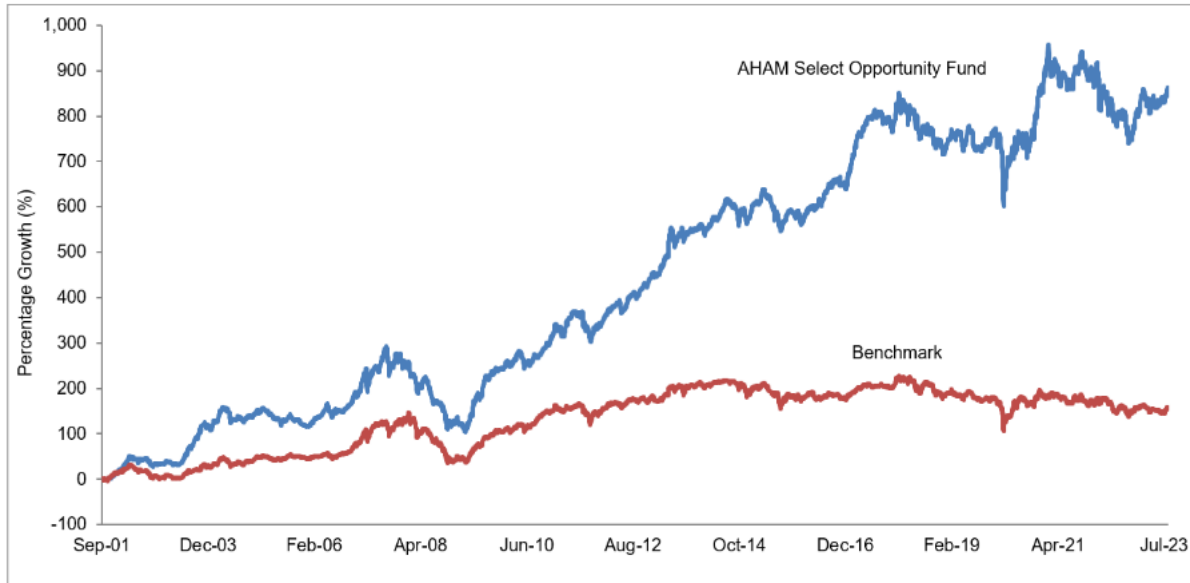
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

| | FYE 2023 (1/8/22 - 31/7/23) | FYE 2022 (1/8/21 - 31/7/22) | FYE 2021 (1/8/20 - 31/7/21) | FYE 2020 (1/8/19 - 31/7/20) | FYE 2019 (1/8/18 - 31/7/19) |
|----------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Fund | 6.25% | (5.41%) | 13.09% | (1.27%) | (1.74%) |
| Benchmark | 0.39% | (3.07%) | (5.09%) | (1.40%) | (8.10%) |
| Outperformance | 5.86% | (2.34%) | 18.18% | 0.13% | 6.36% |

Source of Benchmark: Bloomberg

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



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

Benchmark: FTSE Bursa Malaysia Top 100 Index

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

Asset Allocation

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

As at 31 July 2023, the Fund's equities weighting stood at 95.17% (2022: 77.61%) while the balance was held in cash and cash equivalent. During the year under review, the Fund's allocation into foreign equities was lower at 19.91%, against 22.36% a year ago as the Fund decreased exposures towards the consumer discretionary sector among other sectors. The allocation into local equities was increased from 55.25% in FYE 2022 to 75.26%. The Manager stripped off exchange-traded fund during the year. Overall, cash level was lower at 4.83% against the previous year.

Strategy Employed

Over the financial year under review, the Fund maintained its focus on diversifying the portfolio in a minimum of 70% equities and maximum 30% in debentures, money market instruments and deposits.

Market Review

Over the year under review, the Standard and Poor's ("S&P") 500 returned 12.99% while the Morgan Stanley Capital International ("MSCI") AC World index returned 14.11%. Specific to the Asian region, MSCI AC Asia ex Japan Index was up 6.56% while locally, the Financial Times Stock Exchange ("FTSE") Bursa Malaysia returned 2.04%. Bond markets were down over the year, impacting the Bloomberg Barclays Global Aggregate Index negatively by -2.69%. Domestically, bond markets' benchmark 10-year Malaysian Government Securities ("MGS") yield closed at 3.84%.

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

The US Federal Reserve ("Fed") raised their policy rates in each monetary policy committee meetings since March last year, to of 5.50% in July 2023, although pausing for the first time in 15 months in June 2023. The sharp pace of policy tightening raised concerns in the financial markets of an over-tightening that could lead to a growth slowdown, or even a potential recession. Further signs of tension in the economy were also visible in March this year as the fallout of Silicon Valley Bank and the emergency rescue of Credit Suisse triggered concerns of contagion to other vulnerable banks. In addition to fractures in the banking sector, other notable events over the year included the concern over the U.S. approaching its debt ceiling in January, failing which to reach a consensus to suspend or raise the limit could result in a catastrophic default. However, investors heaved a sigh of relief after lawmakers passed a bill to raise the debt ceiling, in a deal that included concessions on spending expected to have limited effect on economic growth. Despite narrowly avoiding a default, the U.S. did not escape unscathed as Fitch Ratings downgraded its rating on U.S. debt, quoting in a press release "The repeated debt-limit political standoffs and last-minute resolutions have eroded confidence in fiscal management,".

US equities was volatile throughout the year but ended the month of July positive as upbeat Goldilocks data bolstered the case for a soft landing in the U.S., with the S&P 500 soaring 3.11% in July, benefitting from a wave of positive economic indicators that pointed to easing inflation, robust economic growth and a resilient labour market. The fervour and enthusiasm over new developments in Artificial Intelligence ("AI") also played a role in driving returns over the financial year. The core personal consumption expenditure ("PCE") price index, the Fed's preferred gauge of inflation reached 4.10% on a yearly basis, down from 4.60% in May and below the market forecast of 4.20%.

In Asia, the broader MSCI Asia ex-Japan index was up over the 1-year period. Despite starting off 2023 strong, Chinese equity trended downwards following the country's reopening after the pandemic started to cool before lifting in July, driven by stimulus optimism in China, evident as the MSCI China Index vaulted 9.30% in July as top party leaders unveiled measures at its Politburo meeting to reinvigorate growth in the country. Among the measures include a pledge by Beijing to provide stimulus support for its beleaguered property sector. Top party leaders also emphasised the need for measures to tackle youth unemployment as well as accelerate the issuance of local government special bonds to spur government investment. While there were no explicit announcements of blockbuster stimulus, the overall policy tone from the Politburo meeting did exceed expectations. There was an acknowledgement of pressing issues on-the-ground that could result in targeted easing measures to bolster growth and lift sentiment.

Major macro events over the financial year under review had an effect on the domestic market over the year but managed to gain some ground ending the financial year up by 2%, mainly driven by positive sentiments, lifting foreign investors' confidence as they pour into local equities. Several policy announcements by the government in June last month caught the attention of investors. These include the Ekonomi Madani Plan which outlined several key economic targets as well as Part 1 of the National Energy Transition Roadmap which intends to achieve 70% renewable energy capacity mix by 2050. All eyes will be on election in 6 outstanding states which is due to be held on the 12 August that would provide clarity on the stability of the unity government. On economic data, Malaysia's core inflation eased to 3.10% year-on-year ("y-o-y") in June, a decrease from 3.50% in May. The downward trend in inflation is anticipated to persist as the laggard effects of Bank Negara Malaysia's rate hikes filter through the economy, coupled with a high-base effect.

U.S. Treasury (“UST”) was seen rebounding post- the Federal Open Market Committee (“FOMC”) meeting, but the advance U.S. second quarter gross domestic product (“GDP”) print surprised on the upside while news on discussion on a potential tweak to Bank of Japan’s yield curve control unnerved the markets. The 2-year, 5-year and 10-year yields ended the month at 4.88%, 4.18% and 3.96% respectively. The 30-year UST closed at 4.01%. As a result, the inversion between the 2-year and 10-year US. Treasury narrowed to -92 basis points (“bps”) (June 2023: -106bps). Locally, Malaysia’s headline inflation continues its downward trend, easing to 2.4% y-o-y in June 2023. This brings the year-to-date inflation to 3.2%, which is within Bank Negara Malaysia’s official forecast of 2.7% - 3.8%.

Investment Outlook

The past U.S. economic data has been sending mixed signals, leading to increased market conviction that the U.S. may avoid a recession and move towards a soft landing. There is a risk that the Fed will hike rates by another 25bps in 2023; however, we believe that the Fed's hiking cycle is either at or very near its end.

The recent FOMC meeting in July that resulted in another 25bps hike brought the rate to 5.50%. However, the possibility of softer consumer price index (“CPI”) in the upcoming months raises the bar for a September hike. Chair Powell reiterated the data-dependency path on rate direction, meeting by meeting. As of end July 2023, the futures market was pricing for the Fed to hold rate until end-2023. We believe that the cumulative effect of tighter monetary policy and stricter lending conditions will increasingly restrain economic activity and growth. As borrowing costs rise, it will eventually become more challenging for consumers to fund their spending with debt.

We remain cautious as economic indicators are mixed. A divergence in manufacturing versus services industries is observed as the Global Manufacturing Purchasing Managers' Index (“PMI”) has been tracking below the critical threshold for the past 3 quarters as of June 2023, while the Global Services PMI has risen steadily year to date. On earnings revision, although the longer term 3-months ratio remains below historical average, Asia and global 1-month earnings revision ratio improved from 0.53 to 0.76 and 0.77 and 0.85 respectively.

Moving over to the fixed income space, we see opportunities to add duration in government bonds in the third quarter of 2023 as central banks approach the end of its rate hike cycle. Investment Grade bonds could be defensive and provide positive returns as global growth slows, while approaching High Yields with caution as a slowdown in growth could lead to more liquidity and credit rating downgrade pressures.

Locally, the Malaysian Government Securities (“MGS”) yield curve was roughly unchanged on month-on-month basis. Foreign players prefer short-term papers (below 2 Year) to short USDMYR, while local real money players focus on long-dated papers for higher yields, resulting in a flat MGS yield. MGS yields remain attractive on a real basis and are expected to offer value as headline inflation is predicted to ease further. However, we anticipate some correction at the long end in August due to heavy duration supply resulting from auctions of MGS 15 Year, Malaysian Government Investment Issue (“MGII”) 20 Year and MGII 30 Year. Foreign inflows increased in June, despite weaker Ringgit amounting +MYR 5.2 billion (“bil”) (May: +MYR 3bil) vs outflows for equity. Inflows as a result of the still attractive USD-hedged MGS yields and relative stability of the domestic bond market. However, we note that foreign funds are still underweight Malaysia based on latest funds positioning. This could provide upside potential for local bonds market.

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 year under review.

Soft Commissions received from Brokers

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

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

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

Cross Trade

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

Securities Financing Transactions

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

Changes Made To the Fund's Prospectus

A Replacement Prospectus dated 30 December 2022 ("Effective Date") was issued during the financial year under review to reflect the various changes made to the Fund. This includes:

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

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

| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS |
|-----|---|-------------------------------|
| | <p>Introduction:</p> <p>In general, the amendments made to the Prospectus are to reflect the following:</p> <ol style="list-style-type: none"> 1. Requirements of Guidelines on Unit Trust Funds (Revised: 21 December 2021) (“Revised GUTF”) and Prospectus Guidelines For Collective Investment Schemes (Revised; 1 September 2022) (“Revised PCIS”); 2. Change in the shareholding of AHAM which took effect on 29 July 2022 whereby AHAM ceased to be a subsidiary of Affin Hwang Investment Bank and the Affin Banking Group. AHAM’s ultimate major shareholders now, is CVC Capital Partners Asia V, a private equity fund managed by CVC Capital Partners (“Change in Shareholding”); and 3. Amendments made to the Seventh Supplemental Deed which was registered and lodged with the SC on 10 November 2022 (“Supplemental Deed”). <p>We are of the view that other amendments reflected in the Replacement Prospectus do not materially prejudice the unit holders’ interests as they do not result in (1) change to the nature/objective of the Fund; (2) change to the risk profile of the Fund; (3) change in the distribution policy; (4) introduction of a new category of fees/charges; or (5) increase in fees/charges of the Fund (collectively known as “Material Prejudice Circumstances”). Hence a unit holders’ approval is not required under paragraph 9.70 of the Revised GUTF and section 295(4)(a) of the Capital Markets and Services Act 2007.</p> <p>Additionally, except for amendments pertaining to (1) repurchase proceed period; and (2) suspension of dealing in units and risk associated with the suspension of repurchase request, we are of the view that other amendments are not significant changes that will affect unit holders’ decision to stay invested in the Fund as they do not result in change to (1) investment strategy; (2) distribution policy; or (3) minimum balance of the Fund (“Significant Change Circumstances”).</p> | |
| 1. | GENERAL AMENDMENTS | |
| 1.1 | <ol style="list-style-type: none"> 1. References to “Affin Hwang Asset Management Berhad” and “Affin Hwang Select Opportunity Fund” are now amended to “<u>AHAM Asset Management Berhad</u>” and “<u>AHAM Select Opportunity Fund</u>”. 2. References to Manager’s and Trustee’s company registration number “(429786-T)” and “(1281-T)” are now amended to “<u>199701014290 (429786-T)</u>” and “<u>193701000084 (1281-T)</u>”. 3. References to Affin Hwang Asset Management Berhad’s email address and website namely “customer care@affinhwangam.com” and “www.affinhwangam.com” are now amended to “<u>customer care@aham.com.my</u>” and “<u>www.aham.com.my</u>”. 4. Reference to the “investment committee” is now amended to <u>person(s) or member(s) of a committee undertaking the oversight function’s</u> 5. Reference to “interim report” are now amended to <u>semi-annual report</u>. 6. The Tax Adviser’s report of the Fund is updated with the latest version of such report. <p>The above amendments (1) to (5) are made throughout the Replacement Prospectus. Additionally, there are also housekeeping amendments including editorial change, stylistic</p> | |

| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS |
|-----|--|--|
| | or formatting changes and grammar. | |
| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS |
| 2. | COVER PAGE | |
| 2.1 | <p>INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.</p> <p>FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 3.</p> | <p>INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.</p> <p><u>THIS IS A REPLACEMENT PROSPECTUS THAT REPLACES AND SUPERCEDES THE PROSPECTUS DATED 18 JULY 2017.</u></p> <p>FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 4.</p> <div data-bbox="1115 727 1800 842" style="border: 3px double black; padding: 5px; text-align: center;"> <p>! YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.</p> </div> |
| 3. | CORPORATE DIRECTORY | |
| 3.1 | <p>The Manager/AHAM Affin Hwang Asset Management Berhad (429786-T) Registered Office 27th Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur Tel No. : (603) 2142 3700 Fax No. : (603) 2140 3799 Business Address Ground Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur Tel No. : (603) 2116 6000 Fax No. : (603) 2116 6100 Toll free line : 1-800-88-7080 E-mail : customercare@affinhwangam.com Website : www.affinhwangam.com</p> | <p>The Manager/AHAM AHAM Asset Management Berhad <i>(formerly known as Affin Hwang Asset Management Berhad)</i> Registered Office 3rd Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur Tel No. : (603) 2142 3700 Fax No. : (603) 2140 3799 Business Address Ground Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur Tel No. : (603) 2116 6000 Fax No. : (603) 2116 6100 Toll free line : 1-800-88-7080 E-mail : customercare@aham.com.my Website : www.aham.com.my</p> |

| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS |
|-----|--|---|
| 3.2 | Board of Directors of the Manager /AHAM <ul style="list-style-type: none"> • Tan Sri Dato' Seri Che Lodin bin Wok Kamaruddin (Non-independent Director) • Datuk Maimoonah Binti Mohamed Hussain (Non-independent Director) • YBhg Mej Jen Dato' Hj Latip Bin Ismail (Independent Director) • Mr Teng Chee Wai (Non-independent Director) • Mr David Jonathan Semaya (Non-independent Director) • Encik Abd Malik bin A Rahman (Independent Director) | Deleted. |
| 3.3 | The Trustee HSBC (Malaysia) Trustee Berhad (1281-T) Registered Office & Business Address 13 th Floor, Bangunan HSBC, South Tower, No.2, Leboh Ampang, 50100 Kuala Lumpur Tel No. : (603) 2075 7800 Fax No. : (603) 2179 6511 | HSBC (Malaysia) Trustee Berhad Registered Office & Business Address <u>Level 19, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur</u> Tel No. : (603) 2075 7800 Fax No. : (603) <u>8894 2611</u> E-mail: <u>fs.client.services.myh@hsbc.com.my</u> |
| 3.4 | Trustee's Delegate (Local Custodian) The Hong Kong and Shanghai Banking Corporation Limited (as Custodian) and assets held through:- HSBC Nominees (Tempatan) Sdn Bhd (258854-D) Bangunan HSBC, No. 2, Leboh Ampang, 50100 Kuala Lumpur Tel No. : (603) 2075 3000 Fax No.: (603) 2179 6488 Trustee's Delegate (Foreign Custodian) The Hongkong And Shanghai Banking Corporation Limited 6 th Floor, Tower 1, HSBC Centre 1 Sham Mong Road Kowloon, Hong Kong Tel : (852) 2288 6111 | Deleted. |
| 4. | ABBREVIATION | |
| 4.1 | GST Goods and Services Tax. | Deleted |

| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS |
|-----|---|---|
| | IUTA Institutional Unit Trust Advisers. | IUTA Institutional Unit Trust <u>Scheme</u> Advisers. |
| 5. | GLOSSARY | |
| 5.1 | Nil. | <p>Inserted the following after “Class(es)”:</p> <p>CVC Capital Partners Asia Fund V Means collectively (1) CVC Capital Partners Asia V L.P; (2) CVC Capital Partners Investment Asia V L.P.; and (3) CVC Capital Partners Asia V Associates L.P.</p> |
| 5.2 | <p>Deed</p> <p>Refers to the deed dated 13 August 2001, first supplemental deed dated 18 June 2007, second supplemental deed dated 15 October 2008, third supplemental deed dated 18 January 2012, fourth supplemental deed dated 27 June 2014 and fifth supplemental deed dated 28 April 2017 entered into between the Manager and the Trustee.</p> | <p>Refers to the deed dated 13 August 2001 <u>as modified by the</u> first supplemental deed dated 18 June 2007, <u>the</u> second supplemental deed dated 15 October 2008, <u>the</u> third supplemental deed dated 18 January 2012, <u>the</u> fourth supplemental deed dated 27 June 2014, <u>the</u> fifth supplemental deed dated 28 April 2017, <u>the sixth supplemental deed 5 October 2018 and the seventh supplemental deed dated 6 October 2022</u> entered into between the Manager and the Trustee.</p> |
| 5.3 | Nil. | <p>Inserted the following after “deposit(s)”:</p> <p>eligible markets Means an exchange, government securities market or an over-the-counter market–</p> <ul style="list-style-type: none"> a) that is regulated by a regulatory authority of that jurisdiction; b) that is open to the public or to a substantial number of market participants; and c) on which financial instruments are regularly traded <p>Financial Institution(s) Means:</p> <ul style="list-style-type: none"> a) if the institution is in Malaysia– <ul style="list-style-type: none"> (i) licensed bank; (ii) licensed investment bank; or (iii) licensed Islamic bank; or |

| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS |
|-----|---|---|
| | | b) if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services. |
| 5.4 | Nil. | <p>Inserted the following after “Guidelines”:</p> <p>licensed bank Means a bank licensed under the Financial Services Act 2013.</p> <p>licensed investment bank Means an investment bank licensed under the Financial Services Act 2013.</p> <p>licensed Islamic bank Means an Islamic bank licensed under the Islamic Financial Services Act 2013.</p> |
| 5.5 | <p>LPD</p> <p>Means 1 June 2017 and is the latest practicable date whereby the information disclosed in this Prospectus shall remain relevant and current as at the date of issue of this Prospectus.</p> | <p>Means <u>30 September 2022</u> and is the latest practicable date whereby the information disclosed in this Prospectus shall remain relevant and current as at the date of issue of this Prospectus.</p> |
| 5.6 | <p>Net Asset Value of NAV</p> <p>Means the value of the Fund’s assets less the value of the Fund’s liabilities at a particular valuation point except that, for the purpose of computing the annual management fee and the annual trustee fee, the NAV of the Fund should be inclusive (that is, before any deduction) of the management fee and the trustee fee for the relevant day.</p> | <p>Means the value of the Fund’s assets less the value of the Fund’s liabilities at a particular valuation point.</p> |
| 5.7 | <p>Repurchase Charge</p> <p>Means a fee imposed pursuant to a repurchase request.</p> | <p>Means a <u>charge</u> imposed pursuant to a repurchase request.</p> |
| 5.8 | <p>Repurchase Price</p> <p>Means NAV per Unit payable to a Unit Holder pursuant to a repurchase of a Unit; for the avoidance of doubt, the Repurchase Price of Units does not include any Repurchase Charge which may be imposed.</p> | <p><u>Means the price payable to you by us for a Unit pursuant to a repurchase request and it shall be exclusive of any Repurchase Charge.</u></p> |
| 5.9 | <p>Sales Charge</p> <p>Means a fee imposed pursuant to a purchase request.</p> | <p>Means a <u>charge</u> imposed pursuant to a purchase request.</p> |

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| 5.10 | <p>Selling Price</p> <p>Means NAV per Unit payable by an applicant for a Unit pursuant to a successful application for Units; for the avoidance of doubt, the selling price of Units does not include any Sales Charge which may be imposed.</p> | <p><u>Means the price payable by you for us to create a Unit in the Fund and it shall be exclusive of any Sales Charge.</u></p> |
| 5.11 | <p>Note:</p> <p>Reference to “day(s)” in this Prospectus will be taken to mean calendar day(s) unless otherwise stated.</p> | <p>Deleted.</p> |
| 6. | <p>RISK FACTORS</p> | |
| 6.1 | <p>GENERAL RISKS</p> <p>Market risk</p> <p>Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the Fund’s NAV.</p> | <p><u>Market risk arises because of factors that affect the entire market place. Factors such as economic growth, political stability and social environment are some examples of conditions that have an impact on businesses, whether positive or negative. Market risk cannot be eliminated but may be reduced through diversification. It stems from the fact that there are economy-wide perils, or instances of political or social instability which threaten all businesses. Hence, the Fund will be exposed to market uncertainties and fluctuations in the economic, political and social environment that will affect the market price of the investments either in a positive or negative way.</u></p> |
| 6.2 | <p>GENERAL RISKS</p> <p>Performance risk</p> <p>There is no guarantee in relation to the investment returns or on the distribution to Unit Holders.</p> | <p><u>The performance of the Fund depends on the financial instruments that the Fund purchases. If the instruments do not perform within expectation or if there is a default, then, the performance of the Fund will be impacted negatively. The performance of the Fund may also be impacted if the allocation of assets is not properly done. This is where the experience and expertise of the fund managers are important and the risk on the lack of experience and expertise of the fund managers has been highlighted above. On that basis, there is never a guarantee that investing in the Fund will produce the desired investment returns or distribution of income.</u></p> |
| 6.3 | <p>GENERAL RISKS</p> | |

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| | <p>Liquidity risk</p> <p>Liquidity risk refers to two scenarios. The first is where an investment cannot be sold due to unavailability of a buyer for that investment. The second scenario exists where the investment, by its nature, is thinly traded. This will have the effect of causing the investment to be sold below its fair value which would adversely affect the NAV of the Fund.</p> | <p>Liquidity risk refers to two scenarios. The first is where an investment cannot be sold due to unavailability of a buyer for that investment. The second scenario exists where the investment, by its nature, is thinly traded. This will have the effect of causing the investment to be sold below its fair value which would adversely affect the NAV of the Fund <u>and subsequently the value of Unit Holders' investments in the Fund.</u></p> |
| 6.4 | <p>GENERAL RISKS</p> <p>Loan financing Risk</p> <p>This risk occurs when you take a loan or financing to finance your investment. The inherent risk of investing with borrowed money includes you being unable to service the loan repayments. In the event Units are used as collateral, you may be required to top-up your existing instalment if the prices of Units fall below a certain level due to market conditions. Failing which, the Units may be sold at a lower NAV per Unit as compared to the NAV per Unit at the point of purchase towards settling the loan.</p> | <p>Loan / financing risk</p> <p>This risk occurs when you take a loan or financing to finance your investment. The inherent risk of investing with borrowed <u>or financed</u> money includes you being unable to service the loan <u>or financing</u> repayments. In the event Units are used as collateral, you may be required to top-up your existing instalment if the prices of Units fall below a certain level due to market conditions. Failing which, the Units may be sold at a lower NAV per Unit as compared to the NAV per Unit at the point of purchase towards settling the loan <u>or financing.</u></p> |
| 6.5 | <p>Nil.</p> | <p>Inserted the following:</p> <p>Suspension of repurchase request risk</p> <p>Having considered the best interests of Unit Holders, the repurchase requests by the Unit Holders may be subject to suspension due to exceptional circumstances, where the market value or fair value of a material portion of the Fund's assets cannot be determined. In such case, Unit Holders will not be able to redeem their Units and will be compelled to remain invested in the Fund for a longer period of time. Hence, their investments will continue to be subject to the risks inherent to the Fund.</p> |
| 6.6 | <p>SPECIFIC RISKS</p> <p>Credit and default risk</p> <p>Credit risk relates to the creditworthiness of the issuers of the debentures or money market instruments (hereinafter referred as "investment") and their expected ability to make timely payment of interest and/or principal. Any adverse situations faced by</p> | <p>Credit risk relates to the creditworthiness of the issuers of the debentures or money market instruments <u>and the Financial Institutions where the deposits are placed</u> (hereinafter referred <u>to</u> as "investment") and their expected ability to make timely</p> |

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| | <p>the issuer may impact the value as well as liquidity of the investment. In the case of rated investment, this may lead to a credit downgrade. Default risk relates to the risk of an issuer of the investment either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the investment. This could adversely affect the value of the Fund.</p> | <p>payment of interest and/or principal. Any adverse situations faced by the issuer <u>and/or the Financial Institution</u> may impact the value as well as liquidity of the investment. In the case of rated investment, this may lead to a credit downgrade. Default risk relates to the risk of an issuer <u>and/or the Financial Institution</u> of the investment either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the investment. This could adversely affect the value of the Fund.</p> |
| 6.7 | <p>SPECIFIC RISKS</p> <p>Interest rate risk</p> <p>This risk refers to the impact of interest rate changes on the valuation of debentures or money market instruments. (hereinafter referred as “investment”). When interest rates rise, the investment prices generally decline and this may lower the market value of the investment. The reverse may apply when interest rates fall.</p> | <p>This risk refers to the impact of interest rate changes on the valuation of debentures or money market instruments (hereinafter referred <u>to</u> as “investment”). Generally, movement in interest rates affects the prices of <u>investment inversely</u>. <u>For example, when interest rates rise, prices of investment will fall. The fluctuations of the prices of investment will also have an impact on the NAV of the Fund. This risk can largely be eliminated by holding investment until their maturity. We also manage interest rate risk by considering each investment’s sensitivity to interest rate changes. When interest rates are expected to increase, the Fund would then likely seek to switch to investment that are less sensitive to interest rate changes. For investments in deposits, the fluctuations in the interest rates will not affect the placement of deposits but will result in the opportunity loss by the Fund if the placement of deposits is made at lower interest rate.</u></p> |
| 6.8 | <p>RISK MANAGEMENT</p> <p>In our day-to-day running of the business, we employ a proactive risk management approach to manage portfolio risks and operational risks. The Board of Directors of AHAM (“the Board”) has established a board compliance & risk management committee to oversee AHAM’s risk management activities both at operational level and at portfolio management level to ensure that the risk management process is in place and functioning. The board compliance & risk management committee comprises of at least three Board members and is chaired by an independent director. At the operational level, we have established a compliance & risk oversight committee with the primary function of identifying, evaluating and monitoring risks as well as to formulate internal control measures to manage and mitigate the exposure to risks that may affect the performance of the Fund, returns to the investors or Unit Holders’ interest within a clearly defined framework and is primarily responsible for ensuring that the policies and procedures that have been</p> | <p>In our day-to-day running of the business, we employ a proactive risk management approach to manage portfolio risks, operational risks <u>and liquidity risks</u>. The Board of Directors of AHAM (“the Board”) has established a board compliance & risk management committee to oversee AHAM’s risk management activities both at operational level and at portfolio management level to ensure that the risk management process is in place and functioning. The board compliance & risk management committee comprises of at least three Board members and is chaired by an independent director. At the operational level, we have established a compliance & risk oversight committee with the primary function of identifying, evaluating and monitoring risks as well as to formulate internal control measures to manage and mitigate the exposure to risks that may affect the performance of the Fund, returns to the investors or Unit Holders’ interest within a clearly defined framework and is primarily responsible for ensuring that the policies and procedures that have been</p> |

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| | <p>implemented are reviewed on an on-going basis with periodic assessments. The compliance & risk oversight committee reports to the board compliance & risk management committee on a quarterly basis.</p> <p>In managing portfolio risks, we engage a stringent screening process by conducting fundamental analysis of economic, political and social factors to evaluate their likely effects on the performance of the markets and sectors. Regular meetings are held to discuss investment themes and portfolio decisions taken at the meetings are then implemented according to the investment guidelines which also take into account requirements for minimum portfolio diversification across individual investment holdings, sectors, geographies and asset classes (based on the respective portfolio's objective and strategy). We also practise prudent liquidity management with the objective to ensure that the Fund is able to meet its short-term expenses including repurchase requests by the Unit Holders.</p> <p>We have in place a system that is able to monitor the transactions to ensure compliance with the Fund's investment limits and restrictions. These limits are system-controlled and not manually tracked, thus reducing the probability of human error occurring in ensuring the Fund's limits and restrictions are adhered to. We also undertake stringent evaluation of movements in market prices and regularly monitor, review and report to the investment committee to ensure that the Fund's investment objective is met. Regular portfolio reviews by senior members of the investment team further reduce the risk of implementation inconsistencies and violations of the Guidelines. We also have in place a credit risk management process to reduce counterparty risk of derivatives whereby such risk arises when the counterparty is not able to meet their contractual obligations. Prior to entering into a contract with the counterparty, we will conduct an evaluation on the credit standing of the counterparty to ensure they are able to meet their contractual obligations. It is important to note that an event of downgrade does not constitute a default. If we view that the counterparty may have high credit risk, we will not hesitate to take pre-emptive measures to unwind these positions.</p> <p>We also employ a performance attribution system that enables us to review the performance of the Fund to determine the key factors that have contributed and detracted from the Fund's performance. This system complements our overall risk management process as the system also provides standard risk analytics on the portfolio such as the Fund's standard deviation, tracking error and measures of excess return. The data produced by the performance attribution system is reviewed</p> | <p>implemented are reviewed on an on-going basis with periodic assessments. The compliance & risk oversight committee reports to the board compliance & risk management committee on a quarterly basis.</p> <p>In managing portfolio risks, we engage a stringent screening process by conducting fundamental analysis of economic, political and social factors to evaluate their likely effects on the performance of the markets and sectors. Regular meetings are held to discuss investment themes and portfolio decisions taken at the meetings are then implemented according to the investment guidelines which also take into account requirements for minimum portfolio diversification across individual investment holdings, sectors, geographies and asset classes (based on the respective portfolio's objective and strategy). We also practise prudent liquidity management with the objective to ensure that the Fund is able to meet its short-term expenses including repurchase requests by the Unit Holders.</p> <p>We have in place a system that is able to monitor the transactions to ensure compliance with the Fund's investment limits and restrictions. These limits are system-controlled and not manually tracked, thus reducing the probability of human error occurring in ensuring the Fund's limits and restrictions are adhered to. We also undertake stringent evaluation of movements in market prices and regularly monitor, review and report to the <u>person(s) or members of a committee undertaking the oversight function of the Fund</u> to ensure that the Fund's investment objective is met. Regular portfolio reviews by senior members of the investment team further reduce the risk of implementation inconsistencies and violations of the Guidelines. We also have in place a credit risk management process to reduce counterparty risk of derivatives whereby such risk arises when the counterparty is not able to meet <u>its</u> contractual obligations. Prior to entering into a contract with the counterparty, we will conduct an evaluation on the credit standing of the counterparty to ensure <u>it is</u> able to meet <u>its</u> contractual obligations. It is important to note that an event of downgrade does not constitute a default. If we view that the counterparty may have high credit risk, we will not hesitate to take pre-emptive measures to unwind these positions.</p> <p>We also employ a performance attribution system that enables us to review the performance of the Fund to determine the key factors that have contributed and detracted from the Fund's performance. This system complements our overall risk management process as the system also provides standard risk analytics on the portfolio such as the Fund's standard deviation, tracking error and measures of excess return. The data produced by the performance attribution system is reviewed regularly</p> |

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| | regularly and at least on a monthly basis in meetings chaired by the managing director and participated by the portfolio managers and the performance evaluation team. | <p>and at least on a monthly basis in meetings chaired by the managing director and participated by the portfolio managers and the performance evaluation team.</p> <p><u>Liquidity Risk Management</u> <u>We have established liquidity risk management policies to enable us to identify, monitor and manage the liquidity risk of the Fund in order to meet the repurchase requests from the Unit Holders with minimal impact to the Fund as well as safeguarding the interests of the remaining Unit Holders. Such policies take into account, amongst others, the asset class of the Fund and the redemption policy of the Fund. To manage the liquidity risk, we have put in place the following procedures:</u></p> <ul style="list-style-type: none"> a) <u>The Fund may hold a maximum of 30% of its NAV in money market instruments and/or deposits. This will allow the Fund to have sufficient buffer to meet the Unit Holders' repurchase request;</u> b) <u>Regular review by the designated fund manager on the Fund's investment portfolio including its liquidity profile;</u> c) <u>Daily monitoring of the Fund's net flows and periodic liquidity stress testing of the Fund's assets against repurchase requests during normal and adverse market conditions are performed as pre-emptive measures in tracking the Fund's liquidity status. This will ensure that we are prepared and able to take the necessary action proactively to address any liquidity concerns, which would mitigate the potential risks in meeting Unit Holders' repurchase requests; and</u> d) <u>Suspension of repurchase requests from the Unit Holders under exceptional circumstances where the market value or fair value of a material portion of the Fund's assets cannot be determined. During the suspension period, the repurchase requests from the Unit Holders will be accepted but will not be processed. Such repurchase requests will only be processed on the next Business Day once the suspension is lifted. That said, the action to suspend repurchase requests from the Unit Holders shall be exercised only as a last resort by the Manager having considered the best interests of Unit Holders.</u> |
| 7. | ABOUT <u>AHAM</u> SELECT OPPORTUNITY FUND | |
| 7.1 | Deed Deed dated 13 August 2001, first supplemental deed dated 18 June 2007, second supplemental deed dated 15 October 2008, third supplemental deed dated 18 January 2012, fourth supplemental deed dated 27 June 2014 and fifth supplemental deed dated 28 April 2017. | Deed dated 13 August 2001, first supplemental deed dated 18 June 2007, second supplemental deed dated 15 October 2008, third supplemental deed dated 18 January 2012, fourth supplemental deed dated 27 June 2014, fifth supplemental deed dated 28 April 2017, <u>sixth supplemental deed dated 5 October 2018 and seventh supplemental deed dated 6 October 2022.</u> |

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| 7.2 | <p>INVESTORS' PROFILE</p> <p>The Fund may be suitable for investors who:</p> <ul style="list-style-type: none"> ➤ are risk tolerant; and ➤ are seeking higher returns for their investments over medium to long-term horizon. | Deleted. |
| 7.3 | <p>BENCHMARK</p> <p>The benchmark to be used by the Manager in measuring the performance of the Fund will be the FTSE Bursa Malaysian Top 100 Index ("FBM 100")*.</p> <p>* The risk profile of this Fund is different from the risk profile of the benchmark</p> <p><i>Investors may obtain information on the performance benchmark from the Manager upon request.</i></p> | <p>The benchmark to be used by the Manager in measuring the performance of the Fund will be the FTSE Bursa Malaysian Top 100 Index ("FBM 100")*.</p> <p><u>(Source: FTSE Bursa Malaysia Top 100 Index at http://www.bursamalaysia.com)</u></p> <p>* The risk profile of this Fund is different from the risk profile of the benchmark</p> <p><i>Investors may obtain information on the performance benchmark from the Manager upon request.</i></p> |
| 7.4 | <p>INVESTMENT STRATEGY</p> <p>The Fund will focus on achieving its objective by investing in a diversified portfolio consisting a minimum 70% of the Fund's NAV in equities and a maximum 30% of the Fund's NAV in debentures, money market instruments and/or deposits.</p> <p>As the Fund holds a domestic focus, we will maintain a minimum 70% of the Fund's investment into the domestic market, and hold a flexibility to invest up to 30% of its NAV in investments listed/issued in foreign markets.</p> <p>The investment selection process will be focused on companies that are able to provide growth potential over the medium to longer term investment horizon. As such, we would adopt a top-down and bottom-up strategy investment approach to identify investment opportunities in the prevailing market. Fundamental analysis will also be carried out to determine the attractiveness of investment ideas. Key factors which are useful in identification of such companies would include sales and profit growth, financial strength and gearing levels, expected future earnings growth, share price valuation as well as management quality.</p> <p>While the Fund's core investments will remain in equities, the Fund holds the option to invest into fixed income instruments such as debentures, money market</p> | <p>The Fund will focus on achieving its objective by investing in a diversified portfolio consisting a minimum <u>of</u> 70% of the Fund's NAV in equities and a maximum 30% of the Fund's NAV in debentures, money market instruments and/or deposits.</p> <p>As the Fund holds a domestic focus, we will maintain a minimum 70% of the Fund's investment into the domestic market and hold a flexibility to invest up to 30% of its NAV in investments listed/issued in foreign markets.</p> <p>The investment selection process will be focused on companies that are able to provide growth potential over the medium to longer term investment horizon. As such, we would adopt a top-down and bottom-up strategy investment approach to identify investment opportunities in the prevailing market. Fundamental analysis will also be carried out to determine the attractiveness of investment ideas. Key factors which are useful in <u>the</u> identification of such companies would include sales and profit growth, financial strength and gearing levels, expected future earnings growth, share price valuation as well as management quality.</p> <p>While the Fund's core investments will remain in equities, the Fund holds the option to invest into fixed income instruments such as debentures, money market instruments</p> |

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| | <p>instruments and deposits. The selection of fixed income instrument will not be constrained by credit ratings of issuances. However, the selection will depend largely on its credit quality where the respective issuers display strong ability to meet their financial obligations, healthy cash-flow, the collateral type, value, claims priority as well as offer highest safety for timely payment of interest and principal.</p> <p>We typically take an active trading policy where we look to maintain some core holdings that are held over the medium to long term which is similar to a buy and hold strategy. We will also maintain a trading portion for the portfolio, which we use to take advantage by participating in investment opportunities that are set to benefit from prevailing market conditions, with the aim of boosting the Fund's performance.</p> <p>To achieve its objective, the Fund will also have the flexibility to hold exposure in warrants as well as collective investment schemes that have similar investment objective to the Fund.</p> | <p>and deposits. The selection of fixed income instrument will not be constrained by credit ratings of issuances. However, the selection will depend largely on its credit quality where the respective issuers display strong ability to meet their financial obligations, healthy cash-flow, the collateral type, value, claims priority as well as offer highest safety for timely payment of interest and principal.</p> <p>To achieve its objective, the Fund will also have the flexibility to hold exposure in warrants as well as collective investment schemes that have similar investment objective to the Fund.</p> |
| 7.5 | <p>Foreign Investments</p> <p>The Fund may invest up to 30% of its NAV in investments listed or issued in foreign markets. The decision to invest into foreign markets will be opportunistically driven where we would seek out investments that could provide a potential to enhance the returns of the Fund. The Fund will invest only into countries where the regulatory authorities are ordinary or associate members of the International Organization of Securities Commissions (IOSCO).</p> | <p>The Fund may invest up to 30% of its NAV in investments listed or issued in foreign markets. The decision to invest in foreign markets will be opportunistically driven where we would seek out investments that could provide a potential to enhance the returns of the Fund. The Fund will invest only in countries <u>which are eligible markets</u>.</p> |
| 7.6 | <p>Derivatives</p> <p>Derivative trades may be carried out for hedging purposes, through financial instruments including, but not limited to, forward contracts, futures contracts and swaps. Future and forward contracts are generally contracts between two parties to trade an asset at an agreed price on a pre-determined future date. Swaps, whereas, is an agreement to swap or exchange two financial instruments between two parties.</p> <p>The intention of hedging is to protect the value of the asset from any adverse price movements. For example, to hedge against foreign currency exchange risk, the Fund may enter into a currency forward contract to offset any adverse foreign currency movements by determining an agreed rate for an agreed tenure with its</p> | <p>Derivative trades may be carried out for hedging purposes, through financial instruments including, but not limited to, forward contracts, futures contracts and swaps. Futures and forward contracts are generally contracts between two <u>(2)</u> parties to trade an asset at an agreed price on a pre-determined future date <u>whereas</u> swaps is an agreement to swap or exchange two <u>(2)</u> financial instruments between two parties.</p> <p>The intention of hedging is to <u>preserve</u> the value of the asset from any adverse price movements. For example, to hedge against foreign currency exchange risk, the Fund may enter into a currency forward contract to offset any adverse foreign currency movements by determining an agreed rate for an agreed tenure with its counterparty. While these hedging transactions <u>will assist with mitigating the potential foreign</u></p> |

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| | <p>counterparty. While these hedging transactions would protect the Fund against potential losses, trades for hedging purposes would also limit the returns that the Fund may have potentially received from foreign exchange gains would the Fund not have hedged its foreign currency exposure.</p> <p>Structured Products</p> <p>We may also invest into structured products such as, but not limited to, credit linked notes. Investment into these structured products will provide the Fund with the exposure to the reference asset. Each of these products has its own targeted maturity and will expose investors to the price fluctuations of, in the case of a credit linked note, the credit that the credit linked note is linked to. As a result, any fluctuation in the price of the structured product may also lead to fluctuations in the NAV of the Fund i.e. if the price of the structured product sees a drop in price, the NAV of the Fund will also be negatively impacted. As the note is structured by an external party, investments into a structured product will also expose the Fund to counterparty risk, which we will attempt to mitigate by carrying out a stringent selection process on its counterparty prior to an investment being made. Risk into structured products will also be mitigated by limiting the Fund's total exposure to not more than 10% of the Fund's NAV.</p> | <p><u>exchange losses by the Fund, any potential foreign exchange gains from the hedging strategy will be capped as well.</u></p> <p><u>The Fund adopts commitment approach to measure the Fund's global exposure to derivatives. The commitment approach is a methodology that aggregates the underlying market values or notional values of derivatives after taking into account the possible effects of netting and/or hedging arrangements. The Fund's global exposure from the derivatives position must not exceed 100% of NAV of the Fund at all times.</u></p> |
| 7.7 | Nil. | <p>Inserted the following:</p> <p>Cross Trades Policy</p> <p>AHAM may conduct cross trades between funds that it is currently managing provided that all criteria imposed by the regulators are met. Notwithstanding the above, cross trades between the personal account of an employee of AHAM and the Fund's account(s) and between AHAM's proprietary trading accounts and the Fund's account(s) are strictly prohibited. Compliance with the criteria would be monitored by the compliance unit of the Manager, and reported to AHAM's compliance & risk oversight committee, to avoid conflict of interests and manipulation that could have a negative impact on the investors.</p> |
| 7.8 | <p>PERMITTED INVESTMENTS</p> <ul style="list-style-type: none"> ➤ Securities of companies listed on Bursa Malaysia and any other exchanges of countries who are members of International Organization of Securities Commissions ➤ Unlisted securities including, without limitation, securities that have been | <ul style="list-style-type: none"> ➤ <u>Listed securities on eligible market</u> ➤ Unlisted securities including, without limitation, securities that have been approved by the relevant regulatory authorities for the listing of and quotation for such securities |

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| | <p>approved by the relevant regulatory authorities for the listing of and quotation for such securities</p> <ul style="list-style-type: none"> ➤ Debentures ➤ Money market instruments ➤ Deposits ➤ Derivatives, for the purpose of hedging only ➤ Warrants ➤ Structured products ➤ Units or shares in collective investment schemes ➤ Any other form of investments as may be permitted by the SC from time to time which are in line with the objective of the Fund | <ul style="list-style-type: none"> ➤ Debentures ➤ Money market instruments ➤ Deposits ➤ Derivatives, for the purpose of hedging only ➤ Warrants ➤ <u>Embedded derivatives</u> ➤ Units or shares in collective investment schemes ➤ Any other form of investments as may be permitted by the SC from time to time which are in line with the objective of the Fund |
| 7.9 | <p>INVESTMENT RESTRICTIONS AND LIMITS</p> <p>Subject to the Guidelines, the purchase of permitted investments stated above shall not contravene the following limits, unless otherwise revised by the SC from time to time:</p> <ul style="list-style-type: none"> (a) The value of the Fund’s investments in unlisted securities shall not exceed 10% of the Fund’s NAV; however the said limit does not apply to unlisted securities that are: <ul style="list-style-type: none"> (i) equities not listed and quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing and quotation, and are offered directly to the Fund by the issuer; (ii) debentures traded on an organised over-the-counter market; (b) The value of the Fund’s investments in ordinary shares issued by any single issuer shall not exceed 10% of the Fund’s NAV; (c) The value of the Fund’s investments in transferable securities and money market instruments issued by any single issuer shall not exceed 15% of the Fund’s NAV; (d) The value of the Fund’s placements in deposits with any single institution shall not exceed 20% of the Fund’s NAV; (e) For investments in derivatives, the exposure to the underlying assets of that derivative must not exceed the investment spread limits stipulated in the Guidelines and the value of the Fund’s over-the-counter (OTC) derivative transaction with any single counter-party shall not exceed 10% of the Fund’s NAV; | <p>Subject to the Guidelines, the purchase of permitted investments stated above shall not contravene the following limits, unless otherwise revised by the SC from time to time:</p> <ul style="list-style-type: none"> (a) <u>The Fund’s assets must be relevant and consistent with the investment objective of the Fund;</u> (b) <u>The aggregate value of the Fund’s investments in transferable securities that are not traded or dealt in or under the rules of an eligible market and other securities must not exceed 15% of the Fund’s NAV, subject to a maximum limit of 10% of the Fund’s NAV in a single issuer (“Exposure Limit”);</u> (c) The value of the Fund’s investments in ordinary shares issued by any single issuer must not exceed 10% of the Fund’s NAV; (d) The value of the Fund’s investments in transferable securities and money market instruments issued by any single issuer <u>must</u> not exceed 15% of the Fund’s NAV (“Single Issuer Limit”). <u>In determining the Single Issuer Limit, the value of the Fund’s investments in instruments in Exposure Limit above issued by the same issuer must be included in the calculation;</u> (e) The value of the Fund’s placements in deposits with any single <u>Financial Institution</u> <u>must</u> not exceed 20% of the Fund’s NAV (“Single Financial Institution Limit”). <u>The Single Financial Institution Limit does not apply to placements of deposits</u> |

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| | <p>(f) The Fund’s exposure from derivatives position shall not exceed the Fund’s NAV at all times;</p> <p>(g) The aggregate value of the Fund’s investments in transferable securities, money market instruments, OTC derivatives and deposits issued or placed with (as the case may be) any single issuer or institution shall not exceed 25% of the Fund’s NAV;</p> <p>(h) The value of the Fund’s investment in units or shares of any collective investment scheme must not exceed 20% of the Fund’s NAV;</p> <p>(i) The collective investment scheme has to be regulated and registered or authorised or approved by the relevant regulatory authority in its home jurisdiction;</p> <p>(j) The investments of the collective investment scheme shall be relevant and consistent with the objectives of the Fund;</p> <p>(k) The investments of the collective investment scheme shall be in line with the general investment principles of the Guidelines;</p> <p>(l) There shall not be any cross-holding between the Fund and the collective investment scheme should the Fund and the collective investment scheme be administered by the same management company or where the collective investment scheme is managed and administered by any party related to the management company or any of its delegates;</p> <p>(m) There will be no single issuer limits if the issuer is the Malaysian government, Bank Negara Malaysia, state authorities, or the issue is an issue guaranteed by any of the above-mentioned institutions, or the issue is government-backed;</p> <p>(n) The warrants that the Fund invests in shall carry the right in respect of a security traded in or under the rules of an eligible market;</p> <p>(o) The value of the Fund’s investments in transferable securities and money market instruments issued by any group of companies shall not exceed 20% of the Fund’s NAV;</p> <p>(p) The Fund’s investments in transferable securities (other than debentures) shall not exceed 10% of the securities issued by any single issuer;</p> <p>(q) The Fund’s investments in debentures must not exceed 20% of the debentures issued by any single issuer;</p> <p>(r) The Fund’s investments in money market instruments shall not exceed 10% of the instruments issued by any single issuer. <i>This does not apply to money market instruments that do not have a pre-determined issue size;</i></p> <p>(s) The Fund’s investments in collective investment schemes shall not exceed 25% of the units or shares in any one collective investment scheme; and</p> | <p><u>arising from:</u></p> <p>(i) <u>Subscription monies received prior to the commencement of investment by the Fund;</u></p> <p>(ii) <u>Liquidation of investments prior to the termination of the Fund, where the placement of deposits with various Financial Institutions would not be in the best interests of Unit Holders; or</u></p> <p>(ii) <u>Monies held for the settlement of redemption or other payment obligations, where the placement of deposits with various Financial Institutions would not be in the best interests of Unit Holders;</u></p> <p>(f) For investments in derivatives, the exposure to the underlying assets of that derivative must not exceed the investment <u>restrictions or limitations applicable to such underlying assets and investments as</u> stipulated in the Guidelines and the value of the Fund’s over-the-counter derivative transaction with any single counter-party shall not exceed 10% of the Fund’s NAV;</p> <p>(g) The Fund’s <u>global</u> exposure from derivatives position shall not exceed the Fund’s NAV at all times;</p> <p>(h) The aggregate value of the Fund’s investments in, <u>or exposure to, a single issuer through</u> transferable securities, money market instruments, deposits, <u>underlying assets of derivatives and counterparty exposure arising from the use of OTC derivatives must</u> not exceed 25% of the Fund’s NAV (<u>“Single Issuer Aggregate Limit”</u>). <u>In determining the Single Issuer Aggregate Limit, the value of the Fund’s investments in instruments in Exposure Limit above issued by the same issuer must be included in the calculation;</u></p> <p>(i) The value of the Fund’s investment in units or shares of a collective investment scheme must not exceed 20% of the Fund’s NAV, <u>provided that the collective investment scheme complies with the requirements of the Guidelines;</u></p> <p>(j) <u>The value of the Fund’s investments in units or shares of a collective investment scheme that invests in real estate must not exceed 15% of the Fund’s NAV;</u></p> <p>(k) The warrants that the Fund invests in shall carry the right in respect of a security traded in or under the rules of an eligible market;</p> <p>(l) The value of the Fund’s investments in transferable securities and money market instruments issued by any group of companies must not exceed 20% of the Fund’s NAV (<u>“Group Limit”</u>). <u>In determining the Group Limit, the value of the Fund’s investments in instruments in Exposure Limit above issued by the issuers within</u></p> |

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| | <p>(t) Any other investment limits or restrictions imposed by the relevant regulatory authorities or pursuant to any laws and regulations applicable to the Fund.</p> <p>The abovementioned limits and restrictions will be complied with at all times based on the up-to-date value of the Fund, and the value of their investments and instruments, unless the SC grants the exemption or variation. However, a 5% allowance in excess of any limits or restrictions may be permitted where the limit or restriction is breached through the appreciation or depreciation of the NAV of the Fund (whether as a result of an appreciation or depreciation in value of the investments or as a result of repurchase of Units or payment made from the Fund).</p> <p>The Manager should not make any further acquisitions to which the relevant limit is breached and the Manager should within a reasonable period of not more than three (3) months from the date of the breach take all necessary steps and actions to rectify the breach. Such limits and restrictions, however, do not apply to securities that are issued or guaranteed by the Malaysian government or Bank Negara Malaysia.</p> | <p><u>the same group of companies must be included in the calculation;</u></p> <p>(m) The Fund’s investments in transferable securities (other than debentures) must not exceed 10% of the securities issued by a single issuer;</p> <p>(n) The Fund’s investments in debentures must not exceed 20% of the debentures issued by a single issuer. <u>This limit may be disregarded at the time of acquisition if at that time of acquisition the gross amount of debentures in issue cannot be determined;</u></p> <p>(o) The Fund’s investments in money market instruments must not exceed 10% of the instruments issued by any single issuer. <i>This limit does not apply to money market instruments that do not have a pre-determined issue size;</i></p> <p>(p) The Fund’s investments in collective investment schemes must not exceed 25% of the units or shares in the collective investment schemes;</p> <p>(q) <u>The Single Issuer Limit may be raised to 35% of the Fund’s NAV if the issuing entity is, or the issue is guaranteed by, either a foreign government, foreign government agency, foreign central bank or supranational, that has a minimum long-term credit rating of investment grade (including gradation and subcategories) by an international rating agency;</u></p> <p>(r) <u>Where the Single Issuer Limit is increased to 35% of the Fund’s NAV, the Single Issuer Aggregate Limit may be raised, subject to the Group Limit not exceeding 35% of the Fund’s NAV; and</u></p> <p>(s) Any other investment limits or restrictions imposed by the relevant regulatory authorities or pursuant to any laws and regulations applicable to the Fund.</p> <p><u>Please note that the above restrictions and limits do not apply to securities or instruments issued or guaranteed by the Malaysian government or Bank Negara Malaysia.</u></p> <p><u>In respect of the above investment restrictions and limits, any breach as a result of any (a) appreciation or depreciation in value of the Fund’s investments; (b) repurchase of Units or payment made out of the Fund; (c) change in capital of a corporation in which the Fund has invested in; or (d) downgrade in or cessation of a credit rating, must be rectified as soon as practicable within three months from the date of the breach unless otherwise specified in the Guidelines. Nevertheless, the three-month period may be extended if it is in the best interests of Unit Holders and the Trustee’s consent has been obtained. Such extension must be subject to at least a monthly review by the Trustee.</u></p> |

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| 7.10 | <p>VALUATION OF THE FUND</p> <p>1st and 2nd paragraphs: - All foreign assets are translated into MYR based on the bid exchange rate quoted by Bloomberg or Reuters at 4.00 p.m. (United Kingdom time) which is equivalent to 11 p.m. or 12 a.m. midnight (Malaysian time) on the same day, or such time as stipulated in the investment management standards issued by the FIMM.</p> <p>We will obtain the daily price or value of the assets for the purpose of valuing the Fund in accordance to the Financial Reporting Standard 139 issued by the Malaysian Accounting Standards Board. In the absence of daily price or value of the assets, we will use the latest available price or value of the assets respectively.</p> | <p><u>We will ensure that the valuation of the Fund is carried out in a fair manner in accordance to the relevant laws and Guidelines.</u> We will obtain the daily price or value of the assets for the purpose of valuing the Fund in accordance to the <u>Malaysian Financial Reporting Standard 9</u> issued by the Malaysian Accounting Standards Board. In the absence of daily price or value of the assets, we will use the latest available price or value of the assets respectively.</p> |
| 7.11 | <p>VALUATION OF THE FUND</p> <p>Equities and Warrants Investments in listed equities and warrants shall be based on the market price i.e. closing bid price. Where no market value is publicly available or where the use of the quoted market value is inappropriate, or where no market price is available, including in the event of suspension in the quotation of the securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, such investments are valued at fair value determined in good faith by the Manager or its delegate, based on the methods or bases approved by the Trustee after appropriate technical consultation. For unlisted equities and warrants, valuations will be based on fair value as determined in good faith by the Manager using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.</p> | <p>VALUATION OF THE FUND</p> <p>Listed Securities <u>Valuation of investments in listed securities shall be based on the official closing price or last known transacted price on the eligible market on which the investment is quoted. If the price is not representative of its fair value or is not available to the market,</u> including in the event of suspension in the quotation of the securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, the investments will be valued at fair value determined in good faith by the Manager or its delegate, based on the methods or bases <u>verified by the auditor of the Fund and approved by the Trustee.</u></p> |
| 7.12 | <p>VALUATION OF THE FUND</p> <p>Debentures For unlisted MYR denominated debentures, valuation will be done using the price quoted by a bond pricing agency (“BPA”) registered with the SC. If the Manager is of the view that the price quoted by BPA differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager records its basis for using a non-BPA price, obtains the necessary internal approvals to use the non-BPA price and keeps an audit trail of all decisions and basis for adopting the market yield. For unlisted foreign debentures, they will be valued using the average indicative yield quoted by 3 independent and reputable institutions. For listed debentures, the valuations shall be done in the same manner as listed equities described above.</p> | <p>VALUATION OF THE FUND</p> <p>Unlisted Securities For unlisted RM denominated <u>debt securities,</u> valuation will be done using the price quoted by a bond pricing agency (“BPA”) registered with the SC. <u>For non-RM denominated unlisted debt securities, valuation will be based on the average indicative price quoted by independent and reputable financial institutions. Where the Manager is of the view that the price quoted by BPA differs from the fair value or where reliable market quotations are not available, the fair value will be determined in good faith by the Manager using methods and bases which have been verified by the auditor of the Fund and approved by the Trustee.</u></p> <p><u>For other unlisted securities, valuation will be based on fair value as determined in</u></p> |

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| | | <u>good faith by the Manager using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.</u> |
| 7.13 | VALUATION OF THE FUND Deposits Deposits placed with financial institutions are valued by reference to the principal value of such investments and the interests accrued thereon for the relevant period. | <u>Valuation of deposits</u> placed with Financial Institutions <u>will be done</u> by reference to the principal value of such investments and the interests accrued thereon for the relevant period. |
| 7.14 | VALUATION OF THE FUND Money Market Instruments For money market instruments, the valuation may use the amortization method, i.e. the purchased discount or premium will be amortized to the remaining period of maturity. | <u>Valuation of MYR denominated money market instruments will be done using the price quoted by a BPA registered with the SC. For non-MYR denominated money market instruments, valuation will be done using an average of quotations provided by reputable Financial Institutions. Where the Manager is of the view that the price quoted by BPA differs from the fair value or where reliable market quotations are not available, the fair value shall be will be determined in good faith by the Manager. This may be determined by reference to the valuation of other money market instruments which are comparable in rating, yield, expected maturity date and/or other characteristics.</u> |
| 7.15 | VALUATION OF THE FUND Collective Investment Scheme An unlisted collective investment schemes will be valued based on its last published repurchase price. For listed collective investment schemes, the valuations shall be done in the same manner as listed equities described above above. | Unlisted collective investment schemes will be valued based on its last published repurchase price. For listed collective investment schemes, valuation shall be done in <u>a similar manner used in the valuation of listed securities as</u> described above. |
| 7.16 | VALUATION OF THE FUND Derivatives The valuation of derivatives will be based on the rates provided by the respective issuers. For foreign exchange forward contracts (“FX Forwards”), we will apply interpolation formula to compute the value of the FX Forwards based on the rates | Valuation of derivatives will be based on the <u>prices</u> provided by the respective issuers. <u>The issuers generate the market valuation through the use of their own proprietary valuation models, which incorporate all the relevant and available market data with</u> |

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| | <p>provided by Bloomberg /Reuters. If the rates are not available on Bloomberg/Reuters, the FX Forwards will be valued by reference to the average indicative rate quoted by at least 3 independent dealers. In the case where the Manager is unable to obtain quotation from 3 independent dealers, the FX Forwards will be valued in accordance to fair value as determined by us in good faith, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.</p> | <p><u>respect to the derivatives (e.g. interest rates, movement of the underlying assets, volatility of the underlying assets, the correlation of the underlying assets and such other factors).</u> For foreign exchange forward contracts ("FX Forwards"), interpolation formula <u>is applied</u> to compute the value of the FX Forwards based on the rates provided by Bloomberg <u>or</u> Reuters. If the rates are not available on Bloomberg <u>or</u> Reuters, the FX Forwards will be valued <u>based on</u> fair value as determined in good faith <u>by the Manager, using</u> methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.</p> |
| 7.17 | <p>VALUATION POINT FOR THE FUND</p> <p>If the Fund only has exposure to investments in Malaysia, the Fund shall be valued at 6.00 p.m. on every Business Day (or "Trading Day" or "T" day). However, if the Fund has exposure to investments outside of Malaysia, the Fund shall be valued at 11.00 a.m. on the next Business Day (or "T+1").</p> <p>If the foreign market in which the Fund is invested therein is closed for business, the Manager will value the investment based on the latest available price as at the day the particular foreign market was last opened for business.</p> | <p>The Fund shall be valued at 6.00 p.m. on every Business Day (or "Trading Day" or "T" day). However, if the Fund has exposure to investments outside of Malaysia, the Fund shall be valued at 11.00 a.m. on the next Business Day (or "T+1" <u>day</u>). <u>All foreign assets are translated into the base currency of the Fund based on the last available bid exchange rate quoted by Bloomberg/Reuters at 4.00 p.m. (United Kingdom time) which is equivalent to 11.00 p.m. or 12.00 midnight (Malaysian time) on the same day, or at such time as stipulated in the investment management standards issued by the FiMM.</u></p> |
| 7.18 | <p>POLICY ON GEARING AND MINIMUM LIQUID ASSETS REQUIREMENTS</p> <p>The Fund is not permitted to borrow cash or other assets (including the borrowing of securities within the meaning of the Securities Borrowing and Lending Guidelines [SBL Guidelines]) in connection with its activities. However, the Fund may borrow cash for the purpose of meeting repurchase requests for Units and such borrowings are subjected to the following:-</p> <ul style="list-style-type: none"> • the Fund borrowing is only on a temporary basis and that borrowings are not persistent; • the borrowing period should not exceed one (1) month; • the aggregate borrowings of the Fund should not exceed 10% of the Fund's NAV at the time the borrowing is incurred; and • the Fund may only borrow from financial institutions. <p>Except for securities lending as provided under the SBL Guidelines, none of the cash or investments of the Fund may be lent. Further, the Fund may not assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person.</p> | <p><u>FINANCING AND SECURITIES LENDING</u></p> <p>The Fund is not permitted to borrow <u>cash or</u> other assets in connection with its activities. However, the Fund may borrow cash for the purpose of meeting repurchase requests for Units and such borrowings are subjected to the following:-</p> <ul style="list-style-type: none"> • the <u>Fund's</u> borrowing is only on a temporary basis and that borrowings are not persistent; • the borrowing period should not exceed one (1) month; • the aggregate borrowings of the Fund should not exceed 10% of the Fund's NAV at the time the borrowing is incurred; and • the Fund may only borrow from Financial Institutions. <p><u>The</u> Fund may not assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person.</p> |

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| | In structuring the portfolio of the Fund, we will maintain sufficient liquid assets to ensure short-term liquidity in the Fund to meet operating expenses and possible repurchase of Units. | | | | | | | | | |
| 7.19 | <p>TERMINATION OF THE FUND</p> <p>The Fund may be terminated in the following events:-</p> <p>(a) In accordance with the provisions under the “Termination of the Fund” section of this Prospectus;</p> <p>(b) Where SC has withdrawn the authorisation for the Fund under Section 256(E) of the Act; and</p> <p>(c) The effective date of an approved transfer scheme (if any) has resulted in the Fund being with no asset/property.</p> | Deleted. | | | | | | | | |
| 8. | DEALING INFORMATION | | | | | | | | | |
| 8.1 | <p>HOW TO PURCHASE UNITS?</p> <p>2nd bullet: -</p> <p>➤ You are required to provide us with the following completed forms and documents. However, we reserve the right to request for additional documents before we process the purchase application.</p> <table border="1" data-bbox="174 922 853 1441"> <thead> <tr> <th data-bbox="174 922 517 970">Individual or Jointholder</th> <th data-bbox="517 922 853 970">Corporation</th> </tr> </thead> <tbody> <tr> <td data-bbox="174 970 517 1441"> <ul style="list-style-type: none"> • account opening form; • Suitability assessment form; • Personal data protection notice form; • A copy of identity card or passport or any other document of identification </td> <td data-bbox="517 970 853 1441"> <ul style="list-style-type: none"> • account opening form; • Suitability assessment form; • Personal data protection notice form; • Certified true copy of memorandum and articles of association*; • Certified true copy of certificate of incorporation*; • Certified true copy of form 24 and form 49*; </td> </tr> </tbody> </table> | Individual or Jointholder | Corporation | <ul style="list-style-type: none"> • account opening form; • Suitability assessment form; • Personal data protection notice form; • A copy of identity card or passport or any other document of identification | <ul style="list-style-type: none"> • account opening form; • Suitability assessment form; • Personal data protection notice form; • Certified true copy of memorandum and articles of association*; • Certified true copy of certificate of incorporation*; • Certified true copy of form 24 and form 49*; | <p>➤ You are required to provide us with the following completed forms and documents. However, we reserve the right to request for additional documents before we process the purchase application.</p> <table border="1" data-bbox="1124 954 1803 1441"> <thead> <tr> <th data-bbox="1124 954 1467 1002">Individual or Jointholder</th> <th data-bbox="1467 954 1803 1002">Corporation</th> </tr> </thead> <tbody> <tr> <td data-bbox="1124 1002 1467 1441"> <ul style="list-style-type: none"> • <u>Account</u> opening form; • Suitability assessment form; • Personal data protection notice form; • A copy of identity card or passport or any other document of identification; and • <u>Foreign Account Tax Compliance Act (“FATCA”) and Common Reporting Standard</u> </td> <td data-bbox="1467 1002 1803 1441"> <ul style="list-style-type: none"> • <u>Account</u> opening form; • Suitability assessment form; • Personal data protection notice form; • Certified true copy of memorandum and articles of association*; • Certified true copy of certificate of incorporation*; • Certified true copy of </td> </tr> </tbody> </table> | Individual or Jointholder | Corporation | <ul style="list-style-type: none"> • <u>Account</u> opening form; • Suitability assessment form; • Personal data protection notice form; • A copy of identity card or passport or any other document of identification; and • <u>Foreign Account Tax Compliance Act (“FATCA”) and Common Reporting Standard</u> | <ul style="list-style-type: none"> • <u>Account</u> opening form; • Suitability assessment form; • Personal data protection notice form; • Certified true copy of memorandum and articles of association*; • Certified true copy of certificate of incorporation*; • Certified true copy of |
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| Individual or Jointholder | Corporation | | | | | | | | | |
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| | <ul style="list-style-type: none"> • Certified true copy of form 8, 9, 13, 20 and 44 (where applicable)*; • Latest audited financial statement; • Board resolution relating to the investment; • A list of the authorised signatories; • Specimen signatures of the respective signatories. <p><i>* or any other equivalent documentation issued by the authorities.</i></p> <p>3rd bullet: -</p> <ul style="list-style-type: none"> ➤ For subsequent transaction, you simply need to complete a transaction form to request for an additional investment. | <div style="border: 1px solid black; padding: 5px;"> <p><u>("CRS") Self-certification Form.</u></p> <p>form 24 and form 49*;</p> <ul style="list-style-type: none"> • Certified true copy of form 8, 9, 13, 20 and 44 (where applicable)*; • Latest audited financial statement; • Board resolution relating to the investment; • A list of the authorised signatories; • Specimen signatures of the respective signatories; <u>and</u> • <u>Foreign Account Tax Compliance Act ("FATCA") and Common Reporting Standard ("CRS") Self-certification Form.</u> <p><i>* or any other equivalent documentation issued by the authorities.</i></p> </div> <p>Deleted.</p> |
| 8.2 | <p>HOW TO MAKE PAYMENT FOR PURCHASE APPLICATION?</p> <ul style="list-style-type: none"> ➤ Bank Transfer <p>You may transfer the purchase payment into our bank account via telegraphic transfer or online transfer, and include your name in the transaction description for our reference. You may obtain our bank account details from our online download center at www.affinhwangam.com.</p> <ul style="list-style-type: none"> ➤ Cheque, Bank Draft or Money Order | <ul style="list-style-type: none"> ➤ You may transfer the purchase payment into our bank account via telegraphic transfer or online transfer, and include your name in the transaction description for our reference. You may obtain our bank account details from our online download center at www.aham.com.my. ➤ Bank charges or other bank fees, if any, will be borne by you. |

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| | <p>Issuance of cheque, bank draft or money order should be made payable to “Affin Hwang Asset Management Berhad-CTA”, crossed and drawn on a local bank. You are to write your name, identity card number or business registration number at the back of the cheque, bank draft or money order.</p> <p>Bank charges or other bank fees, if any, will be borne by you.</p> | | | | | | | | | | | | | | | | | |
| 8.3 | <p>WHAT ARE THE MINIMUM INITIAL INVESTMENT, MINIMUM ADDITIONAL INVESTMENT, MINIMUM REPURCHASE AMOUNT AND MINIMUM HOLDING OF UNITS?</p> <table border="1" data-bbox="250 539 1016 742"> <tr> <td>Minimum Initial Investment</td> <td>MYR 1,000</td> </tr> <tr> <td>Minimum Additional Investment</td> <td>MYR 100</td> </tr> <tr> <td>Minimum Repurchase Amount</td> <td>Not applicable</td> </tr> <tr> <td>Minimum Holding of Units</td> <td>500 Units</td> </tr> </table> <p>➤ At our discretion, we may reduce the minimum initial investment amount, minimum additional investment amount and minimum holding of Units.</p> | Minimum Initial Investment | MYR 1,000 | Minimum Additional Investment | MYR 100 | Minimum Repurchase Amount | Not applicable | Minimum Holding of Units | 500 Units | <p>WHAT ARE THE MINIMUM INITIAL INVESTMENT, MINIMUM ADDITIONAL INVESTMENT, MINIMUM REPURCHASE AMOUNT AND MINIMUM HOLDING OF UNITS?</p> <table border="1" data-bbox="1173 539 2020 742"> <tr> <td>Minimum Initial Investment*</td> <td>MYR 1,000</td> </tr> <tr> <td>Minimum Additional Investment*</td> <td>MYR 100</td> </tr> <tr> <td>Minimum Repurchase Amount*</td> <td>Not applicable</td> </tr> <tr> <td>Minimum Holding of Units*</td> <td>500 Units</td> </tr> </table> <p><i><u>*At our discretion, we may reduce the transaction value and Units, including for transactions made via digital channels, subject to terms and conditions disclosed in the respective channels.</u></i></p> | Minimum Initial Investment* | MYR 1,000 | Minimum Additional Investment* | MYR 100 | Minimum Repurchase Amount* | Not applicable | Minimum Holding of Units* | 500 Units |
| Minimum Initial Investment | MYR 1,000 | | | | | | | | | | | | | | | | | |
| Minimum Additional Investment | MYR 100 | | | | | | | | | | | | | | | | | |
| Minimum Repurchase Amount | Not applicable | | | | | | | | | | | | | | | | | |
| Minimum Holding of Units | 500 Units | | | | | | | | | | | | | | | | | |
| Minimum Initial Investment* | MYR 1,000 | | | | | | | | | | | | | | | | | |
| Minimum Additional Investment* | MYR 100 | | | | | | | | | | | | | | | | | |
| Minimum Repurchase Amount* | Not applicable | | | | | | | | | | | | | | | | | |
| Minimum Holding of Units* | 500 Units | | | | | | | | | | | | | | | | | |
| 8.4 | <p>HOW TO REPURCHASE UNITS?</p> <p>➤ It is important to note that, you must meet the above minimum holding of Units after a repurchase transaction.</p> <p>If you insist on making a repurchase request knowing that after the transaction you will hold less than the minimum holdings of Units, you may be required to make an application to repurchase all your Units. At our discretion, we may reduce the minimum Units of repurchase.</p> <p>➤ You may submit the repurchase request by completing a transaction form and returning it to us between 8.45 a.m. to 3.30 p.m. on a Business Day.</p> <p>➤ In the transaction form, you may choose to receive the repurchase proceeds in a manner of cheque or bank transfer. If cheque is your option, we will issue the cheque in your name. If bank transfer is your option, proceeds will be transferred to your bank account. Where Units are held jointly, payment will be</p> | <p>➤ It is important to note that, you must meet the above minimum holding of Units after a repurchase transaction.</p> <p><u>If the balance of your investment (i.e. total number of Units) is less than the minimum holding of Units, we may withdraw all your holding of Units and pay the proceeds to you.</u></p> <p>➤ <u>We may, with the consent of the Trustee, reserve the right to defer your repurchase request if such transaction would adversely affect the Fund or the interest of the Unit Holders.</u></p> <p>➤ You may submit the repurchase request by completing a transaction form and returning it to us between 8.45 a.m. to 3.30 p.m. on a Business Day.</p> | | | | | | | | | | | | | | | | |

| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS |
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| | <p>made to the person whose name appears first in the register of Unit Holders.</p> <ul style="list-style-type: none"> ➤ Any incurred bank charges and other bank fees due to a withdrawal by of cheque, bank transfer or other special arrangement method will be borne by you. ➤ If you invest through the EMIS, we will remit the repurchase proceeds to EPF for crediting back into your EPF account. If you are above the age of fifty five (55) years old and invest through the EMIS, we will remit the repurchase proceeds to you directly. | <ul style="list-style-type: none"> ➤ <u>Payment of the repurchase proceeds will be made via bank transfer where proceeds will be transferred to your bank account.</u> Where Units are held jointly, payment will be made to the person whose name appears first in the register of Unit Holders. ➤ <u>Bank charges and other bank fees, if any, will be borne by you.</u> ➤ If you invest through the EMIS, we will remit the repurchase proceeds to EPF for <u>onward</u> crediting to your EPF account. If you are above the age of fifty five (55) and invest through the EMIS, we will remit the repurchase proceeds to you directly. |
| 8.5 | <p>WHAT IS THE PROCESS OF REPURCHASE APPLICATION?</p> <p>2nd bullet: -</p> <ul style="list-style-type: none"> ➤ Repurchase of Units must be made in terms of Units and not in terms of MYR value. | <ul style="list-style-type: none"> ➤ Repurchase of Units must be made in terms of Units <u>or value, provided it meets the minimum repurchase amount.</u> |
| 8.6 | <p>WHAT IS THE REPURCHASE PROCEEDS PAYOUT PERIOD?</p> <ul style="list-style-type: none"> ➤ You will be paid within ten (10) days from the day the repurchase request is received by us, provided that all documentations are completed and verifiable. | <ul style="list-style-type: none"> ➤ You will be paid within <u>seven (7) Business Days</u> from the day the repurchase request is received by us, provided that all documentations are completed and verifiable. |
| 8.7 | <p>COOLING PERIOD</p> <p>You have the right to apply for and receive a refund for every Unit that you have paid for within six (6) Business Days from the date we received your purchase application. You will be refunded for every Unit held based on the NAV per Unit and the Sales Charge, on the day those Units were first purchased and you will be refunded within ten (10) days from the receipt of the cooling-off application.</p> <p>Please note that the cooling-off right is applicable to you if you are an individual investor and investing in any of our funds for the first time. However, if you are a staff of AHAM or a person registered with a body approved by the SC to deal in unit trusts, you are not entitled to this right.</p> | <p>You have the right to apply for and receive a refund for every Unit that you have paid for within six (6) Business Days from the date we received your purchase application.</p> <p>You will be refunded for every Unit held based on the <u>prices mentioned below and the Sales Charge imposed on the day those Units were purchased.</u></p> <ul style="list-style-type: none"> ➤ <u>If the price of a Unit on the day the Units were first purchased (“original price”) is higher than the price of a Unit at the point of exercise of the cooling-off right (“market price”), you will be refunded based on the market price at the point of cooling-off; or</u> ➤ <u>If the market price is higher than the original price, you will be refunded based on the original price at the point of cooling-off.</u> <p><u>You will be refunded within seven (7) Business Days from our receipt of the cooling-off application.</u></p> |

| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS |
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| | | <p>Please note that the cooling-off right is applicable to you if you are an individual investor and investing in any of our funds for the first time. However, if you are a staff of AHAM or a person registered with a body approved by the SC to deal in unit trusts, you are not entitled to this right.</p> <p><u>We will process your cooling-off request if your request is received or deemed to have been received by us at or before 3.30 p.m. on a Business Day (or "T day"). Any cooling-off request received after 3.30 p.m. will be transacted on the next Business Day (or "T + 1 day").</u></p> <p><u>Processing is subject to receipt of a complete transaction form and such other documents as may be required by us.</u></p> |
| 8.8 | <p>SWITCHING FACILITY</p> <p>Switching facility enables you to switch into any of our funds (or its classes), provided that the fund (or its class) is denominated in MYR, and it is subject to the terms and conditions applicable for the respective funds. However, you must meet the minimum holding of 500 Units and the minimum investment amount of the fund (or its class) that you intend to switch into.</p> <p>The minimum amount per switch of the Fund is 1,000 Units (or such other amount as may be determined by us from time to time).</p> <p>You are also to note that we reserve the right to reject any switching requests that are regarded as disruptive to efficient portfolio management, or requests that we deem to be contrary to the best interest of the Fund and/or the existing Unit Holders.</p> <p><i>Switching from this Fund into other funds (or its classes) managed by us</i></p> <p>You must complete a switching transaction form and submit it to us at or before the cut-off time of 3.30 p.m. on a Business Day (or "T day") together with relevant supporting documents, if any. If we receive your switching request after 3.30p.m., we will process your request on the next Business Day.</p> <p>You should note that the pricing day of a fund (or its class) may not be of the same day as we receive your switching application. Please see below the pricing policy of</p> | <p>Switching facility enables you to switch into any of our funds (or its classes), provided that the fund (or its class) is denominated in MYR, and it is subject to the terms and conditions applicable for the respective funds. However, you must meet the minimum holding of 500 Units* and the minimum investment amount of the fund (or its class) that you intend to switch into.</p> <p>The minimum amount per switch of the Fund is 1,000 Units* (or such other amount as may be determined by us from time to time).</p> <p>You are also to note that we reserve the right to reject any switching requests that are regarded as disruptive to efficient portfolio management, or requests that we deem to be contrary to the best interest of the Fund and/or the existing Unit Holders.</p> <p><i>Switching from this Fund into other funds (or its classes) managed by us</i></p> <p>You must complete a switching transaction form and submit it to us at or before the cut-off time of 3.30 p.m. on a Business Day (or "T day") together with relevant supporting documents, if any. If we receive your switching request after 3.30 p.m., we will process your request on the next Business Day (or "T + 1 day").</p> <p>You should note that the pricing day of a fund (or its class) may not be <u>on</u> the same day as <u>when</u> we receive your switching application. Please see below the pricing policy of switching for all our funds:</p> |

| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| | <p>switching for all our funds:</p> <table border="1" data-bbox="181 252 1095 839"> <thead> <tr> <th rowspan="2">Switching Out Fund</th> <th rowspan="2">Switching In Fund</th> <th colspan="2">Pricing Day</th> </tr> <tr> <th>Switching Out Fund</th> <th>Switching In Fund</th> </tr> </thead> <tbody> <tr> <td>Money market fund</td> <td>Money market fund</td> <td rowspan="3">T Day</td> <td rowspan="3">T Day</td> </tr> <tr> <td>Money market fund</td> <td>Non-money market fund</td> </tr> <tr> <td>Non-money market fund</td> <td>Non-money market fund</td> </tr> <tr> <td>Money market fund</td> <td>Money market fund (which adopts historical pricing policy)</td> <td>T Day</td> <td>T + 1 Day</td> </tr> <tr> <td>Non-money market fund</td> <td>Money market fund</td> <td>T Day</td> <td>At the next valuation point, subject to clearance of payment and money received by the intended fund</td> </tr> </tbody> </table> <p>If you invest through the EMIS, you are allowed to switch to any other EPF approved funds managed by us (subject to the availability of units and terms of the intended fund to be switched into).</p> | Switching Out Fund | Switching In Fund | Pricing Day | | Switching Out Fund | Switching In Fund | Money market fund | Money market fund | T Day | T Day | Money market fund | Non-money market fund | Non-money market fund | Non-money market fund | Money market fund | Money market fund (which adopts historical pricing policy) | T Day | T + 1 Day | Non-money market fund | Money market fund | T Day | At the next valuation point, subject to clearance of payment and money received by the intended fund | <table border="1" data-bbox="1131 220 1812 726"> <thead> <tr> <th rowspan="2">Switching Out Fund</th> <th rowspan="2">Switching In Fund</th> <th colspan="2">Pricing Day</th> </tr> <tr> <th>Switching Out Fund</th> <th>Switching In Fund</th> </tr> </thead> <tbody> <tr> <td>Money market fund</td> <td>Non-money market fund</td> <td rowspan="2">T Day</td> <td rowspan="2">T Day</td> </tr> <tr> <td>Non-money market fund</td> <td>Non-money market fund</td> </tr> <tr> <td>Money market fund</td> <td>Money market fund</td> <td>T Day</td> <td>T + 1 Day</td> </tr> <tr> <td>Non-money market fund</td> <td>Money market fund</td> <td>T Day</td> <td>At the next valuation point, subject to clearance of payment and money received by the intended fund</td> </tr> </tbody> </table> <p>If you invest through the EMIS, you are allowed to switch to any other EPF approved funds managed by us (subject to the availability of units and terms of the intended fund to be switched into).</p> <p><u>* At our discretion, we may reduce the transaction of Units, including for transactions made via digital channels, subject to terms and conditions disclosed in the respective channels.</u></p> | Switching Out Fund | Switching In Fund | Pricing Day | | Switching Out Fund | Switching In Fund | Money market fund | Non-money market fund | T Day | T Day | Non-money market fund | Non-money market fund | Money market fund | Money market fund | T Day | T + 1 Day | Non-money market fund | Money market fund | T Day | At the next valuation point, subject to clearance of payment and money received by the intended fund |
| Switching Out Fund | Switching In Fund | | | Pricing Day | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Switching Out Fund | Switching In Fund | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Money market fund | Money market fund | T Day | T Day | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Money market fund | Non-money market fund | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Non-money market fund | Non-money market fund | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Money market fund | Money market fund (which adopts historical pricing policy) | T Day | T + 1 Day | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Non-money market fund | Money market fund | T Day | At the next valuation point, subject to clearance of payment and money received by the intended fund | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Switching Out Fund | Switching In Fund | Pricing Day | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Switching Out Fund | Switching In Fund | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Money market fund | Non-money market fund | T Day | T Day | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Non-money market fund | Non-money market fund | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Money market fund | Money market fund | T Day | T + 1 Day | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Non-money market fund | Money market fund | T Day | At the next valuation point, subject to clearance of payment and money received by the intended fund | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8.9 | <p>TRANSFER FACILITY</p> <p>You are permitted to transfer your ownership of investments in the Fund at any point in time by completing the transfer application form and returning it to us on any Business Day. The transfer must be made in terms of Units and not MYR value.</p> <p>The transfer facility is not applicable for EPF investors.</p> | <p>You are permitted to transfer your ownership of investments in the Fund at any point in time by completing the transfer application form and returning it to us on any Business Day. The transfer must be made in terms of Units and not MYR value. <u>There is no minimum amount of Units required to effect a transfer except that the transferor and transferee must hold the minimum holdings of Units to remain as a Unit Holder.</u></p> <p><u>It is important to note that we are at liberty to disregard or refuse to process the transfer application if the processing of such instruction will be in contravention of any law or regulatory requirements, whether or not having the force of law and/or would expose us to any liability.</u></p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| 8.10 | Nil. | <p>The transfer facility is not applicable for EPF investors.</p> <p>Inserted the following after “TRANSFER FACILITY”:</p> <p>SUSPENSION OF DEALING IN UNITS</p> <p>The Manager may, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the dealing in Units* due to exceptional circumstances, where there is good and sufficient reason to do so. The Manager will cease the suspension as soon as practicable after the exceptional circumstances have ceased, and in any event, within twenty-one (21) days from the commencement of suspension.</p> <p>The period of suspension may be extended if the Manager satisfies the Trustee that it is in the best interest of the Unit Holders for the dealing in Units to remain suspended, subject to a weekly review by the Trustee.</p> <p>The Trustee may suspend the dealings in Units, if the Trustee, on its own accord, considers that exceptional circumstances have been triggered. In such a case, the Trustee shall immediately call for a Unit Holders’ meeting to decide on the next course of action.</p> <p>*The action to impose suspension shall only be exercised as a last resort by the Manager, as disclosed in the section “Liquidity Risk Management”.</p> |
| 8.11 | <p>DISTRIBUTION POLICY</p> <p>The Fund endeavours to distribute income, if any, on an annual basis. However, the amount of income available for distribution may fluctuate from year to year.</p> <p>You may elect the mode of distribution in cash payment or additional Units by way of reinvestment by ticking the appropriate column in the application form. You may also inform us, at any time before the income distribution date of your wish of receiving cash payment or additional Units via reinvestment. All distribution will be automatically reinvested into additional Units in the Fund if you do not elect the mode of distribution in the application form.</p> <p>Any distribution payable which is less than or equal to the amount of MYR 300.00 will be automatically reinvested on your behalf.</p> | <p>The Fund endeavours to distribute income, if any, on an annual basis. However, the amount of income available for distribution may fluctuate from year to year.</p> <p>You may elect the mode of distribution in cash payment or additional Units by way of reinvestment by ticking the appropriate column in the application form. You may also inform us, at any time before the income distribution date of your wish of receiving cash payment or additional Units via reinvestment. All distribution will be automatically reinvested into additional Units in the Fund if you do not elect the mode of distribution in the application form.</p> <p>Any distribution payable which is less than or equal to the amount of MYR 300.00 will be automatically reinvested on your behalf.</p> |

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| | <p>For Unit Holders who invest through the EMIS, any income distributions paid will be considered as EPF savings and automatically reinvested in the form of additional Units for the Unit Holders.</p> <p><u>Cash Payment Process</u></p> <p>If you elect to receive income distribution by way of cash payment, you shall be paid via cheque or telegraphic transfer.</p> <p>For cheques option, you will receive the cheque by mail within seven (7) Business Days after the distribution date, which will be sent to the last known address recorded in the Fund's register of Unit Holders. Where Units are held jointly, the cheque shall be issued in the name of the principal Unit Holder. The principal Unit Holder is the one who is first named in the Fund's register of Unit Holders.</p> <p>For telegraphic transfer option, income will be transferred to your bank account within seven (7) Business Days after the distribution date.</p> <p><u>Reinvestment Process</u></p> <p>If you elect to reinvest the distribution in additional Units, we will create such Units based on the NAV per Unit of the Fund at the income payment date which is two (2) Business Days after the distribution date.</p> <p>There will not be any additional cost to Unit Holders for reinvestments in new additional Units i.e no Sales Charge will be imposed on such reinvestment.</p> | <p><u>Notwithstanding the above, we may also reinvest the distribution proceed which remain unclaimed after twelve (12) months from the date of payment, provided that you still have an account with us.</u></p> <p>For Unit Holders who invest through the EMIS, any income distributions paid will be considered as EPF savings and automatically reinvested in the form of additional Units for the Unit Holders.</p> <p><u>Cash Payment Process</u></p> <p><u>Income distribution by way of cash payment will be paid via telegraphic transfer. Income will be transferred to your bank account within seven (7) Business Days after the distribution date.</u></p> <p><u>Reinvestment Process</u></p> <p>If you elect to reinvest the distribution in additional Units, we will create such Units based on the NAV per Unit at the income payment date which is <u>within two (2) Business Days</u> after the distribution date.</p> <p>There will not be any cost to Unit Holders for reinvestments in new additional Units i.e. no Sales Charge will be imposed on such reinvestment.</p> |
| 8.12 | <p>UNCLAIMED MONEYS</p> <p>Any monies payable to you which remain unclaimed after twelve (12) months from the date of payment will be paid to the Registrar of Unclaimed Monies by the Manager in accordance with the requirements of the Unclaimed Monies Act, 1965.</p> | <p>Any monies payable to you which remain unclaimed after twelve (12) months from the date of payment will be <u>dealt as follows:-</u></p> <p>a) <u>we may reinvest unclaimed distribution proceeds provided that you still have an account with us; or</u></p> <p>b) <u>we will pay</u> to the Registrar of Unclaimed Monies in accordance with the requirements of the Unclaimed Monies Act, 1965.</p> |
| 9. | FEES, CHARGES AND EXPENSES | |
| 9.1 | 2 nd paragraph: - You should be aware that all fees, charges and expenses referred to or quoted in the | You should be aware that all fees, charges and expenses referred to or quoted in the |

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| | Prospectus (including any supplemental prospectus) and the Deed (including any supplemental deed) are referred to or quoted as being exclusive of GST. We (including the Trustee and other service providers) will charge GST at the rate of 6% on the fees, charges and expenses in accordance with the Goods and Services Tax Act 2014. | Prospectus (including any supplemental prospectus) and the Deed (including any supplemental deed) are referred to or quoted as being exclusive of <u>any applicable tax</u> . We (including the Trustee and other service providers) will charge <u>any other applicable taxes</u> on the fees, charges and expenses in accordance with <u>any other relevant or applicable laws</u> . | | | | | | |
| 9.2 | <p>CHARGES</p> <p>SALES CHARGE</p> <p>A Sales Charge will be imposed on the purchase of Units of the Fund. The Sales Charge will be a percentage of the NAV per Unit of the Fund. The maximum Sales Charge that the distribution channels will impose is as stated below:</p> <table border="1" data-bbox="174 635 857 959"> <thead> <tr> <th data-bbox="174 635 555 783">Distributors</th> <th data-bbox="555 635 857 783">Maximum Sales Charge as a percentage of the NAV per Unit of the Fund*</th> </tr> </thead> <tbody> <tr> <td data-bbox="174 783 555 831">IUTA</td> <td data-bbox="555 783 857 831" rowspan="3">5.50%</td> </tr> <tr> <td data-bbox="174 831 555 911">Internal distribution channel of the Manager</td> </tr> <tr> <td data-bbox="174 911 555 959">Unit trust consultants</td> </tr> </tbody> </table> <p><i>* Investors may negotiate for a lower charge.</i></p> <p>The Sales Charge for investors purchasing Units through the EMIS shall be limited to a maximum charge of 3% of the NAV per Unit or as determined by the EPF.</p> <p>Note: All Sales Charges will be rounded up to two (2) decimal places.</p> | Distributors | Maximum Sales Charge as a percentage of the NAV per Unit of the Fund* | IUTA | 5.50% | Internal distribution channel of the Manager | Unit trust consultants | <p><u>Up to 5.50% of the NAV per Unit *</u></p> <p><i>* Investors may negotiate for a lower charge.</i></p> <p>The Sales Charge for investors purchasing Units through the EMIS shall be limited to a maximum charge of 3% of the NAV per Unit or as determined by the EPF.</p> <p>Note: All Sales Charges will be rounded up to two (2) decimal places.</p> |
| Distributors | Maximum Sales Charge as a percentage of the NAV per Unit of the Fund* | | | | | | | |
| IUTA | 5.50% | | | | | | | |
| Internal distribution channel of the Manager | | | | | | | | |
| Unit trust consultants | | | | | | | | |
| 9.3 | <p>CHARGES</p> <p>TRANSFER FEE</p> <p>A MYR 5.00 transfer fee will be levied for each transfer of Units.</p> | <p><u>There will be no transfer fee imposed on the transfer facility.</u></p> | | | | | | |
| 9.4 | <p>CHARGES</p> <p>SWITCHING FEE</p> | | | | | | | |

| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS |
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| | There will be no switching fee levied on any switching transactions. | <u>The Manager does not impose any switching fee. However, if the amount of sales charge of the fund (or class) that the Unit Holder intends to switch into is higher than the sales charge imposed by the fund (or class) being switched from, then the difference in the sales charge between the two (2) funds (or classes) shall be borne by the Unit Holder.</u> |
| 9.5 | ANNUAL MANAGEMENT FEE 1 st paragraph: - The annual management fee is up to 1.50% per annum of the NAV of the Fund. This fee is calculated and accrued daily and payable monthly to the Manager. | The annual management fee is up to 1.50% per annum of the NAV of the Fund <u>(before deducting the management fee and trustee fee)</u> . This <u>management</u> fee is calculated and accrued daily and payable monthly to the Manager. |
| 9.6 | TRUSTEE FEE 1 st paragraph: - The annual trustee fee is up to 0.07% per annum of the NAV of the Fund, subject to a minimum of MYR 18,000 per annum (excluding foreign custodian fees and charges). In addition to the trustee fee which includes the transaction fee i.e. the fee incurred for handling purchase/sale of local investments, the Trustee may be reimbursed by the Fund for any expenses properly incurred by it in the performance of its duties and responsibilities. | <u>ANNUAL TRUSTEE FEE</u> The annual trustee fee <u>(including local custodian fee but excluding foreign sub-custodian fee, if any)</u> is up to 0.07% per annum of the NAV of the Fund, subject to a minimum of MYR 18,000 per annum <u>(before deducting the management fee and trustee fee)</u> . In addition to the trustee fee, the Trustee may be reimbursed by the Fund for any expenses properly incurred by it in the performance of its duties and responsibilities. |
| 9.7 | ADMINISTRATIVE FEES Only fees and expenses that are directly related and necessary to the business of the Fund may be charged to the Fund. These include the following:- <ul style="list-style-type: none"> • Commissions/fees paid to brokers/dealers in affecting dealings in the investments of the Fund; • Charges/fees paid to sub-custodian; • Tax and other duties charged on the Fund by the government and other authorities; • The fee and other expenses properly incurred by the auditor appointed for the Fund; • Fees for the valuation of any investments of the Fund by independent valuers; • Costs incurred for the modification of the Deed of the Fund other than those for the benefit of the Manager or Trustee; • Cost incurred for any meeting of the Unit Holders other those convened by, or for the benefit of, the Manager or Trustee; and | Only fees and expenses that are directly related and necessary to the business of the Fund may be charged to the Fund. These include the following:- <ul style="list-style-type: none"> • Commissions/fees paid to brokers/dealers in affecting dealings in the investments of the Fund; • Charges/fees paid to sub-custodian; • Taxes and other duties charged on the Fund by the government and other authorities; • <u>Cost</u>, fees and expenses properly incurred by the auditor appointed for the Fund; • Costs incurred for the modification of the Deed of the Fund other than those for the benefit of the Manager or Trustee; • Cost incurred for any meeting of the Unit Holders other those convened by, or for the benefit of, the Manager or Trustee; • <u>Cost, fees, and expenses incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent; and</u> |

| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS |
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| | <ul style="list-style-type: none"> • Other fees/expenses permitted in the Deed. <p>Expenses related to the issuance of this Prospectus will be borne by the Manager.</p> | <ul style="list-style-type: none"> • Other fees/expenses permitted in the Deed. <p>Expenses related to the issuance of this Prospectus will be borne by the Manager.</p> |
| 9.8 | <p>GOODS AND SERVICES TAX</p> <p>The Royal Malaysian Customs Department has announced the implementation of GST with effect from 1 April 2015 onwards pursuant to the Goods and Services Tax Act 2014. Collective investment schemes are generally exempted from GST. However, some fees, charges and expenses of the Fund are subject to GST which includes:</p> <ul style="list-style-type: none"> ➤ Sales Charge; ➤ Repurchase Charge (if any); ➤ Switching fee; ➤ Transfer fee; ➤ Management fee; ➤ Trustee fee; and ➤ Any other expenses of the Fund that may be subject to GST. | Deleted. |
| 9.9 | <p>REBATES AND SOFT COMMISSIONS</p> <p>We or any of our delegates thereof will not retain any rebate or soft commission from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission should be directed to the account of the Fund.</p> <p>The soft commission can be retained by us or our delegates provided that:-</p> <ul style="list-style-type: none"> ➤ the goods and services are of demonstrable benefit to the Unit Holder in the form of research and advisory services that assist in the decision-making process relating to Unit Holders' investments; and ➤ any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund | <p>We or any of our delegates will not retain any rebate or soft commission from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission will be directed to the account of the Fund.</p> <p>The soft commissions can be retained by us or our delegates provided that:-</p> <ul style="list-style-type: none"> ➤ <u>the soft commissions bring direct benefit or advantage to the management of the Fund and may include research and advisory related services;</u> ➤ any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund; <u>and</u> ➤ <u>the availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and we or our delegates will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.</u> |

| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|---|----------------|--|------------|-------------|----------------|------------------|--------------|-------------------|----------------|-------------------|------------|--|----------------|----------------------------------|----------|-------------------------------|--------|-------------------------|----------------|---|--------|--|-------|------------------------|----------------|---|----------------------|----------------|--|------------|-------------|----------------|------------------|--------------|-------------------|----------------|-------------------|------------|--|----------------|----------------------------------|----------|-------------------------------|--------|------------|----------------|----------------------|--------|
| 9.10 | All fees and charges payable by you are subject to all applicable taxes (including but not limited to goods and services taxes) and/or duties as may be imposed by the government and/or the relevant authorities from time to time. | <u>All fees and charges payable by you are subject to all applicable taxes and/or duties as may be imposed by the government and/or the relevant authorities from time to time.</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10. | PRICING | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10.1 | <p>COMPUTATION OF NAV AND NAV PER UNIT</p> <p>3rd paragraph: - Illustration on computation of NAV and NAV per Unit for a particular day:-</p> <table border="1" data-bbox="181 579 853 1393"> <tbody> <tr> <td>Units in Circulation</td> <td>300,000,000.00</td> </tr> <tr> <td></td> <td style="text-align: right;">MYR</td> </tr> <tr> <td>Investments</td> <td>195,000,000.00</td> </tr> <tr> <td>Add other assets</td> <td>5,700,000.00</td> </tr> <tr> <td>Gross asset value</td> <td>200,700,000.00</td> </tr> <tr> <td>Less: Liabilities</td> <td>700,000.00</td> </tr> <tr> <td>NAV (before deduction of management fee and trustee fee for the day)</td> <td>200,000,000.00</td> </tr> <tr> <td>Less: Management fee for the day</td> <td>8,219.18</td> </tr> <tr> <td>Less: Trustee fee for the day</td> <td>383.56</td> </tr> <tr> <td>NAV (before GST)</td> <td>199,991,397.26</td> </tr> <tr> <td>Less: GST of 6% on the management fee for the day</td> <td>493.15</td> </tr> <tr> <td>Less: GST of 6% on the trustee fee for the day</td> <td>23.01</td> </tr> <tr> <td>NAV (after GST)</td> <td>199,990,881.10</td> </tr> </tbody> </table> | Units in Circulation | 300,000,000.00 | | MYR | Investments | 195,000,000.00 | Add other assets | 5,700,000.00 | Gross asset value | 200,700,000.00 | Less: Liabilities | 700,000.00 | NAV (before deduction of management fee and trustee fee for the day) | 200,000,000.00 | Less: Management fee for the day | 8,219.18 | Less: Trustee fee for the day | 383.56 | NAV (before GST) | 199,991,397.26 | Less: GST of 6% on the management fee for the day | 493.15 | Less: GST of 6% on the trustee fee for the day | 23.01 | NAV (after GST) | 199,990,881.10 | <p>Illustration on computation of NAV and NAV per Unit for a particular day:-</p> <table border="1" data-bbox="1131 579 1803 1233"> <tbody> <tr> <td>Units in Circulation</td> <td>300,000,000.00</td> </tr> <tr> <td></td> <td style="text-align: right;">MYR</td> </tr> <tr> <td>Investments</td> <td>195,000,000.00</td> </tr> <tr> <td>Add other assets</td> <td>5,700,000.00</td> </tr> <tr> <td>Gross asset value</td> <td>200,700,000.00</td> </tr> <tr> <td>Less: Liabilities</td> <td>700,000.00</td> </tr> <tr> <td>NAV (before deduction of management fee and trustee fee for the day)</td> <td>200,000,000.00</td> </tr> <tr> <td>Less: Management fee for the day</td> <td>8,219.18</td> </tr> <tr> <td>Less: Trustee fee for the day</td> <td>383.56</td> </tr> <tr> <td>NAV</td> <td>199,991,397.26</td> </tr> <tr> <td>NAV per Unit*</td> <td>0.6666</td> </tr> </tbody> </table> <p>* NAV per Unit is derived from <u>the division of NAV by the Units in Circulation</u></p> <p>The rounding policy is four (4) decimal points for the purposes of publication of the NAV per Unit. However, the rounding policy will not apply when calculating the Sales Charge and Repurchase Charge (where applicable).</p> | Units in Circulation | 300,000,000.00 | | MYR | Investments | 195,000,000.00 | Add other assets | 5,700,000.00 | Gross asset value | 200,700,000.00 | Less: Liabilities | 700,000.00 | NAV (before deduction of management fee and trustee fee for the day) | 200,000,000.00 | Less: Management fee for the day | 8,219.18 | Less: Trustee fee for the day | 383.56 | NAV | 199,991,397.26 | NAV per Unit* | 0.6666 |
| Units in Circulation | 300,000,000.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | MYR | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Investments | 195,000,000.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Add other assets | 5,700,000.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Gross asset value | 200,700,000.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Less: Liabilities | 700,000.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NAV (before deduction of management fee and trustee fee for the day) | 200,000,000.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Less: Management fee for the day | 8,219.18 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Less: Trustee fee for the day | 383.56 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NAV (before GST) | 199,991,397.26 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Less: GST of 6% on the management fee for the day | 493.15 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Less: GST of 6% on the trustee fee for the day | 23.01 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NAV (after GST) | 199,990,881.10 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Units in Circulation | 300,000,000.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | MYR | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Investments | 195,000,000.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Add other assets | 5,700,000.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Gross asset value | 200,700,000.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Less: Liabilities | 700,000.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NAV (before deduction of management fee and trustee fee for the day) | 200,000,000.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Less: Management fee for the day | 8,219.18 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Less: Trustee fee for the day | 383.56 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NAV | 199,991,397.26 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NAV per Unit* | 0.6666 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS | | | | | | | | |
|---------------------------|---|---|---------------|---|-------------------|---------------|------------------------|----------|---------------------------|--|
| | <table border="1" data-bbox="181 225 853 284"> <tr> <td>NAV per Unit*</td> <td>0.6666</td> </tr> </table> <p>For the purpose of the illustration above, the computation of NAV and NAV per Unit are based on the assumption that the expenses are inclusive of GST.</p> <p>* NAV per Unit is derived from the following formula:- $\frac{\text{NAV (after GST)}}{\text{Units in Circulation}}$</p> <p>The rounding policy is four (4) decimal points for the purposes of publication of the NAV per Unit. However, the rounding policy will not apply when calculating the Sales Charge and Repurchase Charge (where applicable).</p> | NAV per Unit* | 0.6666 | | | | | | | |
| NAV per Unit* | 0.6666 | | | | | | | | | |
| 10.2 | <p>INCORRECT PRICING</p> <p>2nd paragraph: - The Trustee will not consider an incorrect valuation and/or pricing of the Fund and/or the Units to be of minimal significance if the error involves a discrepancy of 0.5% or more of the NAV per Unit unless the total impact on your account is less than MYR 10.00 or its foreign currency equivalent, if applicable. An incorrect valuation and/or pricing not considered to be of minimal significance by the Trustee will result in reimbursement of moneys in the following manner:</p> | <p>The Trustee will not consider an incorrect valuation and/or pricing of the Fund and/or the Units to be of minimal significance if the error involves a discrepancy of 0.5% or more of the NAV per Unit unless the total impact on your account is less than MYR 10.00. An incorrect valuation and/or pricing not considered to be of minimal significance by the Trustee will result in reimbursement of moneys in the following manner:</p> | | | | | | | | |
| 10.3 | <p>COMPUTATION OF SELLING PRICE AND REPURCHASE PRICE</p> <p>1st paragraph: - The Selling Price and the Repurchase Price are equivalent to the NAV per Unit. Any applicable Sales Charge and Repurchase Charge are payable separately from the Selling Price and Repurchase Price.</p> <p>4th paragraph onwards: - Calculation of Selling Price Units will be sold at the NAV per Unit of the Fund. Any Sales Charge payable by the Unit Holder would be calculated as a percentage of the NAV per Unit of the Fund.</p> <p>For illustration purposes, let's assume the following:</p> <table border="1" data-bbox="181 1374 853 1412"> <tr> <td>Investment Amount</td> <td>MYR 10,000.00</td> </tr> </table> | Investment Amount | MYR 10,000.00 | <p><u>Under a single pricing regime, the Selling Price and the Repurchase Price are equivalent to the NAV per Unit. Any applicable Sales Charge and Repurchase Charge are payable separately from the Selling Price and Repurchase Price.</u></p> <p>Calculation of Selling Price For illustration purposes, let's assume the following:</p> <table border="1" data-bbox="1128 1283 1800 1412"> <tr> <td>Investment Amount</td> <td>MYR 10,000.00</td> </tr> <tr> <td>Selling Price per Unit</td> <td>MYR 0.50</td> </tr> <tr> <td>Number Of Units Received*</td> <td>MYR 10,000.00 ÷ MYR 0.50 = 20,000 Units</td> </tr> </table> | Investment Amount | MYR 10,000.00 | Selling Price per Unit | MYR 0.50 | Number Of Units Received* | MYR 10,000.00 ÷ MYR 0.50 = 20,000 Units |
| Investment Amount | MYR 10,000.00 | | | | | | | | | |
| Investment Amount | MYR 10,000.00 | | | | | | | | | |
| Selling Price per Unit | MYR 0.50 | | | | | | | | | |
| Number Of Units Received* | MYR 10,000.00 ÷ MYR 0.50 = 20,000 Units | | | | | | | | | |

| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--------------------------------------|--|-------------------------------|----------|---------------------------|---|--------------|-------|---------------------------------|--|--------------|-----------------------|-----------------------------------|---|-------------------|--------------|------------------|----------|---------------------|---|---|--------------|-------|---------------------------------|---|----------------------------------|---|-------------------|--------------|---------------------------|----------|--------------------|--|-------------------|-------|--------------------------------------|-------------------------------------|--------------------------------------|---|
| | <table border="1"> <tr> <td>Selling Price per Unit</td> <td>MYR 0.50</td> </tr> <tr> <td>Number Of Units Received*</td> <td>MYR 10,000 ÷ MYR 0.50 = 20,000 Units</td> </tr> <tr> <td>Sales Charge</td> <td>5.50%</td> </tr> <tr> <td>Sales Charge Paid By Investor**</td> <td>5.50% x MYR 0.50 x 20,000 Units = MYR 550</td> </tr> <tr> <td>GST of 6%***</td> <td>MYR 550 x 6% = MYR 33</td> </tr> <tr> <td>Total Amount Paid By Investor****</td> <td>MYR 10,000 + MYR 550 + MYR 33 = MYR 10,583</td> </tr> </table> <div style="border: 1px solid black; border-radius: 15px; padding: 10px; margin-top: 10px;"> <p>Formula for calculating:-</p> <p>* Number of Units received = $\frac{\text{Amount invested}}{\text{Selling Price}}$</p> <p>** Sales Charge paid by Investor = Sales Charge x Selling Price per Unit x Number of Units received</p> <p>*** GST of 6% = Sales Charge paid by investor x 6%</p> <p>**** Total amount paid by Investor = Amount invested + Sales Charge paid by investor + GST</p> </div> <p style="margin-top: 20px;">Calculation of Repurchase Price The Repurchase Price is the NAV per Unit of the Fund. Any Repurchase Charge payable by the Unit Holder would be calculated as a percentage of the Repurchase Price of the Fund.</p> <p>For illustration purposes, let's assume the following:</p> <table border="1" style="width: 100%; margin-top: 10px;"> <tr> <td>Units Repurchased</td> <td>20,000 Units</td> </tr> <tr> <td>Repurchase Price</td> <td>MYR 0.50</td> </tr> <tr> <td>Repurchased Amount^</td> <td>20,000 Units x MYR 0.50 = MYR 10,000</td> </tr> </table> | Selling Price per Unit | MYR 0.50 | Number Of Units Received* | MYR 10,000 ÷ MYR 0.50 = 20,000 Units | Sales Charge | 5.50% | Sales Charge Paid By Investor** | 5.50% x MYR 0.50 x 20,000 Units = MYR 550 | GST of 6%*** | MYR 550 x 6% = MYR 33 | Total Amount Paid By Investor**** | MYR 10,000 + MYR 550 + MYR 33 = MYR 10,583 | Units Repurchased | 20,000 Units | Repurchase Price | MYR 0.50 | Repurchased Amount^ | 20,000 Units x MYR 0.50 = MYR 10,000 | <table border="1"> <tr> <td>Sales Charge</td> <td>5.50%</td> </tr> <tr> <td>Sales Charge Paid By Investor**</td> <td>5.50% x MYR 0.50 x 20,000 Units = MYR 550.00</td> </tr> <tr> <td>Total Amount Paid By Investor***</td> <td>MYR 10,000.00 + MYR 550.00 = MYR 10,550.00</td> </tr> </table> <div style="border: 1px solid black; border-radius: 15px; padding: 10px; margin-top: 10px;"> <p>Formula for calculating:-</p> <p>* Number of Units received = $\frac{\text{Investment amount}}{\text{Selling Price per Unit}}$</p> <p>** Sales Charge paid by investor = Sales Charge x Selling Price per Unit x Number of Units received</p> <p>*** Total amount paid by investor = $\frac{\text{Investment amount}}{\text{Selling Price per Unit}} + \text{Sales Charge paid by investor}$</p> </div> <p style="margin-top: 20px;">Calculation of Repurchase Price For illustration purposes, let's assume the following:</p> <table border="1" style="width: 100%; margin-top: 10px;"> <tr> <td>Units Repurchased</td> <td>20,000 Units</td> </tr> <tr> <td>Repurchase Price per Unit</td> <td>MYR 0.50</td> </tr> <tr> <td>Repurchase Amount^</td> <td>20,000 Units x MYR 0.50 = MYR 10,000.00</td> </tr> <tr> <td>Repurchase Charge</td> <td>0.00%</td> </tr> <tr> <td>Repurchase Charge Paid By Investor^^</td> <td>0.00% x MYR 10,000.00 = MYR 0.00</td> </tr> <tr> <td>Total Amount Received By Investor^^^</td> <td>MYR 10,000.00 - MYR 0.00 = MYR 10,000.00</td> </tr> </table> | Sales Charge | 5.50% | Sales Charge Paid By Investor** | 5.50% x MYR 0.50 x 20,000 Units = MYR 550.00 | Total Amount Paid By Investor*** | MYR 10,000.00 + MYR 550.00 = MYR 10,550.00 | Units Repurchased | 20,000 Units | Repurchase Price per Unit | MYR 0.50 | Repurchase Amount^ | 20,000 Units x MYR 0.50 = MYR 10,000.00 | Repurchase Charge | 0.00% | Repurchase Charge Paid By Investor^^ | 0.00% x MYR 10,000.00 = MYR 0.00 | Total Amount Received By Investor^^^ | MYR 10,000.00 - MYR 0.00 = MYR 10,000.00 |
| Selling Price per Unit | MYR 0.50 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Number Of Units Received* | MYR 10,000 ÷ MYR 0.50 = 20,000 Units | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sales Charge | 5.50% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sales Charge Paid By Investor** | 5.50% x MYR 0.50 x 20,000 Units = MYR 550 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| GST of 6%*** | MYR 550 x 6% = MYR 33 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Amount Paid By Investor**** | MYR 10,000 + MYR 550 + MYR 33 = MYR 10,583 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Units Repurchased | 20,000 Units | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Repurchase Price | MYR 0.50 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Repurchased Amount^ | 20,000 Units x MYR 0.50 = MYR 10,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sales Charge | 5.50% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sales Charge Paid By Investor** | 5.50% x MYR 0.50 x 20,000 Units = MYR 550.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Amount Paid By Investor*** | MYR 10,000.00 + MYR 550.00 = MYR 10,550.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Units Repurchased | 20,000 Units | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Repurchase Price per Unit | MYR 0.50 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Repurchase Amount^ | 20,000 Units x MYR 0.50 = MYR 10,000.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Repurchase Charge | 0.00% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Repurchase Charge Paid By Investor^^ | 0.00% x MYR 10,000.00 = MYR 0.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Amount Received By Investor^^^ | MYR 10,000.00 - MYR 0.00 = MYR 10,000.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS | | | | | | | | |
|---|--|--|-------|--|----------------------------------|--------------------------|-------------------------|---|--|---|
| | <table border="1" data-bbox="174 220 853 464"> <tr> <td>Repurchase Charge</td> <td>0.00%</td> </tr> <tr> <td>Repurchase Charge Paid By Investor^{^^}</td> <td>0.00% x MYR 10,000 = MYR 0.00</td> </tr> <tr> <td>GST of 6%^{^^^}</td> <td>RM 0.00 x 6% - MYR 0.00</td> </tr> <tr> <td>Total Amount Received By investor^{^^^^}</td> <td>MYR 10,000 + MYR 0.00 + MYR 0.00 = MYR 10,000</td> </tr> </table> <div data-bbox="174 475 853 799" style="border: 1px solid black; border-radius: 15px; padding: 10px; margin-top: 10px;"> <p>Formula for calculating:-</p> <p>[^] Repurchase amount = Unit repurchased x Repurchase Price</p> <p>^{^^} Repurchase Charge paid by investor = Repurchase Charge x Repurchase amount</p> <p>^{^^^} GST of 6% = Repurchase Charge paid by investor x 6%</p> <p>^{^^^^} Total amount received by investor = Repurchased amount + Repurchase Charge paid by investor + GST</p> </div> | Repurchase Charge | 0.00% | Repurchase Charge Paid By Investor ^{^^} | 0.00% x MYR 10,000 = MYR 0.00 | GST of 6% ^{^^^} | RM 0.00 x 6% - MYR 0.00 | Total Amount Received By investor ^{^^^^} | MYR 10,000 + MYR 0.00 + MYR 0.00 = MYR 10,000 | <div data-bbox="1122 225 1809 512" style="border: 1px solid black; border-radius: 15px; padding: 10px; margin-top: 10px;"> <p>Formula for calculating:-</p> <p>[^] Repurchase amount = Unit repurchased x Repurchase Price <u>per Unit</u></p> <p>^{^^} Repurchase Charge paid by investor = Repurchase Charge x Repurchase Amount</p> <p>^{^^^} Total amount received by investor = Repurchase Amount - Repurchase Charge paid by investor</p> </div> |
| Repurchase Charge | 0.00% | | | | | | | | | |
| Repurchase Charge Paid By Investor ^{^^} | 0.00% x MYR 10,000 = MYR 0.00 | | | | | | | | | |
| GST of 6% ^{^^^} | RM 0.00 x 6% - MYR 0.00 | | | | | | | | | |
| Total Amount Received By investor ^{^^^^} | MYR 10,000 + MYR 0.00 + MYR 0.00 = MYR 10,000 | | | | | | | | | |
| 11. | SALIENT TERMS OF THE DEED | | | | | | | | | |
| 11.1 | <p>Rights and Liabilities of Unit Holders</p> <p>Rights of Unit Holders</p> <p>A Unit Holder has the right, among others, to the followings:</p> <p>(a) To receive the distribution of income, participate in any increase in the value of the Units and to other such rights and privileges as set out under the Deed for the Fund;</p> <p>(b) To call for Unit Holders' meetings, and to vote for the removal of the Trustee or the Manager through a Special Resolution;</p> <p>(c) To exercise the cooling-off right (if applicable); and</p> | <p>A Unit Holder has the right, among others, to the followings:</p> <p>(a) To receive the distribution of income, participate in any increase in the value of the Units and to <u>enjoy such</u> other rights and privileges as set out under the Deed;</p> <p>(b) To call for Unit Holders' meetings, and to vote for the removal of the Trustee or the Manager through a Special Resolution;</p> <p>(c) To exercise the cooling-off right (if applicable); and</p> <p>(d) To receive annual and <u>semi-annual</u> reports.</p> | | | | | | | | |

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| | <p>(d) To receive annual and interim reports.</p> <p>However, a Unit Holder would not have the right to require the transfer to the Unit Holder of any of the investments of the Fund. Neither would a Unit Holder have the right to interfere with or question the exercise by the Trustee or the Manager on his behalf, of the rights of the Trustee as trustee of the investments of the Fund.</p> | <p>However, a Unit Holder would not have the right to require the transfer to the Unit Holder of any of the investments of the Fund. Neither would a Unit Holder have the right to interfere with or question the exercise by the Trustee or the Manager on <u>its</u> behalf, of the rights of the Trustee <u>as the registered owner</u> of the investments of the Fund.</p> |
| 11.2 | <p>Provisions regarding Unit Holders Meetings</p> <p>Quorum Required for Convening a Unit Holders Meeting</p> <p>The quorum required for a meeting of the Unit Holders shall be five (5) Unit Holders, whether present in person or by proxy, provided that if the Fund has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders of the Fund shall be two (2) Unit Holders, whether present in person or by proxy; if the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty five per centum (25%) of the Units in circulation at the time of the meeting.</p> | <p>(a) The quorum required for a meeting of the Unit Holders, shall be five (5) Unit Holders, whether present in person or by proxy; however, if the Fund has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders of the Fund shall be two (2) Unit Holders, whether present in person or by proxy.</p> <p>(b) If the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty-five per centum (25%) of the Units in Circulation at the time of the meeting.</p> <p>(c) <u>If the Fund has only one (1) remaining Unit Holder, such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders.</u></p> |
| 11.3 | <p>Provisions regarding Unit Holders Meetings</p> <p>Unit Holders meeting convened by Unit Holders</p> <p>Unless otherwise required or allowed by the relevant laws, the Manager shall, within twenty-one (21) days of receiving a direction from not less than fifty (50) or one-tenth (1/10) of all the Unit Holders, whichever is less, summon a meeting of the Unit Holders by:</p> <p>(a) sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders;</p> <p>(b) publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities; and</p> <p>(c) specifying in the notice the place and time of the meeting and the terms of the</p> | <p>Unless otherwise required or allowed by the <u>SC's requirements</u> or relevant laws, the Manager shall, within twenty-one (21) days of receiving a direction from not less than fifty (50) or one-tenth (1/10), <u>whichever is less</u>, of all the Unit Holders, whichever is less, summon a meeting of the Unit Holders by:</p> <p>(a) sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders, <u>at the Unit Holder's last known address or, in the case of jointholders, to the jointholder whose name stands first in the records of the Manager at the jointholder's last known address;</u></p> <p>(b) publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language</p> |

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| | <p>resolutions to be proposed at the meeting.</p> <p>The Unit Holders may apply to the Manager to summon a meeting for any purpose including, without limitation, for the purpose of:</p> <p>(a) requiring the retirement or removal of the Manager; (b) requiring the retirement or removal of the Trustee; (c) considering the most recent financial statements of the Fund; or (d) giving to the Trustee such directions as the meeting thinks proper;</p> <p>provided always that the Manager shall not be obliged to summon such a meeting unless application has been received from not less than fifty (50) or one-tenth (1/10) of all the Unit Holders, whichever is the lesser number.</p> | <p>newspaper published daily and another newspaper approved by the relevant authorities; and</p> <p>(c) specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting.</p> <p>The Unit Holders may apply to the Manager to summon a meeting for any purpose including, without limitation, for the purpose of:</p> <p>(a) requiring the retirement or removal of the Manager; (b) requiring the retirement or removal of the Trustee; (c) considering the most recent financial statements of the Fund; (d) giving to the Trustee such directions as the meeting thinks proper; <u>or</u> (e) <u>considering any matter in relation to the Deed,</u></p> <p>provided always that the Manager shall not be obliged to summon such a meeting unless application has been received from not less than fifty (50) or one-tenth (1/10) of all the Unit Holders, whichever is the lesser number.</p> |
| 11.4 | <p>Termination of the Fund</p> <p>Circumstances that may lead to the termination of the Fund The Fund may be terminated or wound up as provided for under the Deed as follows:-</p> <p>(a) the Manager may wind up the Fund by way of a Special Resolution; and (b) a Special Resolution is passed at a Unit Holders’ meeting to terminate or wind up the Fund, following occurrence of events stipulated in the Deed.</p> <p>Procedure for the Termination of the Fund Upon the termination of the Fund, the Trustee shall:</p> <p>(a) sell all the assets of the Fund then remaining in its hands and pay out of the Fund any liabilities of the Fund; such sale and payment shall be carried out and completed in such manner and within such period as the Trustee considers to be in the best interests of the Unit Holders; and (b) from time to time distribute to the Unit Holders, in proportion to the number of Units held by them respectively:</p> | <p>Circumstances that may lead to the termination of the Fund The Fund may be terminated or wound up as provided for under the Deed as follows:-</p> <p>(a) the Manager may wind up the Fund by way of a Special Resolution; and (b) a Special Resolution is passed at a Unit Holders’ meeting to terminate or wind up the Fund, following occurrence of events stipulated in the Deed.</p> <p><u>Notwithstanding the aforesaid, the Manager may, in consultation with the Trustee, terminate the Fund without having to obtain the prior approval of the Unit Holders upon the occurrence of any of the following events:</u></p> <p>(a) <u>if any new law shall be passed which renders it illegal; or</u> (b) <u>if in the reasonable opinion of the Manager it is impracticable or inadvisable to continue the Fund and the termination of the Fund is in the best interests of the Unit Holders.</u></p> <p><u>If the Fund is left with no Unit Holder, the Manager shall also be entitled to terminate the Fund.</u></p> <p>Procedure for the Termination of the Fund</p> |

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| | <p>(1) the net cash proceeds available for the purpose of such distribution and derived from the sale of the investments and assets of the Fund less any payments for liabilities of the Fund; and</p> <p>(2) any available cash produce;</p> <p>provided always that the Trustee shall not be bound, except in the case of final distribution, to distribute any of the moneys for the time being in his hands the amount of which is insufficient for payment to the Unit Holders of MYR 0.50 (fifty cent) in respect of each Unit and provided also that the Trustee shall be entitled to retain out of any such moneys in his hands full provision for all costs, charges, taxes, expenses, claims and demands incurred, made or anticipated by the Trustee in connection with or arising out of the winding-up of the Fund and, out of the moneys so retained, to be indemnified against any such costs, charges, taxes, expenses, claims and demands; each such distribution shall be made only against the production of such evidence as the Trustee may require of the title of the Unit Holder relating to the Units in respect of which the distribution is made.</p> <p>In the event of the Fund is terminated, the Trustee shall be at liberty to call upon the Manager to grant the Trustee, and the Manager shall so grant, a full and complete release from the Deed and the Manager shall indemnify the Trustee against any claims arising out of the Trustee's execution of the Deed provided always that such claims have not been caused by any failure on the part of the Trustee to exercise the degree of care and diligence required of a trustee as contemplated by the Deed and all relevant laws.</p> <p>The Trustee shall, as soon as it becomes aware that Fund is to be terminated and wound-up, inform the relevant authorities of the same.</p> <p>Where the termination of the Fund and the winding-up of the Fund have been occasioned by any of the events set out herein;</p> <p>(a) if the Manager has gone into liquidation, except for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee and the relevant authorities;</p> <p>(b) if, in the opinion of the Trustee, the Manager has ceased to carry on business; or</p> <p>(c) if, in the opinion of the Trustee, the Manager has to the prejudice of Unit</p> | <p>Upon the termination of the Fund, the Trustee shall:</p> <p>(a) sell all the assets of the Fund then remaining in its hands and pay out of the Fund any liabilities of the Fund; such sale and payment shall be carried out and completed in such manner and within such period as the Trustee considers to be in the best interests of the Unit Holders; and</p> <p>(b) from time to time distribute to the Unit Holders, in proportion to the number of Units held by them respectively:</p> <p>(1) the net cash proceeds available for the purpose of such distribution and derived from the sale of the investments and assets of the Fund less any payments for liabilities of the Fund; and</p> <p>(2) any available cash produce,</p> <p>provided always that the Trustee shall not be bound, except in the case of final distribution, to distribute any of the moneys for the time being in his hands the amount of which is insufficient for payment to the Unit Holders of MYR 0.50 (fifty cent) in respect of each Unit and provided also that the Trustee shall be entitled to retain out of any such moneys in his hands full provision for all costs, charges, taxes, expenses, claims and demands incurred, made or anticipated by the Trustee in connection with or arising out of the winding-up of the Fund and, out of the moneys so retained, to be indemnified against any such costs, charges, taxes, expenses, claims and demands; each such distribution shall be made only against the production of such evidence as the Trustee may require of the title of the Unit Holder relating to the Units in respect of which the distribution is made.</p> <p>In the event of the Fund being terminated:</p> <p>(a) the Trustee shall be at liberty to call upon the Manager to grant the Trustee, and the Manager shall so grant, a full and complete release from the Deed;</p> <p>(b) the Manager shall indemnify the Trustee against any claims arising out of the Trustee's execution of the Deed provided always that such claims have not been caused by any failure on the part of the Trustee to exercise the degree of care and diligence required of a trustee as contemplated by the Deed, <u>the Act, the Guidelines</u> and all relevant laws;</p> <p>(c) <u>the Manager and the Trustee shall notify the relevant authorities in such manner as may be prescribed by any relevant law; and</u></p> <p>(d) <u>the Manager or the Trustee shall notify the Unit Holders in such manner as may be prescribed by any relevant law.</u></p> |

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| | <p>Holders failed to comply with the provisions of the Deed or contravened any of the provisions of any relevant law;</p> <p>the Trustee shall summon for a Unit Holders meeting to get directions from the Unit Holders and also arrange for a final review and audit of the final accounts of the Fund by the auditor of the Fund; in all other cases of termination of the trust and winding-up of the Fund, such final review and audit by the auditor of the Fund shall be arranged by the Manager.</p> | <p>Where the termination of the Fund and the winding-up of the Fund have been occasioned by any of the events set out herein:</p> <p>(a) if the Manager has gone into liquidation, except for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee and the relevant authorities;</p> <p>(b) if, in the opinion of the Trustee, the Manager has ceased to carry on business; or</p> <p>(c) if, in the opinion of the Trustee, the Manager has to the prejudice of Unit Holders failed to comply with the provisions of the Deed or contravened any of the provisions of any relevant law,</p> <p>the Trustee shall summon for a Unit Holders meeting to get directions from the Unit Holders and also arrange for a final review and audit of the final accounts of the Fund by the auditor of the Fund; in all other cases of termination of the trust and winding-up of the Fund, such final review and audit by the auditor of the Fund shall be arranged by the Manager.</p> |
| 11.5 | <p>Fees And Charges</p> <p>Increase Of Fees And Charges Stated In The Prospectus</p> <p>Sales Charge</p> <p>A higher Sales Charge than that disclosed in this Prospectus may only be imposed if:-</p> <p>(a) the Manager has notified the Trustee in writing of the higher charge and the effective date for the higher charge;</p> <p>(b) a supplementary/replacement Prospectus setting out the higher charge is issued; and</p> <p>(c) such time as may be prescribed by any relevant law has elapsed since the effective date of the supplementary/replacement Prospectus.</p> <p>Repurchase Charge</p> <p>A higher Repurchase Charge than that disclosed in this Prospectus may only be imposed if:-</p> | <p>Increase Of Fees And Charges Stated In The Prospectus</p> <p>Sales Charge</p> <p>A higher Sales Charge than that disclosed in this Prospectus may only be imposed if:-</p> <p>(a) the Manager has notified the Trustee in writing of the higher charge and the effective date for the higher charge;</p> <p>(b) a <u>supplemental/replacement prospectus in respect of the Fund</u> setting out the higher charge is <u>registered, lodged and</u> issued; and</p> <p>(c) such time as may be prescribed by any relevant law has elapsed since the effective date of the <u>supplemental/replacement prospectus</u>.</p> <p>Repurchase Charge</p> <p>A higher Repurchase Charge than that disclosed in this Prospectus may only be imposed if:-</p> |

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| | <p>(a) the Manager has notified the Trustee in writing of the higher charge and the effective date of the charge;</p> <p>(b) a supplementary/ replacement Prospectus setting out the higher charge is issued; and</p> <p>(c) such time as may be prescribed by any relevant law has elapsed since the effective date of the supplementary/ replacement Prospectus.</p> <p>Annual Management Fee</p> <p>The Manager may not charge an annual management fee at a rate higher than that disclosed in this Prospectus unless:</p> <p>(a) the Manager has come to an agreement with the Trustee on the higher rate;</p> <p>(b) the Manager has notified the Trustee and the Unit Holders in writing of the higher rate and the date on which such higher rate is to become effective;</p> <p>(c) a supplementary/ replacement prospectus stating the higher rate is issued thereafter; and</p> <p>(d) such time as may be prescribed by any relevant law shall have elapsed since the supplementary/ replacement prospectus is issued.</p> <p>Annual Trustee Fee</p> <p>The Trustee may not charge an annual trustee fee at a rate higher than that disclosed in this Prospectus unless:</p> <p>(a) the Manager has come to an agreement with the Trustee on the higher rate;</p> <p>(b) the Manager has notified the Trustee and the Unit Holders in writing of the higher rate and the date on which such higher rate is to become effective;</p> <p>(c) a supplementary/ replacement prospectus stating the higher rate is issued thereafter; and</p> <p>(d) such time as may be prescribed by any relevant law shall have elapsed since the supplementary/ replacement prospectus is issued.</p> | <p>(a) the Manager has notified the Trustee in writing of the higher charge and the effective date <u>for the higher</u> charge;</p> <p>(b) a <u>supplemental/</u> replacement <u>prospectus in respect of the Fund</u> setting out the higher charge is <u>registered, lodged and</u> issued; and</p> <p>(c) such time as may be prescribed by any relevant law has elapsed since the effective date of the <u>supplemental/</u> replacement <u>prospectus</u>.</p> <p>Annual Management Fee</p> <p>The Manager may not charge an annual management fee at a rate higher than that disclosed in this Prospectus unless:</p> <p>(a) the Manager has come to an agreement with the Trustee on the higher rate;</p> <p>(b) the Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective; <u>such time as may be prescribed by any relevant law shall have elapsed since the notice is sent;</u></p> <p>(c) a <u>supplemental/</u> replacement prospectus stating the higher rate is <u>registered, lodged and</u> issued; and</p> <p>(d) such time as may be prescribed by <u>the SC's requirements</u> shall have elapsed since the <u>date of the supplemental/</u> replacement prospectus.</p> <p>Annual Trustee Fee</p> <p>The Trustee may not charge an annual trustee fee at a rate higher than that disclosed in this Prospectus unless:</p> <p>(a) the Manager has come to an agreement with the Trustee on the higher rate;</p> <p>(b) the Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective; <u>such time as may be prescribed by any relevant law shall have elapsed since the notice is sent;</u></p> <p>(c) a <u>supplemental/</u> replacement prospectus stating the higher rate is <u>registered, lodged and</u> issued; and</p> <p>(d) such time as may be prescribed by any relevant law shall have elapsed since the <u>date of the supplemental/</u> replacement prospectus.</p> |

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| 11.6 | <p>Other Expenses Permitted under the Deed</p> <p>Only the expenses (or part thereof) which is directly related and necessary to the business of the Fund may be charged to the Fund. These would include (but are not limited to) the following:</p> <ul style="list-style-type: none"> (a) commissions or fees paid to brokers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes; (b) taxes and other duties charged on the Fund by the government and/or other authorities; (c) costs, fees and expenses properly incurred by the auditor appointed for the Fund; (d) costs, fees and expenses incurred for the valuation of any investment of the Fund by independent valuers for the benefit of the Fund; (e) costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee; (f) costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee; (g) costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund; (h) costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund; (i) costs, fees and expenses incurred in engaging any valuer, adviser or contractor for the benefit of the Fund; (j) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund; (k) costs, fees and expenses incurred in the termination of the Fund or the removal of the Trustee or the Manager and the appointment of a new trustee or management company; (l) costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund); (m) remuneration and out of pocket expenses of the independent members of the investment committee of the Fund, unless the Manager decides otherwise; | <p>Only the expenses (or part thereof) which is directly related and necessary to the business of the Fund may be charged to the Fund. These would include (but are not limited to) the following:</p> <ul style="list-style-type: none"> (a) commissions or fees paid to brokers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes; (b) taxes and other duties charged on the Fund by the government and/or other authorities; (c) costs, fees and expenses properly incurred by the auditor appointed for the Fund; (d) costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee; (e) costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee; (f) costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund; (g) costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund; (h) costs, fees and expenses incurred in engaging any valuer, adviser or contractor for the benefit of the Fund; (i) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund; (j) costs, fees and expenses incurred in the termination of the Fund or the removal of the Trustee or the Manager and the appointment of a new trustee or management company; (k) costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund); (l) remuneration and out of pocket expenses of the <u>person(s) or members of a committee undertaking the oversight function</u> of the Fund, unless the Manager decides otherwise; (m) costs, fees and expenses deemed by the Manager to have been incurred in |

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| | <p>and (n) costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority.</p> | <p>connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority; <u>and</u> (n) <u>costs, fees and expenses incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent.</u></p> |
| 12. | THE MANAGER | |
| 12.1 | <p>ABOUT AHAM</p> <p>AHAM was incorporated in Malaysia on 2 May 1997 under the Companies Act 1965 and began its operations under the name Hwang–DBS Capital Berhad in 2001. In early 2014, AHAM was acquired by the Affin Banking Group (“Affin”) and hence, is now supported by a home-grown financial services conglomerate. Affin has over 39 years of experience in the financial industry which focuses on commercial, Islamic and investment banking services, money broking, fund management and underwriting of life and general insurance business. Meanwhile, AHAM has 15 years’ experience in the fund management industry. Additionally, AHAM is also 30% owned by Nikko Asset Management International Limited, a wholly-owned subsidiary of Tokyo-based Nikko Asset Management Co., Ltd., an Asian investment management franchise.</p> <p>AHAM distributes its funds through the following various channels:</p> <ul style="list-style-type: none"> ➤ In-house/internal sales team; ➤ IUTA (Institutional Unit Trust Advisers) & CUTA (Corporate Unit Trust Advisers); and ➤ Unit trust consultants. <p>AHAM’s head office is located in Kuala Lumpur and has a total of 8 main sales offices located in Peninsular and East Malaysia. The sales offices are in Penang, Ipoh, Johor Bharu, Melaka, Selangor, Kuching, Miri and Kota Kinabalu.</p> | <p>AHAM was incorporated in Malaysia on 2 May 1997 and began its operations under the name Hwang–DBS Capital Berhad in 2001. <u>AHAM has more than 20 years’ experience in the fund management industry. In late 2022, AHAM’s ultimate major shareholder is CVC Capital Partners Asia Fund V, a private equity fund managed by CVC Capital Partners (“CVC”), which has approximately 68.35% controlling interest in AHAM. CVC is a global private equity and investment advisory firm with approximately USD125 billion of assets under its management.</u> AHAM is also <u>27%</u> owned by Nikko Asset Management International Limited, a wholly-owned subsidiary of Tokyo-based Nikko Asset Management Co. Ltd., an Asian investment management franchise.</p> <p>AHAM distributes its funds through the following various channels:</p> <ul style="list-style-type: none"> ➤ In-house/internal sales team; ➤ IUTA & CUTA (Corporate Unit Trust <u>Scheme</u> Advisers); and ➤ Unit trust consultants. <p>AHAM’s head office is located in Kuala Lumpur and has a total of <u>7</u> main sales offices located in Peninsular and East Malaysia. The sales offices are in Penang, Ipoh, Johor Bahru, Melaka, Kuching, Miri and Kota Kinabalu.</p> |
| 12.2 | <p>Board of Directors</p> <p>Tan Sri Dato’ Seri Che Lodin bin Wok Kamaruddin (Non-independent Director) Datuk Maimoonah Binti Mohamed Hussain (Non-independent Director) YBhg Mej Jen Dato’ Hj Latip bin Ismail (Independent Director) Mr Teng Chee Wai (Non-independent Director)</p> | Deleted. |

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| | Mr David Jonathan Semaya (Non-independent Director) Encik Abd Malik bin A Rahman (Independent Director) | |
| 12.3 | <p>DESIGNATED FUND MANAGER</p> <p>Mr Gan Eng Peng - Head of Equity Strategies & Advisory Mr Gan Eng Peng joined AHAM in April 2008 as Head of Equities, bringing with him more than 20 years of experience in regional and local equities investment, corporate finance and business management. His high-conviction, bottom-up approach to stock picking that emphasizes competitive business models with quality management combined with the need for yearly income generation has gained a strong industry following. He is known for his clear, concise articulation of his investment ideas. He is the portfolio manager for AHAM’s world-class, 5-star (Morningstar*) Affin Hwang Select Asia Quantum Fund, a small-cap Asian equity strategy, as well as AHAM’s first flagship fund, the Affin Hwang Select Opportunity Fund. His current role as Head of Equity Strategies & Advisory is to devote his time to finding new ideas, in addition to maintaining portfolio management responsibilities. Prior to joining AHAM, Mr Gan was the Head of Equities of Investments at Pacific Mutual Fund Berhad where he led an experienced fund management team. Mr Gan had overall responsibility for all their funds across the board. His role involved being responsible for all equity fund performance, research initiatives and providing marketing support. Mr Gan graduated with a Bachelor of Science (Industrial and Business Economics) from the London School of Economics, England.</p> | Deleted. |
| 12.4 | <p>INVESTMENT COMMITTEE</p> <p>The investment committee (“Committee”) formulates, establishes and implements investment strategies and policies. The Committee will continually review and monitor the success of these strategies and policies using predetermined benchmarks towards achieving a proper performance for the Fund. The Committee will also ensure investment guidelines and regulations are complied with. The Committee meets at least once every quarterly or more should the need arise.</p> | Deleted. |
| 12.5 | <p>MATERIAL LITIGATION</p> <p>As at LPD, AHAM is not engaged in any material litigation and arbitration, including those pending or threatened, and AHAM is not aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of AHAM.</p> | Deleted. |

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| 12.6 | For further information on AHAM, the investment committee and/or AHAM's delegate, you may obtain the details from our website at www.affinhwangam.com.my . | For further information on AHAM <u>including material litigation (if any)</u> , the Board, the <u>designated fund manager of the Fund</u> and/or AHAM's delegate, you may obtain the details from our website at www.aham.com.my . |
| 13. | THE TRUSTEE | |
| 13.1 | HSBC (MALAYSIA) TRUSTEE BERHAD The Trustee is a company incorporated in Malaysia since 1937 and registered as a trust company under the Trust Companies Act 1949, with its registered address at 13 th Floor, Bangunan HSBC, South Tower, No 2, Leboh Ampang, 50100 Kuala Lumpur. | The Trustee is a company incorporated in Malaysia since 1937 and <u>is</u> registered as a trust company under the Trust Companies Act 1949, with its registered address at <u>Level 19, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange</u> , Kuala Lumpur. |
| 13.2 | Duties and Responsibilities of the Trustee The Trustee's main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit Holders of the Fund. In performing these functions, the Trustee has to exercise all due care, diligence and vigilance and is required to act in accordance with the provisions of the Deed, Capital Markets and Services Act 2007 and the Guidelines. Apart from being the legal owner of the Fund's assets, the Trustee is also responsible for ensuring that AHAM performs its duties and obligations in accordance with the provisions of the Deed, Capital Markets and Services Act 2007 and the Guidelines. In respect of monies paid by an investor for the application of units, the Trustee's responsibility arises when the monies are received in the relevant account of the Trustee for the Fund and in respect of repurchase request, the Trustee's responsibility is discharged once it has paid the repurchase amount to AHAM. | The Trustee's main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit Holders. In performing these functions, the Trustee has to exercise all due care, diligence and vigilance and is required to act in accordance with the provisions of the Deed, <u>the</u> Act and the Guidelines. Apart from being the legal owner of the Fund's assets, the Trustee is also responsible for ensuring that AHAM performs its duties and obligations in accordance with the provisions of the Deed, <u>the</u> Act and the Guidelines. In respect of monies paid by an investor for the application of <u>Units</u> , the Trustee's responsibility arises when the monies are received in the relevant account of the Trustee for the Fund and in respect of repurchase request, the Trustee's responsibility is discharged once it has paid the repurchase amount to AHAM. <u>The Trustee is not liable for the acts, omissions or failure of any third party depository including central securities depositories or clearing and/or settlement systems in any circumstances. Subject to any local regulations, the Trustee and/or its related group of companies may deal with each other, the Fund or any Unit Holder or enter into any contract or transaction with each other, the Fund or any Unit Holder or retain for its own benefit any profits or benefits derived from any such contract or transaction or act in the same or similar capacity in relation to any other scheme.</u> |
| 13.3 | Trustee's Disclosure of Material Litigation As at LPD, the Trustee is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give | As at LPD, the Trustee is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise |

| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS |
|------|--|--|
| | rise to any proceedings which might materially affect the business/financial position of the Trustee and any of its delegates. | to any proceedings which might materially affect the business/financial position of the Trustee. |
| 13.4 | <p>Trustee's Delegate</p> <p>The Trustee has appointed the Hongkong and Shanghai Banking Corporation Ltd as the custodian of both the local and foreign assets of the Fund. For quoted and unquoted local investments of the Fund, the assets are held through their nominee company, HSBC Nominees (Tempatan) Sdn Bhd. The Hongkong and Shanghai Banking Corporation Ltd is a wholly owned subsidiary of HSBC Holdings Plc, the holding company of the HSBC Group. The custodian's comprehensive custody and clearing services cover traditional settlement processing and safekeeping as well as corporate related services including cash and security reporting, income collection and corporate events processing. All investments are registered in the name of the Trustee or to the order of the Trustee. The custodian acts only in accordance with instructions from the Trustee.</p> <p>The Trustee shall be responsible for the acts and omissions of its delegate as though they were its own acts and omissions.</p> <p>However, the Trustee is not liable for the acts, omissions or failure of third party depository such as central securities depositories, or clearing and/or settlement systems and/or authorised depository institutions, where the law or regulation of the relevant jurisdiction requires the Trustee to deal or hold any asset of the Fund through such third parties.</p> <p>Particulars of the Trustee's Delegate</p> <p>For foreign asset: The Hongkong And Shanghai Banking Corporation Limited 6/F, Tower 1, HSBC Centre, 1 Sham Mong Road, Hong Kong. Telephone No: (852) 2288 6111</p> <p>For local asset: The Hongkong And Shanghai Banking Corporation Limited (As Custodian) and assets held through HSBC Nominees (Tempatan) Sdn Bhd (Co. No. 258854-D) No 2 Leboh Ampang, 50100 Kuala Lumpur</p> | <p>The Trustee has appointed the Hongkong and Shanghai Banking Corporation Ltd as custodian of both the local and foreign assets of the Fund. For quoted and unquoted local investments of the Fund, the assets are held through HSBC Nominees (Tempatan) Sdn Bhd <u>and/or HSBC Bank Malaysia Berhad</u>. The Hongkong and Shanghai Banking Corporation Ltd is a wholly owned subsidiary of HSBC Holdings Plc, the holding company of the HSBC Group. The custodian's comprehensive custody and clearing services cover traditional settlement processing and safekeeping as well as corporate related services including cash and security reporting, income collection and corporate events processing. All investments are registered in the name of the Trustee or to the order of the Trustee. The custodian acts only in accordance with instructions from the Trustee.</p> <p>The Trustee shall be responsible for the acts and omissions of its delegate as though they were its own acts and omissions.</p> <p>However, the Trustee is not liable for the acts, omissions or failure of <u>any</u> third party depository such as central securities depositories, or clearing and/or settlement systems and/or authorised depository institutions, where the law or regulation of the relevant jurisdiction requires the Trustee to deal or hold any asset of the Fund through such third parties.</p> <p>Particulars of the Trustee's Delegate</p> <p>For foreign asset: The Hongkong And Shanghai Banking Corporation Limited 6/F, Tower 1, HSBC Centre, 1 Sham Mong Road, Hong Kong. Telephone No: (852)2288 <u>1111</u></p> <p>For local asset: (i) The Hongkong And Shanghai Banking Corporation Limited (As Custodian) and assets held through HSBC Nominees (Tempatan) Sdn Bhd <u>Level 21, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur</u></p> |

| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS |
|------|---|---|
| | Telephone No: (603) 2075 3000 Fax No: (603) 2179 6488 | Telephone No: (603) 2075 3000 Fax No: (603) <u>8894 2588</u> (ii) <u>The Hongkong And Shanghai Banking Corporation Limited (As Custodian) and assets held through HSBC Bank Malaysia Berhad Level 21, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur Telephone No: (603) 2075 3000 Fax No: (603) 8894 2588</u> |
| 13.5 | <p>Policy on Dealing with Related-Party Transactions/Conflict of Interest</p> <p>As Trustee for the Fund, there may be related party transaction involving or in connection with the Fund in the following events:-</p> <ol style="list-style-type: none"> 1) Where the Fund invests in instruments offered by the related party of the Trustee (e.g placement of monies, structured products, etc); 2) Where the Fund is being distributed by the related party of the Trustee as Institutional Unit Trust Adviser (IUTA); 3) Where the assets of the Fund are being custodised by the related party of the Trustee both as sub-custodian and/or global custodian of the Fund (Trustee's delegate); and 4) Where the Fund obtains financing as permitted under the Guidelines from the related party of the Trustee. <p>The Trustee has in place policies and procedures to deal with conflict of interest, if any. The Trustee will not make improper use of its position as the owner of the Fund's assets to gain, directly or indirectly, any advantage or cause detriment to the interests of Unit Holders. Any related party transaction is to be made on terms which are best available to the Fund and which are not less favourable to the Fund than an arms-length transaction between independent parties.</p> <p>Subject to the above and any local regulations, the Trustee and/or its related group of companies may deal with each other, the Fund or any Unit Holder or enter into any contract or transaction with each other, the Fund or any Unit Holder or retain for its own benefit any profits or benefits derived from any such contract or transaction or act in the same or similar capacity in relation to any other scheme.</p> | <p>As <u>trustee</u> for the Fund, there may be related party transaction involving or in connection with the Fund in the following events:-</p> <ol style="list-style-type: none"> 1) Where the Fund invests in instruments offered by the related party of the Trustee (e.g placement of monies, <u>transferable securities or money market instruments</u>, etc); 2) Where the Fund is being distributed by the related party of the Trustee as <u>IUTA</u>; 3) Where the assets of the Fund are being custodised by the related party of the Trustee both as sub-custodian and/or global custodian of the Fund (Trustee's delegate); and 4) Where the Fund obtains financing as permitted under the Guidelines from the related party of the Trustee. <p>The Trustee has in place policies and procedures to deal with conflict of interest <u>situation</u>. The Trustee will not make improper use of its position as the owner of the Fund's assets to gain, directly or indirectly, any advantage or cause detriment to the interests of Unit Holders. Any related party transaction is to be made on terms which are best available to the Fund and which are not less favourable to the Fund than an arms-length transaction between independent parties.</p> <p>Subject to the above and any local regulations, the Trustee and/or its related group of companies may deal with each other, the Fund or any Unit Holder or enter into any contract or transaction with each other, the Fund or any Unit Holder or retain for its own benefit any profits or benefits derived from any such contract or transaction or act in the same or similar capacity in relation to any other scheme.</p> |
| 14. | RELATED PARTIES TRANSACTION AND CONFLICT OF INTEREST | |

| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS | | | | | | | | |
|---|---|---|--|-----------------------|------------------------|------|--|---|--|--|
| 14.1 | <p>Save for the transaction disclosed below, as at LPD the Manager is not aware of any existing and/or proposed related party transactions or conflict of interest situations or other subsisting contracts of arrangements involving the Fund.</p> <p>Related Party Transactions</p> <table border="1" data-bbox="165 411 860 687"> <thead> <tr> <th data-bbox="165 411 331 539">Name of Party Involved in the Transaction</th> <th data-bbox="331 411 501 539">Nature of Transaction</th> <th data-bbox="501 411 674 539">Name of Related Party</th> <th data-bbox="674 411 860 539">Nature of Relationship</th> </tr> </thead> <tbody> <tr> <td data-bbox="165 539 331 687">AHAM</td> <td data-bbox="331 539 501 687">Placement of deposit, money market instruments and derivatives</td> <td data-bbox="501 539 674 687">Affin Hwang Investment Bank Berhad (Affin Hwang IB)</td> <td data-bbox="674 539 860 687">Affin Hwang IB holds 70% equity interest in the Manager.</td> </tr> </tbody> </table> <p>Conflict of Interest The auditors, tax advisers and solicitors have confirmed that they do not have any existing or potential conflict of interest with AHAM and/or the Fund.</p> <p>Cross trades AHAM may conduct cross trades between funds it is currently managing provided that all criteria imposed by the regulators are met. Notwithstanding the above, cross trades between the personal account of an employee of AHAM and the Fund's account(s) and between AHAM's proprietary trading accounts and the Fund's account(s) are strictly prohibited. Compliance with the criteria are monitored by the Compliance Unit of the Manager, and reported to the AHAM's compliance & risk oversight committee, to avoid conflict of interests and manipulation that could have a negative impact on investors.</p> | Name of Party Involved in the Transaction | Nature of Transaction | Name of Related Party | Nature of Relationship | AHAM | Placement of deposit, money market instruments and derivatives | Affin Hwang Investment Bank Berhad (Affin Hwang IB) | Affin Hwang IB holds 70% equity interest in the Manager. | <p><u>As at LPD</u>, the Manager is not aware of any existing and/or proposed related party transactions or <u>potential</u> conflict of interest situations or other subsisting contracts of arrangements involving the Fund.</p> <p>The tax advisers and solicitors have confirmed that they do not have any existing or potential conflict of interest with AHAM and/or the Fund.</p> |
| Name of Party Involved in the Transaction | Nature of Transaction | Name of Related Party | Nature of Relationship | | | | | | | |
| AHAM | Placement of deposit, money market instruments and derivatives | Affin Hwang Investment Bank Berhad (Affin Hwang IB) | Affin Hwang IB holds 70% equity interest in the Manager. | | | | | | | |
| 15. | RELEVANT INFORMATION | | | | | | | | | |
| 15.1 | <p>ANTI-MONEY LAUNDERING POLICIES AND PROCEDURES</p> <p>1st paragraph: - Pursuant to the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ("AMLATFPUAA") and SC's Guidelines on Prevention of Money Laundering and Terrorism Financing for Capital Market Intermediaries, it is our responsibility to prevent AHAM from being used for money laundering and</p> | <p>Pursuant to the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ("AMLATFPUAA") and SC's Guidelines on Prevention of Money Laundering and Terrorism Financing for <u>Reporting Institutions in the Capital</u></p> | | | | | | | | |

| NO. | (A) PROSPECTUS | (B) REPLACEMENT PROSPECTUS | | | | | | | | | | | | |
|---|---|---|---|--|---|--|--|----------------|---|--|--|---|--|--|
| | terrorism financing activities. To this end, we have established an Anti-Money Laundering/Counter-Financing of Terrorism Framework (AML/CFT Framework) and put in place anti-money laundering process and procedures to combat such activities. This includes a robust due diligence process and procedures for client on-boarding (such as know-your-client procedures and customer due diligence) as well as ongoing monitoring of clients transactions to detect any suspicious transactions. | Market, it is our responsibility to prevent AHAM from being used for money laundering and terrorism financing activities. To this end, we have established an Anti-Money Laundering/Counter-Financing of Terrorism Framework (AML/CFT Framework) and put in place anti-money laundering process and procedures to combat such activities. This includes a robust due diligence process and procedures for client on-boarding (such as know-your-client procedures and customer due diligence) as well as ongoing monitoring of clients transactions to detect any suspicious transactions. | | | | | | | | | | | | |
| 16. | CONSENTS | | | | | | | | | | | | | |
| 16.1 | Nil. | <p>Inserted the following after “RELEVANT INFORMATION”:</p> <p>CONSENTS</p> <ul style="list-style-type: none"> ➤ The Trustee has given its consent to the inclusion of its name in the form and context in which such name appears in this Prospectus and has not subsequently withdrawn such consent before the issuance of this Prospectus; and ➤ The tax adviser has given its consent to the inclusion of its name and the tax adviser’s letter in the form and context in which such name and tax adviser’s letter appear in this Prospectus and has not subsequently withdrawn such consent before the issuance of this Prospectus. | | | | | | | | | | | | |
| 17. | <p>DIRECTORY OF SALES OFFICE</p> <p>AFFIN HWANG ASSET MANAGEMENT BERHAD:</p> <table border="1" data-bbox="159 1034 860 1426"> <tr> <td data-bbox="159 1034 495 1426"> HEAD OFFICE Ground Floor, Menara Boustead 69 Jalan Raja Chulan 50200 Kuala Lumpur Tel : 03 – 2116 6000 Fax : 03 – 2116 6100 Toll Free No : 1-800-88-7080 Email: customer@affinhwangam.com Website: www.affinhwangam.com </td> <td data-bbox="495 1034 680 1426"> PERAK 13A Persiaran Greentown 7 Greentown Business Centre 30450 Ipoh, Perak Tel: 05 - 241 0668 Fax: 05 – 255 9696 </td> <td data-bbox="680 1034 860 1426"> SABAH Lot No. B-2-09, 2nd Floor Block B, Warisan Square Jalan Tun Fuad Stephens 88000 Kota Kinabalu, Sabah Tel : 088 - 252 881 Fax : 088 - 288 803 </td> </tr> <tr> <td data-bbox="159 1321 495 1426"> SELANGOR A-7-G Jaya One No. 72A, Jalan Universiti 46200, Petaling Jaya, Selangor </td> <td data-bbox="495 1321 680 1426"> JOHOR 1st Floor, No. 93, Jalan Molek 1/29 </td> <td data-bbox="680 1321 860 1426"> SARAWAK </td> </tr> </table> <p>AHAM ASSET MANAGEMENT BERHAD (FORMERLY KNOWN AS AFFIN HWANG ASSET MANAGEMENT BERHAD):</p> <table border="1" data-bbox="1108 1066 1816 1426"> <tr> <td data-bbox="1108 1066 1397 1426"> HEAD OFFICE Ground Floor, Menara Boustead 69 Jalan Raja Chulan 50200 Kuala Lumpur Tel: 03 – 2116 6000 Fax: 03 – 2116 6100 Toll Free No: 1-800-88-7080 Email: customer@aham.com.my Website: www.aham.com.my </td> <td data-bbox="1397 1066 1592 1426"> JOHOR Unit 22-05, Level 22 Menara Landmark No. 12, Jalan Ngee Heng 80000 Johor Bahru Johor Tel: 07 – 227 8999 Fax: 07 – 223 8998 </td> <td data-bbox="1592 1066 1816 1426"> SARAWAK Ground Floor, No. 69 Block 10, Jalan Laksamana Cheng Ho 93200 Kuching, Sarawak Tel: 082 – 233 320 Fax: 082 – 233 663 </td> </tr> <tr> <td data-bbox="1108 1385 1397 1426"> PENANG B-16-2, Lorong Bayan Indah 3 </td> <td data-bbox="1397 1353 1592 1426"> MELAKA Ground Floor No. 584 Jalan </td> <td data-bbox="1592 1305 1816 1426"> 1st Floor, Lot 1291 Jalan Melayu, MCLD 98000 Miri, Sarawak Tel: 085 - 418 403 Fax: 085 – 418 372 </td> </tr> </table> | | HEAD OFFICE Ground Floor, Menara Boustead 69 Jalan Raja Chulan 50200 Kuala Lumpur Tel : 03 – 2116 6000 Fax : 03 – 2116 6100 Toll Free No : 1-800-88-7080 Email: customer@affinhwangam.com Website: www.affinhwangam.com | PERAK 13A Persiaran Greentown 7 Greentown Business Centre 30450 Ipoh, Perak Tel: 05 - 241 0668 Fax: 05 – 255 9696 | SABAH Lot No. B-2-09, 2 nd Floor Block B, Warisan Square Jalan Tun Fuad Stephens 88000 Kota Kinabalu, Sabah Tel : 088 - 252 881 Fax : 088 - 288 803 | SELANGOR A-7-G Jaya One No. 72A, Jalan Universiti 46200, Petaling Jaya, Selangor | JOHOR 1 st Floor, No. 93, Jalan Molek 1/29 | SARAWAK | HEAD OFFICE Ground Floor, Menara Boustead 69 Jalan Raja Chulan 50200 Kuala Lumpur Tel: 03 – 2116 6000 Fax: 03 – 2116 6100 Toll Free No: 1-800-88-7080 Email: customer@aham.com.my Website: www.aham.com.my | JOHOR Unit 22-05, Level 22 Menara Landmark No. 12, Jalan Ngee Heng 80000 Johor Bahru Johor Tel: 07 – 227 8999 Fax: 07 – 223 8998 | SARAWAK Ground Floor, No. 69 Block 10, Jalan Laksamana Cheng Ho 93200 Kuching, Sarawak Tel: 082 – 233 320 Fax: 082 – 233 663 | PENANG B-16-2, Lorong Bayan Indah 3 | MELAKA Ground Floor No. 584 Jalan | 1 st Floor, Lot 1291 Jalan Melayu, MCLD 98000 Miri, Sarawak Tel: 085 - 418 403 Fax: 085 – 418 372 |
| HEAD OFFICE Ground Floor, Menara Boustead 69 Jalan Raja Chulan 50200 Kuala Lumpur Tel : 03 – 2116 6000 Fax : 03 – 2116 6100 Toll Free No : 1-800-88-7080 Email: customer@affinhwangam.com Website: www.affinhwangam.com | PERAK 13A Persiaran Greentown 7 Greentown Business Centre 30450 Ipoh, Perak Tel: 05 - 241 0668 Fax: 05 – 255 9696 | SABAH Lot No. B-2-09, 2 nd Floor Block B, Warisan Square Jalan Tun Fuad Stephens 88000 Kota Kinabalu, Sabah Tel : 088 - 252 881 Fax : 088 - 288 803 | | | | | | | | | | | | |
| SELANGOR A-7-G Jaya One No. 72A, Jalan Universiti 46200, Petaling Jaya, Selangor | JOHOR 1 st Floor, No. 93, Jalan Molek 1/29 | SARAWAK | | | | | | | | | | | | |
| HEAD OFFICE Ground Floor, Menara Boustead 69 Jalan Raja Chulan 50200 Kuala Lumpur Tel: 03 – 2116 6000 Fax: 03 – 2116 6100 Toll Free No: 1-800-88-7080 Email: customer@aham.com.my Website: www.aham.com.my | JOHOR Unit 22-05, Level 22 Menara Landmark No. 12, Jalan Ngee Heng 80000 Johor Bahru Johor Tel: 07 – 227 8999 Fax: 07 – 223 8998 | SARAWAK Ground Floor, No. 69 Block 10, Jalan Laksamana Cheng Ho 93200 Kuching, Sarawak Tel: 082 – 233 320 Fax: 082 – 233 663 | | | | | | | | | | | | |
| PENANG B-16-2, Lorong Bayan Indah 3 | MELAKA Ground Floor No. 584 Jalan | 1 st Floor, Lot 1291 Jalan Melayu, MCLD 98000 Miri, Sarawak Tel: 085 - 418 403 Fax: 085 – 418 372 | | | | | | | | | | | | |

| NO. | (A) PROSPECTUS | | | (B) REPLACEMENT PROSPECTUS | | |
|-----|--|---|--|---|---|--|
| | <p>Tel: 03 - 7620 1290 Fax: 03 - 7620 1298</p> <p>PENANG No. 10-C-23 & 10-C-24, Precinct 10 Jalan Tanjung Tokong 10470 Penang Tel : 04 – 899 8022 Fax : 04 – 899 1916</p> | <p>Taman Molek 81100 Johor Bahru, Johor Tel : 07 – 351 5677 / 5977 Fax : 07 – 351 5377</p> <p>MELAKA Ground Floor No. 584 Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel: 06 -281 2890 Fax: 06 -281 2937</p> | <p>Ground Floor, No. 69 Block 10, Jalan Laksamana Cheng Ho 93200 Kuching, Sarawak Tel : 082 – 233 320 Fax : 082 – 233 663</p> <p>1st Floor, Lot 1291 Jalan Melayu, MCLD 98000 Miri, Sarawak Tel : 085 - 418 403 Fax : 085 – 418 372</p> | <p><u>11900 Bayan Lepas Pulau Pinang.</u> <u>Toll Free No : 1800-888-377</u></p> <p>PERAK <u>1 Persiaran Greentown 6</u> Greentown Business Centre 30450 Ipoh, Perak Tel: 05 - 241 0668 Fax: 05 – 255 9696</p> | <p>Merdeka Taman Melaka Raya 75000 Melaka Tel: 06 -281 2890 Fax: 06 -281 2937</p> <p>SABAH <u>Unit 1.09(a), Level 1, Plaza Shell</u> <u>29, Jalan Tunku Abdul Rahman</u> <u>88000 Kota Kinabalu, Sabah</u> Tel: 088 - 252 881 Fax: 088 - 288 803</p> | |

TRUSTEE'S REPORT

TO THE UNITHOLDERS OF AHAM SELECT OPPORTUNITY FUND (FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND) ("FUND")

We have acted as Trustee of the Fund for the financial year ended 31 July 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AHAM Asset Management Berhad (Formerly known as Affin Hwang Asset management Berhad) has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

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

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

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
28 September 2023

**AHAM SELECT OPPORTUNITY FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)**

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

**AHAM SELECT OPPORTUNITY FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)**

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

| | <u>Note</u> | <u>2023</u> RM | <u>2022</u> RM |
|--|-------------|--------------------|---------------------|
| INVESTMENT INCOME/(LOSS) | | | |
| Dividend income | | 15,498,280 | 11,174,804 |
| Interest income from financial asset at amortised cost | | 1,001,828 | 555,117 |
| Net (loss)/gain on foreign currency exchange | | (968,829) | 364,378 |
| Net gain/(loss) on financial assets at fair value through profit or loss | 9 | 21,255,786 | (25,323,394) |
| | | <u>36,787,065</u> | <u>(13,229,095)</u> |
| EXPENSES | | | |
| Management fee | 4 | (6,466,853) | (6,864,711) |
| Trustee fee | 5 | (302,022) | (320,386) |
| Fund accounting fee | 6 | (14,583) | - |
| Auditors' remuneration | | (9,500) | (9,500) |
| Tax agent's fee | | (8,377) | (3,800) |
| Transaction costs | | (2,495,671) | (2,721,772) |
| Other expenses | | (360,327) | (178,036) |
| | | <u>(9,657,333)</u> | <u>(10,098,205)</u> |
| NET PROFIT/(LOSS) BEFORE TAXATION | | 27,129,732 | (23,327,300) |
| Taxation | 7 | (377,059) | - |
| NET PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL YEAR | | <u>26,752,673</u> | <u>(23,327,300)</u> |
| Net profit/(loss) after taxation is made up of the following: | | | |
| Realised amount | | 1,487,472 | 11,580,746 |
| Unrealised amount | | 25,265,201 | (34,908,046) |
| | | <u>26,752,673</u> | <u>(23,327,300)</u> |

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

**AHAM SELECT OPPORTUNITY FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2023**

| | <u>Note</u> | <u>2023</u> RM | <u>2022</u> RM |
|---|-------------|--------------------|--------------------|
| ASSETS | | | |
| Cash and cash equivalents | 10 | 22,871,368 | 91,024,191 |
| Amount due from brokers | | - | 1,586,923 |
| Amount due from Manager | | | |
| - creation of units | | - | 133,980 |
| Dividends receivable | | 241,019 | 623,160 |
| Financial assets at fair value through profit or loss | 9 | 427,095,800 | 321,534,102 |
| TOTAL ASSETS | | <u>450,208,187</u> | <u>414,902,356</u> |
| LIABILITIES | | | |
| Amount due to brokers | | 176,180 | - |
| Amount due to Manager | | | |
| - management fee | | 563,549 | 520,797 |
| - cancellation of units | | 375,378 | 14,041 |
| Fund accounting fee | | 2,083 | - |
| Amount due to Trustee | | 26,299 | 24,304 |
| Auditors' remuneration | | 9,500 | 9,500 |
| Tax agent's fee | | 7,800 | 7,710 |
| Other payables and accruals | | 7,432 | 17,171 |
| Tax payable | | 247,059 | - |
| TOTAL LIABILITIES | | <u>1,415,280</u> | <u>593,523</u> |
| NET ASSET VALUE OF THE FUND | | <u>448,792,907</u> | <u>414,308,833</u> |
| EQUITY | | | |
| Unitholders' capital | | 382,060,287 | 370,672,558 |
| Retained earnings | | 66,732,620 | 43,636,275 |
| NET ASSETS ATTRIBUTABLE TO UNITHOLDERS | | <u>448,792,907</u> | <u>414,308,833</u> |
| NUMBER OF UNITS IN CIRCULATION | 11 | <u>456,099,000</u> | <u>443,670,000</u> |
| NET ASSET VALUE PER UNIT (RM) | | <u>0.9840</u> | <u>0.9338</u> |

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

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

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

| | Unitholders' capital RM | Retained earnings RM | Total RM |
|---|-------------------------------|----------------------------|--------------------|
| Balance as at 1 August 2022 | 370,672,558 | 43,636,275 | 414,308,833 |
| Total comprehensive income for the financial year | - | 26,752,673 | 26,752,673 |
| Distribution (Note 8) | - | (3,656,328) | (3,656,328) |
| Movement in unitholders' capital: | | | |
| Creation of units arising from applications | 56,760,196 | - | 56,760,196 |
| Creation of units arising from distribution | 3,632,172 | - | 3,632,172 |
| Cancellation of units | (49,004,639) | - | (49,004,639) |
| Balance as at 31 July 2023 | <u>382,060,287</u> | <u>66,732,620</u> | <u>448,792,907</u> |
| Balance as at 1 August 2021 | 385,603,178 | 88,298,175 | 473,901,353 |
| Total comprehensive loss for the financial year | - | (23,327,300) | (23,327,300) |
| Distribution (Note 8) | - | (21,334,600) | (21,334,600) |
| Movement in unitholders' capital: | | | |
| Creation of units arising from applications | 7,743,007 | - | 7,743,007 |
| Creation of units arising from distribution | 21,155,827 | - | 21,155,827 |
| Cancellation of units | (43,829,454) | - | (43,829,454) |
| Balance as at 31 July 2022 | <u>370,672,558</u> | <u>43,636,275</u> | <u>414,308,833</u> |

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

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

| | <u>Note</u> | <u>2023</u> RM | <u>2022</u> RM |
|---|-------------|--------------------------|--------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Proceeds from sale of investments | | 350,750,105 | 489,577,283 |
| Purchase of investments | | (435,788,584) | (400,888,516) |
| Dividends received | | 15,571,159 | 10,836,826 |
| Interest received | | 1,001,828 | 555,117 |
| Management fee paid | | (6,424,101) | (6,959,707) |
| Trustee fee paid | | (300,027) | (324,819) |
| Fund accounting fee | | (12,500) | - |
| Payment for other fees and expenses | | (78,593) | (105,507) |
| Tax payment | | (130,000) | - |
| Realised loss on foreign currency exchange | | (284,714) | (211,016) |
| Net cash flows (used in)/generated from operating activities | | <u>(75,695,427)</u> | <u>92,479,661</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from creation of units | | 56,894,176 | 7,609,027 |
| Payments for cancellation of units | | (48,643,302) | (44,269,531) |
| Payment for distribution | | (24,156) | (178,773) |
| Net cash flows generated from/(used in) financing activities | | <u>8,226,718</u> | <u>(36,839,277)</u> |
| NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS | | (67,468,709) | 55,640,384 |
| EFFECTS OF FOREIGN CURRENCY EXCHANGE | | (684,114) | 575,394 |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR | | <u>91,024,191</u> | <u>34,808,413</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR | 10 | <u><u>22,871,368</u></u> | <u><u>91,024,191</u></u> |

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

**AHAM SELECT OPPORTUNITY FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023**

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

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reported financial year. It also requires the Manager to exercise their judgment in the process of applying the Fund’s accounting policies. Although these estimates and judgment are based on the Manager’s best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note M.

(a) Standards, amendments to published standards and interpretations that are effective:

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

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

(b) Standards and amendments that have been issued but not yet effective:

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

**AHAM SELECT OPPORTUNITY FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)**

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

(b) Standards and amendments that have been issued but not yet effective: (continued)

The amendments also specify that covenants of loan arrangements which an entity must comply with only after the reporting date would not affect classification of a liability as current or non-current at the reporting date. However, those covenants that an entity is required to comply with on or before the reporting date would affect classification of a liability as current or non-current, even if the covenant is only assessed after the reporting date.

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

B INCOME RECOGNITION

Dividend income

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income on the ex-dividend date, when the right to receive the dividend has been established.

Interest Income

Interest income from short-term deposits with licensed financial institutions are recognised based on effective interest rate method on an accruals basis.

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

Realised gains and losses on sale of investments

For quoted equities, realised gains and losses on sale of investments are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on a weighted average cost basis.

**AHAM SELECT OPPORTUNITY FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)**

C TRANSACTION COSTS

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include the bid-ask spread, fees and commissions paid to agents, advisors, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

D DISTRIBUTION

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

E TAXATION

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

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

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

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.

F FUNCTIONAL AND PRESENTATION CURRENCY

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

G FOREIGN CURRENCY TRANSLATIONS

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

**AHAM SELECT OPPORTUNITY FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)**

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

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

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

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 are measured at fair value through profit or loss.

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

The Fund classifies amount due to brokers, amount due to Manager, amount due to Trustee, payable for fund accounting fee, auditors' remuneration, tax agent's fee and other payables and accruals as financial liabilities measured at amortised cost.

(ii) Recognition and measurement

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

Financial liabilities, within the scope of MFRS 9, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

**AHAM SELECT OPPORTUNITY FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)**

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

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 and loss' in the financial year which they arise.

The fair value of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the financial year end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

If a valuation based on the market price does not represent the fair value of the securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the securities are valued as determined in good faith by the Manager, based on the methods or basis approved by the Trustee after appropriate technical consultation.

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

(iii) Impairment

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

Significant increase in credit risk

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

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

Definition of default and credit-impaired financial assets

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

Quantitative criteria:

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

Qualitative criteria:

The debtor meets 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.

I CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances and deposits held in highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

**AHAM SELECT OPPORTUNITY FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)**

J AMOUNT DUE FROM/(TO) BROKERS

Amounts due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. The due from brokers balance is held for collection. Refer to Note H for accounting policy on recognition and measurement.

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

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

K UNITHOLDERS' CAPITAL

The unitholders' contributions to the Fund meet the criteria to be classified as equity instruments under MFRS 132 'Financial Instruments: Presentation'. Those criteria include:

- the units entitle the holder to a proportionate share of the Fund's net asset value;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial year if a unitholder exercises the right to put the unit back to the Fund.

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

**AHAM SELECT OPPORTUNITY FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)**

L 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 positions will be "marked to market" at the close of each valuation day. Foreign exchange gains and losses on the derivative financial instrument 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 negative fair value are presented as financial assets as fair value through profit or loss and financial liabilities as fair value through profit or loss, respectively.

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

The method of recognising the resulting gain or loss 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 at fair value through profit or loss.

M CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information contents on the estimates, certain key variables that are anticipated to have material impacts to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

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

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

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

N REALISED AND UNREALISED PORTIONS OF PROFIT OR LOSS AFTER TAX

The analysis of realised and unrealised profit or loss after tax as presented in the statement of comprehensive income is prepared in accordance with SC's Guidelines on Unit Trust Funds.

**AHAM SELECT OPPORTUNITY FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023**

1 INFORMATION ON THE FUND

The Unit Trust Fund was constituted under the name HwangDBS Select Opportunity Fund (the “Fund”) pursuant to the execution of a Deed dated 13 August 2001, First Supplemental Deed dated 18 June 2007, Second Supplemental Deed dated 15 October 2008, Third Supplemental Deed dated 18 January 2012, Fourth Supplemental Deed dated 27 June 2014, Fifth Supplemental Deed dated 28 April 2017 and Sixth Supplemental Deed dated 5 October 2018 (the “Deeds”) entered into between AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”). The Fund has changed its name from HwangDBS Select Opportunity Fund to Hwang Select Opportunity Fund as amended by the Third Supplemental Deed dated 18 January 2012, from Hwang Select Opportunity Fund to Affin Hwang Select Opportunity Fund as amended by Fourth Supplemental Deed dated 27 June 2014 and from Affin Hwang Select Opportunity Fund to AHAM Select Opportunity Fund as amended by the Seventh Supplemental Deed dated 6 October 2022.

The Fund commenced operations on 7 September 2001 and will continue its operations until terminated by the Trustee as provided under Clause 13.1 of the Deed.

The Fund may invest in any of the following investments:

- a) Listed securities on eligible market
- b) Unlisted securities including, without limitation, securities that have been approved by the relevant regulatory authorities for the listing of and quotation for such securities;
- c) Debentures;
- d) Money market instruments;
- e) Deposits;
- f) Derivatives, for the purpose of hedging only;
- g) Warrants;
- h) Units or shares in collective investment schemes; and
- i) Any other form of investments permitted by the SC from time to time which are in line with the objective of the Fund

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

The main objective of the Fund is to achieve consistent capital appreciation over the medium to long term through investing mainly in listed Malaysian and foreign companies with good growth prospects.

The Manager is a company incorporated in Malaysia. The principal activities of the Manager are establishment and management of unit trust funds, exchange-traded funds and private retirement schemes as well as providing fund management services to private clients. On 10 November 2022, the Manager has changed its name from Affin Hwang Asset Management Berhad to AHAM Asset Management Berhad.

The financial statements were authorised for issue by the Manager on 28 September 2023.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

| | <u>Note</u> | At amortised cost RM | At fair value through profit or loss RM | <u>Total</u> RM |
|--|-------------|-------------------------------|--|--------------------|
| <u>2023</u> | | | | |
| <u>Financial assets</u> | | | | |
| Cash and cash equivalents | 10 | 22,871,368 | - | 22,871,368 |
| Dividends receivable | | 241,019 | - | 241,019 |
| Financial assets at fair value through profit or loss | 9 | - | 427,095,800 | 427,095,800 |
| Total | | <u>23,112,387</u> | <u>427,095,800</u> | <u>450,208,187</u> |
| <u>Financial liabilities</u> | | | | |
| Amount due to brokers | | 176,180 | - | 176,180 |
| Amount due to Manager | | | | |
| - management fee | | 563,549 | - | 563,549 |
| - cancellation of units | | 375,378 | - | 375,378 |
| Amount due to Trustee | | 26,299 | - | 26,299 |
| Fund accounting fee | | 2,083 | - | 2,083 |
| Auditors' remuneration | | 9,500 | - | 9,500 |
| Tax agent's fee | | 7,800 | - | 7,800 |
| Other payables and accruals | | 7,432 | - | 7,432 |
| Total | | <u>1,168,221</u> | <u>-</u> | <u>1,168,221</u> |
| <u>2022</u> | | | | |
| <u>Financial assets</u> | | | | |
| Cash and cash equivalents | 10 | 91,024,191 | - | 91,024,191 |
| Amount due from brokers | | 1,586,923 | - | 1,586,923 |
| Amount due from Manager | | | | |
| - creation of units | | 133,980 | - | 133,980 |
| Dividends receivable | | 623,160 | - | 623,160 |
| Financial assets at fair value through profit or loss | 9 | - | 321,534,102 | 321,534,102 |
| Total | | <u>93,368,254</u> | <u>321,534,102</u> | <u>414,902,356</u> |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

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

Financial instruments are as follows: (continued)

| | <u>Note</u> | At amortised <u>cost</u> RM | At fair value through <u>profit or loss</u> RM | <u>Total</u> RM |
|------------------------------|-------------|--------------------------------------|---|--------------------|
| <u>2022</u> (continued) | | | | |
| <u>Financial liabilities</u> | | | | |
| Amount due to Manager | | | | |
| - management fee | | 520,797 | - | 520,797 |
| - cancellation of units | | 14,041 | - | 14,041 |
| Amount due to Trustee | | 24,304 | - | 24,304 |
| Auditors' remuneration | | 9,500 | - | 9,500 |
| Tax agent's fee | | 7,710 | - | 7,710 |
| Other payables and accruals | | 17,171 | - | 17,171 |
| Total | | <u>593,523</u> | <u>-</u> | <u>593,523</u> |

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

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

Market risk

(a) Price risk

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

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

| | <u>2023</u> RM | <u>2022</u> RM |
|---------------------------|--------------------|--------------------|
| Quoted investments | | |
| Quoted equities | <u>427,095,800</u> | <u>321,534,102</u> |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

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

Market risk (continued)

(a) Price risk (continued)

The following table summarises the sensitivity of the Fund's profit/(loss) after taxation and net asset value ("NAV") to price risk movements. The analysis is based on the assumptions that the market price increased by 15% (2022: 4%) and decreased by 15% (2022: 4%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities having regard to the historical volatility of the prices.

| <u>% Change in price</u> | <u>Market value</u> RM | <u>Impact on</u> <u>profit/(loss)</u> <u>after tax/NAV</u> RM |
|--------------------------|-----------------------------|--|
| <u>2023</u> | | |
| -15% | 363,031,430 | (64,064,370) |
| 0% | 427,095,800 | - |
| +15% | 491,160,170 | 64,064,370 |
| | <u> </u> | <u> </u> |
| <u>2022</u> | | |
| -4% | 308,672,738 | (12,861,364) |
| 0% | 321,534,102 | - |
| +4% | 334,395,466 | 12,861,364 |
| | <u> </u> | <u> </u> |

(b) Interest rate risk

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

The Fund's exposure to the interest rate risk is mainly confined to short-term deposit placement with a financial institution. The Manager overcomes this exposure by way of maintaining deposits on a short-term basis.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

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

Market risk (continued)

(c) Currency risk

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

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

| | <u>Quoted equities</u> RM | <u>Cash and cash equivalents</u> RM | <u>Dividends receivable</u> RM | <u>Total</u> RM |
|------------------------------|----------------------------------|--|---------------------------------------|--------------------|
| <u>2023</u> | | | | |
| <u>Financial assets</u> | | | | |
| Euro | - | 980 | - | 980 |
| Hong Kong Dollar | 23,805,337 | - | 104,832 | 23,910,169 |
| Indonesian Rupiah | 4,389,269 | - | - | 4,389,269 |
| Indian Rupee | 7,661,984 | - | 5,233 | 7,667,217 |
| Korean Won | 19,074,777 | 11 | 47,954 | 19,122,742 |
| Singapore Dollar | 4,740,019 | 66,857 | - | 4,806,876 |
| Taiwan Dollar | 20,675,674 | - | - | 20,675,674 |
| Thai Baht | 8,985,947 | - | - | 8,985,947 |
| United States Dollar | - | 20,854,030 | - | 20,854,030 |
| | <u>89,333,007</u> | <u>20,921,878</u> | <u>158,019</u> | <u>110,412,904</u> |
| | | | <u>Other liabilities*</u> RM | <u>Total</u> RM |
| <u>Financial liabilities</u> | | | | |
| Euro | | | 12 | 12 |

*Other liabilities consist of other payables and accruals.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

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

| | <u>Quoted equities</u> RM | <u>Cash and cash equivalents</u> RM | <u>Dividends receivable</u> RM | <u>Total</u> RM |
|------------------------------|----------------------------------|--|---------------------------------------|--------------------|
| <u>2022</u> | | | | |
| <u>Financial assets</u> | | | | |
| Chinese Yuan | 2,119,988 | 7,713,740 | - | 9,833,728 |
| Euro | 7,365,431 | 80,800 | - | 7,446,231 |
| Hong Kong Dollar | 60,750,586 | 5,067,264 | 203,254 | 66,021,104 |
| Indonesian Rupiah | 4,444,110 | - | - | 4,444,110 |
| Korean Won | 3,909,176 | - | 19,345 | 3,928,521 |
| Singapore Dollar | 4,314,310 | 1,702,935 | - | 6,017,245 |
| Taiwan Dollar | 9,744,608 | - | - | 9,744,608 |
| United States Dollar | - | 8,475,833 | - | 8,475,833 |
| | <u>92,648,209</u> | <u>23,040,572</u> | <u>222,599</u> | <u>115,911,380</u> |
| | | | <u>Other liabilities*</u> RM | <u>Total</u> RM |
| <u>Financial liabilities</u> | | | | |
| Euro | | | <u>47</u> | <u>47</u> |

*Other liabilities consist of other payables and accruals.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

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

| | Change in <u>rate</u> % | Impact on profit after <u>tax/NAV</u> RM |
|----------------------|-------------------------------|---|
| <u>2023</u> | | |
| Euro | +/- 7.88 | +/- 76 |
| Hong Kong Dollar | +/- 6.25 | +/- 1,493,346 |
| Indian Rupee | +/- 6.03 | +/- 462,034 |
| Indonesian Rupiah | +/- 6.30 | +/- 276,628 |
| Korean Won | +/- 8.99 | +/- 1,719,780 |
| Singapore Dollar | +/- 4.63 | +/- 222,753 |
| Taiwan Dollar | +/- 4.99 | +/- 1,031,736 |
| Thai Bhat | +/- 8.25 | +/- 740,937 |
| United States Dollar | +/- 6.35 | +/- 1,325,121 |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

| | Change in rate % | Impact on loss after tax/NAV RM |
|----------------------|------------------------|--|
| <u>2022</u> | | |
| Chinese Yuan | +/- 3.40 | +/- 334,113 |
| Euro | +/- 6.51 | +/- 484,658 |
| Hong Kong Dollar | +/- 3.24 | +/- 2,136,835 |
| Indonesian Rupiah | +/- 4.29 | +/- 190,633 |
| Korean Won | +/- 6.67 | +/- 261,939 |
| Singapore Dollar | +/- 3.06 | +/- 184,397 |
| Taiwan Dollar | +/- 3.84 | +/- 374,675 |
| United States Dollar | +/- 3.32 | +/- 281,752 |

Liquidity risk

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

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

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

| | <u>Within one month RM</u> | <u>Between one month to one year RM</u> | <u>Total RM</u> |
|-----------------------------|------------------------------------|---|---------------------|
| <u>2023</u> | | | |
| Amount due to brokers | 176,180 | - | 176,180 |
| Amount due to Manager | | | |
| - management fee | 563,549 | - | 563,549 |
| - cancellation of units | 375,378 | - | 375,378 |
| Amount due to Trustee | 26,299 | - | 26,299 |
| Fund accounting fee | 2,083 | - | 2,083 |
| Auditors' remuneration | - | 9,500 | 9,500 |
| Tax agent's fee | - | 7,800 | 7,800 |
| Other payables and accruals | - | 7,432 | 7,432 |
| | <u>1,143,489</u> | <u>24,732</u> | <u>1,168,221</u> |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

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

Liquidity risk (continued)

The amounts in the table below are the contractual undiscounted cash flows: (continued)

| | <u>Within</u> <u>one month</u> RM | <u>Between</u> <u>one month</u> <u>to one year</u> RM | <u>Total</u> RM |
|-----------------------------|---|--|--------------------|
| <u>2022</u> | | | |
| Amount due to Manager | | | |
| - management fee | 520,797 | - | 520,797 |
| - cancellation of units | 14,041 | - | 14,041 |
| Amount due to Trustee | 24,304 | - | 24,304 |
| Auditors' remuneration | - | 9,500 | 9,500 |
| Tax agent's fee | - | 7,710 | 7,710 |
| Other payables and accruals | - | 17,171 | 17,171 |
| | <u>559,142</u> | <u>34,381</u> | <u>593,523</u> |

Credit risk

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

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

Credit risk (continued)

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

| | <u>Cash and cash equivalents</u> RM | <u>Other assets*</u> RM | <u>Total</u> RM |
|--------------------|--|--------------------------------|--------------------|
| <u>2023</u> | | | |
| Basic Materials | | | |
| - Non-rated (NR) | - | 57,734 | 57,734 |
| Financial Services | | | |
| - AAA | 22,871,368 | - | 22,871,368 |
| - Non-rated (NR) | - | 5,233 | 5,233 |
| Plantation | | | |
| - Non-rated (NR) | - | 83,000 | 83,000 |
| Real Estate | | | |
| - Non-rated (NR) | - | 47,098 | 47,098 |
| Telecommunication | | | |
| - Non-rated (NR) | - | 47,954 | 47,954 |
| | <u>22,871,368</u> | <u>241,019</u> | <u>23,112,387</u> |
| <u>2022</u> | | | |
| Energy | | | |
| - Non-rated (NR) | - | 49,412 | 49,412 |
| Financial Services | | | |
| - AAA | 91,024,191 | - | 91,024,191 |
| - Non-rated (NR) | - | 1,705,940 | 1,705,940 |
| Plantation | | | |
| - Non-rated (NR) | - | 128,600 | 128,600 |
| Property | | | |
| - Non-rated (NR) | - | 306,786 | 306,786 |
| Telecommunication | | | |
| - Non-rated (NR) | - | 19,345 | 19,345 |
| Others | | | |
| - Non-rated (NR) | - | 133,980 | 133,980 |
| | <u>91,024,191</u> | <u>2,344,063</u> | <u>93,368,254</u> |

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

**AHAM SELECT OPPORTUNITY FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)**

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

Capital risk

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

3 FAIR VALUE ESTIMATION

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

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

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

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

(i) Fair value hierarchy

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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

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

| | <u>Level 1</u> RM | <u>Level 2</u> RM | <u>Level 3</u> RM | <u>Total</u> RM |
|---|----------------------|----------------------|----------------------|--------------------|
| <u>2023</u> | | | | |
| Financial assets at fair value through profit or loss | | | | |
| - quoted equities | 427,095,800 | - | - | 427,095,800 |
| | <u>427,095,800</u> | <u>-</u> | <u>-</u> | <u>427,095,800</u> |
| <u>2022</u> | | | | |
| Financial assets at fair value through profit or loss | | | | |
| - quoted equities | 321,534,102 | - | - | 321,534,102 |
| | <u>321,534,102</u> | <u>-</u> | <u>-</u> | <u>321,534,102</u> |

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

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

4 MANAGEMENT FEE

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

For the financial year ended 31 July 2023, the management fee is recognised at a rate of 1.50% (2022: 1.50%) per annum on the NAV of the Fund, calculated on a daily basis as stated in the Prospectus.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

5 TRUSTEE FEE

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

For the financial year ended 31 July 2023, the Trustee fee is recognised at a rate of 0.07% (2022: 0.07%) per annum on the NAV of the Fund, subject to a minimum fee of RM18,000 per annum calculated and accrued daily, exclusive of foreign sub-custodian fee as stated in the Prospectus.

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

6 FUND ACCOUNTING FEE

The Fund valuation and accounting fee for the Fund is RM14,583 (2022: RM Nil) for the financial year.

7 TAXATION

| | <u>2023</u> RM | <u>2022</u> RM |
|------------------|-------------------|-------------------|
| Current taxation | 377,059 | - |
| | <u>377,059</u> | <u>-</u> |

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

| | <u>2023</u> RM | <u>2022</u> RM |
|--|-------------------|-------------------|
| Net profit/(loss) before taxation | 27,129,732 | (23,327,300) |
| Tax at Malaysian statutory rate of 24% (2022: 24%) | 6,511,136 | (5,598,552) |
| Tax effects of: | | |
| (Investment income not subject to tax) / | | |
| Investment loss not brought to tax | (8,296,402) | 3,174,983 |
| Expenses not deductible for tax purposes | 763,422 | 771,358 |
| Restrictions on tax deductible expenses for Unit Trust Funds | 1,398,903 | 1,652,211 |
| Tax expense | <u>377,059</u> | <u>-</u> |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

8 DISTRIBUTION

| | <u>2023</u> RM | <u>2022</u> RM |
|--|-------------------|-------------------|
| Distribution to unitholders is from the following sources: | | |
| Dividend income | 4,204,777 | - |
| Previous year's realised income | - | 21,334,600 |
| | <hr/> | <hr/> |
| Gross realised income | 4,204,777 | 21,334,600 |
| Less: Expenses | (438,759) | - |
| Less: Taxation | (109,690) | - |
| | <hr/> | <hr/> |
| Net distribution amount | 3,656,328 | 21,334,600 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Gross/Net distribution per unit (sen) | 0.80 | 5.00 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Ex-date | 21.06.2023 | 15.06.2022 |
| | <hr/> <hr/> | <hr/> <hr/> |

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.

Distributions for the financial year is an amount of RM Nil (2022: RM21,334,600) made from previous year's realised income.

During the financial year ended 31 July 2023, the Fund incurred unrealised loss of RM Nil (2022: RM34,908,046).

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

| | <u>2023</u> RM | <u>2022</u> RM |
|--|-------------------|-------------------|
| Financial assets at fair value through profit or loss | | |
| - quoted equities – local | 337,762,793 | 228,885,893 |
| - quoted equities – foreign | 89,333,007 | 92,648,209 |
| | <hr/> | <hr/> |
| | 427,095,800 | 321,534,102 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Net gain/(loss) on financial assets at fair value through profit or loss | | |
| - realised (loss)/gain on sale of investments | (4,693,529) | 10,160,046 |
| - unrealised gain/(loss) on changes in fair value | 25,949,315 | (35,483,440) |
| | <hr/> | <hr/> |
| | 21,255,786 | (25,323,394) |
| | <hr/> <hr/> | <hr/> <hr/> |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

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

(a) Quoted equities – local

(i) Quoted equities – local as at 31 July 2023 are as follows:

| | <u>Quantity</u> | <u>Aggregate cost RM</u> | <u>Fair value RM</u> | <u>Percentage of NAV %</u> |
|---|-------------------|----------------------------------|------------------------------|------------------------------------|
| <u>Energy</u> | | | | |
| Dialog Group Bhd | 6,569,300 | 16,565,120 | 15,043,697 | 3.35 |
| Yinson Holdings Bhd | 10,830,600 | 23,445,732 | 27,618,030 | 6.15 |
| | <u>17,399,900</u> | <u>40,010,852</u> | <u>42,661,727</u> | <u>9.50</u> |
| <u>Financial Services</u> | | | | |
| Allianz Malaysia Bhd | 1,416,458 | 6,277,872 | 21,246,870 | 4.73 |
| CIMB Group Holdings Bhd | 5,988,822 | 30,605,226 | 33,118,185 | 7.38 |
| Hong Leong Bank Bhd | 891,100 | 16,987,777 | 17,412,094 | 3.88 |
| Malayan Banking Bhd | 2,249,098 | 19,174,350 | 20,264,373 | 4.52 |
| RHB Bank Bhd | 2,761,846 | 15,351,640 | 15,659,667 | 3.49 |
| | <u>13,307,324</u> | <u>88,396,865</u> | <u>107,701,189</u> | <u>24.00</u> |
| <u>Health Care</u> | | | | |
| Hartaleaga Holding Ord | 3,892,000 | 6,933,538 | 8,562,400 | 1.91 |
| Kossan Rubber Industries | 6,782,000 | 8,524,443 | 9,630,440 | 2.15 |
| KPJ Healthcare Bhd | 15,975,800 | 17,508,622 | 18,212,412 | 4.06 |
| | <u>26,649,800</u> | <u>32,966,603</u> | <u>36,405,252</u> | <u>8.12</u> |
| <u>Industrial Products & Services</u> | | | | |
| NextGreen Global Bhd | 1,558,900 | 1,708,160 | 1,348,449 | 0.30 |
| Sunway Bhd | 8,781,240 | 13,684,110 | 15,630,607 | 3.48 |
| | <u>10,340,140</u> | <u>15,392,270</u> | <u>16,979,056</u> | <u>3.78</u> |
| <u>Plantation</u> | | | | |
| Kuala Lumpur Kepong Bhd | 415,000 | 9,742,549 | 9,661,200 | 2.15 |
| <u>Property</u> | | | | |
| Eco World Development Group Bhd | 21,017,500 | 12,408,883 | 19,756,450 | 4.40 |
| Mah Sing Group Bhd | 10,158,000 | 7,724,681 | 6,755,070 | 1.51 |
| | <u>31,175,500</u> | <u>20,133,564</u> | <u>26,511,520</u> | <u>5.91</u> |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

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

(a) Quoted equities – local (continued)

(i) Quoted equities – local as at 31 July 2023 are as follows: (continued)

| | <u>Quantity</u> | Aggregate <u>cost</u> RM | Fair <u>value</u> RM | Percentage <u>of NAV</u> % |
|---|--------------------|--------------------------------|----------------------------|----------------------------------|
| <u>Technology</u> | | | | |
| CTOS Digital Bhd | 10,139,500 | 14,355,677 | 14,093,905 | 3.14 |
| Frontken Corporation Bhd | 2,184,800 | 5,241,936 | 7,078,752 | 1.58 |
| Inari Amertron Bhd | 2,595,200 | 8,013,018 | 7,837,504 | 1.75 |
| ITMAX System Bhd | 4,919,000 | 6,897,196 | 6,984,980 | 1.56 |
| | <u>19,838,500</u> | <u>34,507,827</u> | <u>35,995,141</u> | <u>8.03</u> |
| <u>Telecommunication & Media</u> | | | | |
| Telekom Malaysia Bhd | 3,275,197 | 16,355,394 | 16,638,001 | 3.71 |
| TIME dotCom Bhd | 2,948,100 | 10,790,926 | 15,831,297 | 3.53 |
| | <u>6,223,297</u> | <u>27,146,320</u> | <u>32,469,298</u> | <u>7.24</u> |
| <u>Utilities</u> | | | | |
| Mega First Corporation Bhd | 3,922,400 | 13,436,058 | 12,943,920 | 2.88 |
| Tenaga Nasional Bhd | 1,715,500 | 15,572,812 | 16,434,490 | 3.66 |
| | <u>5,637,900</u> | <u>29,008,870</u> | <u>29,378,410</u> | <u>6.54</u> |
| Total quoted equities – local | <u>130,987,361</u> | <u>297,305,720</u> | <u>337,762,793</u> | <u>75.27</u> |
| Accumulated unrealised gain on quoted equities – local | | <u>40,457,073</u> | | |
| Total quoted equities – local | | <u>337,762,793</u> | | |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

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

(a) Quoted equities – local (continued)

(ii) Quoted equities – local as at 31 July 2022 are as follows:

| | <u>Quantity</u> | <u>Aggregate cost RM</u> | <u>Fair value RM</u> | <u>Percentage of NAV %</u> |
|---|-------------------|----------------------------------|------------------------------|------------------------------------|
| <u>Consumer Products & Services</u> | | | | |
| Genxing Bhd | 2,194,000 | 10,862,100 | 10,355,680 | 2.50 |
| <u>Energy</u> | | | | |
| Dialog Group Bhd | 2,708,900 | 7,509,583 | 5,959,580 | 1.44 |
| Yinson Holdings Bhd | 10,226,400 | 20,694,601 | 21,373,176 | 5.16 |
| Yinson Holdings Bhd - Warrant | 240,457 | - | 103,396 | 0.02 |
| | <u>13,175,757</u> | <u>28,204,184</u> | <u>27,436,152</u> | <u>6.62</u> |
| <u>Financial Services</u> | | | | |
| Allianz Malaysia Bhd | 1,416,458 | 6,277,872 | 18,215,650 | 4.39 |
| CIMB Group Holdings Bhd | 2,337,857 | 11,219,966 | 12,180,235 | 2.94 |
| Hong Leong Bank Bhd | 501,100 | 9,051,604 | 10,513,078 | 2.54 |
| Malayan Banking Bhd | 1,607,669 | 13,665,370 | 14,211,794 | 3.43 |
| | <u>5,863,084</u> | <u>40,214,812</u> | <u>55,120,757</u> | <u>13.30</u> |
| <u>Health Care</u> | | | | |
| IHH Healthcare Bhd | 2,559,300 | 15,578,062 | 16,277,148 | 3.93 |
| <u>Industrial Products & Services</u> | | | | |
| Sunway Bhd | 7,169,140 | 11,124,453 | 11,972,464 | 2.89 |
| <u>Plantation</u> | | | | |
| Kuala Lumpur Kepong Bhd | 643,000 | 15,162,475 | 14,030,260 | 3.39 |
| <u>Property</u> | | | | |
| Eco World Development Group Bhd | 18,478,800 | 10,205,637 | 11,734,038 | 2.83 |
| Mah Sing Group Bhd | 9,279,800 | 7,287,488 | 5,475,082 | 1.32 |
| | <u>27,758,600</u> | <u>17,493,125</u> | <u>17,209,120</u> | <u>4.15</u> |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

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

(a) Quoted equities – local (continued)

(ii) Quoted equities – local as at 31 July 2022 are as follows: (continued)

| | <u>Quantity</u> | <u>Aggregate cost RM</u> | <u>Fair value RM</u> | <u>Percentage of NAV %</u> |
|---|-------------------|----------------------------------|------------------------------|------------------------------------|
| <u>Technology</u> | | | | |
| CTOS Digital Bhd | 4,082,600 | 6,213,942 | 5,878,944 | 1.42 |
| Frontken Corporation Bhd | 2,832,800 | 6,634,706 | 8,130,136 | 1.96 |
| Inari Amertron Bhd | 4,745,200 | 14,651,423 | 13,571,272 | 3.28 |
| | <u>11,660,600</u> | <u>27,500,071</u> | <u>27,580,352</u> | <u>6.66</u> |
| <u>Telecommunication & Media</u> | | | | |
| Telekom Malaysia Bhd | 4,670,500 | 23,204,172 | 26,341,620 | 6.36 |
| TIME dotCom Bhd | 3,903,500 | 12,019,085 | 17,799,960 | 4.30 |
| | <u>8,574,000</u> | <u>35,223,257</u> | <u>44,141,580</u> | <u>10.66</u> |
| <u>Utilities</u> | | | | |
| Mega First Corporation Bhd | 1,380,400 | 5,051,676 | 4,762,380 | 1.15 |
| Total quoted equities – local | <u>80,977,881</u> | <u>206,414,215</u> | <u>228,885,893</u> | <u>55.25</u> |
| Accumulated unrealised gain on quoted equities – local | | <u>22,471,678</u> | | |
| Total quoted equities – local | | <u>228,885,893</u> | | |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

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

(b) Quoted equities – foreign

(i) Quoted equities – foreign as at 31 July 2023 are as follows:

| | <u>Quantity</u> | Aggregate <u>cost</u> RM | Fair <u>value</u> RM | Percentage <u>of NAV</u> % |
|-----------------------------------|-----------------|--------------------------------|----------------------------|----------------------------------|
| <u>Hong Kong</u> | | | | |
| <u>Basic Materials</u> | | | | |
| Ganfeng Lithium Co Ltd | 102,060 | 3,376,463 | 2,938,650 | 0.65 |
| <u>Financial Services</u> | | | | |
| AIA Group Ltd | 120,000 | 5,190,199 | 5,364,749 | 1.20 |
| <u>Technology</u> | | | | |
| Meituan | 68,980 | 6,368,757 | 5,825,024 | 1.30 |
| Tencent Holdings Ltd | 47,300 | 9,882,243 | 9,676,914 | 2.16 |
| | 116,280 | 16,251,000 | 15,501,938 | 3.46 |
| <u>India</u> | | | | |
| <u>Financial Services</u> | | | | |
| Axis Bank Ltd | 125,528 | 6,575,124 | 6,564,223 | 1.46 |
| IndusInd Bank Ltd | 14,137 | 1,098,445 | 1,097,761 | 0.24 |
| | 139,665 | 7,673,569 | 7,661,984 | 1.70 |
| <u>Indonesia</u> | | | | |
| <u>Financial Services</u> | | | | |
| Bank Rakyat Indonesia Persero | 2,598,200 | 4,423,732 | 4,389,269 | 0.98 |
| <u>South Korea</u> | | | | |
| <u>Basic Material</u> | | | | |
| LG Chemical Ltd | 930 | 2,255,220 | 2,130,332 | 0.47 |
| <u>Technology</u> | | | | |
| Samsung Electronics Mechanics Ltd | 12,854 | 6,292,368 | 6,602,271 | 1.47 |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

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

(b) Quoted equities – foreign (continued)

(i) Quoted equities – foreign as at 31 July 2023 are as follows: (continued)

| | <u>Quantity</u> | Aggregate <u>cost</u> RM | Fair <u>value</u> RM | Percentage <u>of NAV</u> % |
|---|------------------|--------------------------------|----------------------------|----------------------------------|
| <u>South Korea</u> (continued) | | | | |
| <u>Telecommunication</u> | | | | |
| Samsung Electronics Co Ltd | 22,450 | 4,649,888 | 5,539,380 | 1.23 |
| Samsung Electronics Co Ltd - Preference Shares | 23,711 | 4,466,651 | 4,802,794 | 1.07 |
| | <u>46,161</u> | <u>9,116,539</u> | <u>10,342,174</u> | <u>2.30</u> |
| <u>Singapore</u> | | | | |
| <u>Financial Services</u> | | | | |
| United Overseas Bank Ltd | 46,500 | 4,496,641 | 4,740,019 | 1.06 |
| <u>Thailand</u> | | | | |
| <u>Consumer Staples</u> | | | | |
| CP ALL PCL | 1,077,000 | 8,806,421 | 8,985,947 | 2.00 |
| <u>Taiwan</u> | | | | |
| <u>Technology</u> | | | | |
| Taiwan Semiconductor Manufacturing Co | 152,000 | 12,267,462 | 12,276,250 | 2.74 |
| Nan Ya Printed Circuit Board | 102,000 | 4,590,058 | 3,622,387 | 0.81 |
| Unimicron Technology Co | 38,000 | 1,106,707 | 1,003,975 | 0.22 |
| United Microelectronics Co | 560,600 | 4,192,238 | 3,773,062 | 0.84 |
| | <u>852,600</u> | <u>22,156,465</u> | <u>20,675,674</u> | <u>4.61</u> |
| Total quoted equities – foreign | <u>5,112,250</u> | 90,038,617 | <u>89,333,007</u> | <u>19.90</u> |
| Accumulated unrealised loss on quoted equities – foreign | | (705,610) | | |
| Total quoted equities – foreign | | <u>89,333,007</u> | | |

**AHAM SELECT OPPORTUNITY FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)**

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

(b) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 31 July 2022 are as follows:

| | <u>Quantity</u> | <u>Aggregate cost RM</u> | <u>Fair value RM</u> | <u>Percentage of NAV %</u> |
|--|-----------------|----------------------------------|------------------------------|------------------------------------|
| <u>China</u> | | | | |
| <u>Industrials</u> | | | | |
| NARI Technology Development Co Ltd | 110,000 | 2,138,287 | 2,119,988 | 0.51 |
| <u>France</u> | | | | |
| <u>Consumer Discretionary</u> | | | | |
| LVMH Moet Hennessy Louis Vuitton | 2,405 | 7,242,739 | 7,365,431 | 1.78 |
| <u>Hong Kong</u> | | | | |
| <u>Consumer Discretionary</u> | | | | |
| Alibaba Group Holding Ltd | 164,000 | 10,431,602 | 8,649,481 | 2.09 |
| JD.com Inc | 48,952 | 7,728,030 | 6,487,013 | 1.57 |
| Li Ning Company Ltd | 102,500 | 3,947,068 | 3,694,969 | 0.89 |
| | <u>315,452</u> | <u>22,106,700</u> | <u>18,831,463</u> | <u>4.55</u> |
| <u>Consumer Staples</u> | | | | |
| China Mengniu Dairy Co Ltd | 355,000 | 8,187,847 | 7,314,129 | 1.77 |
| <u>Energy</u> | | | | |
| PetroChina Co Ltd | 878,000 | 1,933,709 | 1,811,448 | 0.44 |
| <u>Financial Services</u> | | | | |
| AIA Group Ltd | 120,000 | 5,190,199 | 5,369,863 | 1.30 |
| Hong Kong Exchange and Clearing Ltd | 35,400 | 7,066,546 | 7,199,222 | 1.74 |
| | <u>155,400</u> | <u>12,256,745</u> | <u>12,569,085</u> | <u>3.04</u> |
| <u>Health Care</u> | | | | |
| WuXi Biologics Cayman Inc | 100,000 | 5,052,828 | 4,222,660 | 1.02 |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

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

(b) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 31 July 2022 are as follows: (continued)

| | <u>Quantity</u> | <u>Aggregate cost RM</u> | <u>Fair value RM</u> | <u>Percentage of NAV %</u> |
|---|------------------|----------------------------------|------------------------------|------------------------------------|
| <u>Hong Kong (continued)</u> | | | | |
| <u>Technology</u> | | | | |
| Baidu Inc | 88,500 | 8,418,522 | 6,641,422 | 1.60 |
| Meituan | 37,500 | 3,843,219 | 3,747,257 | 0.90 |
| Tencent Holdings Ltd | 32,300 | 7,343,928 | 5,613,122 | 1.35 |
| | <u>158,300</u> | <u>19,605,669</u> | <u>16,001,801</u> | <u>3.85</u> |
| <u>Indonesia</u> | | | | |
| <u>Financial Services</u> | | | | |
| Bank Mandiri Persero Tbk PT | 1,795,600 | 4,434,602 | 4,444,110 | 1.07 |
| <u>South Korea</u> | | | | |
| <u>Technology</u> | | | | |
| Samsung Electronics Co Ltd - Preference Shares | 20,065 | 3,865,779 | 3,909,176 | 0.94 |
| <u>Singapore</u> | | | | |
| <u>Consumer Discretionary</u> | | | | |
| Comfortdelgro Corporation Ltd | 941,800 | 4,321,357 | 4,314,310 | 1.04 |
| <u>Taiwan</u> | | | | |
| <u>Technology</u> | | | | |
| Taiwan Semiconductor Manufacturing Co | 129,000 | 10,751,092 | 9,744,608 | 2.35 |
| Total quoted equities – foreign | <u>4,961,022</u> | <u>101,317,739</u> | <u>92,648,209</u> | <u>22.36</u> |
| Accumulated unrealised loss on quoted equities – foreign | | <u>(8,669,530)</u> | | |
| Total quoted equities – foreign | | <u>92,648,209</u> | | |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

10 CASH AND CASH EQUIVALENTS

| | <u>2023</u> RM | <u>2022</u> RM |
|--|-------------------|-------------------|
| Cash and bank balances | 20,987,833 | 23,072,632 |
| Deposits with licensed financial institution | 1,883,535 | 67,951,559 |
| | <u>22,871,368</u> | <u>91,024,191</u> |

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

| | <u>2023</u> % | <u>2022</u> % |
|--|------------------|------------------|
| Deposits with a licensed financial institution | <u>3.00</u> | <u>2.25</u> |

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

11 NUMBER OF UNITS IN CIRCULATION

| | <u>2023</u> No. of units | <u>2022</u> No. of units |
|---|-----------------------------|-----------------------------|
| At the beginning of the financial year | 443,670,000 | 455,426,000 |
| Creation of units arising from applications | 60,323,000 | 7,288,000 |
| Creation of units arising from distribution | 3,786,668 | 22,968,003 |
| Cancellation of units | <u>(51,680,668)</u> | <u>(42,012,003)</u> |
| At the end of the financial year | <u>456,099,000</u> | <u>443,670,000</u> |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

12 TRANSACTIONS WITH BROKERS

(a) Details of transactions with the top 10 brokers for the financial year ended 31 July 2023 are as follows:

| <u>Name of brokers</u> | <u>Value of trade</u> RM | <u>Percentage of total trade</u> % | <u>Brokerage fees</u> RM | <u>Percentage of total brokerage</u> % |
|---|-----------------------------|---------------------------------------|-----------------------------|---|
| CLSA Securities Malaysia Sdn Bhd | 60,083,743 | 7.68 | 127,647 | 7.29 |
| Affin Hwang Investment Bank Bhd# | 56,808,865 | 7.26 | 131,847 | 7.53 |
| Macquarie Capital Securities Malaysia Sdn Bhd | 54,970,578 | 7.02 | 109,784 | 6.27 |
| UOB Kay Hian Securities (M) Sdn Bhd | 46,685,381 | 5.97 | 116,713 | 6.67 |
| JP Morgan Securities (M) Sdn Bhd | 44,210,980 | 5.65 | 110,527 | 6.31 |
| RHB Investment Bank Bhd | 41,660,058 | 5.32 | 104,150 | 5.95 |
| Sanford C. Bernstein and Co LLC | 35,488,058 | 4.54 | 38,270 | 2.19 |
| Maybank Investment Bank Bhd | 34,925,041 | 4.46 | 77,896 | 4.45 |
| Credit Suisse Securities (M) Sdn Bhd | 30,278,698 | 3.87 | 75,697 | 4.32 |
| Public Investment Bank Bhd | 28,256,432 | 3.61 | 70,641 | 4.04 |
| Others | 349,223,500 | 44.62 | 787,412 | 44.98 |
| | <u>782,591,334</u> | <u>100.00</u> | <u>1,750,584</u> | <u>100.00</u> |

(b) Details of transactions with the top 10 brokers for the financial year ended 31 July 2022 are as follows:

| <u>Name of brokers</u> | <u>Value of trade</u> RM | <u>Percentage of total trade</u> % | <u>Brokerage fees</u> RM | <u>Percentage of total brokerage</u> % |
|---|-----------------------------|---------------------------------------|-----------------------------|---|
| Affin Hwang Investment Bank Bhd# | 171,049,842 | 19.93 | 452,000 | 22.57 |
| CLSA Securities Malaysia Sdn Bhd | 49,548,863 | 5.77 | 77,218 | 3.86 |
| Credit Suisse Securities (M) Sdn Bhd | 31,371,490 | 3.65 | 78,429 | 3.92 |
| CIMB International Securities Ltd | 30,700,764 | 3.58 | 61,402 | 3.07 |
| Macquarie Capital Securities Malaysia Sdn Bhd | 30,620,057 | 3.57 | 73,521 | 3.67 |
| TA Securities Holdings Bhd | 27,638,426 | 3.22 | 69,096 | 3.45 |
| HLG Securities Sdn Bhd | 25,238,837 | 2.94 | 63,097 | 3.14 |
| Robert W. Baird & Co. Incorporated | 24,531,704 | 2.86 | 2,028 | 0.10 |
| Citigroup Global Markets Ltd | 24,363,880 | 2.84 | 94,425 | 4.72 |
| Jefferies International Ltd | 23,084,335 | 2.69 | 46,169 | 2.31 |
| Others | 420,080,851 | 48.95 | 985,093 | 49.19 |
| | <u>858,229,049</u> | <u>100.00</u> | <u>2,002,478</u> | <u>100.00</u> |

**AHAM SELECT OPPORTUNITY FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)**

12 TRANSACTIONS WITH BROKERS (CONTINUED)

Included in transactions with brokers are trades in the stockbroking industry with Affin Hwang Investment Bank Bhd, the immediate former holding company of the Manager amounting to RM56,808,865 (2022: RM171,049,842). The Manager is of the opinion that the transactions with the related company have been entered into in the normal course of business at agreed terms between the related parties.

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

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

| <u>Related parties</u> | <u>Relationships</u> |
|---|--|
| CVC Capital Partners Asia V L P. ("CVC Asia V") | Ultimate holding company of the Manager |
| Lembaga Tabung Angkatan Tentera ("LTAT") | Former ultimate holding corporate body of the Manager and substantial shareholder of the Manager |
| Affin Bank Berhad ("ABB") | Former penultimate holding company of the Manager |
| Affin Hwang Investment Bank Berhad | Former immediate holding company of the Manager |
| Starlight TopCo Limited | Penultimate holding company of the Manager |
| Starlight Universe Limited | Intermediate holding company of the Manager |
| Starlight Asset Sdn Bhd | Immediate holding company of the Manager |
| Nikko Asset Management International Limited ("NAMI") | Former substantial shareholder of the Manager |
| Nikko Asset Management Co., Ltd ("NAM") | Substantial shareholder of the Manager |
| AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) | The Manager |
| Subsidiaries and associated companies of CVC Asia V as disclosed in their financial statements | Subsidiaries and associated companies of the ultimate holding company of the Manager |
| Subsidiaries and associated companies of ABB as disclosed in its financial statements | Subsidiaries and associated companies of the former penultimate holding company of the Manager |
| Directors of AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) | Directors of the Manager |

**AHAM SELECT OPPORTUNITY FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)**

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

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

| | <u>2023</u> | | <u>2022</u> | |
|---|--------------|-------|--------------|--------|
| <u>The Manager:</u> | No. of units | RM | No. of units | RM |
| AHAM Asset Management Berhad Formerly known as Affin Hwang Asset Management Berhad) (The unit are held legally for booking purposes) | 7,766 | 7,642 | 48,711 | 45,486 |

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

14 TOTAL EXPENSE RATIO (“TER”)

| | <u>2023</u> | <u>2022</u> |
|-----|-------------|-------------|
| | % | % |
| TER | 1.59 | 1.59 |

TER is derived from the following calculation:

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

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

The average NAV of the Fund for the financial year calculated on a daily basis is RM431,606,656 (2022: RM457,930,349)

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)

15 PORTFOLIO TURNOVER RATIO ("PTR")

| | <u>2023</u> | <u>2022</u> |
|-------------|-------------|-------------|
| PTR (times) | <u>0.91</u> | <u>0.94</u> |

PTR is derived from the following calculation:

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

where: total acquisition for the financial year = RM434,579,754 (2022: RM388,371,200)
total disposal for the financial year = RM354,967,371 (2022: RM476,488,075)

16 SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Change in substantial shareholders of AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)

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

**AHAM SELECT OPPORTUNITY FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY 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** (formerly known as Affin Hwang Asset Management Berhad), do hereby state that in the opinion of the Manager, the financial statements set out on pages 1 to 39 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 July 2023 and of its financial performance, changes in equity and cash flows for the financial year then ended in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards

For and on behalf of the Manager,
**AHAM ASSET MANAGEMENT BERHAD
(FORMERLY KNOWN AS AFFIN HWANG ASSET MANAGEMENT BERHAD)**

**DATO' TENG CHEE WAI
EXECUTIVE DIRECTOR/MANAGING DIRECTOR**

Kuala Lumpur
28 September 2023

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF
AHAM SELECT OPPORTUNITY FUND
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of AHAM Select Opportunity Fund (“the Fund”) (formerly known as Affin Hwang Select Opportunity Fund) give a true and fair view of the financial position of the Fund as at 31 July 2023, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 July 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 1 to 39.

Basis for opinion

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

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

Independence and other ethical responsibilities

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

Information other than the financial statements and auditors’ report thereon

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

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF
AHAM SELECT OPPORTUNITY FUND (CONTINUED)
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

Responsibilities of the Manager for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF
AHAM SELECT OPPORTUNITY FUND (CONTINUED)
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF
AHAM SELECT OPPORTUNITY FUND (CONTINUED)
(FORMERLY KNOWN AS AFFIN HWANG SELECT OPPORTUNITY FUND)

OTHER MATTERS

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

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
28 September 2023

DIRECTORY OF SALES OFFICE

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