AHAM CAPITAL
ASSET MANAGEMENT

SEMI-ANNUAL REPORT
31 March 2023

TradePlus **NYSE® FANG+™ Daily (2x) Leveraged** Tracker

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

TRUSTEE
CIMB Commerce Trustee Berhad
(313031-A)

Built On Trust

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TRADEPLUS NYSE® FANG+™ DAILY (2X) LEVERAGED TRACKER

Semi-Annual Report and Unaudited Financial Statements
For the 6 Months Financial Period Ended 31 March 2023

Contents	**Page**

GENERAL INFORMATION

MANAGER
AHAM Asset Management Berhad
(Formerly known as Affin Hwang Asset Management Berhad)
199701014290 (429786-T)
Registered Office:
3rd Floor, Menara Boustead,
69 Jalan Raja Chulan
50200 Kuala Lumpur
Tel. No.: 03 – 2142 3700
Fax No.: 03 – 2142 3799

Business Office:
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50200 Kuala Lumpur
Tel. No.: 03 – 2116 6000
Fax No.: 03 – 2116 6100
Toll Free No.: 1-800-88-7080
E-mail: customercare@aham.com.my
Website: www.aham.com.my

MANAGER'S DELEGATE
(fund valuation & accounting function)
CIMB Commerce Trustee Berhad (313031-A)
Registered Office:
Level 13, Menara CIMB, Jalan Stesen Sentral 2
Kuala Lumpur Sentral,
50470 Kuala Lumpur
Tel. No.: 03 – 2261 8888
Fax No.: 03 – 2261 9886

TRUSTEE
CIMB Commerce Trustee Berhad (313031-A)
Registered Office:
Level 13, Menara CIMB, Jalan Stesen Sentral 2
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50470 Kuala Lumpur
Tel. No.: 03 – 2261 8888
Fax No.: 03 – 2261 9886

TRUSTEE'S DELEGATE
(Custodian Services)
CIMB Bank Berhad (13491-P)
Registered Office:
Level 13, Menara CIMB, Jalan Stesen Sentral 2
Kuala Lumpur Sentral, 50470 Kuala Lumpur
Tel. No.: 03 – 2261 8888
Fax No.: 03 – 2261 0099

Business Office:
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Kuala Lumpur Sentral, 50470 Kuala Lumpur
Tel. No.: 03 – 2261 8888
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COMPANY SECRETARY
Raja Shahrul Nizam Raja Yahya (LS0009904)
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69 Jalan Raja Chulan
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REGISTRAR
AHAM Asset Management Berhad
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199701014290 (429786-T)
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FUND INFORMATION

Fund Name	TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker
Fund Type	Leveraged exchange-traded fund
Fund Category	Futures-based exchange-traded fund
Investment Objective	The Fund aims to provide investment results that closely correspond to the daily performance of the Benchmark
Benchmark	NYSE® FANG+™ Daily 2X Leveraged Index
Distribution Policy	The Fund may distribute income on an incidental basis

FUND PERFORMANCE DATA

Category	As at 31 Mar 2023 (%)	As at 31 Mar 2022 (%)	As at 31 Mar 2021 (%)
Portfolio composition			
Quoted derivative - futures	-	11.87	(1.22)
Collective investment schemes – local	-	33.51	43.18
Cash & cash equivalent	100.00	54.62	58.04
Total	**100.00**	**100.00**	**100.00**
Total NAV (MYR 'million)	1.471	1.489	2.725
NAV per Unit (MYR)	8.0627	11.9091	12.4418
Unit in Circulation (million)	0.183	0.125	0.219
Highest NAV per unit	8.0683	18.0555	16.1623
Lowest NAV per unit	4.1139	8.2894	8.8843
Return of the Fund (%)	47.57	-16.25	33.78
- Capital Growth (%)	47.57	-16.25	33.78
- Income Distribution (%)	Nil	Nil	Nil
Gross Distribution per Unit (sen)	Nil	Nil	Nil
Net Distribution per Unit (sen)	Nil	Nil	Nil
Total Expense Ratio (%)[1]	1.03	0.77	1.61
Portfolio Turnover Ratio (times)[2]	11.30	6.17	15.11
Annualised Tracking Error Since Inception	11.85	2.41	10.16

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 TER of the Fund was higher due to the lower average NAV of the Fund during the financial period.
[2]The increase in the Fund's PTR was due to lower trading activities during the financial period.

MANAGER'S REPORT

Income Distribution / Unit Split

No income distribution or unit split were declared for the financial period ended 31 March 2023.

Fund Performance

Performance Review (1 October 2022 to 31 March 2023)

For the period 1 October 2022 to 31 March 2023, the Fund registered a 47.57% return compared to the benchmark return of 61.84%. The Fund thus underperformed the Benchmark by 14.27%. The Net Asset Value ("NAV") of the Fund as at 31 March 2023 was MYR1,471,449.70 (MYR8.0627 per unit) while the NAV as at 30 September 2022 was MYR816,835.85 (MYR5.4638 per unit).

Since commencement, the Fund has registered a return of 101.57% compared to the benchmark return of 177.28%, underperforming by 75.71%.

Table 1: Performance of the Fund

	6 Months (1/10/22 - 31/3/23)	1 Year (1/4/22 - 31/3/23)	3 Years (1/4/20 - 31/3/23)	Since Commencement (26/11/19 - 31/3/23)
Fund	47.57%	(32.30%)	133.40%	101.57%
Benchmark	61.84%	(25.65%)	181.83%	177.28%
Underlying Index	31.92%	(6.13%)	106.91%	114.70%
Outperformance VS Benchmark	(14.27%)	(6.65%)	(48.43%)	(75.71%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/4/22 - 31/3/23)	3 Years (1/4/20 - 31/3/23)	Since Commencement (26/11/19 - 31/3/23)
Fund	(32.30%)	32.65%	23.29%
Benchmark	(25.65%)	41.25%	35.61%
Underlying Index	(6.13%)	27.43%	25.64%
Outperformance VS Benchmark	(6.65%)	(8.60%)	(12.32%)

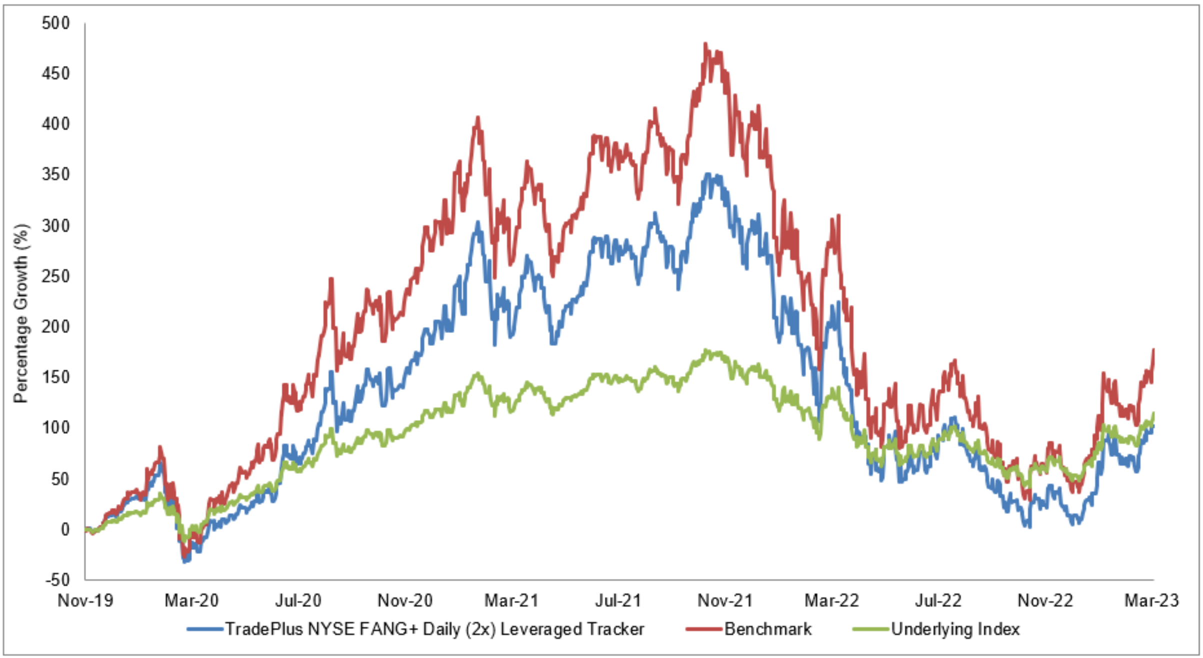
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2022 (1/10/21 - 30/9/22)	FYE 2021 (1/10/20 - 30/9/21)	FYE 2020 (26/11/19 - 30/9/20)
Fund	(61.58%)	52.89%	132.51%
Benchmark	(61.56%)	47.89%	201.37%
Underlying Index	(32.99%)	29.65%	87.32%
Outperformance VS Benchmark	(0.02%)	5.00%	(68.86%)

Source of Benchmark: Bloomberg

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



"This information is prepared by AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) for information purposes only. Past earnings or the fund's distribution record is not a guarantee or reflection of the fund's future earnings/future distributions. Investors are advised that unit prices, distributions payable and investment returns may go down as well as up. Source of Benchmark is from Bloomberg."
Benchmark: NYSE® FANG+™ Daily 2x Leveraged Index
Underlying Index: NYSE® FANG+™ Index

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

State of Affairs of the Fund

The Unit Holders' Adjourned Meeting in relation to the proposed termination of the Fund was held on 24 March 2023 and was duly passed by the unit holders of the Fund by way of poll at the Unit Holders' Adjourned Meeting. The Manager proposed to terminate the Fund as the small fund size limits the Fund's ability to meet its investment objective. Upon the termination of the Fund, the Fund will be de-listed from the Official List of Bursa Securities.

Asset Allocation

The Fund has liquidated all its investment as at 31 March 2023.

Strategies Employed

The Manager continued to adopt the full replication strategy prior to the winding up of the Fund. The Manager invested into quoted derivatives or futures to provide investment results that closely correspond to the performance of the Benchmark.

Market Review

Over the financial year ended 31 March 2023, markets experienced some volatility as macro events and continued policy rates increases globally affected stock and bond markets. The MSCI AC World index was down -7.4%, the MSCI AC Asia ex Japan Index was down -11.0%, while the Financial Times Stock Exchange ("FTSE") Bursa Malaysia Top 100 Index was down -8.6% over the period. Bond markets were similarly impacted with the Bloomberg Barclays Global Aggregate Index down -3.9%, while local bond markets saw edge higher with the benchmark 10-year Malaysian Government Securities ("MGS") yield closing at 3.91%, 6 basis points ("bps") higher compared to the previous year.

Central banks globally continued to raise policy rates from their pandemic era lows, as high inflation continues to be a concern globally. The US Federal Reserve continued to raise their policy rates by 75bps in each consecutive monetary policy committee meetings, before starting to moderate their pace as the year progressed. The sharp pace of policy tightening raised concerns in the financial markets of an over-tightening that could lead to a growth slowdown, or even trigger a potential recession. Further signs of stress in the economy was also seen in March as the fallout of Silicon Valley Bank and the emergency rescue of Credit Suisse triggering concerns of contagion to other vulnerable banks.

In China, sentiments continued to dampen for much of the financial year as Covid lockdowns continued to be in place, alongside the downturn in the country's property sector which continued to be a concern for growth. By December 2022 however, lockdowns measures had been eased lending some positivity to markets for a recovery in growth, though at the expense of further contributing to sticky inflation seen globally. The Chinese government was also seen providing policy support to the property sector which aims to facilitate project completion and ease liquidity conditions. China's National People's Congress (NPC) took place in February 2023 where a gross domestic product ("GDP") target of around 5% for 2023 was set. Trade tensions with the US also continues to simmer, with the US seen putting in place measures to prevent exports of advanced technology to China.

Major macro events over the financial year under review had a notable effect on the local market. While Bank Negara similarly raised policy rates to tame domestic inflation, the pace of increase was more measured compared to other major central banks. This led to a strengthening of the US Dollar against the Malaysian Ringgit, causing sustained foreign fund outflows. This is despite fundamentals (earnings growth, growing foreign direct investment ("FDI")) remaining strong domestically, as well as the removal of political and policy uncertainties following the general elections in November 2022 which saw Datuk Seri Anwar Ibrahim taking the helm as Prime Minister as well as the position of Finance Minister. Budget 2023 which was tabled in February, was also seen as pragmatic where increased expenditure to drive economic growth were balanced with new tax measures to bolster government revenue.

Investment Outlook

Global equity markets still remain susceptible to shifting sentiment towards geopolitical tensions, inflation, economic growth and ultimately corporate earnings. Valuations have already significantly adjusted to reflect a change in the market environment, and we believe reflect realistic expectations for inflation, rates and risk premia. Consequently, the source of risk has now shifted from valuation to earnings in light of the softer growth and prospects for a recession, which appears increasingly likely.

China is expected to be a strong source of growth and returns for Asia. The Chinese equities as well as credit market took a breather in February after strong rally in the past months. Market sentiment was dampened by the re-intensifying geopolitical tensions between US-China which arose from the balloon controversies and the plan to expand US troops in Taiwan for military training. On the other hand, macro and economic front continued to deliver encouraging data. Consumption continued to recover in February, stronger and at a faster pace than expected, albeit with more encouraging signs in the services sector over consumer goods. Signs of the rebound were evident over the Chinese New Year holiday, and domestic tourism recorded the strongest visitor and revenue levels since the pandemic. China's official manufacturing PMI rose to 52.6 in February from 50.1 in January, however has dipped slightly to 51.9 in March. Non-manufacturing PMI on the other hand rose to 58.2 in March, the highest since May 2011. The supportive stance continued into 2023 and was recently validated by the 2 sessions that took place in early March. The general positive tone on economic recovery and consumption stimulus remains, alongside with the announcement of the new cabinet and securing of President Xi's third term.

In contrast to the expected slowdown in the developed market economy, Malaysia's economic fundamentals continues to remain strong. Within the financial period under review, the government unveiled its revised budget, focusing on sustainable economic growth, institutional reforms and reducing social inequality. The benchmark KLCI edged 2.11% lower as market reaction to Budget 2023 was neutral. Our view is that newly tabled budget is a pragmatic one that should restore confidence and shore up support in the long run. The absence of any prosperity tax is a huge relief to the market that should augur well for corporate earnings.

Notwithstanding macro noises, Malaysia economy is primarily domestic driven and therefore more insulated against external shocks.

Bond investors may see some relief this year after enduring a painful 2022 which saw rates volatility reaching unprecedented highs. In 2023, volatility in rates is expected to temper down as we see a slower pace of adjustment in rates. In addition, a slower growth outlook is beneficial for rates. On local fixed income, credit rating agencies are likely to maintain the sovereign ratings of Malaysia bonds. We expect range bound yields in 1Q23. Local demand for bonds is still healthy and is expected to be anchored by real money investors. Rates volatility will be driven by external development.

China property developers went through an unprecedented phase which caused a widespread default in the USD Asia Credit market. In 2022, USD 67.3bn of defaults emerged from the China high-yield (HY) property sector, which translated to a default rate of close to 66%, or 52% of China HY. The defaults started emerging after a series of tightening policies that were rolled out by the Chinese government in their attempt to rein in financial risks after being the first to emerge out of Covid-19. Some of the tightening measures that the Chinese government used include tighter funding channels, tighter escrow account monitoring, and slower mortgage approvals by the local governments. The Covid-19 lockdowns implemented for the most part of 2022 also dampened property sales in China sharply.

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

Cross Trade

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

Securities Financing Transactions

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

Changes Made To the Fund's Prospectus

There were no changes made to the Fund's Prospectus during the financial year/period under review.

TRUSTEE'S REPORT

TO THE UNITHOLDERS OF TRADEPLUS NYSE® FANG+™ DAILY (2X) LEVERAGED TRACKER ("Fund")

We have acted as the Trustee of the Fund for the financial period ended 31 March 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) has operated and managed the Fund during the period 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 Exchange-traded Funds;

2. Valuation and pricing is carried out in accordance with the Deeds; and

3. Any creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirement.

For and on behalf of
CIMB Commerce Trustee Berhad

Datin Ezreen Eliza Zulkiplee
Chief Executive Officer

Kuala Lumpur, Malaysia
15 May 2023

TRADEPLUS NYSE® FANG+™ DAILY (2x) LEVERAGED TRACKER

UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2023

TRADEPLUS NYSE® FANG+™ DAILY (2x) LEVERAGED TRACKER

UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2023

CONTENTS	PAGE(S)

UNAUDITED SEMI-ANNUAL STATEMENT OF COMPREHENSIVE INCOME FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2023

	Note	6 months financial period ended 31.3.2023 RM	6 months financial period ended 31.3.2022 RM
INVESTMENT PROFIT/(LOSS)			
Dividend income		217	2,899
Interest income from financial assets at amortised cost		2,848	1,751
Net gain on foreign currency exchange		43,846	963
Net gain on financial assets at fair value through profit or loss	9	3,585	3,960
Net gain/(loss) on futures at fair value through profit or loss	10	482,097	(283,894)
		532,593	(274,321)
EXPENSES			
Management fee	4	(4,764)	(8,890)
Trustee fee	5	(191)	(356)
Tax agent’s fee		(1,820)	(1,745)
Transaction cost		(1,513)	(742)
Other expenses		(2,665)	(2,769)
		(10,953)	(14,502)
NET PROFIT/(LOSS) BEFORE TAXATION		521,640	(288,823)
Taxation	8	-	-
NET PROFIT /(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL PERIOD		521,640	(288,823)
Net profit/(loss) after taxation is made up of the following:			
Realised amount		475,563	(626,225)
Unrealised amount		46,077	337,402
		521,640	(288,823)

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

TRADEPLUS NYSE® FANG+™ DAILY (2x) LEVERAGED TRACKER

UNAUDITED SEMI-ANNUAL STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Note	2023 RM	2022 RM
ASSETS			
Margin account	11	-	433,650
Cash and cash equivalents	12	1,480,255	387,921
Amount due from Manager			
- management fee rebate receivable		37	116
Financial assets at fair value through profit or loss	9	-	498,904
Quoted futures at fair value through profit or loss	10	-	176,724
TOTAL ASSETS		1,480,292	1,497,315
LIABILITIES			
Amount due to Manager			
- management fee		1,031	1,140
Amount due to Trustee		41	46
Tax agent’s fee		5,320	5,245
Other payables and accruals		2,450	2,249
TOTAL LIABILITIES		8,842	8,680
NET ASSET VALUE OF THE FUND		1,471,450	1,488,635
EQUITY			
Unitholders’ capital		1,279,090	916,133
Retained earnings		192,360	572,502
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		1,471,450	1,488,635
NUMBER OF UNITS IN CIRCULATION	13	182,500	125,000
NET ASSET VALUE PER UNIT (RM)		8.0627	11.9091

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

TRADEPLUS NYSE® FANG+™ DAILY (2x) LEVERAGED TRACKER

UNAUDITED SEMI-ANNUAL STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2023

	Unitholder's capital RM	Retained earnings RM	Total RM
Balance as at 1 October 2022	1,146,116	(329,280)	816,836
Total comprehensive income for the financial period	-	521,640	521,640
Movements in unitholders' capital:			
Creation of units arising from applications	358,985	-	358,985
Cancellation of units	(226,011)	-	(226,011)
Balance as at 31 March 2023	1,279,090	192,360	1,471,450
Balance as at 1 October 2021	916,133	861,325	1,777,458
Total comprehensive loss for the financial period	-	(288,823)	(288,823)
Balance as at 31 March 2022	916,133	572,502	1,488,635

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

TRADEPLUS NYSE® FANG+™ DAILY (2x) LEVERAGED TRACKER

UNAUDITED SEMI-ANNUAL STATEMENT OF CASH FLOWS
FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2023

	Note	6 months financial period ended 31.3.2023 RM	6 months financial period ended 31.3.2022 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		316,262	475,770
Purchase of investments		(188)	(82,877)
Proceed from margin accounts		204,162	186,749
Dividend income		252	2,899
Interest income received		2,863	1,751
Realised gain/(loss) on quoted futures		351,033	(619,441)
Rebate of management fee received		340	958
Management fee paid		(4,520)	(9,351)
Trustee fee paid		(182)	(374)
Payment for other fees and expenses		(4,193)	(3,262)
Net realised (loss)/gain on foreign exchange		(2,231)	1,380
Net cash flows generated from/(used in) operating activities		863,598	(45,798)
CASH FLOWS FROM FINANCING ACTIVITY			
Proceeds from creation of units		358,985	-
Payment for cancellation of units		(226,011)	-
Net cash flows generated from financing activities		132,974	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		996,572	(45,798)
EFFECTS OF FOREIGN CURRENCY EXCHANGE		46,077	(417)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD		437,606	434,136
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	12	1,480,255	387,921

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2023

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

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

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

- Amendments to MFRS 101 'Classification of liabilities as current or non-current' (effective 1 January 2024) clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). In addition, the amendments clarify that when a liability could be settled by the transfer of an entity's own equity instruments (e.g. a conversion option in a convertible bond), conversion option meeting the definition of an equity instrument in MFRS 132 'Financial Instruments: Presentation' does not impact the current or non-current classification of the convertible instrument.
- The amendments also specify that covenants of loan arrangements which an entity must comply with only after the reporting date would not affect classification of a liability as current or non-current at the reporting date. However, those covenants that an entity is required to comply with on or before the reporting date would affect classification of a liability as current or non-current, even if the covenant is only assessed after the reporting date.

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

B INCOME RECOGNITION

Dividend income

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

Interest income

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

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

Realised gains and losses on sale of investments

For collective investment schemes ("CIS"), 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.

Realised gains and losses on sale of futures

Realised gain or loss on futures are measured by the net settlement amount as per the future contracts.

C TRANSACTION COSTS

Transaction costs are costs incurred in relation to any particular transaction or dealing relating to the Fund, all stamp duty and other duties, taxes, government charges, brokerage fees, bank charges, transfer fees, registration fees, transaction levies, and other duties and charges whether in connection with the Fund Assets or the creation, issue, transfer, cancellation or redemption of units or the acquisition or disposal of fund assets or otherwise which may have become or may be payable in respect of, and whether prior to, upon or after the occasion of, such transaction or dealing. 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 earned during the financial period.

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2023 (CONTINUED)

E 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.

F FOREIGN CURRENCY TRANSLATION

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

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

The Fund classifies its financial assets or financial liabilities 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 securities as fair value through other comprehensive income.

The contractual cash flows of the Fund’s debt securities are solely 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.

Investments in CIS have contractual cash flows that do not represent SPPI, and therefore are classified as fair value through profit or loss.

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

The Fund classifies amount due to Manager, amount due to Trustee, tax agent’s fee and other payables and accruals as financial liabilities measured at amortised cost.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2023 (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement

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

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

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

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

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

Valuation of derivatives - futures will be “marked to market” at the close of each valuation day to the extent possible as quoted in respective stock exchanges. Foreign exchange gains and losses on the derivative financial instruments are recognised in profit or loss when settled or at the date of the statement of financial position at which time they are included in the measurement of the derivative financial instruments.

Investment in CIS are valued at the last published net asset value (“NAV”) per unit at the date of the statement of financial position.

Deposits with licensed financial institutions are stated at cost plus accrued interest calculated on the effective interest method over the period from the date of placement to the date of maturity of the deposits.

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

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

- the debtor is in breach of financial covenants
- concessions have been made by the lender relating to the debtor's financial difficulty
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- 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 were no write-offs/recoveries during the financial period.

H CASH AND CASH EQUIVALENTS

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

I 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 period if unitholder exercises the right to put the unit 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.

J DERIVATIVE FINANCIAL INSTRUMENTS

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. Derivatives that do not qualify for hedge accounting are classified as financial assets/liabilities at fair value through profit or loss.

The Fund's derivative financial instruments comprise futures. Futures are contractual obligations to buy or sell financial instruments on a future date at a specified price established in an organised market. The futures contracts are collateralised by cash or marketable securities.

The fair value of the Fund's futures is obtained from the relevant stock exchanges where the futures are listed on the financial period end date.

K SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the strategic asset allocation committee of the Manager that makes strategic decisions.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2023 (CONTINUED)

L CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

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

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

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 Exchange-Traded Funds.

M REALISED AND UNREALISED PORTIONS OF PROFIT OR LOSS AFTER TAX

The analysis of realised and unrealised profit or loss after taxas presented on the statement of comprehensive income is prepared in accordance with SC's Guidelines on Exchange-Traded Funds.

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2023

1 INFORMATION ON THE FUND

The Exchange-Traded Fund was constituted under the name TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker (the "Fund") pursuant to the execution of a Deed dated 4 September 2019 (the "Deed") entered into between AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) (the "Manager") and CIMB Commerce Trustee Berhad (the "Trustee").

The Fund commenced operations on 26 November 2019 and will continue its operations until terminated by the Trustee as provided under Section 26 of the Deed.

The Fund is listed on the main market of Bursa Malaysia and its aims to provide investment results that closely correspond to the daily performance of the NYSE® FANG+™ Daily 2x Leveraged Index (the "Benchmark Index").

The Fund is a passively managed fund. To achieve the investment objective of the Fund, the Manager will use a futures-based replication strategy. Under the futures-based replication strategy, the Manager will directly invest in the nearest quarter futures contracts of the NYSE FANG+ Index (the "Underlying Index") subject to the futures roll on a quarterly basis in order to obtain the required exposure of up to 200% of its NAV to the Underlying Index.

The Fund seek to rebalance its position daily at or around the close of trading of the Underlying Index, by increasing exposure in response to the Underlying Index's daily gains or reducing exposure in response to the Underlying Index's daily losses, so that its daily leveraged exposure ratio to the Underlying Index is consistent with the Leveraged Fund's investment objective and Benchmark.

A maximum of 30% of the Fund's NAV is to be committed as margin for investments in the futures contracts, 10% of the Fund's NAV is to be invested in debentures with a remaining tenure above 365 days and below, money market instruments, money market collective investment schemes and/or deposits.

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

The financial statements were authorised for issue by the Manager on 15 May 2023.

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	Note	At amortised cost RM	At fair value through profit or loss RM	Total RM
2023				
Financial assets				
Cash and cash equivalents	12	1,480,255	-	1,480,255
Amount due from Manager				
- management fee rebate receivable		37	-	37
		1,480,292	-	1,480,292
Financial liabilities				
Amount due to Manager				
- management fee		1,031	-	1,031
Amount due to Trustee		41	-	41
Tax agent's fee		5,320	-	5,320
Other payables and accruals		2,450	-	2,450
		8,842	-	8,842
2022				
Financial assets				
Margin accounts	11	433,650	-	433,650
Cash and cash equivalents	12	387,921	-	387,921
Amount due from Manager				
- management fee rebate receivable		116	-	116
Collective investment schemes	9	-	498,904	498,904
Quoted futures	10	-	176,724	176,724
		821,687	675,628	1,497,315

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

Financial instruments are as follows: (continued)

2022 (continued)	Note	At amortised cost RM	At fair value through profit or loss RM	Total RM
Financial liabilities				
Amount due to Manager				
- management fee		1,140	-	1,140
Amount due to Trustee		46	-	46
Tax agent's fee		5,245	-	5,245
Other payables and accruals		2,249	-	2,249
		8,680	-	8,680

The Fund is exposed to a variety of risks which include market risk (price risk, interest rate risk, currency 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 Exchange-Traded Funds.

Market risk

(a) Price risk

The Fund has no financial instruments exposed to price risk as at 31 March 2023.

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 is exposed to price risk arising from its exposure into futures contracts linked to the movement of its referenced Underlying Index. The price of the Underlying Index may fluctuate, and movement is uncertain. The Fund is structured as an index tracking fund with the Benchmark Index that is linked to the Underlying Index. The Underlying Index comprises of a diversified list of equity securities in its constituents. As such the Fund is able to mitigate the price risk through the diversification that it has through the diversification of the Underlying Index, which the future contracts the Fund enters into replicates.

The Fund is also exposed to price risk arising 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.

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

Market risk (continued)

(a) Price risk (continued)

The table below summarises the sensitivity of the Fund's profit/(loss) and NAV to movements in prices of its Benchmark Index. The analysis is based on the assumption that the Benchmark Index fluctuates by 50.86%, which is the 12-month standard deviation of the Underlying Index. If all other variables are held constant, and that the fair value of the investments move in the same quantum with the fluctuation of the Underlying Index, this would represent Management's best estimates of a reasonable possible shift in the futures contracts. However, it must be noted that there may be instances where the price of the futures contracts/Benchmark Index may deviate from the movement of the Underlying Index.

% Change in price	Benchmark index* RM	Market value RM	Impact on profit/(loss) after tax NAV RM
2022			
-50.86%	48,591	86,842	(89,882)
0%	98,882	176,724	-
+50.86%	149,173	266,606	89,882

* Underlying Index is used to reflect the movement of the Benchmark Index as we believe that it provides the best representation. However, it must be noted that there may be instances where the price of the futures contracts/Benchmark index may deviate from the movement of the Underlying Index.

The Fund's collective investment scheme exposure to price risk was as follows:

	2023 RM	2022 RM
Quoted investment		
Collective investment scheme - local	-	498,904

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 1% and decreased by 1% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities, having regard to the historical volatility of the prices.

% Change in price	Market value	Impact on profit/(loss) after tax/NAV
	RM	RM
2022		
-1%	493,915	(4,989)
0%	498,904	-
+1%	503,893	4,989

(b) Interest rate risk

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

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

The Fund's exposure to interest rate risk associated with deposit with licensed financial institutions is not material as the deposits are held for a period of less than 12 months.

(c) Currency risk

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

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

Market risk (continued)

(c) Currency risk (continued)

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

	Cash and cash equivalent RM	Quoted futures RM	Total RM
2023			
Financial assets			
United States Dollar	801,888	-	801,888
2022			
Financial assets			
United States Dollar	4,076	176,724	180,800

The table below summarises the sensitivity of the Fund's profit/ (loss) after tax and NAV to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes by 10% (2022: 10%), with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Any increase/(decrease) in foreign exchange rate will result in a corresponding increase/(decrease) in the net assets attributable to unitholders by approximately 10% (2022: 10%). Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change in rate %	Impact on profit/(loss) after tax/ NAV RM
2023		
United States Dollar	+/- 10	+/-,80,189
2022		
United States Dollar	+/- 10	+/- 18,080

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2023 (CONTINUED)

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

Credit risk

Credit risk refers to the ability of an issuer or counterparty to make timely payments of interest, principals and proceeds from realisation of investment. 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 broker are governed by the relevant rules and regulations as prescribed by the respective stock exchange.

The settlement terms of the proceeds from the creation of units' receivable are governed by the SC's Guidelines on Exchange-Traded Funds.

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

	Margin account	Cash and cash equivalents	Amount due from Manager	Total
	RM	RM	RM	RM
2023				
Financial Services				
- AAA	-	1,480,255	-	1,480,255
Others				
- NR	-	-	37	37
	-	1,480,255	37	1,480,292
2022				
Financial Services				
- AAA	433,650	387,921	-	821,571
Others				
- NR	-	-	116	116
	433,650	387,921	116	821,687

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

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. This includes scenarios such as the need to efficiently top-up its margin account to a level required by its brokers, or meeting redemption applications made by unitholders of the Fund. The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payment and cancellations of units by unitholders. Liquid assets comprise cash and deposits with licensed financial institutions, which are capable of being converted into cash within 7 days.

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

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

	Within one month	Between one month to one year	Total
	RM	RM	RM
2023			
Amount due to Manager			
- management fee	1,031	-	1,031
Amount due to Trustee	41	-	41
Tax agent's fee	-	5,320	5,320
Other payables and accruals	-	2,450	2,450
	1,072	7,770	8,842
2022			
Amount due to Manager			
- management fee	1,140	-	1,140
Amount due to Trustee	46	-	46
Tax agent's fee	-	5,245	5,245
Other payables and accruals	-	2,249	2,249
	1,186	7,494	8,680

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

3 FAIR VALUE ESTIMATION

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

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

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

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

(i) Fair value hierarchy

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

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

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

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

The Fund does not hold any financial instruments at fair value through profit or loss as at 31 March 2023.

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:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2022				
Financial assets at fair value through profit or loss:				
- quoted futures	176,724	-	-	176,724
- collective investment schemes	498,904	-	-	498,904
	675,628	-	-	675,628

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

(ii) The carrying value of cash and cash equivalents, 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 Deed, the Manager is entitled to a management fee at a rate up to 3.00% per annum of the NAV of the Fund, calculated and accrued daily using the Fund's functional currency.

For the 6 months financial period ended 31 March 2023, the management fee is recognised at a rate of 1.00% (2022: 1.00%) per annum on the NAV of the Fund, calculated on a daily basis as stated in the Fund's Prospectus.

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

5 TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to an annual fee, at a rate up to 0.10% per annum (excluding foreign sub-custodian fees and charges) of the NAV of the Fund, calculated and accrued daily using the Fund's functional currency.

For the 6 months financial period ended 31 March 2023, the Trustee fee is recognised at a rate of 0.04% (2022: 0.04%) 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 Trustee in respect of Trustee fee other than the amount recognised above.

6 INDEX LICENSE FEE

License fee is payable to ICE Data Indices, the Benchmark Index provider. The license fee is recognised at minimum of USD19,000 (2022: USD19,000) per annum.

The Index License Fee was borne by the Manager for the 6 months financial period ended 31 March 2023 and 31 March 2022.

7 AUDITORS' REMUNERATION

Auditors' remuneration of the Fund is recognised at RM20,000 (2022: RM20,000).

The auditors' remuneration was borne by the Manager for the 6 months financial period ended 31 March 2023 and 31 March 2022.

8 TAXATION

	6 months financial period ended 31.3.2023 RM	6 months financial period ended 31.3.2022 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:

	6 months financial period ended 31.3.2023 RM	6 months financial period ended 31.3.2022 RM
Net profit/(loss) before taxation	521,640	(288,823)
Tax at Malaysian statutory tax rate of 24% (2022: 24%)	125,194	(69,318)
Tax effects of:		
(Investment income not subject to tax)/ investment loss not brought to tax	(127,754)	66,045
Expenses not deductible for tax purposes	1,489	1,287
Restriction on tax deductible expenses for Exchange Traded Fund	1,071	1,986
	-	-

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2023 (CONTINUED)

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2023 RM	2022 RM
Financial assets at fair value through profit or loss:		
- collective investment schemes - local	-	498,904
Net gain on financial asset at fair value through profit or loss:		
- realised gain on sale of investments	3,286	825
- unrealised gain on changes in fair value	-	2,272
- management fee rebate on collective investment scheme #	299	863
	3,585	3,960

In arriving at the fair value of collective investment schemes, the management fee initially paid to the Manager of collective investment schemes has been considered as part of its net asset value. In order to prevent the double charging of management fee, management fee charged on the Fund's investment in a collective investment scheme has been refunded to the Fund. Accordingly, any rebate of management fee received from the Manager of collective investment schemes is reflected as an increase in the net asset value of the collective investment schemes.

(a) Collective investment schemes - local

(i) There are no collective investment schemes – local as at 31 March 2023.

(ii) Collective investment schemes – local as at 31 March 2022 are as follows:

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
AHAM Aiiman Money Market Fund (formerly known as Affin Hwang Aiiman Money Market Fund)	460,909	247,254	248,983	16.72
AHAM Select Cash Fund (formerly known as Affin Hwang Select Cash Fund)	235,619	248,733	249,921	16.79
Total collective investment scheme - local	696,528	495,987	498,904	33.51
Accumulated unrealised gain on collective investment scheme - local		2,917		
Total collective investment scheme - local		498,904		

10 QUOTED FUTURES AT FAIR VALUE THROUGH PROFIT OR LOSS

The Fund invests in quoted derivative – futures. Futures are contractual obligations to buy or sell financial instruments on a future date at specified price established in an organised market. The futures contracts are collateralised by cash.

The Fund's investment in quoted derivative – futures contracts is set out below:

	2023 RM	2022 RM
Financial assets at fair value through profit or loss:		
- quoted derivative – futures	-	176,724
Net gain/(loss) on futures at fair value through profit or loss:		
- realised gain/(loss) on settlement of futures contracts	482,097	(619,441)
- unrealised (loss)/gain on changes in fair value	-	335,547
	482,097	(283,894)

As at the date of statement of financial position, there are Nil (2022: 40) futures contracts outstanding. The notional principal amount of the outstanding futures contracts amounted to RM Nil (2022: RM5,365,334). As the Fund has not adopted hedge accounting during the financial period, changes in fair value of futures are recognised immediately in the statement of comprehensive income.

(a) Quoted derivative – futures

(i) There are no quoted derivative – futures as at 31 March 2023.

(ii) Quoted derivative – futures as at 31 March 2022 are as follows:

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
NYSE FANG+ Index Futures (FNSM2)	21	-	176,724	11.87
Total quoted derivative – futures	21	-	176,724	11.87
Accumulated unrealised gain on quoted derivative – futures		176,724		
Total quoted derivative – futures		176,724		

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2023 (CONTINUED)

11 MARGIN ACCOUNTS

Margin accounts represent margin deposits held in respect of open exchange-traded futures contracts.

12 CASH AND CASH EQUIVALENTS

	2023 RM	2022 RM
Cash and bank balances	905,198	196,170
Deposits with licensed financial institutions	575,057	191,751
	1,480,255	387,921

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

	2023 %	2022 %
Deposits with licensed financial institutions	2.75	1.75

Deposits with licensed financial institutions have an average maturity of 3 days (2022: 1 day).

13 NUMBER OF UNITS IN CIRCULATION

	2023 No. of units	2022 No. of units
At the beginning of the period	149,500	125,000
Creation of units arising from applications	63,000	-
Cancellation of units	(30,000)	-
At the end of the financial period	182,500	125,000

14 TRANSACTIONS WITH TRADERS/BROKERS

(i) Details of transactions with traders/brokers for the 6 months financial period ended 31 March 2023 are as follows:

Name of traders/brokers	Value of trade RM	Percentage of total trade %	Brokerage fees RM	Percentage of total brokerage %
CGS-CIMB Securities Sdn Bhd	20,398,044	98.47	1,513	100.00
AHAM Asset Management (formerly known as Affin Hwang Asset Management Bhd) #	316,476	1.53	-	-
	20,714,520	100.00	1,513	100.00

(ii) Details of transactions with traders/brokers for the 6 months financial period ended 31 March 2022 are as follows:

Name of traders/brokers	Value of trade RM	Percentage of total trade %	Brokerage fees RM	Percentage of total brokerage %
CGS-CIMB Securities Sdn Bhd	21,459,009	97.48	742	100.00
AHAM Asset Management (formerly known as Affin Hwang Asset Management Bhd) #	555,770	2.52	-	-
	22,014,779	100.00	742	100.00

Included in transactions with traders/brokers are trades with AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad), the Manager amounting to RM316,476 (2022: RM555,770) respectively. The Manager is of the opinion that all the transactions have been entered into in the normal course of business at agreed terms between the related parties.

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:

Related parties	Relationships
CVC Capital Partners Asia V L.P. (CVC Asia V)	Ultimate holding company of the Manager
CVC Capital Partners Asia V Limited	General Partner of the ultimate holding companies

16 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)

Related parties	Relationships
Lembaga Tabung Angkatan Tentera (“LTAT”)	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 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”)	Substantial shareholder of the Manager
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	The Manager
Subsidiaries and associated companies of CVC Asia V as disclosed in their financial statements	Subsidiaries and associated companies of the ultimate holding companies of the Manager
Subsidiaries and associated companies of ABB as disclosed in its financial statements	Subsidiaries and associated companies of the former penultimate holding company of the Manager
Directors of AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	Directors of the Manager

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

	2023		2022	
	No. of units	RM	No. of units	RM
The Manager and the Parent of the Fund:				
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) (The units are held beneficially for seeding purposes)	103,000	830,458	110,900	1,320,719

17 TOTAL EXPENSE RATIO ("TER")

	6 months financial period ended 31.3.2023 %	6 months financial period ended 31.3.2022 %
TER	1.03	0.77

TER is derived from the following calculation:

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

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

The average NAV of the Fund for the financial period calculated on a daily basis is RM916,162 (2022: RM1,785,165).

18 PORTFOLIO TURNOVER RATIO ("PTR")

	6 months financial period ended 31.3.2023	6 months financial period ended 31.3.2022
PTR (times)	11.30	6.17

PTR is derived from the following calculation:

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

where: total acquisitions for the financial period = RM9,234,185 (2022: RM10,339,478)
and total disposals for the financial period = RM11,472,148 (2022: RM11,678,178)

19 SEGMENT INFORMATION

The strategic asset allocation committee of the Investment Manager makes the strategic resource allocations on behalf of the Fund. The Fund has determined the operating segments based on the reports reviewed by the Manager that are used to make strategic decisions.

The committee is responsible for the Fund's entire portfolio and considers the business to have a single operating segment. The committee's asset allocation decisions are based on a single, integrated investment strategy and the Fund's performance is evaluated on an overall basis.

The reportable operating segment derives its income by investing into quoted derivatives to meet its investment objective, as stipulated within its investment strategy. The Fund's returns are achieved through the movement in the value of its investments, which comprised from its exposure into futures contracts, collective investment schemes and deposits with licensed financial institutions

The Fund has a diversified unitholder population. However, as at 31 March 2023, there were 2 (2022: 2) unitholders who held more than 10% of the Fund's NAV. For 2022, the unitholders' holdings were 56.44% and 22.19% (2022:60.72% and 16%).

There were no changes in the reportable segments during the financial period.

The internal reporting provided to the committee for the Fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of MFRS and IFRS.

20 SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD

Change in corporate shareholding of Affin Hwang Asset Management Berhad

On 28 January 2022, Affin Bank Berhad announced that funds advised by CVC Capital Partners, a leading global private equity and investment advisory firm with approximately US$125 billion of assets under management, has agreed to acquire approximately 68% of the equity interest in AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad).

The Acquisition has been approved by Securities Commissions Malaysia on 1 July 2022, and upon completion of the Acquisition on 29 July 2022, AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) has ceased to be a subsidiary of Affin Hwang Investment Bank Berhad.

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STATEMENT BY THE MANAGER

I, Dato' Teng Chee Wai, for and on behalf of the board of directors of the Manager, **AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad),** do hereby state that in in the opinion of the Manager, the financial statements set out on pages 1 to 29 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 31 March 2023 and of its financial performance, changes in equity and cash flows for the 6 months financial period ended 31 March 2023 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

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

DATO' TENG CHEE WAI
EXECUTIVE DIRECTOR/MANAGING DIRECTOR

Kuala Lumpur
15 May 2023

DIRECTORY OF SALES OFFICE

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