



ANNUAL REPORT
30 April 2024

AHAM **Equity** Fund

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

TRUSTEE
Maybank Trustees Berhad
196301000109 (5004-P)

Built On Trust

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AHAM EQUITY FUND

Annual Report and Audited Financial Statements For The Financial Year Ended 30 April 2024

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FUND INFORMATION

Fund Name	AHAM Equity Fund
Fund Type	Income & Growth
Fund Category	Equity
Investment Objective	To reward the Unit Holders with a reasonable rate of return on income and to realise capital growth
Benchmark	FTSE Bursa Malaysia KLCI
Distribution Policy	Distribution (if any) will be subject to the availability of income

FUND PERFORMANCE DATA

Category	As At 30 Apr 2024 (%)	As At 30 Apr 2023 (%)	As At 30 Apr 2022 (%)
Portfolio Composition			
Quoted equities – local			
- Consumer products & services	4.23	10.26	9.11
- Construction	3.90	-	-
- Energy	12.59	8.10	5.81
- Financial services	4.98	12.04	16.68
- Healthcare	12.10	7.30	4.78
- Industrial product & services	18.89	21.23	22.17
- Plantation	-	2.06	14.53
- Properties	10.15	2.26	2.04
- REIT	1.84	2.06	-
- Technology	13.95	16.12	10.73
- Telecommunication & media	4.96	4.75	2.68
- Transport & logistics	4.88	2.11	4.37
- Utilities	4.03	2.05	1.71
- Warrant	-	-	1.08
Total Quoted equities – local	96.50	90.34	95.69
Cash and cash equivalent	3.50	9.66	4.31
Total	100.00	100.00	100.00
Total NAV (RM' million)	45.519	42.024	51.252
NAV per Unit (RM)	0.7589	0.6506	0.7077
Unit in Circulation (million)	59.983	64.589	72.421
Highest NAV	0.7589	0.7077	0.7937
Lowest NAV	0.6207	0.5939	0.6357
Return of the Fund (%)	19.20	-8.07	-0.52
- Capital Return (%)	16.65	-8.07	-0.52
- Income Return (%)	2.19	Nil	Nil
Gross Distribution per Unit (sen)	1.37	Nil	Nil
Net Distribution per Unit (sen)	1.37	Nil	Nil
Total Expenses Ratio (%) ¹	1.79	1.65	1.70
Portfolio Turnover Ratio (times) ²	1.18	0.73	0.73

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

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

An illustration of the above would be as follow:-

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

¹ The Fund's TER increased during the financial year due to a decrease in average NAV of the Fund.

²The Fund's PTR increased due to an increase in trading activities of the Fund over the financial year.

Income Distribution / Unit Split

Cum Date	Ex-Date	Cum-distribution	Distribution per Unit (RM)	Ex-distribution
19-Jul-23	20-Jul-23	0.6413	0.0137	0.6264

No unit splits were declared for the financial year ended 30 April 2024.

Income Distribution Breakdown

Class	Ex-Date	Income (per unit) (sen / cents)	Income (%)	Capital (per unit) (sen / cents)	Capital (%)
MYR	20-Jul-23	1.3700	100.00	0.0000	0.00

Fund Performance

Table 1: Performance of the Fund

	1 Year (1/5/23 - 30/4/24)	3 Years (1/5/21 - 30/4/24)	5 Years (1/5/19 - 30/4/24)	Since Commencement (30/4/93 - 30/4/24)
Fund	19.20%	9.01%	46.18%	122.85%
Benchmark	11.30%	(1.60%)	(4.04%)	123.54%
Outperformance	7.90%	10.61%	50.22%	(0.69%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/23 - 30/4/24)	3 Years (1/5/21 - 30/4/24)	5 Years (1/5/19 - 30/4/24)	Since Commencement (30/4/93 - 30/4/24)
Fund	19.20%	2.91%	7.88%	2.62%
Benchmark	11.30%	(0.54%)	(0.82%)	2.63%
Outperformance	7.90%	3.45%	8.70%	(0.01%)

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2024 (1/5/23 - 30/4/24)	FYE 2023 (1/5/22 - 30/4/23)	FYE 2022 (1/5/21 - 30/4/22)	FYE 2021 (1/5/20 - 30/4/21)	FYE 2020 (1/5/19 - 30/4/20)
Fund	19.20%	(8.07%)	(0.52%)	50.37%	(10.82%)
Benchmark	11.30%	(11.53%)	(0.08%)	13.77%	(14.28%)
Outperformance	7.90%	3.46%	(0.44%)	36.60%	3.46%

Source of Benchmark: Bloomberg

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

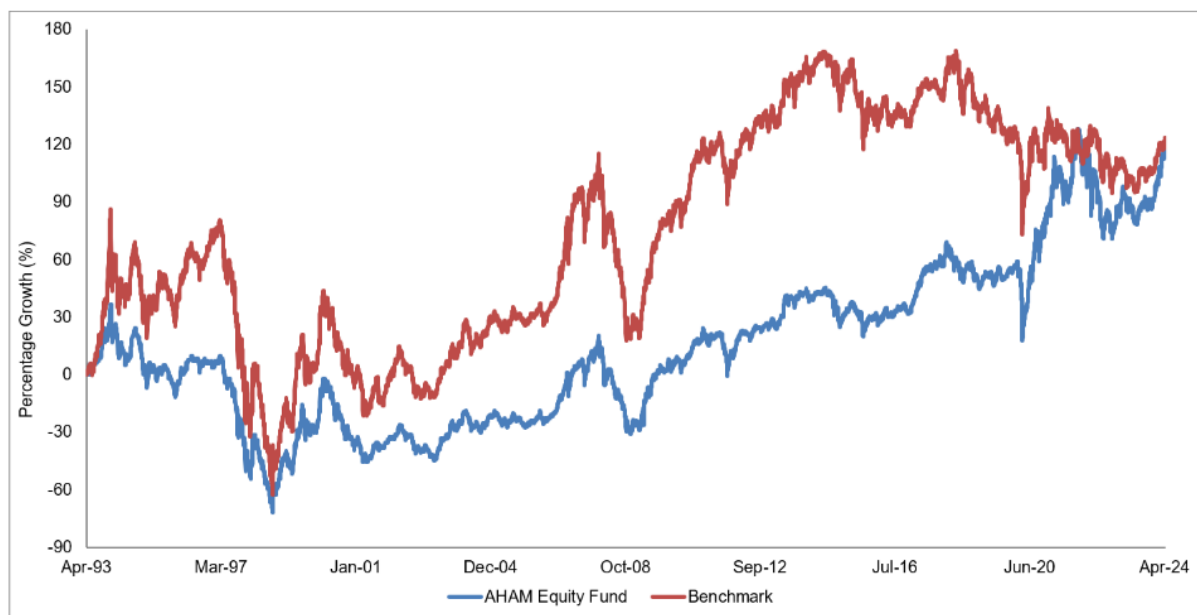
MANAGER'S REPORT

Performance Review (1 May 2023 to 30 April 2024)

For the period 1 May 2023 to 30 April 2024, the Fund has registered a return of 19.20% as compared to the benchmark return of 11.30%. The Fund thus outperformed the benchmark by 7.90%. The Net Asset Value (NAV) per unit of the Fund as at 30 April 2024 was RM0.7589 while the NAV per unit on 30 April 2023 was RM0.6506. During the same period under review, the Fund has declared an income distribution of RM0.0137 per unit.

Since commencement, the Fund has registered a return of 122.85% compared to the benchmark return of 123.54%, underperforming by 0.69%.

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



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

Asset Allocation

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

As at 30 April 2024, the Fund's equity exposure stood at 96.50%, with the balance held in cash and cash equivalent.

Strategies Employed

The Fund employs an absolute return philosophy with the aims of minimizing drawdowns and better risk-adjusted returns. We are a fundamental active manager and our investment style has a quality and growth bias. We adopt a bottom-up approach and extend extensive resources into researching ideas. We also employ tactical asset allocation judiciously, gearing towards preserving capital during significantly negative market conditions by increasing cash holdings.

For stock selection, we use the following criterias: a) Quality management with a clear and established track record; b) Sustainable business model that would be able to deliver growth even in a volatile macroeconomic environment; c) Strong balance sheet and cash flows; and d) Reasonable valuation.

The Fund has relatively higher beta (but below market's) given bigger exposure to small-mid caps which is being mitigated by a more diversified holdings.

Market Review

To provide a broad overview of markets over the financial year under review, on a total return basis the Standard and Poor's ("S&P") 500 Index returned 22.65% with the Morgan Stanley Capital International ("MSCI") World index slightly behind at 18.98%. Specific to the Asian region, MSCI AC Asia ex Japan Index saw a relatively weaker return of 7.87% while locally, the Financial Times Stock Exchange ("FTSE") Bursa Malaysia Kuala Lumpur Composite Index ("KLCI") fared better at 15.94% in Ringgit terms on a total return basis. Within bond markets, Bloomberg Barclays Global Aggregate Index saw a return of -2.47% over the financial year under review while domestically, the bond markets' benchmark 10-year Malaysian Government Securities ("MGS") yield closed at 3.97%.

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, fuelled 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. Looking at 2024, markets saw positive momentum carried into the first quarter, 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. Political stability with Royalty backing allowed policy development and execution, something that is lacking in last 3-5 years. These include Special Economic Zones, subsidy reforms, new energy transition, semiconductor road map etc.

Investment Outlook

Market's strong outperformance has been largely driven by earnings expansion as valuation multiple remains undemanding (still below historical mean). We see potential for market valuation to re-rate to a premium from historical discount, driven by: a) Solid broad-based earnings growth; b) Investment cycle accelerating with strong local funds support given record inflows; c) Stronger Ringgit as U.S. interest rate hike cycle reaches the tail-end, long-awaited recovery in China economy & record foreign direct investments into Malaysia, and d) Continuous foreign inflows with foreign shareholding coming from multi-year lows.

Investment themes that we like include: 1) Income - we look for high yielding stocks to generate income & reduce volatility to the portfolio; 2) Utilities – National Energy Transition Roadmap is a game changer for renewable energy while data centers & electric vehicles provide new demand for power; 3) Healthcare – long term drivers for hospitals include an aging population & rising insurance adoption while gloves players are earnings recovery with selling prices bottoming-out & higher utilization from inventory replenishment; 4) Property/construction – valuation remains attractive driven by rebound in property sales & large infrastructure projects (including data centres); 5) Oil & gas - pick up in activity levels as oil prices remain high, amidst tight supply of vessels/rigs due to years of under-investment; and 6) Technology/Electronics Manufacturing Services ("EMS") - cyclical recovery with improving orderbook visibility & beneficiary of trade diversion from U.S.-China tension.

State of Affairs of the Fund

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

Soft Commissions received from Brokers

As per the requirements of the Securities Commission's Guidelines on Unit Trust Funds and Guidelines on Compliance Function for Fund Management Companies, 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 unitholders of the Fund; and
- (ii) goods and services are in the form of research and advisory services that assists in the decision making process.

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

Cross Trade

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

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 EQUITY FUND ("Fund")

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

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

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

For Maybank Trustees Berhad

NORHAZLIANA BINTI MOHAMMED HASHIM
Head, Unit Trust & Corporate Operations

Kuala Lumpur, Malaysia
26 June 2024

AHAM EQUITY FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

AHAM EQUITY FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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AHAM EQUITY FUND

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

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
INVESTMENT INCOME/(LOSS)			
Dividend income		1,288,135	1,312,576
Interest income from financial assets at amortised cost		72,453	122,095
Net gain/(loss) on financial assets at fair value through profit or loss	9	7,096,488	(4,639,560)
		<u>8,457,076</u>	<u>(3,204,889)</u>
EXPENSES			
Management fee	4	(617,810)	(654,213)
Trustee fee	5	(32,966)	(34,905)
Fund accounting fee	6	(7,200)	-
Auditors' remuneration		(7,500)	(7,500)
Tax agent's fee		(4,820)	-
Transaction costs		(383,192)	(269,341)
Other expenses		(69,814)	(26,731)
		<u>(1,123,302)</u>	<u>(992,690)</u>
NET PROFIT/(LOSS) BEFORE TAXATION		7,333,774	(4,197,579)
Taxation	7	-	-
NET PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL YEAR		<u>7,333,774</u>	<u>(4,197,579)</u>
Net profit/(loss) after taxation is made up of the following:			
Realised amount		1,495,289	697,168
Unrealised amount		5,838,485	(4,894,747)
		<u>7,333,774</u>	<u>(4,197,579)</u>

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

AHAM EQUITY FUND

STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
ASSETS			
Cash and cash equivalents	10	393,739	4,105,097
Amount due from brokers		1,432,813	-
Amount due from Manager			
- creation of units		132,773	-
Dividends receivable		17,215	45,800
Financial assets at fair value through profit or loss	9	43,927,665	37,964,883
TOTAL ASSETS		<u>45,904,205</u>	<u>42,115,780</u>
LIABILITIES			
Amount due to brokers		304,540	-
Amount due to Manager			
- management fee		54,650	52,653
- cancellation of units		9,848	11,723
Amount due to Trustee		2,915	2,808
Fund accounting fee		600	-
Auditors' remuneration		7,500	7,500
Tax agent's fee		5,160	4,940
Other payables and accruals		325	12,186
TOTAL LIABILITIES		<u>385,538</u>	<u>91,810</u>
NET ASSET VALUE OF THE FUND		<u>45,518,667</u>	<u>42,023,970</u>
EQUITY			
Unitholders' capital		66,305,366	69,276,658
Accumulated losses		(20,786,699)	(27,252,688)
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>45,518,667</u>	<u>42,023,970</u>
NUMBER OF UNITS IN CIRCULATION	11	<u>59,983,000</u>	<u>64,589,000</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.7589</u>	<u>0.6506</u>

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

AHAM EQUITY FUND

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

	Unitholders' <u>capital</u> RM	Accumulated <u>losses</u> RM	<u>Total</u> RM
Balance as at 1 May 2023	69,276,658	(27,252,688)	42,023,970
Total comprehensive income for the financial year	-	7,333,774	7,333,774
Distributions (Note 8)	-	(867,785)	(867,785)
Movement in unitholders' capital:			
Creation of units arising from applications	844,544	-	844,544
Creation of units arising from distribution	867,785	-	867,785
Cancellation of units	(4,683,621)	-	(4,683,621)
Balance as at 30 April 2024	<u>66,305,366</u>	<u>(20,786,699)</u>	<u>45,518,667</u>
Balance as at 1 May 2022	74,307,146	(23,055,109)	51,252,037
Total comprehensive loss for the financial year	-	(4,197,579)	(4,197,579)
Movement in unitholders' capital:			
Creation of units arising from applications	648,219	-	648,219
Cancellation of units	(5,678,707)	-	(5,678,707)
Balance as at 30 April 2023	<u>69,276,658</u>	<u>(27,252,688)</u>	<u>42,023,970</u>

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

AHAM EQUITY FUND

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

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		48,443,071	35,037,216
Purchase of investments		(48,748,251)	(28,868,275)
Dividends received		1,240,033	1,334,681
Interest received		72,453	122,095
Management fee paid		(615,813)	(665,048)
Trustee fee paid		(32,859)	(35,483)
Fund accounting fee paid		(6,600)	-
Payment for other fees and expenses		(89,667)	(35,084)
		<hr/>	<hr/>
Net cash flows generated from operating activities		262,367	6,890,102
		<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		711,771	648,219
Payments for cancellation of units		(4,685,496)	(5,734,827)
		<hr/>	<hr/>
Net cash flows used in financing activities		(3,973,725)	(5,086,608)
		<hr/>	<hr/>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(3,711,358)	1,803,494
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		4,105,097	2,301,603
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	10	393,739	4,105,097
		<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 EQUITY FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 EQUITY FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income on the ex-dividend date, when the right to receive the dividend has been established.

Interest income

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

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

Realised gain and loss on sale of investments

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

C TRANSACTION COSTS

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

AHAM EQUITY FUND

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

D TAXATION

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

Withholding taxes on investment income from investment which are not “income tax” in nature are recognised and measured based on the requirements of MFRS 137. They are presented within the other expenses line in the statement of comprehensive income.

E DISTRIBUTION

A distribution to the Fund’s unitholders is accounted for a deduction from retained earnings. A proposed distribution is recognised as a liability in the year 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 equity securities as financial assets measured at fair value through other comprehensive income.

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

AHAM EQUITY FUND

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

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(i) Classification (continued)

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

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

(ii) Recognition and measurement

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

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

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

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

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income within "net loss on financial assets at fair value through profit or loss" in the financial year which they arise.

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

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

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

AHAM EQUITY FUND

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

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment

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

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Quantitative criteria:

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

Qualitative criteria:

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

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

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

Write-off

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

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

AHAM EQUITY FUND

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

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 deposits held in highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

I AMOUNT DUE FROM/(TO) BROKERS

Amounts due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. The due from brokers balance is held for collection. Refer to Note 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 obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

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

Units are created and cancelled at the 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 EQUITY FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 contents on the estimates, certain key variables that are anticipated to have material impacts to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and 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 which require significant judgment to be exercised.

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

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 EQUITY FUND

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

1 INFORMATION ON THE FUND

The Unit Trust Fund was constituted under the name of Amanah Saham PHB (the “Fund”) pursuant to the execution of a Principal Deed dated 15 April 1993, a First Supplemental Deed dated 4 May 1994, a Second Supplemental Deed dated 1 October 1996, a Third Supplemental Deed dated 1 October 1996, a Supplemental Deed dated 18 November 1998, Second Supplemental Deed dated 31 May 2002, Third Supplemental Deed dated 23 August 2007, Fourth Supplemental Deed dated 13 October 2008, Fifth Supplemental Deed dated 22 July 2014, Sixth Supplemental Deed dated 27 July 2015, Seventh Supplemental Deed dated 5 October 2018 and Eighth Supplemental Deed dated 10 January 2023 (the “Deeds”) entered into between AHAM Asset Management Berhad (the “Manager”) and Maybank Trustees Berhad (the “Trustee”). The Fund, under a Second Supplemental Deed dated 31 May 2002, was later renamed to Affin Equity Fund, changed its pricing policy to forward pricing and replaced units certificates with statements. The Fund later changed its name from Affin Equity Fund to Affin Hwang Equity Fund as amended by the Fifth Supplemental Deed dated 22 July 2014 and from Affin Hwang Equity Fund to AHAM Equity Fund as amended by the Eighth Supplemental Deed dated 10 January 2023.

The Fund commenced operations on 29 April 1993 and will continue its operations until terminated by the Trustee as provided under Clause 23 of the Supplemental 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 Deed:

- (i) Listed securities;
- (ii) Unlisted securities including, without limitation, securities that have been approved by relevant authorities for the listing of and quotation for such securities;
- (iii) Deposits;
- (iv) Money market instruments;
- (v) Government bonds, treasury bills and other government approved or guaranteed bonds;
- (vi) Debentures including corporate bonds and bonds;
- (vii) Units/shares in collective investment schemes, both local and foreign;
- (viii) Equity-linked instruments; and
- (ix) Any other form of investments as may be permitted by the Securities Commission from time to time that is in line with the Trust’s objectives.

The objective of the Fund is to reward the unitholders with a reasonable rate of return on income and to realise capital growth.

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 26 June 2024.

AHAM EQUITY FUND

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

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	<u>Note</u>	At amortised cost RM	At fair value through profit or loss RM	Total RM
<u>2024</u>				
<u>Financial assets</u>				
Cash and cash equivalents	10	393,739	-	393,739
Amount due from brokers		1,432,813	-	1,432,813
Amount due from Manager				
- creation of units		132,773	-	132,773
Dividends receivable		17,215	-	17,215
Quoted equities	9	-	43,927,665	43,927,665
Total		<u>1,976,540</u>	<u>43,927,665</u>	<u>45,904,205</u>
<u>Financial liabilities</u>				
Amount due to brokers		304,540	-	304,540
Amount due to Manager				
- management fee		54,650	-	54,650
- cancellation of units		9,848	-	9,848
Amount due to Trustee		2,915	-	2,915
Fund accounting fee		600	-	600
Auditors' remuneration		7,500	-	7,500
Tax agent's fee		5,160	-	5,160
Other payables and accruals		325	-	325
Total		<u>385,538</u>	<u>-</u>	<u>385,538</u>
<u>2023</u>				
<u>Financial assets</u>				
Cash and cash equivalents	10	4,105,097	-	4,105,097
Dividends receivable		45,800	-	45,800
Quoted equities	9	-	37,964,883	37,964,883
Total		<u>4,150,897</u>	<u>37,964,883</u>	<u>42,115,780</u>

AHAM EQUITY FUND

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

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

Financial instruments are as follows: (continued)

	At amortised cost RM	At fair value through profit or loss RM	Total RM
<u>2023</u> (continued)			
<u>Financial liabilities</u>			
Amount due to Manager			
- management fee	52,653	-	52,653
- cancellation of units	11,723	-	11,723
Amount due to Trustee	2,808	-	2,808
Auditors' remuneration	7,500	-	7,500
Tax agent's fee	4,940	-	4,940
Other payables and accruals	12,186	-	12,186
Total	91,810	-	91,810

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

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

Market risk

(a) Price risk

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

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

	<u>2024</u> RM	<u>2023</u> RM
Quoted investments		
Quoted equities	43,927,665	37,964,883

AHAM EQUITY FUND

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

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

Market risk (continued)

(a) Price risk (continued)

The following table summarises the sensitivity of the Fund's profit/(loss) after taxation and NAV to price risk movements. The analysis is based on the assumptions that the market price increased by 10% (2023: 15%) and decreased by 10% (2023: 15%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities.

<u>% Change in price</u>	<u>Market value RM</u>	<u>Impact on profit/(loss) after tax/NAV RM</u>
<u>2024</u>		
-10%	39,534,898	(4,392,767)
0%	43,927,665	-
+10%	48,320,432	4,392,767
<u>2023</u>		
-15%	32,270,151	(5,694,732)
0%	37,964,883	-
+15%	43,659,615	5,694,732

(b) Interest rate risk

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

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

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

AHAM EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 interest, principals and proceeds from realisation of 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 deposits in licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions.

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

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

	<u>Cash and cash equivalents</u> RM	<u>Other receivables</u> RM	<u>Total</u> RM
<u>2024</u>			
Energy			
- Non-rated ("NR")	-	9,029	9,029
Financial Services			
- AAA	393,739	-	393,739
- AA3	-	860,397	860,397
- NR	-	572,416	572,416
Technology			
- NR	-	8,186	8,186
Others			
- NR	-	132,773	132,773
	<u>393,739</u>	<u>1,582,801</u>	<u>1,976,540</u>

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

AHAM EQUITY FUND

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

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

Credit risk (continued)

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

	Cash and cash <u>equivalents</u> RM	Dividends <u>receivable</u> RM	<u>Total</u> RM
<u>2023</u>			
Financial Services			
- AAA	4,105,097	-	4,105,097
- NR	-	40,148	40,148
Industrial Products & Services			
- NR	-	5,652	5,652
	<u>4,105,097</u>	<u>45,800</u>	<u>4,150,897</u>

Liquidity risk

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

AHAM EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 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	304,540	-	304,540
Amount due to Manager			
- management fee	54,650	-	54,650
- cancellation of units	9,848	-	9,848
Amount due to Trustee	2,915	-	2,915
Fund accounting fee	600	-	600
Auditors' remuneration	-	7,500	7,500
Tax agent's fee	-	5,160	5,160
Other payables and accruals	-	325	325
	<u>372,553</u>	<u>12,985</u>	<u>385,538</u>
<u>2023</u>			
Amount due to Manager			
- management fee	52,653	-	52,653
- cancellation of units	11,723	-	11,723
Amount due to Trustee	2,808	-	2,808
Auditors' remuneration	-	7,500	7,500
Tax agent's fee	-	4,940	4,940
Other payables and accruals	-	12,186	12,186
	<u>67,184</u>	<u>24,626</u>	<u>91,810</u>

Capital risk

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

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

AHAM EQUITY FUND

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

3 FAIR VALUE ESTIMATION

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

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

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

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

(i) Fair value hierarchy

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

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

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

AHAM EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 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:

	<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	<u>43,927,665</u>	<u>-</u>	<u>-</u>	<u>43,927,665</u>
<u>2023</u>				
Financial assets at fair value through profit or loss:				
- quoted equities	<u>37,964,883</u>	<u>-</u>	<u>-</u>	<u>37,964,883</u>

Investments whose values are based on quoted market price in active markets and are therefore classified within level 1 includes active listed equities. The Fund does not adjust the quoted prices for these investments.

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

4 MANAGEMENT FEE

In accordance with the Deeds, the Manager is entitled to a management fee at a rate not exceeding 1.50% per annum of the NAV of the Fund, calculated on a daily basis.

For the financial year ended 30 April 2024, the management fee is recognised at a rate of 1.50% (2023: 1.50%) per annum based 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 amounts recognised above.

AHAM EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 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, calculated on a daily basis.

For the financial year ended 30 April 2024, the Trustee fee is recognised at a rate of 0.08% (2023: 0.08%) per annum based 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 Trustee in respect of Trustee fee other than the amounts recognised above.

6 FUND ACCOUNTING FEE

The fund valuation and accounting fee for the Fund is RM7,200 (2023: RM Nil) during financial year.

7 TAXATION

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

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	7,333,774	(4,197,579)
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	1,760,106	(1,007,419)
Tax effects of:		
(Investment income not subject to tax)/		
Investment loss not brought to tax	(2,029,698)	769,173
Expenses not deductible for tax purposes	108,957	69,835
Restrictions on tax deductible expenses for Unit Trust Fund	160,635	168,411
Tax expense	-	-

AHAM EQUITY FUND

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

8 DISTRIBUTIONS

	<u>2024</u> RM
Distribution to unitholders is from the following sources:	
Dividend income	209,271
Previous year's realised income	745,293
	<hr/>
Gross realised income	954,564
Less: Expenses	(86,779)
	<hr/>
	867,785
Less: Taxation	-
	<hr/>
Net distribution amount	<u>867,785</u>
	<hr/>
<u>2024</u>	<u>Gross/Net distribution per unit</u> (sen)
20.07.2023	<u>1.37</u>

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

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

Included in distribution for the financial year is an amount of RM745,293 made from previous financial years' realised income.

AHAM EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 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:		
- quoted equities – local	43,927,665	37,964,883
Net gain/(loss) on financial assets at fair value through profit or loss:		
- realised gain on sale of investments	1,258,003	255,187
- unrealised gain/(loss) on changes in fair value	5,838,485	(4,894,747)
	<u>7,096,488</u>	<u>(4,639,560)</u>

(a) Quoted equities - local

(i) Quoted equities – local as at 30 April 2024 are as follows:

	<u>Quantity</u>	<u>Aggregate cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Construction</u>				
Binastra Corporation Bhd	534,930	768,354	882,634	1.94
Gamuda Bhd	168,600	886,229	895,266	1.96
	<u>703,530</u>	<u>1,654,583</u>	<u>1,777,900</u>	<u>3.90</u>
<u>Consumer Products & Services</u>				
Hong Leong Industries Bhd	92,300	656,783	976,534	2.15
Sime Darby Bhd	338,500	836,901	947,800	2.08
	<u>430,800</u>	<u>1,493,684</u>	<u>1,924,334</u>	<u>4.23</u>
<u>Energy</u>				
Dayang Enterprise Holdings Bhd	365,700	576,927	954,477	2.10
Dialog Group Bhd	642,300	1,288,122	1,547,943	3.40
Keyfield International Bhd	503,100	895,363	905,580	1.99
Velesto Energy Bhd	3,611,400	836,969	975,078	2.14
Wasco Bhd	935,900	689,508	1,347,696	2.96
	<u>6,058,400</u>	<u>4,286,889</u>	<u>5,730,774</u>	<u>12.59</u>

AHAM EQUITY FUND

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

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

(a) Quoted equities – local (continued)

(i) Quoted equities – local as at 30 April 2024 are as follows: (continued)

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Financial Services</u>				
Aeon Credit Service M Bhd	139,600	1,085,346	992,556	2.18
CIMB Group Holdings Bhd	192,552	1,029,519	1,272,769	2.80
	<u>332,152</u>	<u>2,114,865</u>	<u>2,265,325</u>	<u>4.98</u>
<u>Health Care</u>				
Alpha IVF Group Bhd	3,409,100	1,091,785	1,090,912	2.40
Hartalega Holdings Bhd	658,100	1,474,359	1,822,937	4.00
Kossan Rubber Industries Bhd	555,100	799,426	1,204,567	2.65
KPJ Healthcare Bhd	695,200	812,628	1,390,400	3.05
	<u>5,317,500</u>	<u>4,178,198</u>	<u>5,508,816</u>	<u>12.10</u>
<u>Industrial Products & Services</u>				
Ancom Nylex Bhd	756,692	919,288	771,826	1.70
Cape EMS Bhd	251,400	228,648	238,830	0.52
Critical Holdings Bhd	1,101,100	861,677	880,880	1.94
EG Industries Bhd	322,000	517,118	483,000	1.06
KJTS Group Bhd	1,145,500	682,313	693,028	1.52
Nextgreen Global Bhd	1,730,300	1,709,819	1,548,618	3.40
Pekato Group Bhd	1,708,900	848,178	922,806	2.03
Scientex Bhd	229,000	332,590	948,060	2.08
SKP Resources Bhd	498,800	385,921	503,788	1.11
Sunway Bhd	316,200	728,163	1,113,024	2.45
V.S. Industry Bhd	544,400	456,223	489,960	1.08
	<u>8,604,292</u>	<u>7,669,938</u>	<u>8,593,820</u>	<u>18.89</u>
<u>Property</u>				
Eastern & Oriental Bhd	982,900	680,167	992,729	2.18
Eco World Development Group Bhd	645,000	365,461	941,700	2.07
Mah Sing Group Bhd	487,200	408,352	604,128	1.33
Naim Holdings Bhd	1,082,600	950,537	1,169,208	2.57
SP Setia Bhd Group	632,400	899,209	910,656	2.00
	<u>3,830,100</u>	<u>3,303,726</u>	<u>4,618,421</u>	<u>10.15</u>

AHAM EQUITY FUND

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

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Quoted equities – local (continued)

(i) Quoted equities – local as at 30 April 2024 are as follows: (continued)

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>REITs</u>				
Atrium Real Estate Investment Trust	626,300	876,820	839,242	1.84
<u>Technology</u>				
Aimflex Bhd	5,196,000	1,037,551	805,380	1.77
Cloudpoint Technology Bhd	1,373,400	916,300	885,843	1.95
Frontken Corp Bhd	372,100	1,200,287	1,458,632	3.20
Inari Amertron Bhd	351,400	1,088,424	1,085,826	2.38
ITMAX System Bhd	734,800	1,159,924	1,653,300	3.63
ViTrox Corp Bhd	62,800	463,385	463,464	1.02
	<u>8,090,500</u>	<u>5,865,871</u>	<u>6,352,445</u>	<u>13.95</u>
<u>Telecommunication & Media</u>				
Axiata Group Bhd	364,700	876,420	1,032,101	2.27
TIME Dotcom Bhd	237,800	967,120	1,227,048	2.69
	<u>602,500</u>	<u>1,843,540</u>	<u>2,259,149</u>	<u>4.96</u>
<u>Transportation & Logistics</u>				
Malaysia Airports Holdings Bhd	222,500	1,794,838	2,222,775	4.88
<u>Utilities</u>				
Tenaga Nasional Bhd	153,400	1,557,036	1,834,664	4.03
Total quoted equities - local	<u>34,971,974</u>	<u>36,639,988</u>	<u>43,927,665</u>	<u>96.50</u>
Accumulated unrealised gain on quoted equities – local		<u>7,287,677</u>		
Total quoted equities - local		<u>43,927,665</u>		

AHAM EQUITY FUND

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

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

(a) Quoted equities – local (continued)

(ii) Quoted equities – local as at 30 April 2023 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Consumer Products & Services</u>				
<u>Formosa Prosonic Industries</u>				
Bhd	287,600	602,944	767,892	1.83
Fraser & Neave Holdings Bhd	31,600	715,330	838,032	1.99
Hong Leong Industries Bhd	108,100	769,212	973,981	2.32
Malayan Flour Mills Bhd	1,070,400	827,719	781,392	1.86
Power Root Bhd	451,500	894,112	948,150	2.26
	<u>1,949,200</u>	<u>3,809,317</u>	<u>4,309,447</u>	<u>10.26</u>
<u>Energy</u>				
<u>Dayang Enterprise Holdings</u>				
Bhd	623,500	772,544	823,020	1.96
Dialog Group Bhd	339,900	675,821	778,371	1.85
Icon Offshore Bhd	10,323,500	975,068	877,498	2.09
Wah Seong Corporation Bhd	1,150,900	726,609	926,474	2.20
	<u>12,437,800</u>	<u>3,150,042</u>	<u>3,405,363</u>	<u>8.10</u>
<u>Financial Services</u>				
Aeon Credit Service (M) Bhd	69,800	1,085,346	834,808	1.99
CIMB Group Holdings Bhd	153,052	659,011	774,443	1.84
Hong Leong Bank Bhd	40,900	795,991	823,726	1.96
Malayan Banking Bhd	202,549	1,733,299	1,747,998	4.16
RHB Bank Bhd	160,593	906,516	880,050	2.09
	<u>626,894</u>	<u>5,180,163</u>	<u>5,061,025</u>	<u>12.04</u>
<u>Health Care</u>				
Hartalega Holdings Bhd	467,700	846,055	874,599	2.08
IHH Healthcare Bhd	146,600	802,345	840,018	2.00
Kossan Rubber Industries Bhd	312,600	413,599	384,498	0.91
Top Glove Corporation Bhd	1,001,000	849,861	970,970	2.31
	<u>1,927,900</u>	<u>2,911,860</u>	<u>3,070,085</u>	<u>7.30</u>

AHAM EQUITY FUND

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

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

(a) Quoted equities – local (continued)

(ii) Quoted equities – local as at 30 April 2023 are as follows: (continued)

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Industrial Products & Services</u>				
Ancom Nylex Bhd	749,200	919,288	786,660	1.87
Aurelius Technologies Bhd	282,600	639,615	746,064	1.78
Cape EMS Bhd	357,300	447,943	489,501	1.16
L&P Global Bhd	1,690,100	1,025,963	828,149	1.97
Nextgreen Global Bhd	992,100	1,001,445	892,890	2.12
OM Holdings Ltd	344,500	965,376	675,220	1.61
P.I.E Industrial Bhd	240,000	814,895	868,800	2.07
Press Metal Aluminium Holdings Bhd	260,600	1,392,183	1,323,848	3.15
Scientex Bhd	262,200	380,809	894,102	2.13
SKP Resources Bhd	511,450	654,126	659,770	1.57
V.S. Industry Bhd	932,500	871,567	755,325	1.80
	<u>6,622,550</u>	<u>9,113,210</u>	<u>8,920,329</u>	<u>21.23</u>
<u>Plantation</u>				
Kuala Lumpur Kepong Bhd	40,200	1,016,037	864,300	2.06
<u>Property</u>				
Eco World Development Group Bhd	1,276,700	723,386	951,142	2.26
<u>REITs</u>				
Atrium Real Estate Investment Trust	626,300	876,820	864,294	2.06

AHAM EQUITY FUND

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

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

(a) Quoted equities – local (continued)

(ii) Quoted equities – local as at 30 April 2023 are as follows: (continued)

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage of <u>NAV</u> %
<u>Technology</u>				
D&O Green Technologies Bhd	186,200	811,575	761,558	1.81
Genetec Technology Bhd	521,900	1,353,446	1,476,977	3.51
Greatech Technology Bhd	181,200	906,000	866,136	2.06
ITMAX System Bhd	569,200	878,404	808,264	1.92
JHM Consolidation Bhd	1,020,600	837,257	806,274	1.92
Malaysian Pacific Industries Bhd	28,000	807,492	792,400	1.89
My E.G. Services Bhd	1,036,400	830,536	818,756	1.95
Pentamaster Corporation Bhd	91,500	372,014	446,520	1.06
	<u>3,635,000</u>	<u>6,796,724</u>	<u>6,776,885</u>	<u>16.12</u>
<u>Telecommunication & Media</u>				
TIME Dotcom Bhd	363,300	1,235,269	1,994,517	4.75
<u>Transportation & Logistics</u>				
MISC Bhd	121,600	811,072	885,248	2.11
<u>Utilities</u>				
Tenaga Nasional Bhd	97,100	891,791	862,248	2.05
Total quoted equities - local	<u>29,724,544</u>	<u>36,515,691</u>	<u>37,964,883</u>	<u>90.34</u>
Accumulated unrealised gain on quoted equities – local		<u>1,449,192</u>		
Total quoted equities - local		<u>37,964,883</u>		

AHAM EQUITY FUND

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

10 CASH AND CASH EQUIVALENTS

	<u>2024</u> RM	<u>2023</u> RM
Cash and bank balances	30,318	96,544
Deposits with licensed financial institutions	363,421	4,008,553
	<u>393,739</u>	<u>4,105,097</u>

Weighted average effective interest rates per annum of deposits with licensed financial institutions are as follows:

	<u>2024</u> %	<u>2023</u> %
Deposit with licensed financial institutions	<u>3.00</u>	<u>2.75</u>

Deposit with licensed financial institutions of the Fund have an average remaining maturity period of 2 days (2023: 2 days).

Interest income from deposit with the former immediate holding company of the Manager amounted to RM Nil (2023: RM30,821) during the financial year.

11 NUMBER OF UNITS IN CIRCULATION

	<u>2024</u> No. of units	<u>2023</u> No. of units
At the beginning of the financial year	64,589,000	72,421,000
Creation of units arising from applications	1,228,000	997,000
Creation of units arising from distribution	1,386,903	-
Cancellation of units	<u>(7,220,903)</u>	<u>(8,829,000)</u>
At the end of the financial year	<u>59,983,000</u>	<u>64,589,000</u>

AHAM EQUITY FUND

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

12 TRANSACTIONS WITH BROKERS

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

<u>Name of brokers</u>	<u>Value of trade</u> RM	Percentage of total <u>trade</u> %	<u>Brokerage</u> <u>fees</u> RM	Percentage of total brokerage <u>fees</u> %
Affin Hwang Investment Bank Bhd	13,815,633	14.05	33,601	13.37
UOB Kay Hian Securities (Malaysia) Sdn Bhd	12,207,994	12.42	30,553	12.16
Malayan Banking Bhd	11,433,429	11.63	25,581	10.18
RHB Investment Bank Bhd	9,892,209	10.06	24,815	9.87
Hong Leong Investment Bank Bhd	9,816,058	9.98	23,941	9.53
Public Investment Bank Bhd	8,120,171	8.26	20,369	8.10
Kenanga Investment Bank Bhd	6,034,565	6.14	14,684	5.84
Ambank (M) Bhd	4,414,458	4.49	10,141	4.04
CGS – CIMB Securities Sdn Bhd	4,200,240	4.27	10,531	4.19
J.P. Morgan Securities (Malaysia) Sdn Bhd	2,930,834	2.98	7,328	2.92
Others	15,452,450	15.72	49,765	19.80
	<u>98,318,041</u>	<u>100.00</u>	<u>251,309</u>	<u>100.00</u>

(ii) Details of transactions with the top 10 brokers for the financial year ended 30 April 2023 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> RM	Percentage of total <u>trade</u> %	<u>Brokerage</u> <u>fees</u> RM	Percentage of total brokerage <u>fees</u> %
Affin Hwang Investment Bank Bhd#	11,656,974	18.25	29,182	18.43
Public Investment Bank Bhd	8,555,476	13.40	21,389	13.50
RHB Investment Bank Bhd	7,287,430	11.41	18,239	11.52
Malayan Banking Bhd	5,737,164	8.98	14,808	9.35
Hong Leong Investment Bank Bhd	5,318,051	8.33	13,295	8.39
UOB Kay Hian Securities (M) Sdn Bhd	5,169,140	8.09	12,925	8.16
J.P. Morgan Securities (M) Sdn Bhd	3,746,749	5.87	9,379	5.92
CGS – CIMB Securities Sdn. Bhd	3,262,407	5.11	8,162	5.15
Kenanga Investment Bank Bhd	2,938,033	4.60	7,366	4.65
CLSA Securities (M) Sdn Bhd	2,917,301	4.57	6,661	4.21
Others	7,273,274	11.39	16,974	10.72
	<u>63,861,999</u>	<u>100.00</u>	<u>158,380</u>	<u>100.00</u>

AHAM EQUITY FUND

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

12 TRANSACTIONS WITH BROKERS (CONTINUED)

Included in transactions with brokers are trades conducted with Affin Hwang Investment Bank Bhd, the former immediate holding company of the Manager amounting to RM13,815,633 (2023: RM11,656,974). The Manager is of the opinion that all the transactions with the related company have been entered into in the normal course of business at agreed terms between the related parties.

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

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

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

AHAM EQUITY FUND

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

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

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

	<u>2024</u>		<u>2023</u>	
	No. of units	RM	No. of units	RM
<u>The Manager:</u>				
AHAM Asset Management Berhad (The units are held legally for booking purposes)	2,778	2,108	2,737	1,781

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

14 TOTAL EXPENSE RATIO ("TER")

	<u>2024</u>	<u>2023</u>
	%	%
TER	1.79	1.65

TER is derived from the following calculation:

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

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

The average NAV of the Fund for the financial year calculated on a daily basis is RM41,208,172 (2023: RM43,669,758).

AHAM EQUITY FUND

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

15 PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2024</u>	<u>2023</u>
PTR (times)	<u>1.18</u>	<u>0.73</u>

PTR is derived from the following calculation:

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

where: total acquisition for the financial year = RM48,627,709 (2023: RM28,749,116)
total disposal for the financial year = RM48,503,412 (2023: RM34,932,211)

AHAM EQUITY 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 33 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 April 2024 and of its financial performance, changes in equity and cash flows for the financial year ended 30 April 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
26 June 2024

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF AHAM EQUITY FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of AHAM Equity Fund (“the Fund”) give a true and fair view of the financial position of the Fund as at 30 April 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 April 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 33.

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.

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.

*PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants, Level 10, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia
T: +60 (3) 2173 1188, F: +60 (3) 2173 1288, www.pwc.com/my*

**INDEPENDENT AUDITORS' REPORT
TO THE UNITHOLDERS OF AHAM EQUITY FUND (CONTINUED)**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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, 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 EQUITY FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional 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 EQUITY 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
26 June 2024

DIRECTORY OF SALES OFFICE

HEAD OFFICE

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

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

PENANG

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

Toll free no : 1-800-88-8377

PERAK

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

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

PETALING JAYA

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

Tel : 03 – 7760 3062

MELAKA

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

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

JOHOR

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

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

DIRECTORY OF SALES OFFICE (CONTINUED)

SABAH

AHAM Asset Management Berhad
Unit 1.09(a), Level 1 Plaza Shell,
29, Jalan Tunku Abdul Rahman,
88000 Kota Kinabalu, Sabah

Tel : 088 – 252 881
Fax : 088 – 288 803

SARAWAK - KUCHING

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

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

SARAWAK - MIRI

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

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

AHAM Asset Management Berhad

Registration No: 199701014290 (429786-T)

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

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

aham.com.my