



**ANNUAL REPORT**  
19 May 2023

**TradePlus**  
**NYSE® FANG+™**  
**Daily (-1X) Inverse**  
**Tracker**

MANAGER  
AHAM Asset Management Berhad  
199701014290 (429786-T)

TRUSTEE  
CIMB Commerce Trustee Berhad  
(313031-A)

**Built On Trust**

[aham.com.my](http://aham.com.my)

# TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

## Annual Report and Audited Financial Statements For the Financial Period 1 October 2022 to 19 May 2023 (Date of Termination)

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## GENERAL INFORMATION

### MANAGER

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

#### Registered Office:

3<sup>rd</sup> Floor, Menara Boustead,  
69 Jalan Raja Chulan  
50200 Kuala Lumpur  
Tel. No.: 03 – 2142 3700  
Fax No.: 03 – 2142 3799

#### Business Office:

Ground Floor, Menara Boustead,  
69 Jalan Raja Chulan  
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](mailto:customercare@aham.com.my)  
Website: [aham.com.my](http://aham.com.my)

### COMPANY SECRETARY

Raja Shahrul Nizam Raja Yahya (LS0009904)  
3<sup>rd</sup> Floor Menara Boustead,  
69 Jalan Raja Chulan  
50200 Kuala Lumpur

### REGISTRAR

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

### 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  
Kuala Lumpur Sentral,  
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:

Level 21, Menara CIMB, Jalan Stesen Sentral 2  
Kuala Lumpur Sentral, 50470 Kuala Lumpur  
Tel. No.: 03 – 2261 8888  
Fax No.: 03 – 2261 9892

## FUND INFORMATION

Fund Name	TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker
Fund Type	Inverse 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 1x Inverse Index
Distribution Policy	The Fund may distribute income on an incidental basis

## FUND PERFORMANCE DATA

Category	As at 19 May 2023 (%)	As at 30 Sep 2022 (%)	As at 30 Sep 2021 (%)
Portfolio composition			
Collective investment schemes – local	-	27.54	50.85
Quoted derivative - futures	-	7.41	3.80
Cash and cash equivalent	100.00	65.05	45.35
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Total NAV (RM 'million)	0.000	1.099	0.875
NAV per Unit (RM)	0.0000	1.8470	1.4702
Unit in Circulation (million)	0.000	0.595	0.595
Highest NAV per unit	2.0721	1.9539	2.0078
Lowest NAV per unit	1.3172	1.3000	1.3786
Return of the Fund (%) <sup>1</sup>	-28.65	25.63	-26.02
- Capital Growth (%)	-28.65	25.63	-26.02
- Income Distribution (%)	Nil	Nil	Nil
Gross Distribution per unit (sen)	Nil	Nil	Nil
Net Distribution per unit (sen)	Nil	Nil	Nil
Total Expense Ratio (%) <sup>2</sup>	1.40	1.78	1.84
Portfolio Turnover Ratio (times) <sup>3</sup>	5.03	6.90	6.21
Tracking Error	1.12	2.58	2.75

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

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

An illustration of the above would be as follow:-

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

<sup>1</sup>Performance of the Fund is captured from 1 October 2022 to 16 April 2023. The Fund ceased operations once distribution of capital to eligible Unit Holders was made on 17 April 2023.

<sup>2</sup>The Fund's TER was lower than previous year due to a lower expense of the Fund for the financial period.

<sup>3</sup>The Fund's PTR was lower than previous year due to lesser trading activities for the financial period.

## MANAGER'S REPORT

### Income Distribution / Unit Split

No income distribution or unit split were declared for the financial period ended 19 May 2023.

### Performance Review (1 October 2022 to 16 April 2023)

The Fund maintained operation until 16 April 2023, where distribution of capital was made to eligible Unit Holders on 17 April 2023.

For the period 1 October 2022 to 16 April 2023, the Fund registered a -28.65% return compared to the benchmark return of -28.13%. The Fund thus underperformed the Benchmark by 0.52%. The Net Asset Value ("NAV") of the Fund as at 16 April 2023 was RM780,140.38 (RM1.3178 per unit) while the NAV as at 30 September 2022 was RM1,098,963.75 (RM1.8470 per unit).

Since commencement, the Fund has registered a return of -67.05% compared to the benchmark return of -68.58%, outperforming by 1.53%.

Table 1: Performance of the Fund

	<b>For the Period (1/10/22 - 16/4/23)</b>	<b>1 Year (17/4/22 - 16/4/23)</b>	<b>3 Years (17/4/20 - 16/4/23)</b>	<b>Since Commencement (26/11/19 - 16/4/23)</b>
<b>Fund</b>	<b>(28.65%)</b>	<b>(16.41%)</b>	<b>(55.69%)</b>	<b>(67.05%)</b>
<b>Benchmark</b>	<b>(28.13%)</b>	<b>(15.84%)</b>	<b>(58.53%)</b>	<b>(68.58%)</b>
<b>Underlying Index</b>	<b>28.82%</b>	<b>0.79%</b>	<b>74.61%</b>	<b>109.67%</b>
<b>Outperformance VS Benchmark</b>	<b>(0.52%)</b>	<b>(0.57%)</b>	<b>2.84%</b>	<b>1.53%</b>

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	<b>1 Year (17/4/22 - 16/4/23)</b>	<b>3 Years (17/4/20 - 16/4/23)</b>	<b>Since Commencement (26/11/19 - 16/4/23)</b>
<b>Fund</b>	<b>(16.41%)</b>	<b>(23.76%)</b>	<b>(27.92%)</b>
<b>Benchmark</b>	<b>(15.84%)</b>	<b>(25.43%)</b>	<b>(28.92%)</b>
<b>Underlying Index</b>	<b>0.79%</b>	<b>20.42%</b>	<b>24.39%</b>
<b>Outperformance VS Benchmark</b>	<b>(0.57%)</b>	<b>1.67%</b>	<b>1.00%</b>

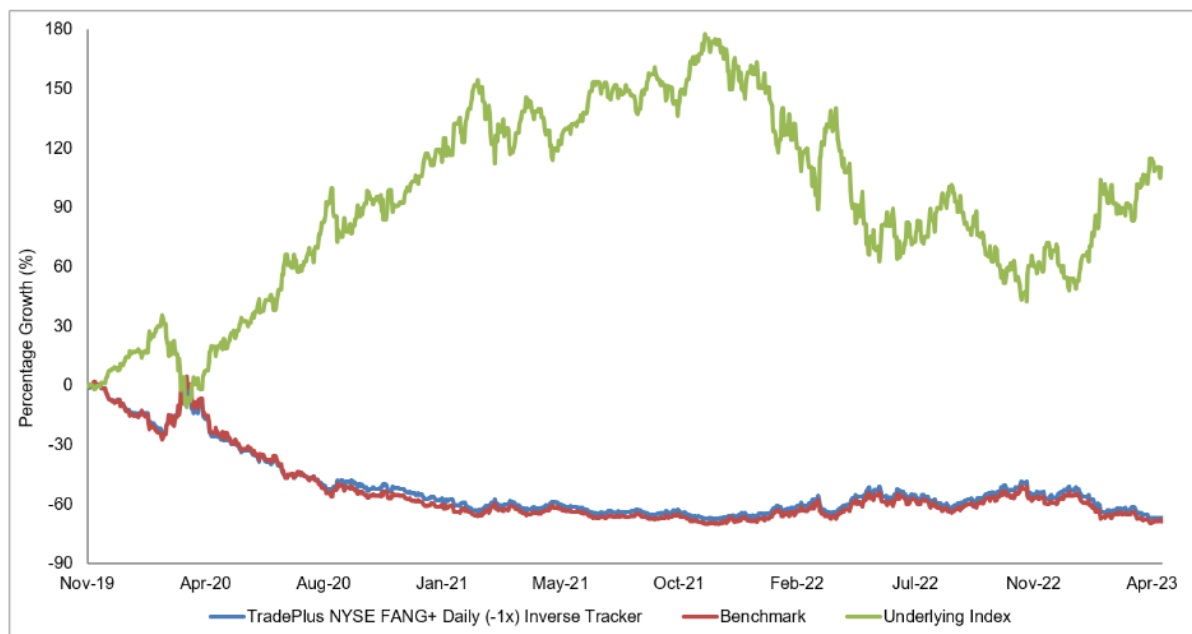
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	<b>FYE 2023 (1/10/22 - 16/4/23)</b>	<b>FYE 2022 (1/10/21 - 30/9/22)</b>	<b>FYE 2021 (1/10/20 - 30/9/21)</b>	<b>FYE 2020 (26/11/19 - 30/9/20)</b>
<b>Fund</b>	<b>(28.65%)</b>	<b>25.63%</b>	<b>(26.02%)</b>	<b>(50.32%)</b>
<b>Benchmark</b>	<b>(28.13%)</b>	<b>26.98%</b>	<b>(25.47%)</b>	<b>(53.81%)</b>
<b>Underlying Index</b>	<b>28.82%</b>	<b>(32.99%)</b>	<b>29.65%</b>	<b>87.32%</b>
<b>Outperformance VS Benchmark</b>	<b>(0.52%)</b>	<b>(1.35%)</b>	<b>(0.55%)</b>	<b>3.49%</b>

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 1x Inverse 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.***

### **Asset Allocation**

As at 19 May 2023, the Exchange-traded Fund's ("ETF") holdings were held in cash as the Fund winds up.

### **Strategies Employed**

The ETF liquidated its holdings in preparation for the Fund's termination.

### **Market Review**

The period under review witnessed market fluctuations and economic developments driven by various global and domestic factors. The performance of global markets during the reviewed period exhibited mixed results. The Standard and Poor's ("S&P") 500 returned 2.64%, while the MSCI AC World Index registered a slightly higher return of 3.77%. However, the MSCI AC Asia ex Japan Index experienced a decline of -5.63%, indicating regional challenges. The Financial Times Stock Exchange ("FTSE") Bursa Malaysia also faced a decline of -7.71%. In the bond markets, the Bloomberg Barclays Global Aggregate Index declined by -2.31%, while local bond markets experienced slight gains, with the benchmark 10-year Malaysian Government Securities ("MGS") yield closing at 3.84%.

The financial year began with Federal Reserve Chair Jerome Powell affirming the central bank's hawkish pivot towards taming inflation. The May 2022 Federal Open Market Committee ("FOMC") meeting resulted in a 50 basis points rate hike, and subsequently throughout the next 12 months, the US Federal Reserve ("Fed") raised policy rates to the current level of 5%. The sharp pace of tightening raised concerns in financial markets, as over-tightening could potentially lead to a growth slowdown. The People's Bank of China ("PBoC") however, implemented a sharper-than-expected 15 basis points reduction in its prime rate for

5-year loans. This move is aimed to cushion the impact of a slowdown and stimulate growth in China's property sector, which plays a significant role in its economy.

Global equities were volatile in the first quarter of 2023 as turmoil in the banking sector jolted markets. The fallout of Silicon Valley Bank had an impact on US equities as concerns about contagion spread throughout Wall Street. The commercial bank, known for providing loans primarily to start-up and technology companies, faced a severe cash shortage as it was forced to realize losses in its bond securities. Similarly, San Francisco-based First Republic, like many other regional lenders, found itself in a tight spot due to the Fed's decision to raise interest rates in its fight against inflation. Consequently, the value of the bonds held by the bank, purchased at lower interest rates, suffered. As fears about the well-being of First Republic grew, depositors began seeking alternative options as fears spread about First Republic's health. Concerns about the U.S debt ceiling also weighed on sentiments as failing to reach an agreement on raising or suspending the ceiling would result in severe spending cuts by the government.

The MSCI AC World Index over the 12 months period, financials were weak amid turmoil in the banking sector mentioned earlier. While energy was the largest contributor to the index over the reviewed period, declining oil prices over the past 3 months affected negatively on the returns of the index.

Throughout the year, the MSCI Asia ex Japan Index experienced weakness primarily due to volatility in China. A growing wave of mortgage boycotts by homebuyers and concerns related to COVID-19 flare-ups spooked investors. Investors became cautious about the potential impact of the increase in COVID-19 infections on economic growth and corporate earnings. Lockdowns, travel restrictions, and supply chain disruptions weighed on business activities, affecting market performance across multiple sectors. Tensions between the United States and China also played a significant role in shaping the market dynamics. Throughout the year, diplomatic and trade tensions between the two countries were rekindled, leading to uncertainties and market jitters. Escalating disputes and the possibility of further restrictions or tariffs on trade created a challenging environment for businesses operating in the region and the resulting uncertainty impacted investor confidence and contributed to the weakness observed in index.

Taiwan and Korea, two export-driven economies heavily reliant on technology sectors, faced specific challenges during the review period. With the global economy slowdown, demand for technological components and devices waned, affecting the performance of these countries' export-oriented industries. Reduced demand, coupled with supply chain disruptions and uncertainties in the global market, led to a decline in economic activities and negatively impacted the performance of the regional index.

The bond market over the period was influenced by a combination of factors including central bank actions, inflation concerns and currency movements. Bond yields showed mixed movements during this period. Towards the end of 2022, government bond yields edged up due to market disappointment at the hawkish tone from central banks, despite evidence of slowing economic growth. However, in 2023, yields fluctuated initially pricing in rate hikes and later discounting rate cuts due to concerns over the banking crisis.

On the domestic front, Bank Negara Malaysia ("BNM") raised the Overnight Policy Rate ("OPR") by 25 basis points to 2.00% during its Monetary Policy Committee meeting in May 2022. By the end of the financial period under review, the OPR reached 2.75%. The central bank cited that the global economy persists to be weighed down by elevated cost pressures and higher interest rates. While headline inflation moderated slightly, core inflation remained elevated. BNM emphasized the nature of rate adjustments remains accommodative and supportive of economic growth.

The year under review also witnessed the appointment of Datuk Seri Anwar Ibrahim as Malaysia's 10th Prime Minister. In his budget speech in February 2023, Prime Minister cum Finance Minister Datuk Seri Anwar Ibrahim emphasized fiscal discipline and outlined measures to reduce the country's fiscal deficit to 5.00% of gross domestic product ("GDP"). These measures included to achieve this goal includes the introduction of new tax measures, such as a luxury goods tax, excise duties on nicotine-containing products, and higher dividends from national major Petronas, amounting to RM 40 billion.

## **Investment Outlook**

Global equity markets 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.

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 as at the end of the reviewed period. 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. Manufacturing activity also picked up. China's official manufacturing Purchasing Managers Index ("PMI") rose to 49.2 in April 2023 from a year ago. 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. The government unveiled its revised budget, focusing on sustainable economic growth, institutional reforms and reducing social inequality. The benchmark Kuala Lumpur Composite Index ("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.

Bond investors may see some relief this year after enduring a painful 2022 which saw rates volatility reaching unprecedented highs. 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. 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.

### **State of Affairs of the Fund**

Termination of the Fund took place on 19 May 2023.

### **Soft Commissions received from Brokers**

As per the requirements of the Securities Commission's Guidelines on Exchange-Traded 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 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 ETF has not undertaken any securities lending or repurchase transactions during the financial period under review.

### **Changes Made to the ETF's Prospectus**

There were no changes made to the ETF's prospectus during the financial period under review.

## THE MANAGER

### Board of Directors

Name	Dato' Teng Chee Wai
Designation	Managing Director
Age	56
Gender	Male
Nationality	Malaysian
Qualification	<ul style="list-style-type: none"> <li>Bachelor of Science, National University of Singapore</li> <li>Post-Graduate Diploma in Actuarial Studies, City University in London.</li> </ul>
Working Experience and Occupation	<p><b>Current</b></p> <p>Founder &amp; Managing Director of AHAM</p> <p><b>Past</b></p> <ul style="list-style-type: none"> <li>Assistant General Manager (Investment), Overseas Assurance Corporation</li> <li>Investment Manager, NTUC Income, Singapore</li> </ul>
Date appointed to the Board	23 December 2004
Details of membership of any Board Committee in AHAM	None
Details of other Directorship in public companies and listed issuers	Director of Bintang Capital Partners Berhad
Conflict of interests with the Fund	None
List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies other than traffic offences	None
Number of board meetings attended in the financial year	6/6

Name	General Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)
Designation	Chairman, Independent Non-Executive Director
Age	75
Gender	Male
Nationality	Malaysian
Qualification	General Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R) holds a Master of Science Degree in Defence and Strategic Studies from the Quaid-I-Azam University, Islamabad, Pakistan and had attended the Senior Executive Programme in Harvard University, United States of America, Command and General Staff College Philippines, Joint Services Staff College Australia and National Defence College Pakistan.
Working Experience and Occupation	General Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R) ("Tan Sri Zahidi") had a distinguished career in the Malaysian Armed Forces for 38 years 11 months,

	<p>before retiring from the Force on 30 April 2005. During the period as a professional military officer, he served 6 years 4 months as the Malaysian Chief of Defence Forces from 1 January 1999 and as the Chief of the Malaysian Army for one year from 1 January 1998.</p> <p>Tan Sri Zahidi is presently the Group Chairman of Cahya Mata Sarawak Berhad and the Chairman of Genting Plantations Berhad. He is also a Director of Genting Malaysia Berhad and Only World Group Berhad. He also sits on the Board of several Private Limited Companies in Malaysia.</p> <p>Tan Sri Zahidi was made a Member of Dewan Negara Perak by DYMM Paduka Seri Sultan Perak on 25 November 2006 and is a Director / Trustee for Board of Trustee of Yayasan Sultan Azlan Shah. On 23 April 2013, Tan Sri Zahidi was appointed as Orang Kaya Bendahara Seri Maharaja Perak Darul Ridzuan by DYMM Paduka Seri Sultan Perak and the Dewan Negara Perak Darul Ridzuan.</p>
Date appointed to the Board	29 July 2022
Details of membership of any Board Committee in AHAM	None
Details of other Directorship in public companies and listed issuers	<ul style="list-style-type: none"> <li>• Group Chairman of Cahya Mata Sarawak Berhad</li> <li>• Chairman of Genting Plantations Berhad</li> <li>• Director, Genting Malaysia Berhad</li> <li>• Director, Only World Group Holdings Berhad</li> </ul>
Conflict of interests with the Fund	None
List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies other than traffic offences	None
Number of board meetings attended in the financial year	5/5

Name	Eleanor Seet Oon Hui (Xue Enhui Eleanor)
Designation	Non-Independent Non-Executive Director
Age	48
Gender	Female
Nationality	Singaporean
Qualification	Bachelor of Economics, University of New South Wales, Sydney
Working Experience and Occupation	<p><b>Present:</b></p> <ul style="list-style-type: none"> <li>• Representative director</li> <li>• President and Director of Nikko Asset Management Asia Limited</li> <li>• Head of Asia ex-Japan of Nikko Asset Management (Nikko AM)</li> </ul>

	<p><b>Past:</b></p> <ul style="list-style-type: none"> <li>• Director, AxJ Intermediaries, BlackRock/ BGI</li> <li>• Director, SE Asia, AllianceBernstein</li> </ul> <p><b>Other Appointments:</b></p> <ul style="list-style-type: none"> <li>• Serves as Vice-Chairman on the Executive Committee of the Investment Management Association of Singapore (IMAS)</li> </ul>
Date appointed to the Board	30 March 2018
Details of membership of any Board Committee in AHAM	<ul style="list-style-type: none"> <li>• Member of Board Audit Committee</li> <li>• Member of Board Compliance and Risk Management Committee</li> </ul>
Details of other Directorship in public companies and listed issuers	None
Conflict of interests with the Fund	None
List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies other than traffic offences	None
Number of board meetings attended in the financial year	6/6

Name	Alvin Lim Chiaw Beng
Designation	Non-Independent Non-Executive Director
Age	52
Gender	Male
Nationality	Singapore
Qualification	Mr. Alvin Lim graduated with a BSc Economics degree from the London School of Economics specialising in Accounting and Finance and he is also a qualified Chartered Financial Analyst.
Working Experience and Occupation	<p>Mr. Alvin Lim began his career with the Corporate Finance division of Coopers and Lybrand before joining the Asian M&amp;A team at Schrodgers International Merchant Bankers (“Schrodgers”) in Singapore. He subsequently moved to London, UK with Schrodgers and became part of the Citigroup Investment Banking team when it acquired Schrodgers in 2000.</p> <p>In the UK, Mr. Alvin Lim worked on a variety of European cross border transactions before returning to Singapore in 2004 to join Ascott Singapore for a brief stint as Vice President of Business Development. He then joined the Investment Banking division of HSBC where he headed the Southeast Asian team before he left in 2016. At HSBC, he was also part of the Singapore Executive Committee and looked after the entire Southeast Asian operations ranging from regulatory, risk and strategy functions.</p> <p>In his current role at CVC, Mr. Alvin Lim is responsible for all activities within Singapore and Malaysia. He led the investment into Munchy’s in</p>

	2018 and successfully exited with the sale to URC in 2021. He was a member of the Board of Directors at Munchy's driving value creation at the company.
Date appointed to the Board	29 July 2022
Details of membership of any Board Committee in AHAM	<ul style="list-style-type: none"> <li>• Chairman of Board Audit Committee</li> <li>• Member of Board Compliance and Risk Management Committee</li> <li>• Member of Group Board Nomination and Remuneration Committee</li> </ul>
Details of other Directorship in public companies and listed issuers	None
Conflict of interests with the Fund	None
List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies other than traffic offences	None
Number of board meetings attended in the financial year	4/5

Name	Faridah Binti Iskandar
Designation	Independent Non-Executive Director
Age	43
Gender	Female
Nationality	Malaysian
Qualification	Ms Faridah Binti Iskandar ("Ms Iskandar") has a BA(Hons) and MA in Natural Sciences from University of Cambridge, and an MSc in Forensic Science from University of Strathclyde.
Working Experience and Occupation	<p>Ms. Iskandar spent six years as a scientist before transitioning to analytical postings in the UK government's Ministry of Justice. During this time, she gained invaluable exposure to processes around policy proposals and reviews, cross-ministerial/departmental relationship building and stakeholder management. She then entered management consulting with Capgemini Consulting in London (now Capgemini Invent), primarily working on analytics and organisational focused projects, before returning to Malaysia.</p> <p>In Malaysia, Ms. Iskandar joined Boston Consulting Group in Kuala Lumpur. During her time there she led and delivered multiple strategy and implementation engagements for clients in Southeast Asia, across public sector, GLCs, energy and real estate. She managed diverse teams to develop and deliver tangible insights and outcomes, leading client engagements and advising senior management and Board of Directors.</p> <p>In her current role as Head of Southeast Asia for Copperleaf Technologies, a global software company that specialises in decision analytics, Ms Iskandar leads all regional business development and growth activities and oversees cross-functional teams. As a member of the senior leadership team within the</p>

	rapidly growing Asia Pacific & Japan business of Copperleaf, Ms Iskandar is involved in all business-critical activities from strategy and operating model evolution, recruitment and people development, product enhancement, business growth strategies to brand awareness and marketing.
Date appointed to the Board	29 July 2022
Details of membership of any Board Committee in AHAM	<ul style="list-style-type: none"> <li>Member of Board Audit Committee</li> <li>Chairman of Board Compliance and Risk Management Committee</li> </ul>
Details of other Directorship in public companies and listed issuers	None
Conflict of interests with the Fund	None
List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies other than traffic offences	None
Number of board meetings attended in the financial year	5/5

Name	Mr. Xuan Wang
Designation	Non-Independent Non-Executive Director
Age	36
Gender	Male
Nationality	Chinese
Qualification	Mr. Xuan Wang holds a Bachelor's Degree in Political Economy from Georgetown University, USA.
Working Experience and Occupation	<p>Mr. Xuan Wang started his career with UBS AG's investment banking department in Hong Kong in 2009, focusing on helping leading banks and insurance companies in the region to raise capital and pursue mergers and acquisition transactions.</p> <p>Mr. Xuan Wang joined CVC Asia Pacific Limited in 2012, based in Hong Kong and Singapore. He focuses on private equity investment across Southeast Asia. He was a director on the board of SPi Global, a leading outsourced digital services company headquartered in the Philippines, from 2015 to 2017 and a director on the board of Ngern Tid Lor, a leading non-bank lender and insurance broker in Thailand, from 2019 to 2020.</p>
Date appointed to the Board	29 July 2022
Details of membership of any Board Committee in AHAM	<ul style="list-style-type: none"> <li>Member of Board Audit Committee</li> <li>Member of Board Compliance and Risk Management Committee</li> </ul>
Details of other Directorship in public companies and listed issuers	None
Conflict of interests with the Fund	None
List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies other than traffic offences	None

Number of board meetings attended in the financial year	5/5
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### Director's Training

The Board acknowledges the importance of continuing education for its Directors. During the Financial Year Ended 2021, the Board members had attended various training programmes, workshops, seminars, briefings and/or conferences on various subjects in accordance to the respective Director's own training needs. These trainings include:

#### TENG CHEE WAI

Organiser	Name of Programme
FMTCS Sdn Bhd	Helping Clients Stay the Course: Applying Portfolio Management Concepts and Overcoming Behavioral Biases
FMTCS Sdn Bhd	Investment Products for Decarbonization: Carbon Markets & Electric Vehicles
AHAM	Governance, Risks and Controls
Vision Business Solutions Sdn Bhd	AML/CFT & TFS : Compliance A Need To Protect Business

#### GENERAL DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (R)

Organiser	Name of Programme
AHAM Asset Management Berhad (AHAM)	Governance, Risks and Controls
AHAM Asset Management Berhad (AHAM)	AML Program 2022 : Prevention, Detection & Collaboration in Fronting Compliance
Bursa Malaysia via Genting Malaysia	Advocacy Sessions for Directors and Senior Management of Main Market Listed Issuers
Cahaya Mata Sarawak Berhad	ESG and Corporate Governance by Rita Benoy Bushon
Genting Malaysia Berhad	Global Minimum Tax by Deloitte Malaysia
Genting Malaysia Berhad	2022 Genting Malaysia Senior Managers' Conference: Customer Centricity For A More Resilient Organisation
Bursa Malaysia	CG Advocacy Programme: Bursa Malaysia Immersive Experience: The Board "Agender"
Genting Malaysia Berhad	39th Management Conference of Genting Plantations Berhad: <ul style="list-style-type: none"> <li>Managing Operational Challenges during Covid-19 Era</li> </ul>

	<ul style="list-style-type: none"> <li>• Revolutionizing Plantation Operations</li> <li>• Controlled Environment Agriculture</li> <li>• Revolutionizing Farming through the Power of Data and AgTech</li> <li>• Aligning Mindsets Towards Digital Transformation</li> </ul>
Securities Industry Development Corporation (SIDC)	Capital Market Director Programme (CMDP)
Genting Berhad By Deloitte Tax Services Sdn Bhd	Genting Group Tax Seminar on Budget 2023

#### ELEANOR SEET OON HUI (XUE ENHUI ELEANOR)

Organiser	Name of Programme
IMAS	IMAS Digital Summit 2022: Digitalisation in Asset Management: How far have we come?
Institute of Policy Studies	Singapore Perspectives 2022 Post-conference on Digital City
Bloomberg	Bloomberg Women's Buy-Side Network (BWBN)
IBF MAS	Singapore Financial Forum - Opportunities and Challenges Ahead
IBF MAS	Singapore Financial Forum - The Rise of APAC Wealth (Keys to Unlock Growth Opportunities) Sustainable Finance Hub 2030 (A Greener Future for Finance)
AHAM	MACC Program : Governance, Risk & Control ('GRC') on 23 June 2022 (Session 2-PM)
US Department of Energy	US-Southeast Asia clean Energy Roundtable
IBF	Sustainable Finance Virtual Career Fair: WMI - ESG Investing - Realities, Challenges and Opportunities
IMAS	IMAS CORE SFA CPD - 6 modules
AHAM	2022 AML Program : Prevention, Detection & Collaboration
Milken Asia Summit Singapore	ESG in the Asia-Pacific and Why it Matters
Milken Asia Summit Singapore	How Technology Can Accelerate Sustainable Finance
Milken Asia Summit Singapore	Asset Management - Are We at an Inflection Point?



Milken Asia Summit Singapore	The Long and Short of Patient Capital
Milken Asia Summit Singapore	Rethinking Health Care in the Post-Pandemic Era
Milken Asia Summit Singapore	Market Opportunities in Asia
SID	Listed Entity Director Programme - Stakeholder Engagement
BNPP	BNPP Sustainable Future Forum
PPI Institute	Asean Economics and Asia's Growth
PPI Institute	Asean Economics and Asia's Growth
PPI Institute	Asean Economics and Asia's Growth
Elevandi	Capital Meets Policy Dialogue™ (the CMP Dialogue
SID	Listed Entity Director Programme - Environmental, Social and Governance Essentials
FSTC	15th FSTC Meeting - Financial Sector Tripartite Committee
KWAP	CEO Mandate to External Fund Managers
Teneo	Teneo Insights Panel: Where is the World Headed in 2023?
Endowus	Endowus Leadership Forum 2023
IMAS Bloomberg	Power Breakfast
IMAS Bloomberg	IMAS Conference + Masterclass 2023
NUS Global Asia Institute	Wee Cho Yaw Business Forum - Building Connected and Sustainable Organisations and EcoSystems
French Embassy, Tikehau Capital & CMA CGM	Maritime Cybersecurity Seminar

#### ALVIN LIM CHIAW BENG

Organiser	Name of Programme
Institute of Corporate Directors Malaysia (ICDM)	Bursa Malaysia Mandatory Accreditation Programme (MAP)
AHAM Asset Management Berhad (AHAM)	AML Program 2022: Prevention, Detection & Collaboration in Fronting Compliance

Securities Development (SIDC)	Industry Corporation	Capital Market Director Programme (CMDP)
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#### **FARIDAH BINTI ISKANDAR**

<b>Organiser</b>	<b>Name of Programme</b>
Institute of Corporate Directors Malaysia (ICDM)	Bursa Malaysia Mandatory Accreditation Programme (MAP)
AHAM Asset Management Berhad (AHAM)	AML Program 2022: Prevention, Detection & Collaboration in Fronting Compliance
Securities Development (SIDC)	Industry Corporation Capital Market Director Programme (CMDP)
SIDC	How to be an Effective NED in a Disruptive World

#### **XUAN WANG**

<b>Organiser</b>	<b>Name of Programme</b>
Institute of Corporate Directors Malaysia (ICDM)	Bursa Malaysia Mandatory Accreditation Programme (MAP)
Affin Hwang Asset Management Berhad (AHAM)	AML Program 2022: Prevention, Detection & Collaboration in Fronting Compliance
Securities Development (SIDC)	Industry Corporation Capital Market Director Programme (CMDP)

During the financial period from 1 October 2022 to 19 May 2023 (date of termination), there were no public sanction or penalty that was imposed on the management company by the relevant regulatory bodies.

#### **The Custodian (Trustee's Delegate)**

CIMB Commerce Trustee Berhad has delegated its custodian function to CIMB Bank Berhad (CIMB Bank). CIMB Bank's ultimate holding company is CIMB Group Holdings Berhad, a listed company on Bursa Malaysia. CIMB Bank provides full-fledged custodial services, typically clearing, settlement and safekeeping of all types of investment assets and classes, to a cross section of investors and intermediaries client base, both locally and overseas.

For the local Ringgit assets, they are held through its wholly owned nominee subsidiary "CIMB Group Nominees (Tempatan) Sdn Bhd". For foreign non-Ringgit assets, CIMB Bank appoints global custodian as its agent bank to clear, settle and safekeep on its behalf and to its order.

All investments are automatically registered in the name of the custodian to the order of the Trustee. CIMB Bank acts only in accordance with instruction from the Trustee.

## **TRUSTEE'S REPORT**

### **TO THE UNITHOLDERS OF TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER (“Fund”)**

We have acted as Trustee of the Fund for the financial period from 1 October 2022 to 19 May 2023 (date of termination) 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 deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

For and on behalf of  
**CIMB Commerce Trustee Berhad**

**Datin Ezreen Eliza binti Zulkiplee**  
Chief Executive Officer

Kuala Lumpur, Malaysia  
23 June 2023

**TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER**

**FINANCIAL STATEMENTS**

**FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022  
TO 19 MAY 2023 (DATE OF TERMINATION)**

# **TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER**

## **FINANCIAL STATEMENTS**

**FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022  
TO 19 MAY 2023 (DATE OF TERMINATION)**

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## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION)

	<u>Note</u>	Financial period from 1.10.2022 to 19.5.2023 (date of <u>termination</u> ) RM	Financial year ended <u>30.9.2022</u> RM
<b>INVESTMENT (LOSS)/INCOME</b>			
Dividend income		316	1,522
Interest income from financial assets at amortised cost		4,645	3,986
Net loss on foreign currency exchange		(39,413)	-
Net gain on financial assets at fair value through profit or loss	9	5,034	5,399
Net (loss)/gain on futures at fair value through profit or loss	10	(270,789)	230,930
		<u>(300,207)</u>	<u>241,837</u>
<b>EXPENSES</b>			
Management fee	4	(5,276)	(9,362)
Trustee fee	5	(211)	(374)
Tax agent's fee		(3,500)	(3,500)
Transaction costs		(656)	(978)
Other expenses		(3,325)	(3,417)
		<u>(12,968)</u>	<u>(17,631)</u>
<b>NET (LOSS)/PROFIT BEFORE TAXATION</b>		(313,175)	224,206
Taxation	8	-	-
<b>NET (LOSS)/PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL PERIOD/YEAR</b>		<u>(313,175)</u>	<u>224,206</u>
Net (loss)/ profit after taxation is made up of the following:			
Realised amount		(313,175)	171,472
Unrealised amount		-	52,734
		<u>(313,175)</u>	<u>224,206</u>

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

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### STATEMENT OF FINANCIAL POSITION AS AT 19 MAY 2023 (DATE OF TERMINATION)

	<u>Note</u>	As at 19.5.2023 (date of termination) RM	As at 30.9.2022 RM
<b>ASSETS</b>			
Margin account	11	-	340,767
Cash and cash equivalents	12	10,111	380,831
Amount due from Manager			
- management fee rebate receivable		-	68
Dividend receivables		-	34
Financial assets at fair value through profit or loss	9	-	302,688
Quoted futures at fair value through profit or loss	10	-	81,455
<b>TOTAL ASSETS</b>		<u>10,111</u>	<u>1,105,843</u>
<b>LIABILITIES</b>			
Amount due to Manager			
- management fee		-	845
Amount due to Trustee		-	34
Tax agent's fee		7,000	3,500
Other payables and accruals		3,111	2,500
<b>TOTAL LIABILITIES</b>		<u>10,111</u>	<u>6,879</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>-</u>	<u>1,098,964</u>
<b>EQUITY</b>			
Unitholders' capital		1,409,017	2,194,806
Accumulated losses		(1,409,017)	(1,095,842)
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		<u>-</u>	<u>1,098,964</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>	13	<u>-</u>	<u>595,000</u>
<b>NET ASSET VALUE PER UNIT (RM)</b>		<u>-</u>	<u>1.8470</u>

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

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION)

	Unitholders' <u>capital</u> RM	Accumulated <u>losses</u> RM	<u>Total</u> RM
Balance as at 1 October 2022	2,194,806	(1,095,842)	1,098,964
Total comprehensive loss for the financial period	-	(313,175)	(313,175)
Movement in unitholders' capital:			
Creation of units arising from applications	43,185		43,185
Cancellation of units	(828,974)	-	(828,974)
Balance as at 19 May 2023 (date of termination)	<u>1,409,017</u>	<u>(1,409,017)</u>	<u>-</u>
Balance as at 1 October 2021	2,194,806	(1,320,048)	874,758
Total comprehensive income for the financial year	-	224,206	224,206
Balance as at 30 September 2022	<u>2,194,806</u>	<u>(1,095,842)</u>	<u>1,098,964</u>

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



## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION)

	<u>Note</u>	Financial period from 1.10.2022 to 19.5.2023 (date of <u>termination</u> ) RM	Financial year ended <u>30.9.2022</u> RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Proceeds from sale of investments		307,613	148,169
Purchase of investments		-	(1,444)
Proceed from/ (payment to) margin account		340,767	(231,678)
Dividend received		45	1,488
Interest income received		4,645	3,986
Management fee rebate received		482	869
Management fee paid		(6,121)	(9,213)
Trustee fee paid		(245)	(368)
Payment for other fees and expenses		(3,370)	(7,395)
Net realised loss on foreign exchange		(39,413)	-
Realised (loss)/gain on futures		(189,334)	182,679
		<hr/>	<hr/>
Net cash flows generated from operating activities		415,069	87,093
		<hr/>	<hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from creation of units		43,185	-
Payment for cancellation of units		(828,974)	-
		<hr/>	<hr/>
Net cash flows used in financing activities		(785,789)	-
		<hr/>	<hr/>
<b>NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS</b>		(370,720)	87,093
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD/YEAR</b>		380,831	293,738
		<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD/YEAR</b>	12	10,111	380,831
		<hr/> <hr/>	<hr/> <hr/>

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

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION)

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 revenues and expenses during the reported financial period/ year. It also requires the Manager to exercise their judgment in the process of applying the Fund’s accounting policies. Although these estimates and judgment are based on the Manager’s best knowledge of current events and actions, actual results may differ.

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

The Fund commenced operations on 26 November 2019 and was terminated on 19 May 2023. On 13 January 2023, the Manager had proposed a unitholders’ meeting to be held on 9 February 2023 for termination of the Fund as the small fund size had limited the Fund’s ability to meet its investment objective. The unitholders’ meeting was adjourned to 24 March 2023 due to a lack of quorum. The special resolution in relation to the termination of the Fund was duly passed by the unitholders at the adjourned meeting. The last cancellation was completed on 17 April 2023 and net proceeds have been distributed to unitholders on 17 April 2023. The Manager and the Trustee of the Fund hereby authorised the termination of the trust in respect of the Fund on 19 May 2023. As such, the going concern assumption can no longer be used for the preparation of financial statements. The financial statements have therefore been prepared using a non-going concern basis of accounting.

(a) Standards and amendments that have been issued but not yet 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 – 2021 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.

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

#### A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

(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 as the Fund has been terminated on 19 May 2023.

#### 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).

## **TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)**

#### **B INCOME RECOGNITION (CONTINUED)**

##### 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/year.

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

#### **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.

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

#### 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/year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income except when deferred in comprehensive income as qualifying cash flow hedges.

#### G FINANCIAL ASSETS AND FINANCIAL LIABILITIES

##### (i) Classification

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

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

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

The contractual cash flows of the Fund's debt securities are solely payments of principal and interest ("SPPI"). However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments 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 financial assets measured at fair value through profit or loss.

The Fund classifies margin account, 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.

The Fund classifies amount due to Manager, amount due to Trustee, payables for 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.

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

#### G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

Financial liabilities, within the scope of MFRS 9, are recognized 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/ year which they arise.

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

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.

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, except quoted futures at fair value through profit or loss are subsequently carried at amortised cost using the effective interest method.

(iii) Impairment

The Fund’s financial assets measured at amortised cost are subject to expected credit losses. The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. Management consider 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.

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

#### G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

##### 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 as default, which is truly aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria:

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

Qualitative criteria:

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

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

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

##### Write-off

The Fund write 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 period/year.

#### 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 changes in value.

## **TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)**

#### **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;
- 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/year if unitholder exercises the right to put the unit back to the Fund.

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

#### **J DERIVATIVE FINANCIAL INSTRUMENTS**

A derivative financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity.

The Fund's derivative financial instruments comprise futures. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Financial derivative positions will be "marked to market" at the close of each valuation day. Foreign exchange gains and losses on the derivative financial instrument are recognised in profit or loss when settled or at the date of the statement of financial position at which time they are included in the measurement of the derivative financial instrument. Derivative instruments that have a positive fair value and a negative fair value are presented as financial assets at fair value through profit or loss and financial liabilities as fair value through profit or loss, respectively.

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 year end date.

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.



## **TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)**

#### **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.

#### **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 tax as presented on the statement of comprehensive income is prepared in accordance with SC's Guidelines on Exchange-Traded Funds.

# TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION)

### 1 INFORMATION ON THE FUND

The Exchange-Traded Fund was constituted under the name TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker (the “Fund”) pursuant to the execution of a Deed dated 4 September 2019 (the “Deed”) entered into between Affin Hwang Asset Management Berhad (the “Manager”) and CIMB Commerce Trustee Berhad (the “Trustee”).

The Fund commenced operations on 26 November 2019 and was terminated on 19 May 2023. On 13 January 2023, the Manager had proposed a unitholders' meeting to be held on 9 February 2023 for termination of the Fund as the small fund size had limited the Fund's ability to meet its investment objective. The unitholders' meeting was adjourned to 24 March 2023 due to a lack of quorum. The special resolution in relation to the termination of the Fund was duly passed by the unitholders at the adjourned meeting. The last cancellation was completed on 17 April 2023 and the amounts were remitted to the respective unitholders on 17 April 2023. As such, the going concern assumption can no longer be used for the preparation of the financial statements. The financial statements have therefore been prepared using a non-going concern basis of accounting. The Manager and Trustee of the Fund hereby authorised the termination of the trust in respect of the Fund on 19 May 2023.

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 1x Inverse 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 spot month 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 -100% of its Net Asset Value to the Underlying Index.

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

A maximum of 15% of the Fund's net assets value 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 the remaining balance of the Fund's NAV is to be invested in debentures with a remaining tenure of 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 23 June 2023.

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

#### 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
<u>As at 19.5.2023 (date of termination)</u>				
<u>Financial assets</u>				
Cash and cash equivalents	12	10,111	-	10,111
		<u>10,111</u>	<u>-</u>	<u>10,111</u>
<u>Financial liabilities</u>				
Tax agent's fee		7,000	-	7,000
Other payables and accruals		3,111	-	3,111
		<u>10,111</u>	<u>-</u>	<u>10,111</u>
<u>As at 30.9.2022</u>				
<u>Financial assets</u>				
Margin account	11	340,767	-	340,767
Cash and cash equivalents	12	380,831	-	380,831
Amount due from Manager				
- management fee rebate receivable		68	-	68
Dividend receivables		34	-	34
Collective investment schemes	9	-	302,688	302,688
Quoted futures	10	-	81,455	81,455
		<u>721,700</u>	<u>384,143</u>	<u>1,105,843</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		845	-	845
Amount due to Trustee		34	-	34
Tax agent's fee		3,500	-	3,500
Other payables and accruals		2,500	-	2,500
		<u>6,879</u>	<u>-</u>	<u>6,879</u>

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

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

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

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.

The Fund has no financial instruments exposed to price risk as at 19 May 2023 (date of termination).

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

#### 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 after taxation and NAV to movements in prices of its Benchmark Index for the financial year ended 30 September 2022. The analysis is based on the assumption that the Benchmark Index fluctuates by 39.78%, 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.

<u>% Change in Benchmark Index</u>	Benchmark <u>Index</u> RM	<u>Market value</u> RM	Impact on profit after <u>tax/NAV</u> RM
<u>As at 30.9.2022</u>			
-39.78%	748	113,859	32,404
0%	535	81,455	-
+39.78%	322	49,051	(32,404)
	<u>          </u>	<u>          </u>	<u>          </u>

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

	As at 19.5.2023 (date of <u>termination</u> ) RM	As at <u>30.9.2022</u> RM
<b>Quoted investment</b>		
Collective investment schemes	-	302,688
	<u>          </u>	<u>          </u>

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

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

##### Market risk (continued)

##### (a) Price risk (continued)

The following table summarises the sensitivity of the Fund's profit after taxation and net asset value to price risk movements as at 30 September 2022. 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.

<u>% Change in price</u>	<u>Market value</u> RM	Impact on profit after <u>tax/NAV</u> RM
<u>As at 30.9.2022</u>		
-1%	299,661	(3,027)
0%	302,688	-
+1%	305,715	3,027

##### (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 was not exposed to interest rate risk as at 19 May 2023 (date of termination). For the financial year ended 30 September 2022, 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.

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

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

##### Market risk (continued)

##### (c) Currency risk (continued)

The Fund has no financial instruments denominated in foreign currencies as at 19 May 2023 (date of termination).

The following table sets out the foreign currency risk concentrations and counterparties of the Fund as at 30 September 2022:

	<u>Quoted futures</u> RM	<u>Total</u> RM
<u>As at 30.9.2022</u>		
<u>Financial assets</u>		
United States Dollar	81,455	81,455

The table below summarises the sensitivity of the Fund's profit after taxation and net asset value to changes in foreign exchange movements as at 30 September 2022. The analysis is based on the assumption that the foreign exchange rate changes based on each currency's respective historical volatility, with all other variables 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 each currency's respective historical volatility. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	<u>Change in rate</u> %	<u>Impact on profit after tax/NAV</u> RM
<u>As at 30.9.2022</u>		
United States Dollar	+/-3.27	+/- 2,664

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

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

##### Credit risk (continued)

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 and deposits with licensed financial institutions are 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 the proceeds from the creation of units' receivable from the Manager are governed by the SC's Guidelines on Exchange-Traded Funds.

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

	Cash and cash equivalents RM	Margin account RM	Other assets* RM	Quoted futures RM	Total RM
<u>As at 19.5.2023</u> (date of termination)					
Financial services					
- AAA	10,111	-	-	-	10,111
	<u>10,111</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,111</u>
<u>As at 30.9.2022</u>					
Financial services					
- AAA	380,831	340,767	81,455	-	803,053
Others					
- NR	-	-	-	102	102
	<u>380,831</u>	<u>340,767</u>	<u>81,455</u>	<u>102</u>	<u>803,155</u>

\* Other assets consist of amount due from Manager and dividend receivables.



## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

#### 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.

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>As at 19.5.2023 (date of termination)</u>			
Tax agent's fee	-	7,000	7,000
Other payables and accruals	-	3,111	3,111
	<u>-</u>	<u>10,111</u>	<u>10,111</u>
<u>As at 30.9.2022</u>			
Amount due to Manager			
- management fee	845	-	845
Amount due to Trustee	34	-	34
Tax agent's fee	-	3,500	3,500
Other payables and accruals	-	2,500	2,500
	<u>879</u>	<u>6,000</u>	<u>6,879</u>

##### Capital risk

The capital of the Fund is represented by equity consisting of unitholders' capital and 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 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.

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (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 period/year end date. The Fund utilises the current bid price for financial assets which falls within the bid-ask spread.

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

The fair value of financial assets 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 19 May 2023 (date of termination).

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (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 as at 30 September 2022:

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>As at 30.9.2022</u>				
Financial assets at fair value through profit or loss				
- collective investment schemes	302,688	-	-	302,688
- quoted futures	81,455	-	-	81,455
	<u>384,143</u>	<u>-</u>	<u>-</u>	<u>384,143</u>

Investments whose values are based on published and 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 published and quoted prices for these instruments.

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

## **TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)**

#### **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 financial period from 1 October 2022 to 19 May 2023 (date of termination), 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 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 financial period from 1 October 2022 to 19 May 2023 (date of termination), 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.

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 financial period from 1 October 2022 to 19 May 2023 (date of termination) and financial year ended 30 September 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 financial period from 1 October 2022 to 19 May 2023 (date of termination) and financial year ended 30 September 2022.

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

#### 8 TAXATION

	Financial period from 1.10.2022 to 19.5.2023 (date of termination) RM	Financial year ended 30.9.2022 RM
Current taxation	-	-

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

	Financial period from 1.10.2022 to 19.5.2023 (date of termination) RM	Financial year ended 30.9.2022 RM
Net (loss)/profit before taxation	(313,175)	224,206
Tax at Malaysian statutory tax rate of 24% (2022: 24%)	(75,162)	53,809
Tax effects of:		
Investment loss not brought to tax (Investment income not subject to tax)/	72,050	(57,841)
Expenses not deductible for tax purposes	1,654	1,926
Restriction on tax deductible expenses for Exchange-Traded Fund	1,458	2,106
	-	-

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

#### 9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 19.5.2023 (date of <u>termination</u> ) RM	As at <u>30.9.2022</u> RM
Financial assets at fair value through profit or loss:		
- collective investment schemes - local	-	302,688
	<u>                    </u>	<u>                    </u>
	Financial period from 1.10.2022 to 19.5.2023 (date of <u>termination</u> ) RM	Financial year ended <u>30.9.2022</u> RM
Net gain on financial assets at fair value through profit or loss:		
- realised gain on sale of investments	4,620	82
- unrealised gain on changes in fair value	-	4,483
- management fee rebate on collective investment schemes #	414	834
	<u>                    </u>	<u>                    </u>
	<u>5,034</u>	<u>5,399</u>

# 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 is no collective investment schemes – local as at 19 May 2023 (date of termination)

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

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

(a) Collective investment schemes – local (continued)

(ii) Collective investment schemes – local as at 30 September 2022 are as follows:

	<u>Quantity</u>	Aggregate cost RM	Fair value RM	Percentage of NAV %
Affin Hwang Aiiman Money Market Fund	277,228	148,211	151,256	13.76
Affin Hwang Select Cash Fund	141,380	148,985	151,432	13.78
	<hr/>	<hr/>	<hr/>	<hr/>
Total collective investment schemes - local	418,608	297,196	302,688	27.54
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Accumulated unrealised gain on collective investment schemes - local		5,492		
		<hr/>		
Total collective investment schemes - local		302,688		
		<hr/> <hr/>		

#### 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 are set out below:

	As at 19.5.2023 (date of termination) RM	As at 30.9.2022 RM
Financial assets at fair value through profit or loss: - quoted derivative – futures	-	81,455
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## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

#### 10 QUOTED FUTURES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

	Financial period from 1.10.2022 to 19.5.2023 (date of termination) RM	Financial year ended 30.9.2022 RM
Net (loss)/gain on financial asset at fair value through profit or loss:		
- realised (loss)/gain on settlement of futures contracts	(270,389)	182,679
- unrealised gain on changes in fair value	-	48,251
	<u>(270,389)</u>	<u>230,930</u>

As at the date of statement of financial position, there are no (2022: 9) futures contracts outstanding. The notional principal amount of the outstanding futures amounted to RM Nil (2022: RM985,980). As the Fund has not adopted hedge accounting during the financial period/year, changes in fair value of futures are recognised immediately in the statement of comprehensive income.

(a) Quoted derivative - futures

(i) There is no quoted derivative – futures - local as at 19 May 2023 (date of termination).

(ii) Quoted derivative – futures - local as at 30 September 2022 is as follows:

	<u>Quantity</u> RM	<u>Notional Amount</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
NYSE FANG+ Index Futures (FNSM2)	9	985,980	81,455	7.41
Total quoted derivative - futures	<u>9</u>	<u>985,980</u>	<u>81,455</u>	<u>7.41</u>
Accumulated unrealised gain on quoted derivative – futures – local		<u>81,455</u>		

#### 11 MARGIN ACCOUNT

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



## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

#### 12 CASH AND CASH EQUIVALENTS

	As at 19.5.2023 (date of <u>termination</u> ) RM	As at <u>30.9.2022</u> RM
Cash and bank balances	10,111	46,844
Deposits with licensed financial institutions	-	333,987
	<u>10,111</u>	<u>380,831</u>

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

	As at 19.5.2023 (date of <u>termination</u> ) %	As at <u>30.9.2022</u> %
Deposits with licensed financial institutions	-	2.48

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

#### 13 NUMBER OF UNITS IN CIRCULATION

	As at 19.5.2023 (date of <u>termination</u> ) No. of units	As at <u>30.9.2022</u> No. of units
At the beginning of the financial period/year	595,000	595,000
Creation of units arising from applications	30,000	-
Cancellation of units	(625,000)	-
At the end of the financial period/year	<u>-</u>	<u>595,000</u>

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

#### 14 TRANSACTIONS WITH TRADERS/BROKERS

- (i) Details of transactions with traders/brokers for the financial period from 1 October 2022 to 19 May 2023 (date of termination) are as follows:

<u>Name of traders/brokers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage</u> %
CGS-CIMB Securities Sdn Bhd	8,530,427	96.52	656	100.00
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) #	307,892	3.48	-	-
	<u>8,838,319</u>	<u>100.00</u>	<u>656</u>	<u>100.00</u>

- (ii) Details of transactions with traders/brokers for the financial year ended 30 September 2022 are as follows:

<u>Name of traders/brokers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage</u> %
CGS-CIMB Securities Sdn Bhd	12,751,456	98.85	978	100.00
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) #	148,168	1.15	-	-
	<u>12,899,624</u>	<u>100.00</u>	<u>978</u>	<u>100.00</u>

- # Included in transactions with traders/brokers are trades with AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad), the Manager amounting RM307,892 (2022: RM148,168). The Manager is of the opinion that all transactions with the related company has been entered into in the normal course of business at agreed terms between the related parties.

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

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

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

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

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

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

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

	As at 19.5.2023 (date of termination)		As at 30.9.2022	
	No. of units	RM	No. of units	RM
<u>The Manager and the Parent of the Fund:</u>				
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) (The units are held legally for booking purposes)	-	-	352,500	651,068
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

#### 16 TOTAL EXPENSE RATIO (“TER”)

	Financial period from 1.10.2022 to 19.5.2023 (date of <u>termination</u> ) %	Financial year ended <u>30.9.2022</u> %
TER	1.40	1.78
	<u>                    </u>	<u>                    </u>

TER is derived from the following calculation:

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

A	=	Management fee
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/year calculated on a daily basis is RM877,268 (2022: RM934,314).

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

#### 17 PORTFOLIO TURNOVER RATIO (“PTR”)

	Financial period from 1.10.2022 to 19.5.2023 (date of <u>termination</u> )	Financial year ended <u>30.9.2022</u>
PTR (times)	5.03	6.90

PTR is derived from the following calculation:

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

where: total acquisitions for the financial period/year= RM4,860,693 (2022: RM6,291,252)  
total disposals (aggregate cost) for the financial period/year= RM3,972,728 (2022:  
RM6,609,735)

#### 18 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 had a diversified unitholder population. However, as at 19 May 2023 (date of termination), there is no unitholder (2022: 2 unitholders) who held more than 10% of the Fund's NAV. The unitholders' holdings is nil (2022: 59.24% and 16.81%).

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

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.

## TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2022 TO 19 MAY 2023 (DATE OF TERMINATION) (CONTINUED)

#### 19 SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD

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

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

## **TRADEPLUS NYSE® FANG+™ DAILY (-1X) INVERSE TRACKER**

### **STATEMENT BY THE MANAGER**

I, Dato' Teng Chee Wai, for and on behalf of the board of directors of the Manager, **AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)**, do hereby state that in the opinion as the Manager, the financial statements set out on pages 1 to 33 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 19 May 2023 (date of termination) and of its financial performance, changes in equity and cash flows for the financial period from 1 October 2022 to 19 May 2023 (date of termination) in accordance with the Malaysian Financial Reporting Standards, 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  
23 June 2023

INDEPENDENT AUDITORS' REPORT  
TO THE UNITHOLDERS OF TRADEPLUS NYSE® FANG+™ DAILY (-1X)  
INVERSE TRACKER

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our Opinion

In our opinion, the financial statements of TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker (“the Fund”) give a true and fair view of the financial position of the Fund as at 19 May 2023 (date of termination), and of its financial performance and its cash flows for the financial period from 1 October 2022 to 19 May 2023 (date of termination) 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 19 May 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial period then ended, and notes to the financial statements, including a summary of significant accounting policies, 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



INDEPENDENT AUDITORS' REPORT  
TO THE UNITHOLDERS OF TRADEPLUS NYSE® FANG+™ DAILY (-1X)  
INVERSE TRACKER (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Emphasis of matter

We draw attention to Note A of basis of preparation of the financial statements, which states that the Fund has been terminated on 19 May 2023 (date of termination). These financial statements have therefore been prepared using a non-going concern basis of accounting. Our opinion is not modified in respect of this matter.

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Fund. In particular, we considered where the Manager made subjective judgments; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Fund, the accounting processes and controls, and the industry in which the Fund operates.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Fund for the current financial period. These matters were addressed in the context of our audit of the financial statements of the Fund as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

INDEPENDENT AUDITORS' REPORT  
TO THE UNITHOLDERS OF TRADEPLUS NYSE® FANG+™ DAILY (-1X)  
INVERSE TRACKER (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the Manager for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

INDEPENDENT AUDITORS' REPORT  
TO THE UNITHOLDERS OF TRADEPLUS NYSE® FANG+™ DAILY (-1X)  
INVERSE TRACKER (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

INDEPENDENT AUDITORS' REPORT  
TO THE UNITHOLDERS OF TRADEPLUS NYSE® FANG+™ DAILY (-1X)  
INVERSE TRACKER (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the Fund for the current financial period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT  
TO THE UNITHOLDERS OF TRADEPLUS NYSE® FANG+™ DAILY (-1X)  
INVERSE TRACKER (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

LIEW CHI MIN  
03529/09/2024 J  
Chartered Accountant

Kuala Lumpur  
23 June 2023

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**AHAM Asset Management Berhad**

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