



ANNUAL REPORT
31 March 2024

AHAM Aiiman **Balanced Fund**

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

TRUSTEE
AmanahRaya Trustees Berhad
(766894-T)

Built On Trust

aham.com.my

AHAM AIIMAN BALANCED FUND

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

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FUND INFORMATION

Fund Name	AHAM Aiman Balanced Fund
Fund Type	Income and Growth
Fund Category	Islamic Balanced
Investment Objective	To achieve reasonable returns in both income and capital growth over a medium to long term period by investing in a wide portfolio of authorised securities and other investments which complies with Shariah principles.
Benchmark	60% FTSE-Bursa Malaysia EMAS Shariah Index + 40% 3 month GIA rate quoted by Maybank
Distribution Policy	Distribution (if any) will be subject to the availability of income

FUND PERFORMANCE DATA

Category	As at 31 Mar 2024 (%)	As at 31 Mar 2023 (%)	As at 31 Mar 2022 (%)
Portfolio composition			
Quoted equities – local			
- Consumers product and services	3.08	3.63	4.60
- Energy	5.17	-	-
- Financial Services	-	-	3.26
- Healthcare	7.77	5.10	1.95
- Industrial product and services	12.59	4.74	14.81
- Plantation	2.04	5.88	5.00
- Property	2.86	2.54	4.87
- REITs	2.14	2.02	-
- Technology	11.43	9.28	7.37
- Telecommunication and media	4.86	6.77	2.53
- Transport and logistics	-	4.79	5.64
- Utilities	-	2.96	-
- Warrants	-	0.05	0.32
- Preference Share	-	-	0.91
Total quoted equities - local	51.94	47.76	51.26
Unquoted fixed income securities – local			
- Sukuk	43.60	45.99	42.13
Total unquoted fixed income securities – local	43.60	45.99	42.13
Exchange-traded fund – local	1.83	2.68	2.25
Cash and cash equivalent	2.63	3.57	4.36
Total	100.00	100.00	100.00
Total NAV (RM'million)	16.127	17.641	19.606
NAV per Unit (RM)	0.4003	0.3942	0.4409
Unit in Circulation (million)	40.290	44.751	44.472
Highest NAV	0.4030	0.4491	0.6053
Lowest NAV	0.3759	0.3820	0.4277
Return of the Fund (%)	4.61	-5.20	-19.47
- Capital Growth (%)	1.55	-10.59	-25.55
- Income Distribution (%)	3.02	6.03	8.17
Gross Distribution per Unit (sen)	1.16	2.33	4.00
Net Distribution per Unit (sen)	1.16	2.33	4.00
Total Expense Ratio (%) ¹	1.75	1.71	1.71
Portfolio Turnover Ratio (times) ²	0.69	0.57	0.94

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

¹The TER of the Fund increased due to a lower average NAV of the Fund over the financial year.

²The Fund recorded a higher PTR than previous year due to higher trading activities for the financial year.

Income Distribution / Unit Split

The NAV per Unit prior and subsequent to the distributions are as follow:

Cum Date	Ex-Date	Cum-distribution (RM)	Distribution per Unit (RM)	Ex-distribution (RM)
20-Jul-21	21-Jul-21	0.5623	0.0200	0.5426
18-Jan-22	19-Jan-22	0.4903	0.0200	0.4628
19-Jul-22	20-Jul-22	0.4058	0.0200	0.3881
17-Jan-23	18-Jan-23	0.3979	0.0033	0.3946
19-Jul-23	20-Jul-23	0.3967	0.0097	0.3862
16-Jan-24	17-Jan-24	0.3906	0.0019	0.3865

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

Income Distribution Breakdown

Class	Ex-Date	Income (per unit) (sens / cents)	Income (%)	Capital (per unit) (sens / cents)	Capital (%)
MYR	21-Jul-21	2.0000	100.00	0.0000	0.00
MYR	19-Jan-22	2.0000	100.00	0.0000	0.00
MYR	20-Jul-22	2.0000	100.00	0.0000	0.00
MYR	18-Jan-23	0.3300	100.00	0.0000	0.00
MYR	20-Jul-23	0.9700	100.00	0.0000	0.00
MYR	17-Jan-24	0.1900	100.00	0.0000	0.00

Fund Performance

Table 1: Performance of the Fund

	1 Year (1/4/23 - 31/3/24)	3 Years (1/4/21 - 31/3/24)	5 Years (1/4/19 - 31/3/24)
Fund	4.61%	(20.14%)	5.59%
Benchmark	6.36%	(2.66%)	5.70%
Outperformance	(1.75%)	(17.48%)	(0.11%)

Source of Benchmark: Bloomberg & Maybank

Table 2: Average Total Return

	1 Year (1/4/23 - 31/3/24)	3 Years (1/4/21 - 31/3/24)	5 Years (1/4/19 - 31/3/24)
Fund	4.61%	(7.21%)	1.09%
Benchmark	6.36%	(0.89%)	1.11%
Outperformance	(1.75%)	(6.32%)	(0.02%)

Source of Benchmark: Bloomberg & Maybank

Table 3: Annual Total Return

	FYE 2024 (1/4/23 - 31/3/24)	FYE 2023 (1/4/22 - 31/3/23)	FYE 2022 (1/4/21 - 31/3/22)	FYE 2021 (1/4/20 - 31/3/21)	FYE 2020 (1/4/19 - 31/3/20)
Fund	4.61%	(5.20%)	(19.47%)	36.43%	(3.09%)
Benchmark	6.36%	(5.19%)	(3.46%)	16.73%	(6.98%)
Outperformance	(1.75%)	(0.01%)	(16.01%)	19.70%	3.89%

Source of Benchmark: Bloomberg & Maybank

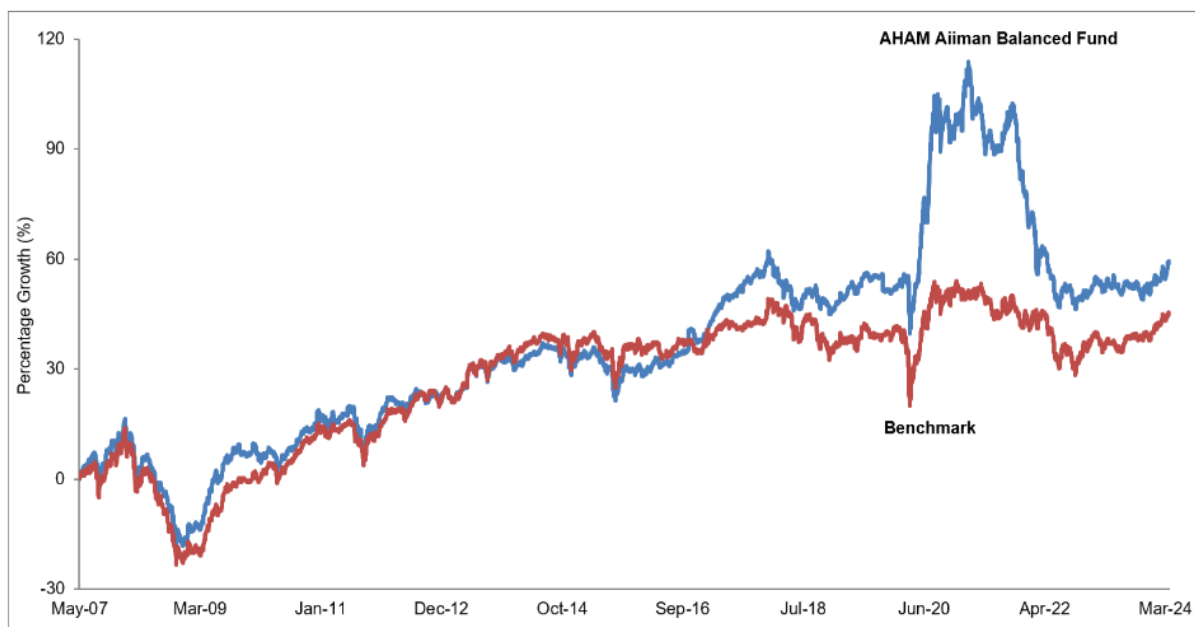
Past performance is not necessarily indicative of future performance and that Unit prices and investment returns may go down, as well as up.

MANAGER'S REPORT

Performance Review (1 April 2023 to 31 March 2024)

For the period 1 April 2023 to 31 March 2024, the Fund registered a 4.61% return compared to the benchmark return of 6.36%. The Fund thus underperformed the Benchmark by 1.75%. The Net Asset Value per unit ("NAV") of the Fund as at 31 March 2024 was RM0.4003 while the NAV as at 31 March 2023 was RM0.3942. During the period under review, the Fund has declared a total income distribution of RM0.0116 per unit.

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



"This information is prepared by AHAM Asset Management Berhad for information purposes only. Past earnings or the fund's distribution record is not a guarantee or reflection of the fund's future earnings/future distributions. Investors are advised that unit prices, distributions payable and investment returns may go down as well as up. Source of Benchmark is from Bloomberg & Maybank."
Benchmark: 60% FTSE-Bursa Malaysia EMAS Shariah Index + 40% 3 month GIA rate quoted by Maybank

Asset Allocation

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

As at 31 March 2024, the Fund increased its invested level with a total of 51.94% in equities compared to 47.76% a year ago. Invested levels in Sukuk was reduced to 43.60% from 45.99%, 1.83% from 2.68% in exchange-traded fund and the balance was held in cash and cash equivalent.

Strategies Employed

Over the financial year under review, the Fund manager continues to invest in Shariah-compliant equities, Sukuk with Islamic money market instruments and Islamic deposits with the aim of maximising total returns.

Market Review

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

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

One of the most significant events of 2023 was the eruption of the Israel-Palestinian conflict in October, which led to a sharp depreciation of the Israeli shekel. Gold, viewed as a safe-haven asset surged significantly in the short term and investors' bullish sentiment towards oil also intensified from concern over a disruption to oil supplies in the Middle East, a major oil-producing region. The strained banking sector in U.S. triggered by the collapse of Silicon Valley Bank ("SVB") weighed heavily on investors sentiments. With an abundant of deposits over loans, SVB had placed them into available-for-sale and held-to-maturity securities like Treasuries and mortgage-backed securities when yields were at all-time lows. However, as interest rates began to rise rapidly, it recorded massive outflows in deposits alongside the rest of the banking sector. SVB sold substantially all of its available-for-sale securities to accommodate the outflows, incurring a massive loss which eventually led to a bank run. Smaller U.S. banks were caught also caught in the turmoil as concerns spread.

Since the debut of ChatGPT, last year also saw the surge of Artificial Intelligence ("AI") technology and explosive growth of generative AI tools like image recognition and image generation. Google launched the Bard the chatbot and later released Gemini, touted as the largest and most versatile AI model. Nvidia also dominated the market with its flagship chip, leading to a doubling in its stock price and contributing to the AI boom. The market's biggest tech stocks, which investors dub the magnificent seven of the Nasdaq 100 – Microsoft, Apple, Alphabet, Nvidia, Amazon, Meta and Tesla saw massive outperformance relative to the Nasdaq composite and S&P500 over the past year.

Global financial markets confounded gloomy expectations in 2023. Despite a lacklustre start to the year, even prolonging to the second half of 2023, the stock market eventually rallied, bonds reversed heavy losses made early in the year as recession fears were replaced by increasing confidence that an economic soft landing would be achieved. The rally began in November as Fed chair, Jerome Powell fanned hopes that borrowing costs had peaked. Entering 2024, U.S. equities started the year on a strong note to the surprise of investors, underpinned by robust economic indicators that fortified the case for a soft landing. The gains were also supported by good corporate earnings, including from the top technology names of the market.

Asia ex Japan equities experienced a mix of ups and downs over the financial year, reflecting the volatile nature of the global market landscape. The financial year commenced with a negative performance in the second quarter of 2023, marked by declines in Chinese equities as the country's economic rebound post pandemic began to slow. Despite this, markets in India, South Korea, and Taiwan saw gains, fueled by factors such as foreign inflows and investor enthusiasm for AI related stocks. The challenges persisted through to the second half of 2023 with concerns over the Chinese economy and global economic growth weighing on investor sentiment across the region. Chinese stocks faced sharp declines amid doubts about government stimulus measures, while markets in Hong Kong, Taiwan, and South Korea also witnessed significant downturns. However, as hopes of stable U.S. interest rates renewed investor appetite for risk assets the outlook improved in the final quarter of 2023. While Chinese stocks continued to struggle, markets in Taiwan, South Korea, and India saw robust growth, driven by factors such as technology stocks and

chipmakers. Other markets in the region also achieved positive growth, albeit more modestly. Markets saw positive momentum carried into the first quarter of 2024, with Asia ex Japan equities achieving modest gains. Despite ongoing concerns, particularly regarding China's economic outlook and geopolitical tensions, markets in Taiwan, India, and the Philippines performed strongly. On the flip side, challenges persisted in markets such as Hong Kong, Thailand, and China, where share prices ended the quarter in negative territory.

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

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

Investment Outlook

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

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

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

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

State of Affairs of the Fund

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

Soft Commissions received from Brokers

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

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

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

Cross Trade

Cross trade transactions have been carried out during the reported year and that the Compliance and Risk Oversight Committee of the fund has reviewed that such transactions are in the best interest of the fund and transacted on an arm's length and fair value basis.

Securities Financing Transactions

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

Changes Made To the Fund's Prospectus

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

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF AHAM AIIAMAN BALANCED FUND ("Fund")

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

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

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

Yours faithfully
AMANAHRAYA TRUSTEES BERHAD

ZAINUDIN BIN SUHAIMI
Chief Executive Officer

Kuala Lumpur, Malaysia
24 May 2024

SHARIAH ADVISER'S REPORT

TO THE UNIT HOLDERS OF AHAM AIIAMAN BALANCED (“Fund”)

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, AHAM Asset Management Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the Shariah principles and requirements and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters: and
2. The assets of the Fund comprise instruments that have been classified as Shariah-compliant.

For **Amanie Advisors Sdn Bhd**

Tan Sri Dr Mohd Daud Bakar
Executive Chairman

Kuala Lumpur
24 May 2024

AHAM AIIMAN BALANCED FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

AHAM AIIMAN BALANCED FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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AHAM AIIMAN BALANCED FUND

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

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
INVESTMENT INCOME/(LOSS)			
Dividend income		218,338	329,211
Profit income from financial assets at amortised cost		20,424	33,822
Profit income from financial assets at fair value through profit or loss	11	374,823	419,544
Net gain/(loss) on financial assets at fair value through profit or loss	9	469,540	(1,416,107)
		<u>1,083,125</u>	<u>(633,530)</u>
EXPENSES			
Management fee	4	(247,856)	(274,912)
Trustee fee	5	(13,228)	(14,668)
Fund accounting fee	6	(7,200)	(600)
Auditors' remuneration		(9,000)	(9,000)
Tax agent's fee		(4,597)	(4,101)
Transaction costs		(65,349)	(70,589)
Other expenses		(9,088)	(9,774)
		<u>(356,318)</u>	<u>(383,644)</u>
NET PROFIT/(LOSS) BEFORE TAXATION		726,807	(1,017,174)
Taxation	7	-	-
NET PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL YEAR		<u>726,807</u>	<u>(1,017,174)</u>
Net profit/(loss) after taxation is made up of the following:			
Realised amount		1,432,621	765,456
Unrealised amount		(705,814)	(1,782,630)
		<u>726,807</u>	<u>(1,017,174)</u>

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

AHAM AIIMAN BALANCED FUND

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
ASSETS			
Cash and cash equivalents	10	641,502	674,101
Amount due from Manager			
- creation of units		6,389	-
Dividends receivable		18,868	23,947
Financial assets at fair value through profit or loss	9	15,702,255	17,012,413
TOTAL ASSETS		<u>16,369,014</u>	<u>17,710,461</u>
LIABILITIES			
Amount due to brokers		183,459	-
Amount due to Manager			
- management fee		20,350	22,546
- cancellation of units		1,997	2,366
Amount due to Trustee		1,085	1,202
Fund accounting fee		600	600
Auditors' remuneration		9,000	9,000
Tax agent's fee		8,978	4,381
Other payable and accruals		16,720	29,172
TOTAL LIABILITIES		<u>242,189</u>	<u>69,267</u>
NET ASSET VALUE OF THE FUND		<u>16,126,825</u>	<u>17,641,194</u>
EQUITY			
Unitholders' capital		15,032,484	16,782,046
Retained earnings		1,094,341	859,148
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>16,126,825</u>	<u>17,641,194</u>
NUMBER OF UNITS IN CIRCULATION	12	<u>40,290,000</u>	<u>44,751,000</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.4003</u>	<u>0.3942</u>

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

AHAM AIIMAN BALANCED FUND

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

	Unitholders' <u>capital</u> RM	Retained <u>earnings</u> RM	<u>Total</u> RM
Balance as at 1 April 2023	16,782,046	859,148	17,641,194
Total comprehensive income for the financial year	-	726,807	726,807
Distributions (Note 8)	-	(491,614)	(491,614)
Movement in unitholders' capital:			
Creation of units arising from applications	655,894	-	655,894
Creation of units arising from distributions	491,614	-	491,614
Cancellation of units	(2,897,070)	-	(2,897,070)
Balance as at 31 March 2024	<u>15,032,484</u>	<u>1,094,341</u>	<u>16,126,825</u>
Balance as at 1 April 2022	16,693,464	2,912,340	19,605,804
Total comprehensive loss for the financial year	-	(1,017,174)	(1,017,174)
Distributions (Note 8)	-	(1,036,018)	(1,036,018)
Movement in unitholders' capital:			
Creation of units arising from applications	1,491,334	-	1,491,334
Creation of units arising from distributions	1,036,018	-	1,036,018
Cancellation of units	(2,438,770)	-	(2,438,770)
Balance as at 31 March 2023	<u>16,782,046</u>	<u>859,148</u>	<u>17,641,194</u>

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

AHAM AIIMAN BALANCED FUND

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

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of Shariah-compliant investments		11,994,477	9,829,900
Purchase of Shariah-compliant investments		(10,117,493)	(9,476,515)
Profit income from short-term Shariah-based deposits		20,424	33,822
Profit income received from sukuk		405,037	429,086
Dividend received		215,257	322,185
Management fee rebate received		-	617
Management fee paid		(250,052)	(277,145)
Trustee fee paid		(13,345)	(14,787)
Fund accounting fee paid		(7,200)	-
Payment for other fees and expenses		(31,770)	(104,085)
		<hr/>	<hr/>
Net cash flows generated from operating activities		2,215,335	743,078
		<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		649,505	1,529,915
Payment for cancellation of units		(2,897,439)	(2,436,404)
		<hr/>	<hr/>
Net cash flows used in financing activities		(2,247,934)	(906,489)
		<hr/>	<hr/>
NET DECREASE IN CASH AND CASH EQUIVALENTS		(32,599)	(163,411)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		674,101	837,512
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	10	641,502	674,101
		<hr/> <hr/>	<hr/> <hr/>

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

AHAM AIIMAN BALANCED FUND

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

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

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

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

AHAM AIIMAN BALANCED FUND

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

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

B INCOME RECOGNITION

Dividend income

Dividend income from Shariah-compliant investments is recognised in the statement of comprehensive income as part of gross dividend income on the ex-dividend rate, when the right to receive the dividend has been established.

Profit income

Profit from short-term Shariah-based deposits with licensed financial institutions and unquoted sukuk are recognised based on effective profit rate method on an accruals basis.

Profit income is calculated by applying the effective profit 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 profit 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 Shariah-compliant quoted investments and exchange-traded fund (“ETF”), realised gains and losses on sale of Shariah-compliant investments are accounted for as the difference between the net disposal proceeds and the carrying amount of the Shariah-compliant investments, determined on a weighted average cost basis.

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

AHAM AIIMAN BALANCED FUND

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

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

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 recognized, measured based on the requirements of MFRS 137. They are presented within the other expenses line in the statement of comprehensive income.

E DISTRIBUTIONS

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

F FUNCTIONAL AND PRESENTATION CURRENCY

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

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

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

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

AHAM AIIMAN BALANCED FUND

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

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(i) Classification (continued)

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 not designated as hedging instruments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, 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 the amount outstanding.

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

* For the purpose of this Fund, interest refers to profits earned from Shariah-compliant investments.

(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. Shariah-compliant investments are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income.

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

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

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

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

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

AHAM AIIMAN BALANCED FUND

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

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

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

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

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

Investment in ETF is valued based on quoted market prices at the close of trading on the reporting date.

Financial assets at amortised cost and other financial liabilities are subsequently carried at amortised cost using the effective profit 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 AIIMAN BALANCED FUND

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

G 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 reorganization; 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.

H CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances and short-term Shariah-based deposits held in highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

AHAM AIIMAN BALANCED FUND

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

I AMOUNTS 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 G 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 brokers, probability that the brokers will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

J UNITHOLDERS' CAPITAL

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

- the units entitle the holder to a proportionate share of the Fund's net asset value ("NAV");
- the units are the most subordinated class and class features are identical;
- there is no contractual obligation 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 units back to the Fund.

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

AHAM AIIMAN BALANCED FUND

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

K CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

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

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

However, the Manager is of the opinion that there are no accounting policies that required significant judgement to be exercised.

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

L REALISED AND UNREALISED PORTIONS OF PROFIT OR LOSS AFTER TAX

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

AHAM AIIMAN BALANCED FUND

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

1 INFORMATION ON THE FUND

The Unit Trust Fund was constituted under the name Dana Islamiah Affin (the “Fund”) pursuant to the execution of a Master Deed dated 14 September 2001, First Supplemental Deed dated 23 October 2002, Second Supplemental Deed dated 23 August 2007, Third Supplemental Deed dated 8 September 2008, Fourth Supplemental Deed dated 13 October 2008, Fifth Supplemental Deed dated 22 July 2014, Sixth Supplemental Deed dated 6 August 2015, Seventh Supplemental Deed dated 5 October 2018 and Eighth Supplemental Deed dated 28 December 2022 (the “Deeds”) entered into between AHAM Asset Management Berhad (the “Manager”) and AmanahRaya Trustees Berhad (the “Trustee”). The Fund has changed its name from Affin Hwang Aiiman Balanced Fund to AHAM Aiiman Balanced Fund as amended by the Eighth Supplemental Deed dated 28 December 2022.

The Fund was launched on 11 November 2001 and will continue its operations until terminated by the Trustee as provided under Clause 22.1 of the Deed.

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

- (i) Listed Shariah-compliant securities;
- (ii) Unlisted Shariah-compliant securities;
- (iii) Shariah-compliant right issues;
- (iv) Shariah-compliant warrants;
- (v) Government Investment Issues (GII), Islamic accepted bills, Bank Negara Malaysia negotiable notes, negotiable Islamic debt certificate (NIDC), Islamic negotiable instrument of deposits (INID), Cagamas mudharabah bonds and any other government Islamic Papers;
- (vi) Other Shariah-compliant obligations issued or guaranteed by the Malaysian government, Bank Negara Malaysia, state governments and government-related agencies;
- (vii) Sukuk;
- (viii) Islamic deposits;
- (ix) Islamic money market instruments;
- (x) Units/shares in Islamic collective investment schemes which are in line with the objective of the Fund; and
- (xi) Any other form of Shariah-compliant investments as may be permitted by the SC and/or the Shariah Adviser from time to time that is in line with the Fund’s objectives.

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

The objective of the Fund is to achieve reasonable returns in both income and capital growth over a medium to long term period by investing in a wide portfolio of authorised securities and other investments which complies with Shariah principles.

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

The financial statements were authorised for issue by the Manager on 24 May 2024.

AHAM AIIMAN BALANCED FUND

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

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments of the Fund are as follows:

	<u>Note</u>	At amortised <u>cost</u> RM	At fair value through profit <u>or loss</u> RM	<u>Total</u> RM
<u>2024</u>				
<u>Financial assets</u>				
Cash and cash equivalents	10	641,502	-	641,502
Amount due from Manager				
- creation of units		6,389	-	6,389
Dividends receivable		18,868	-	18,868
Shariah-compliant quoted equities	9	-	8,375,573	8,375,573
Exchange-traded fund	9	-	295,682	295,682
Unquoted sukuk	9	-	7,031,000	7,031,000
Total		<u>666,759</u>	<u>15,702,255</u>	<u>16,369,014</u>
<u>Financial liabilities</u>				
Amount due to brokers		183,459	-	183,459
Amount due to Manager				
- management fee		20,350	-	20,350
- cancellation of units		1,997	-	1,997
Amount due to Trustee		1,085	-	1,085
Fund accounting fee		600	-	600
Auditors' remuneration		9,000	-	9,000
Tax agent's fee		8,978	-	8,978
Other payables and accruals		16,720	-	16,720
Total		<u>242,189</u>	<u>-</u>	<u>242,189</u>
<u>2023</u>				
<u>Financial assets</u>				
Cash and cash equivalents	10	674,101	-	674,101
Dividends receivable		23,947	-	23,947
Shariah-compliant quoted equities	9	-	8,425,019	8,425,019
Exchange-traded fund	9	-	473,472	473,472
Unquoted sukuk	9	-	8,113,922	8,113,922
Total		<u>698,048</u>	<u>17,012,413</u>	<u>17,710,461</u>

AHAM AIIMAN BALANCED FUND

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

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

Financial instruments of the Fund are as follows: (continued)

<u>Note</u>	At amortised <u>cost</u> RM	At fair value through profit <u>or loss</u> RM	<u>Total</u> RM
<u>2023 (continued)</u>			
<u>Financial liabilities</u>			
Amount due to Manager			
- management fee	22,546	-	22,546
- cancellation of units	2,366	-	2,366
Amount due to Trustee	1,202	-	1,202
Fund accounting fee	600	-	600
Auditors' remuneration	9,000	-	9,000
Tax agent's fee	4,381	-	4,381
Other payables and accruals	29,172	-	29,172
Total	<u>69,267</u>	<u>-</u>	<u>69,267</u>

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

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

Market risk

(a) Price risk

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

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

	<u>2024</u> RM	<u>2023</u> RM
Shariah-compliant quoted investments		
Quoted equities	8,375,573	8,425,019
Exchange-traded fund	295,682	473,472
	<u>8,671,255</u>	<u>8,898,491</u>

AHAM AIIMAN BALANCED FUND

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

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

Market risk (continued)

(a) Price risk (continued)

	<u>2024</u> RM	<u>2023</u> RM
Shariah-compliant unquoted investments		
Unquoted sukuk*	7,031,000	8,113,922

* Includes profit receivable of RM83,797 (2023: RM100,075)

The following table summarises the sensitivity of the Fund's profit/(loss) after taxation and NAV to price risk movement. The analysis is based on the assumptions that the market price increased by 5% (2023: 10%) and decreased by 5% (2023: 10%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the Fund's investments.

<u>% Change in price</u>	<u>Market value</u> RM	Impact on profit/ (loss) after tax/NAV RM
<u>2024</u>		
-5%	14,837,535	(780,923)
0%	15,618,458	-
+5%	16,399,381	780,923
<u>2023</u>		
-10%	15,221,104	(1,691,234)
0%	16,912,338	-
+10%	18,603,572	1,691,234

(b) Profit rate risk

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

AHAM AIIMAN BALANCED FUND

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

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

Market risk (continued)

(b) Profit rate risk (continued)

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

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

The table below summarises the sensitivity of the Fund's NAV and profit/(loss) after tax to movements in prices of unquoted sukuk held by the Fund as a result of movement in profit rate. The analysis is based on the assumptions that the profit rate increased and decreased by 1% (100 basis points) (2023: 2% (200 basis points)) with all other variables held constant.

<u>% Change in profit rate</u>	<u>Impact on profit/(loss) after tax/NAV</u>	
	<u>2024</u>	<u>2023</u>
	RM	RM
+ 1% (2023: + 2%)	(10,608)	(31,414)
- 1% (2023: - 2%)	10,635	31,656

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

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 Shariah-based liquid assets to meet anticipated payments and cancellation of units by unitholders. Shariah-based liquid assets comprise cash, Shariah-based deposits with licensed financial institutions and other Shariah-based instruments, which are capable of being converted into cash within 7 days.

AHAM AIIMAN BALANCED FUND

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

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

Liquidity risk (continued)

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

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

	<u>Within one month</u> RM	<u>Between one month to one year</u> RM	<u>Total</u> RM
<u>2024</u>			
Amount due to brokers	183,459	-	183,459
Amount due to Manager			
- management fee	20,350	-	20,350
- cancellation of units	1,997	-	1,997
Amount due to Trustee	1,085	-	1,085
Fund accounting fee	600	-	600
Auditors' remuneration	-	9,000	9,000
Tax agent's fee	-	8,978	8,978
Other payables and accruals	-	16,720	16,720
	<u>207,491</u>	<u>34,698</u>	<u>242,189</u>
<u>2023</u>			
Amount due to Manager			
- management fee	22,546	-	22,546
- cancellation of units	2,366	-	2,366
Amount due to Trustee	1,202	-	1,202
Fund accounting fee	600	-	600
Auditors' remuneration	-	9,000	9,000
Tax agent's fee	-	4,381	4,381
Other payables and accruals	-	29,172	29,172
	<u>26,714</u>	<u>42,553</u>	<u>69,267</u>

AHAM AIIMAN BALANCED FUND

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

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

Credit risk

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

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

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

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

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

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

AHAM AIIMAN BALANCED FUND

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

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

Credit risk (continued)

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

	Unquoted sukuk RM	Cash and cash equivalents RM	Other assets* RM	Total RM
<u>2024</u>				
Energy				
- A+	1,064,378	-	-	1,064,378
Financials				
- AAA	-	450,791	-	450,791
- AA3	-	190,711	-	190,711
Health Care				
- Non-rated ("NR")	-	-	3,246	3,246
Industrials				
- AAA	508,766	-	-	508,766
- AA3	528,781	-	-	528,781
- A-	2,027,787	-	-	2,027,787
Others				
- NR	-	-	6,389	6,389
Property				
- NR	-	-	4,590	4,590
Real Estate				
- AA-	519,564	-	-	519,564
Technology				
- NR	-	-	2,202	2,202
Telecommunications & Media				
- NR	-	-	8,830	8,830
Utilities				
- AA1	1,055,853	-	-	1,055,853
- AA3	1,325,871	-	-	1,325,871
	<u>7,031,000</u>	<u>641,502</u>	<u>25,257</u>	<u>7,697,759</u>

AHAM AIIMAN BALANCED FUND

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

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

Credit risk (continued)

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

	Unquoted sukuk RM	Cash and cash equivalents RM	Other assets* RM	Total RM
<u>2023</u>				
Consumer Staples				
- AA	519,159	-	-	519,159
Energy				
- A+	1,025,874	-	-	1,025,874
Financial Services				
- A3	505,524	-	-	505,524
- AA-	1,018,341	-	-	1,018,341
- AA2	200,147	-	-	200,147
- AA3	-	90,276	-	90,276
- AAA	-	583,825	-	583,825
Industrials				
- A	1,005,735	-	-	1,005,735
- AA3	252,490	-	-	252,490
Property				
- NR	-	-	3,690	3,690
Real Estate				
- AA-	509,843	-	-	509,843
Telecommunication				
- AAA	209,066	-	-	209,066
Transport & Logistics				
- NR	-	-	5,515	5,515
Utilities				
- AA-	511,862	-	-	511,862
- AA1	1,040,675	-	-	1,040,675
- AA3	1,315,206	-	-	1,315,206
- NR	-	-	14,742	14,742
	<u>8,113,922</u>	<u>674,101</u>	<u>23,947</u>	<u>8,811,970</u>

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

AHAM AIIMAN BALANCED FUND

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

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

Capital risk

The capital of the Fund is represented by equity consisting of unitholders' capital and retained earnings. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unitholders.

The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the Shariah-compliant investment activities of the Fund.

Reclassification of Shariah status risk

The risk that the currently held Shariah-compliant securities in the portfolio of Shariah-based funds may be reclassified to be Shariah non-compliant upon review of the securities by the Shariah Advisory Council of the Securities Commission performed twice yearly. If this occurs, the value of the fund may be adversely affected where the Manager will take the necessary steps to dispose of such securities in accordance with the Shariah Advisory Council's advice. As at 31 March 2024 and 31 March 2023, all investments held are Shariah Compliant counters as approved by the Shariah Advisory Council.

3 FAIR VALUE ESTIMATION

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

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

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

The fair value of financial assets 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)

AHAM AIIMAN BALANCED FUND

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

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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

- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (Level 3)

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

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

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

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2024</u>				
Financial assets at fair value through profit or loss:				
- quoted equities	8,375,573	-	-	8,375,573
- unquoted sukuk	-	7,031,000	-	7,031,000
- exchanged-traded fund	295,682	-	-	295,682
	<u>8,671,255</u>	<u>7,031,000</u>	<u>-</u>	<u>15,702,255</u>

AHAM AIIMAN BALANCED FUND

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

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2023</u>				
Financial assets at fair value through profit or loss:				
- quoted equities	8,425,019	-	-	8,425,019
- unquoted sukuk	-	8,113,922	-	8,113,922
- exchanged-traded fund	473,472	-	-	473,472
	<u>8,898,491</u>	<u>8,113,922</u>	<u>-</u>	<u>17,012,413</u>

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

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

- (ii) The carrying amount 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 of not exceeding 3.00% per annum on the NAV of the Fund, calculated on a daily basis.

For the financial year ended 31 March 2024, the management fee is recognised at a rate of 1.50% (2023: 1.50%) per annum on the NAV of the Fund, calculated on a daily basis as stated in the Fund's Prospectus.

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

AHAM AIIMAN BALANCED FUND

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

5 TRUSTEE FEE

In accordance with the Deeds, the Trustee is entitled to an annual fee at a rate not exceeding 0.08% per annum on the NAV of the Fund, excluding of foreign custodian fees and charges, calculated on a daily basis.

For the financial year ended 31 March 2024, the Trustee fee is recognised at a rate of 0.08% (2023: 0.08%) per annum on the NAV of the Fund, excluding of foreign custodian fees and charges, calculated on a daily basis as stated in the Fund's Prospectus.

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

6 FUND ACCOUNTING FEE

	<u>2024</u> RM	<u>2023</u> RM
Fund accounting fee	7,200	600

7 TAXATION

	<u>2024</u> RM	<u>2023</u> RM
Current taxation	-	-

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

	<u>2024</u> RM	<u>2023</u> RM
Net profit/(loss) before taxation	726,807	(1,017,174)
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	174,434	(244,122)
Tax effects of:		
(Investment income not subject to tax)/investment loss not brought to tax	(259,950)	152,047
Expenses not deductible for tax purposes	23,871	23,936
Restrictions on tax deductible expenses for Unit Trust Fund	61,645	68,139
Tax expense	-	-

AHAM AIIMAN BALANCED FUND

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

8 DISTRIBUTIONS

	<u>2024</u> RM	<u>2023</u> RM
Distributions to unitholders are from the following sources:		
Dividend income	140,000	-
Profit income	135,201	198,846
Previous years' realised income	279,921	883,060
	<hr/>	<hr/>
Gross realised income	555,122	1,081,906
Less: Expenses	(63,508)	(45,888)
	<hr/>	<hr/>
Net distribution amount	491,614	1,036,018
	<hr/> <hr/>	<hr/> <hr/>

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

<u>Ex-date</u>	<u>Gross/Net distribution per unit</u> (sen)
20.07.2023	0.97
17.01.2024	0.19
	<hr/>
	1.16
	<hr/> <hr/>

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

<u>Ex-date</u>	<u>Gross/Net distribution per unit</u> (sen)
20.07.2022	2.00
18.01.2023	0.33
	<hr/>
	2.33
	<hr/> <hr/>

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

Included in distribution for the financial year is an amount of RM279,921 (2023: RM883,060) made from previous financial years' realised income.

The Fund has incurred an unrealised loss of RM705,814 (2023: RM1,782,630) for the financial year ended 31 March 2024.

AHAM AIIMAN BALANCED FUND

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

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2024</u> RM	<u>2023</u> RM
Financial assets at fair value through profit or loss:		
- Shariah-compliant quoted equities – local	8,375,573	8,425,019
- unquoted sukuk – local	7,031,000	8,113,922
- exchange-traded fund - local	295,682	473,472
	<u>15,702,255</u>	<u>17,012,413</u>
Net gain/(loss) on financial assets at fair value through profit or loss:		
- realised loss on sale of investment	(458,953)	(1,434,963)
- unrealised gain on changes in fair value	928,493	18,239
- management fee rebate on exchange-traded fund#	-	617
	<u>469,540</u>	<u>(1,416,107)</u>

In arriving at the fair value of the Fund's investment in ETF, the management fee initially paid to the Manager of ETF has been considered as part of its NAV. In order to minimise the impact of management fee charged by the fund manager, management fee charged on the Fund's investments in ETF has been refunded to the Fund. Accordingly, any rebate of management fee received from the Manager of exchange-traded fund is reflected as an increase in the NAV of the ETF.

(a) Shariah-compliant quoted equities – local

(i) Shariah-compliant quoted equities – local as at 31 March 2024 are as follows:

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Consumer Products & Services</u>				
MSM Malaysia Holdings Bhd	154,400	357,821	497,168	3.08
<u>Energy</u>				
Dialog Group Bhd	226,200	450,742	515,736	3.20
Veleso Energy Bhd	1,096,200	275,976	317,898	1.97
	<u>1,322,400</u>	<u>726,718</u>	<u>833,634</u>	<u>5.17</u>

AHAM AIIMAN BALANCED FUND

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

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

(a) Shariah-compliant quoted equities – local (continued)

(i) Shariah-compliant quoted equities – local as at 31 March 2024 are as follows:
(continued)

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Health Care</u>				
Hartalega Holdings Bhd	176,700	413,894	484,158	3.00
Kossan Rubber Industries Bhd	172,700	250,977	336,765	2.09
Top Glove Corporation Bhd	539,800	518,326	431,840	2.68
	<u>889,200</u>	<u>1,183,197</u>	<u>1,252,763</u>	<u>7.77</u>
<u>Industrial Products & Services</u>				
KJTS Group Bhd	704,000	421,290	482,240	2.99
Nationgate Holdings Bhd	30,600	45,885	47,736	0.30
Nextgreen Global Bhd	404,000	390,442	375,720	2.33
SKP Resources Bhd	428,750	389,319	388,019	2.40
V.S. Industry Bhd	309,800	248,514	271,075	1.68
Hiap Teck Venture Bhd	414,300	163,756	159,505	0.99
Sunview Group Bhd	470,700	352,803	305,955	1.90
	<u>2,762,150</u>	<u>2,012,009</u>	<u>2,030,250</u>	<u>12.59</u>
<u>Plantation</u>				
Sime Darby Plantation Bhd	76,200	394,556	328,422	2.04
<u>Property</u>				
SP Setia Bhd Group	245,400	329,054	358,284	2.22
SP Setia Bhd Group -Islamic Redeemable Convertible Preference Shares	113,700	121,955	103,467	0.64
	<u>359,100</u>	<u>451,009</u>	<u>461,751</u>	<u>2.86</u>
<u>REITs</u>				
Axis Real Estate Investment Trust	191,709	374,267	345,076	2.14

AHAM AIIMAN BALANCED FUND

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

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

(a) Shariah-compliant quoted equities – local (continued)

(i) Shariah-compliant quoted equities – local as at 31 March 2024 are as follows:
(continued)

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Technology</u>				
Genetec Technology Bhd	44,000	220,000	205,480	1.27
ITMAX System Bhd	260,300	400,823	598,690	3.71
JHM Consolidation Bhd	556,000	442,932	314,140	1.95
Aimflex Bhd	3,502,400	652,595	542,872	3.37
TT Vision Holdings Bhd	186,200	194,982	181,545	1.13
	<u>4,548,900</u>	<u>1,911,332</u>	<u>1,842,727</u>	<u>11.43</u>
<u>Telecommunication & Media</u>				
Axiata Group Bhd	176,600	533,817	475,054	2.95
TIME dotCom Berhad	59,600	284,142	308,728	1.91
	<u>236,200</u>	<u>817,959</u>	<u>783,782</u>	<u>4.86</u>
Total Shariah-compliant quoted equities – local	<u>10,540,259</u>	<u>8,228,868</u>	<u>8,375,573</u>	<u>51.94</u>
Accumulated unrealised gain on Shariah-compliant quoted equities – local		<u>146,705</u>		
Total Shariah-compliant quoted equities – local		<u>8,375,573</u>		

AHAM AIIMAN BALANCED FUND

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

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

(a) Shariah-compliant quoted equities – local (continued)

(ii) Shariah-compliant quoted equities – local as at 31 March 2023 are as follows:

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Consumer Products & Services</u>				
Bermaz Auto Bhd	126,000	230,794	289,800	1.64
Sime Darby Bhd	163,700	371,537	350,318	1.99
	<u>289,700</u>	<u>602,331</u>	<u>640,118</u>	<u>3.63</u>
<u>Health Care</u>				
Hartalega Holdings Bhd	178,400	334,249	337,176	1.91
Kossan Rubber Industries Bhd	163,900	218,696	213,070	1.21
Top Glove Corporation Bhd	371,900	355,691	349,586	1.98
	<u>714,200</u>	<u>908,636</u>	<u>899,832</u>	<u>5.10</u>
<u>Industrial Products & Services</u>				
Nextgreen Global Bhd	346,100	340,462	342,639	1.94
SKP Resources Bhd	161,250	271,657	199,950	1.14
V.S. Industry Bhd	363,600	343,409	292,698	1.66
	<u>870,950</u>	<u>955,528</u>	<u>835,287</u>	<u>4.74</u>
<u>Plantation</u>				
Hap Seng Plantations Holdings Bhd	97,800	269,177	171,150	0.97
Kuala Lumpur Kepong Bhd	17,700	465,496	367,806	2.08
Sime Darby Plantation Bhd	76,200	394,556	324,612	1.84
Ta Ann Holdings Bhd	55,300	290,667	174,195	0.99
	<u>247,000</u>	<u>1,419,896</u>	<u>1,037,763</u>	<u>5.88</u>

AHAM AIIMAN BALANCED FUND

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

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

(a) Shariah-compliant quoted equities – local (continued)

(ii) Shariah-compliant quoted equities – local as at 31 March 2023 are as follows:
(continued)

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Property</u>				
SP Setia Bhd Group Islamic redeemable convertible preference shares (RCPS-I)	113,700	121,955	100,624	0.57
NCT Alliance Bhd	939,000	466,455	347,430	1.97
	<u>1,052,700</u>	<u>588,410</u>	<u>448,054</u>	<u>2.54</u>
<u>REIT</u>				
Axis Real Estate Investment Trust	190,700	372,551	356,609	2.02
<u>Technology</u>				
Genetec Technology Bhd	190,000	507,869	513,000	2.91
Greatech Technology Bhd	64,200	321,000	317,148	1.80
ITMAX System Bhd	253,000	390,338	341,550	1.94
JHM Consolidation Bhd	556,000	442,932	464,260	2.63
	<u>1,063,200</u>	<u>1,662,139</u>	<u>1,635,958</u>	<u>9.28</u>
<u>Telecommunication & Media</u>				
Axiata Group Bhd	90,100	325,627	270,300	1.53
CelcomDigi Berhad	41,500	139,321	180,110	1.02
TIME dotCom Berhad	134,000	588,952	743,700	4.22
	<u>265,600</u>	<u>1,053,900</u>	<u>1,194,110</u>	<u>6.77</u>
<u>Transportation & Logistics</u>				
MISC Bhd	81,800	567,313	588,960	3.34
Swift Haulage Bhd	551,500	426,622	256,448	1.45
	<u>633,300</u>	<u>993,935</u>	<u>845,408</u>	<u>4.79</u>

AHAM AIIMAN BALANCED FUND

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

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

(a) Shariah-compliant quoted equities – local (continued)

(ii) Shariah-compliant quoted equities – local as at 31 March 2023 are as follows:
(continued)

<u>Name of counters</u>	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Utilities</u>				
Tenaga Nasional Bhd	56,700	528,342	522,774	2.96
<u>Warrant</u>				
Eco World Development Group Bhd - Warrant	82,780	-	9,106	0.05
Total Shariah-compliant quoted equities – local	<u>5,466,830</u>	9,085,668	<u>8,425,019</u>	<u>47.76</u>
Accumulated unrealised loss on Shariah-compliant quoted equities – local		(660,649)		
Total Shariah-compliant quoted equities – local		<u>8,425,019</u>		

AHAM AIIMAN BALANCED FUND

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

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

(b) Unquoted sukuk – local

(i) Unquoted sukuk – local as at 31 March 2024 are as follows:

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Sukuk (continued)</u>				
4.76% IJM Corporation Bhd 10.04.2029 (AA3)	500,000	527,852	528,781	3.28
5.90% MEX II Sdn Bhd 27.04.2029 (D)	1,000,000	1,049,568	-	0.00
6.30% MEX II Sdn Bhd 29.04.2033 (D)	3,000,000	3,225,405	-	0.00
4.03% Projek Lebuhraya Usahasama Bhd 10.01.2031 (AAA)	500,000	504,416	508,766	3.15
5.40% Tadau Energy Sdn Bhd 28.07.2025 (AA3)	300,000	303,471	307,209	1.90
5.55% Tanjung Bin Energy Sdn Bhd 15.09.2025 (AA3)	500,000	502,442	506,679	3.14
5.70% Tanjung Bin Energy Sdn Bhd 16.03.2027 (AA3)	500,000	503,619	511,983	3.18
5.15% UEM Sunrise Bhd 31.10.2025 (AA-)	500,000	511,181	519,564	3.22
6% UiTM Solar Power Sdn Bhd 26.04.2030 (A+)	1,000,000	1,029,801	1,064,378	6.60
5.80% WCT Holdings Bhd Call: 27.09.2024 (A-)	1,000,000	1,000,795	1,002,285	6.22
7.50% Yinson Holdings Bhd Call: 08.03.2029 (A-)	1,000,000	1,004,932	1,025,502	6.36
5.05% YTL Power International Bhd 03.05.2027 (AA1)	1,000,000	1,025,830	1,055,853	6.55
Total unquoted sukuk – local	<u>10,800,000</u>	<u>11,189,312</u>	<u>7,031,000</u>	<u>43.60</u>
Accumulated unrealised loss on unquoted sukuk – local		<u>(4,158,312)</u>		
Total unquoted sukuk – local		<u><u>7,031,000</u></u>		

AHAM AIIMAN BALANCED FUND

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

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

(b) Unquoted sukuk – local (continued)

(ii) Unquoted sukuk – local as at 31 March 2023 are as follows:

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Sukuk</u>				
4.50% Bank Muamalat Malaysia Bhd Call: 15.06.2026 (A3)	500,000	506,614	505,524	2.87
4.20% Gamuda Land T12 Sdn Bhd 11.10.2027 (AA3)	250,000	249,949	252,490	1.43
3.90% Imtiaz Sukuk II Bhd 19.04.2028 (AA2)	200,000	202,066	200,147	1.13
5.95% Lebuhraya DUKE Fasa 3 Sdn Bhd 23.08.2034 (AA-)	1,000,000	1,068,109	1,018,341	5.77
5.90% MEX II Sdn Bhd* 27.04.2029 (D)	1,000,000	1,049,568	-	0.00
6.30% MEX II Sdn Bhd* 29.04.2033 (D)	3,000,000	3,225,405	-	0.00
5.29% MMC Corp Bhd 26.04.2023 (AA-)	500,000	511,376	511,862	2.90
5.65% Sime Darby Plantation Bhd Call: 24.03.2026 (AA)	500,000	516,789	519,159	2.94
5.40% Tadau Energy Sdn Bhd 28.07.2025 (AA3)	300,000	304,011	308,241	1.75
5.55% Tanjung Bin Energy Sdn Bhd 15.09.2025 (AA3)	500,000	503,483	503,016	2.85
5.70% Tanjung Bin Energy Sdn Bhd 16.03.2027 (AA3)	500,000	504,542	503,949	2.86
4.68% Telekom Malaysia Bhd 31.10.2028 (AAA)	200,000	214,781	209,066	1.19
5.15% UEM Sunrise Bhd 31.10.2025 (AA-)	500,000	511,352	509,843	2.89
6.00% UiTM Solar Power Sdn Bhd 26.04.2030 (A+)	1,000,000	1,030,177	1,025,874	5.81
5.80% WCT Holdings Bhd Call: 27.09.2024 (A)	1,000,000	1,000,795	1,005,735	5.70

AHAM AIIMAN BALANCED FUND

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

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

(b) Unquoted sukuk – local (continued)

(ii) Unquoted sukuk – local as at 31 March 2023 are as follows: (continued)

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Sukuk (continued)</u>				
5.05% YTL Power International Bhd 03.05.2027 (AA1)	1,000,000	1,027,196	1,040,675	5.90
Total unquoted sukuk – local	<u>11,950,000</u>	<u>12,426,213</u>	<u>8,113,922</u>	<u>45.99</u>
Accumulated unrealised loss on unquoted sukuk – local		<u>(4,312,291)</u>		
Total unquoted sukuk – local		<u>8,113,922</u>		

* MEX II Sdn Bhd

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

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

AHAM AIIMAN BALANCED FUND

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

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

(c) Exchange-traded fund - local

(i) Exchange-traded fund – local as at 31 March 2024 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
TradePlus Shariah Gold Tracker	90,700	160,135	295,682	1.83
Total exchange-traded fund - local	<u>90,700</u>	<u>160,135</u>	<u>295,682</u>	<u>1.83</u>
Accumulated unrealised gain on exchange-traded fund - local		<u>135,547</u>		
Total exchange-traded fund - local		<u>295,682</u>		

(ii) Exchange-traded fund – local as at 31 March 2023 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
TradePlus Shariah Gold Tracker	172,800	305,085	473,472	2.68
Total exchange-traded fund - local	<u>172,800</u>	<u>305,085</u>	<u>473,472</u>	<u>2.68</u>
Accumulated unrealised gain on exchange-traded fund - local		<u>168,387</u>		
Total exchange-traded fund - local		<u>473,472</u>		

AHAM AIIMAN BALANCED FUND

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

10 CASH AND CASH EQUIVALENTS

	<u>2024</u> RM	<u>2023</u> RM
Cash and bank balances	190,711	90,276
Shariah-based deposits with licensed financial institutions	450,791	583,825
	<u>641,502</u>	<u>674,101</u>

The weighted average effective profits per annum and weighted average maturity of Shariah-based deposits with licensed financial institutions are as follows:

	<u>2024</u> %	<u>2023</u> %
Shariah-based deposits with licensed financial institutions	<u>2.90</u>	<u>2.65</u>

Shariah-based deposits with a licensed financial institution has an average remaining maturity period of 1 day (2023: 3 days).

11 PROFIT INCOME FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2024</u> RM	<u>2023</u> RM
Profit income from unquoted sukuk – local	388,759	434,556
Amortisation of premium on unquoted sukuk – local	(13,936)	(15,012)
	<u>374,823</u>	<u>419,544</u>

12 NUMBER OF UNITS IN CIRCULATION

	<u>2024</u> No of units	<u>2023</u> No of units
At the beginning of the financial year	44,751,000	44,472,000
Creation of units arising from applications	1,703,000	3,723,000
Creation of units arising from distribution	1,271,581	2,649,165
Cancellation of units	(7,435,581)	(6,093,165)
At the end of the financial year	<u>40,290,000</u>	<u>44,751,000</u>

AHAM AIIMAN BALANCED FUND

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

13 SHARIAH INFORMATION OF THE FUND

The Shariah Adviser confirmed that the investment portfolio of the Fund is Shariah-compliant as at 31 March 2024, which comprises:

- a) Equity securities and exchange-traded fund listed in Bursa Malaysia which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission;
- b) Sukuk as per the list of sukuk available at Bond Info Hub and Fully Automated System for Issuing/Tendering of Bank Negara Malaysia; and
- c) Cash placements and liquid assets in local market, which are placed in Shariah-compliant investment and/or instruments.

14 TRANSACTIONS WITH BROKERS AND DEALERS

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

<u>Name of brokers and dealers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage fees</u> %
UOB Kay Hian Securities (Malaysia) Sdn Bhd	3,292,148	15.10	8,125	20.32
RHB Investment Bank Bhd*	3,180,711	14.59	4,184	10.47
Affin Hwang Investment Bank Bhd#*	2,681,721	12.30	5,381	13.46
Public Investment Bank Bhd	1,634,945	7.50	4,112	10.29
Kenanga Investment Bank Bhd	1,544,768	7.09	3,862	9.66
Bank Islam Malaysia Bhd	1,076,500	4.94	0	-
Malayan Banking Bhd	1,010,090	4.63	2,568	6.42
United Overseas Bank (Malaysia) Bhd	1,000,000	4.59	0	-
Hong Leong Islamic Bank Bhd	947,720	4.35	0	-
Macquarie Capital Securities (Malaysia) Sdn. Bhd.	750,170	3.44	1,894	4.74
Others	4,681,773	21.47	9,848	24.64
	<u>21,800,546</u>	<u>100.00</u>	<u>39,974</u>	<u>100.00</u>

AHAM AIIMAN BALANCED FUND

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

14 TRANSACTIONS WITH BROKERS AND DEALERS (CONTINUED)

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

<u>Name of brokers and dealers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage fees</u> %
Affin Hwang Investment Bank Bhd#*	5,279,167	27.42	9,388	22.59
UOB Kay Hian Securities (Malaysia) Sdn Bhd	1,910,908	9.92	4,813	11.58
Public Investment Bank Bhd	1,638,364	8.51	4,096	9.86
Macquarie Capital Securities (Malaysia) Sdn Bhd	1,337,297	6.94	3,366	8.10
Kenanga Investment Bank Bhd	1,235,015	6.41	3,087	7.43
J.P. Morgan Securities (Malaysia) Sdn Bhd	1,065,299	5.53	2,700	6.50
Hong Leong Investment Bank Bhd	1,037,172	5.39	2,593	6.24
RHB Investment Bank Bhd	1,010,548	5.25	2,526	6.08
CLSA Securities Malaysia Sdn Bhd	966,657	5.02	3,108	7.48
Malayan Banking Bhd	563,531	2.93	1,131	2.72
Others	3,210,968	16.68	4,744	11.42
	<u>19,254,926</u>	<u>100.00</u>	<u>41,552</u>	<u>100.00</u>

Included in transactions with dealers and brokers are trades in the stockbroking industry with Affin Hwang Investment Bank Bhd, the former immediate holding company of the Manager amounting RM2,681,721 (2023: RM5,279,167). The Manager is of the opinion that all transactions with the former immediate holding company have been entered into in the normal course of business at agreed terms between the related parties.

* Included in the transactions with dealers are cross trades conducted between the Fund and other funds; and private mandates managed by the Manager amounting to:

<u>Name of dealers</u>	<u>2024</u> RM	<u>2023</u> RM
Affin Hwang Investment Bank Bhd	560,300	1,001,560
RHB Investment Bank Bhd	1,033,050	-
	<u>1,593,350</u>	<u>1,001,560</u>

AHAM AIIMAN BALANCED FUND

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

14 TRANSACTIONS WITH BROKERS AND DEALERS (CONTINUED)

The cross trades are conducted between the Funds and other funds; and private mandates managed by the Manager as follows:

	<u>2024</u> RM	<u>2023</u> RM
AHAM Aiiman Global Sukuk Fund	-	501,750
AHAM Aiiman ESG Income Plus Fund (formerly known as AHAM Aiiman Income Plus Fund)	1,076,600	-
AHAM Enhanced Deposit Fund	-	202,000
Private mandates managed by the Manager	516,750	297,810
	<u>1,593,350</u>	<u>1,001,560</u>

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

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

<u>Related parties</u>	<u>Relationship</u>
CVC Capital Partners Asia V L P. ("CVC Asia V")	Ultimate holding company of the Manager
Lembaga Tabung Angkatan Tentera ("LTAT")	Former ultimate holding corporate body of the Manager and substantial shareholder of the Manager
Affin Bank Berhad ("ABB")	Former penultimate holding company of the Manager
Affin Hwang Investment Bank Berhad	Former immediate holding company of the Manager
Starlight TopCo Limited	Penultimate holding company of the Manager
Starlight Universe Limited	Intermediate holding company of the Manager
Starlight Asset Sdn Bhd	Immediate holding company of the Manager
Nikko Asset Management International Limited ("NAM")	Former substantial shareholder of the Manager
AHAM Asset Management Berhad	The Manager

AHAM AIIMAN BALANCED FUND

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

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

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

<u>Related parties</u>	<u>Relationship</u>
Subsidiaries and associated companies of CVC Asia V as disclosed in their financial statements	Subsidiaries and associated companies of the ultimate holding company of the Manager
Subsidiaries and associated companies of ABB as disclosed in its financial statements	Subsidiaries and associated companies of the former penultimate holding company of the Manager
Directors of AHAM Asset Management Berhad	Directors of the Manager

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

	<u>2024</u>		<u>2023</u>	
	<u>No. of units</u>	<u>RM</u>	<u>No. of units</u>	<u>RM</u>
<u>The Manager:</u>				
AHAM Asset Management Berhad (The units are held legally for booking purpose)	<u>3,189</u>	<u>1,277</u>	<u>15,077</u>	<u>5,927</u>

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

AHAM AIIMAN BALANCED FUND

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

16 TOTAL EXPENSE RATIO (“TER”)

	<u>2024</u> %	<u>2023</u> %
TER	1.75	1.71

TER is derived from the following calculation:

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

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

The average NAV of the Fund for the financial year calculated on a daily basis was RM16,536,610 (2023: RM18,284,171).

17 PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2024</u>	<u>2023</u>
PTR (times)	0.69	0.57

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 = RM10,280,226 (2023: RM9,476,515)
total disposal for the financial year = RM12,488,663 (2023: RM11,223,996)

18 SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Change in substantial shareholders of AHAM Asset Management Berhad

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

AHAM AIIMAN BALANCED FUND

STATEMENT BY THE MANAGER

I, Dato' Teng Chee Wai, for and on behalf of the board of directors of the Manager, **AHAM Asset Management Berhad**, do hereby state that in the opinion of the Manager, the financial statements set out on pages 1 to 42 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 March 2024 and of its financial performance, changes in equity and cash flows for the financial year ended 31 March 2024 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

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

DATO' TENG CHEE WAI
EXECUTIVE DIRECTOR/MANAGING DIRECTOR

Kuala Lumpur
24 May 2024

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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of AHAM Aiiman Balanced Fund (“the Fund”) give a true and fair view of the financial position of the Fund as at 31 March 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 March 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 1 to 42.

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 the 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 AIIMAN BALANCED FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon (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 AIIMAN BALANCED FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

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

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

OTHER MATTERS

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

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
24 May 2024

DIRECTORY OF SALES OFFICE

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