

Semi-Annual Report for

# AmIncome

30 September 2024



**AmInvest**

Growing Your Investments in a Changing World

## TRUST DIRECTORY

### **Manager**

AmFunds Management Berhad  
9<sup>th</sup> & 10<sup>th</sup> Floor, Bangunan AmBank Group  
55 Jalan Raja Chulan  
50200 Kuala Lumpur

### **Board of Directors**

Jeyaratnam A/L Tamotharam Pillai  
Ng Chih Kaye  
Jas Bir Kaur A/P Lol Singh  
Arnold Lim Boon Lay  
Goh Wee Peng

### **Investment Committee**

Arnold Lim Boon Lay  
Tracy Chen Wee Keng  
Goh Wee Peng

### **Trustee**

HSBC (Malaysia) Trustee Berhad

### **Auditors and Reporting Accountants**

Ernst & Young PLT

### **Taxation Adviser**

Deloitte Tax Services Sdn Bhd

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## MANAGER'S REPORT

Dear Unitholders,

We are pleased to present you the Manager's report and the unaudited accounts of AmlIncome ("Fund") for the financial period from 1 April 2024 to 30 September 2024.

### Salient Information of the Fund

<b>Name</b>	AmlIncome ("Fund")
<b>Category/ Type</b>	Fixed Income / Income
<b>Objective</b>	<p>AmlIncome aims to provide you with a regular stream of monthly income* by investing in money market and other fixed income instruments.</p> <p>Note: <i>* The income could be in the form of units or cash. Any material change to the investment objective of the Fund would require Unit Holders' approval.</i></p>
<b>Duration</b>	<p>The Fund was established on 20 January 2000 and shall exist for as long as it appears to the Manager and the Trustee that it is in interests of the unitholders for it to continue. In some circumstances, the unitholders can resolve at a meeting to terminate the Fund.</p>
<b>Performance Benchmark</b>	<p>Malayan Banking Berhad 1-Month Fixed Deposit Rate ("MBB") (Available at <a href="http://www.aminvest.com">www.aminvest.com</a> / <a href="http://www.maybank2u.com.my">www.maybank2u.com.my</a>)</p> <p><i>Note: The benchmark does not imply that the risk profile of the Fund is the same as the risk profile of the benchmark. Investors of the Fund will assume a higher risk compared to the benchmark. Hence, the returns of the Fund may be potentially higher due to the higher risk faced by the investors.</i></p>
<b>Income Distribution Policy</b>	<p>Subject to the availability of income, distribution will be made on a monthly basis.</p> <p>At the Manager's discretion, the Fund may distribute from its gain, income and capital. The rationale for distribution out of capital is to allow the Fund the ability to (i) distribute income on a regular basis in accordance with the distribution policy of the Fund or (ii) increase the amount of distributable income to the unit holders, after taking into consideration the risk of distributing out of capital.</p> <p>Distribution out of the Fund's capital has the effect of lowering the NAV of the Fund, may reduce part of the unit holders' original investment and may also result in reduced future returns to unit holders. When a substantial amount of the original investment is being returned to the unit holders, it has a risk of eroding the capital of the Fund and may, over time, cause the NAV of the Fund to fall. The greater the risk of capital erosion that exists, the greater the likelihood that, due to capital erosion, the value of future returns would also be diminished.</p>

## Fund Performance Data

<b>Portfolio Composition</b>	Details of portfolio composition of the Fund as at 30 September 2024 and for the past three financial years are as follows:				
		<b>As at 30.09.2024 %</b>	<b>As at 31 March</b>		
			<b>2024 %</b>	<b>2023 %</b>	<b>2022 %</b>
	Corporate bonds	61.78	58.88	61.61	58.63
	Cagamas bond	0.42	0.45	0.48	1.17
	Commercial papers	-	0.50	0.16	-
	Money market deposits and cash equivalents	37.80	40.17	37.75	40.20
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	
	<i>Note: The abovementioned percentages are calculated based on total net asset value.</i>				
<b>Performance Details</b>	Performance details of the Fund for the financial period ended 30 September 2024 and three financial years ended 31 March are as follows:				
		<b>FPE 30.09.2024</b>	<b>FYE 2024</b>	<b>FYE 2023</b>	<b>FYE 2022</b>
	Net asset value (RM'000)	10,819,438	10,048,435	9,513,887	7,282,092
	Units in circulation ('000)	10,665,069	9,904,530	9,438,745	7,211,251
	Net asset value per unit (RM) <sup>(1)</sup>	1.0145	1.0145	1.0080	1.0098
	Highest net asset value per unit (RM)	1.0145	1.0145	1.0096	1.0122
	Lowest net asset value per unit (RM)	1.0068	1.0071	1.0073	1.0091
	Benchmark performance (%)	1.19	2.58	2.13	1.50
	Total return (%) <sup>(2)</sup>	1.76	3.46	2.73	2.14
	- Income distributions (%)	1.76	3.46	2.73	2.14
	Gross distributions (RM)	184,702,209	335,377,204	238,579,398	134,233,059
	Net distributions (RM)	184,702,209	335,377,204	238,579,398	134,233,059
	Total expense ratio (%) <sup>(3)</sup>	0.39	0.78	0.78	0.78
	Portfolio turnover ratio (times) <sup>(4)</sup>	0.10	0.26	0.29	0.31
		<i>Note:</i>			
	<i>(1) With the exemption granted by the authority in relation to determine the unit pricing of the Fund, subscription/redemption price for the unit of the Fund may differ from the NAV per unit stated above.</i>				
	<i>(2) Total return is computed based on the income return of the Fund net of all fees.</i>				
	<i>(3) Total expense ratio ("TER") is calculated based on the total fees and expenses incurred by the Fund divided by the average fund size calculated on a daily basis.</i>				
	<i>(4) Portfolio turnover ratio ("PTR") is calculated based on the average of the total acquisitions and total disposals of investment securities of the Fund divided by the average fund size calculated on a daily basis.</i>				

**Average Total Return (as at 30 September 2024)**

	<b>AmlIncome<sup>(a)</sup></b> %	<b>MBB<sup>(b)</sup></b> %
One year	3.53	2.47
Three years	3.01	2.21
Five years	2.82	2.08
Ten years	3.06	2.57

**Annual Total Return**

<b>Financial Years Ended (31 March)</b>	<b>AmlIncome<sup>(a)</sup></b> %	<b>MBB<sup>(b)</sup></b> %
2024	3.46	2.58
2023	2.73	2.13
2022	2.14	1.50
<b>Financial Years Ended (31 March)</b>	<b>AmlIncome<sup>(a)</sup></b> %	<b>MBB<sup>(b)</sup></b> %
2021	2.40	1.64
2020	3.27	2.84

(a) Source: Novagni Analytics and Advisory Sdn. Bhd.

(b) Malayan Banking Berhad 1-Month Fixed Deposit Rate ("MBB")  
(Available at [www.aminvest.com](http://www.aminvest.com) / [www.maybank2u.com.my](http://www.maybank2u.com.my))

The Fund performance is calculated based on daily returns of the Fund. Average total return of the Fund and its benchmark for a period is computed based on the accumulated returns for that period annualised over one year.

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

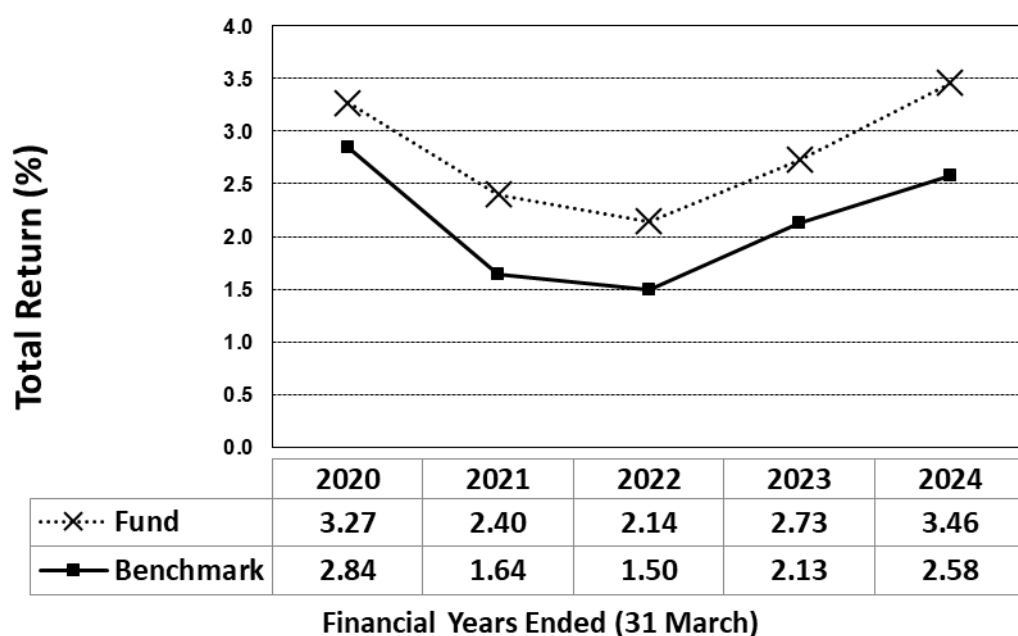
**Fund Performance**

For the financial period under review, the Fund registered a return of 1.76% which was entirely income distributions in nature.

Thus, the Fund's return of 1.76% has outperformed the benchmark's return of 1.19% by 0.57%.

As compared with the financial year ended 31 March 2024, the net asset value ("NAV") per unit of the Fund remains unchanged at RM1.0145 while units in circulation increased by 7.68% from 9,904,530,488 units to 10,665,068,572 units.

The line chart below shows comparison between the annual performances of AmlIncome and its benchmark, MBB, for financial years ended 31 March.



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

**Strategies and Policies Employed**

For the financial period under review, the Fund seeks to achieve its objective by invested in RM-denominated short to medium-term fixed income instruments (i.e. debt instruments with maturity of no longer than five (5) years) with minimum credit rating:

- i. Short-term credit rating of P2 by RAM or its equivalent as rated by a local or global rating agency; or
- ii. Long-term credit rating of A3 by RAM or its equivalent as rated by a local or global rating agency.

If the credit rating of the instruments falls below the minimum rating, the Fund may dispose of the investment. However, the Fund reserves the right to maintain the investment if the downgrade is a temporary event. The Fund's investments are structured to mature as follows:

- a. At least 10% of the investments within seven (7) days;
- b. At least 20% of the investments within thirty-one (31) days.

With the exception of unforeseeable circumstances (e.g. in the event of a default, the restructuring or the recovery process may take longer than the maturity of the debt instrument), the weighted average maturity of the Fund's investments would not exceed one and half (1.5) years.

**Portfolio Structure**

The table below is the asset allocation of the Fund as at 30 September 2024 and 31 March 2024.

	As at 30.09.2024 %	As at 31.03.2024 %	Changes %
Corporate bonds	61.78	58.88	2.90
Cagamas bond	0.42	0.45	-0.03
Commercial papers	-	0.50	-0.50
Money market deposits and cash equivalents	37.80	40.17	-2.37
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	

	As at 30 September 2024, the Fund exposure to corporate bonds stood at 61.78% while the remaining 0.42% and 37.80% of the Fund are made up of investments in Cagamas bond and money market deposits and cash equivalents.
<b>Securities Lending / Repurchase Transactions</b>	The Fund has not undertaken any securities lending or repurchase transactions (collectively referred to as “securities financing transactions”).
<b>Cross Trade</b>	There were no cross trades undertaken during the financial period under review.
<b>Distribution / Unit splits</b>	The Fund distributes the entire income on a monthly basis. For the financial period under review, the Fund has distributed income totaling RM184,702,209 and no unit split is declared.
<b>State of Affairs</b>	There has been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unitholders during the financial period under review.
<b>Rebates and Soft Commission</b>	During the period, the management company did not receive soft commissions by virtue of transactions conducted for the Fund.
<b>Market Review</b>	<p>In April, Malaysian bond market weakened following a sell-off in United States Treasuries (UST) as sticky inflation and a resilient labor market have given more reasons for the United States (US) Federal Reserve (Fed) to stand pat on key rates. Apart from that, thin market liquidity and rising geopolitical risk in the Middle East also dented local bond market sentiment. Moving towards May, Malaysian bond market strengthened driven primarily by lower-than-expected US Job data released at the beginning of the month and dovish tone from the US Fed in its post - Federal Open Market Committee (FOMC) meeting speech. While Bank Negara Malaysia (BNM) maintained the Overnight Policy Rate (OPR) at 3.00% during policy meeting with a neutral monetary stance, positive sentiment in local bond market was reflected in the three sovereign bond auctions which garnered strong demand and recorded bid-to-cover (BTC) ratio between 1.965x to 3.085x. As investors were adjusting their view that the US Fed is not in a rush to cut rates, local bonds weakened slightly towards end of the month, reflecting the trend in the United States Treasury (UST). In the last month of the second quarter, Malaysian bond market further strengthened driven by similar movement in the UST as the US economic data showed some signs of moderating inflation. Both US headline and core Personal Consumption Expenditure (PCE) cooled to 2.6% on a year-on-year basis, the lowest level in more than three years.</p> <p>In July, Malaysian bond market strengthened as sentiment were lifted by bullish movement in UST on continued disinflation and signs of a tight labour market. Strong foreign inflows over the month also send Ringgit bond yield tumbled with net foreign buying accelerated to MYR7.8b in July, the highest in 12 months. Moving towards August, Malaysian bond market weakened slightly over the month despite UST continued to rally amid heighten expectation of imminent rate cut by US Fed at its upcoming meeting in September. Much of the movement in the local bond market was driven by profit taking activities towards the end of the month given rich valuation of government bond coupled with absence of local catalyst. In final month of the third quarter, MGS yield fell across the curve in tandem with rally seen in UST after US Fed announced a 50bps cut (first reduction since March 2020) to its benchmark interest rate. Meanwhile BNM in September, maintained the OPR at 3.00% as widely expected considering the current OPR level “remains supportive of the economy and is consistent with the current assessment of inflation and growth prospects”.</p>



<b>Market Outlook</b>	Investor focus would be centered on the upcoming United States (US) Presidential elections in early November and the implications following the results which may play a pivotal role in the future Federal Reserve (Fed) monetary policy actions. After the rally seen in the bond market since January, conditions are ripe for investors to take profit for the year. We opine that Bank Negara Malaysia (BNM) will maintain the Overnight Policy Rate (OPR) next year and may allow the inflation to trend higher in 2H2025 without the need to raise the key rates, barring any inflation shocks.
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Kuala Lumpur, Malaysia  
AmFunds Management Berhad

19 November 2024

## AmlIncome

### STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

		<b>30.09.2024</b>	<b>31.03.2024</b>
		<b>(unaudited)</b>	<b>(audited)</b>
	<b>Note</b>	<b>RM</b>	<b>RM</b>
<b>ASSETS</b>			
Investments	4	6,729,713,450	6,012,457,110
Interest receivables		79,287,892	76,572,233
Deposits with licensed financial institutions	5	2,141,032,192	1,671,845,753
Cash at banks		1,908,523,253	2,323,991,599
<b>TOTAL ASSETS</b>		<b><u>10,858,556,787</u></b>	<b><u>10,084,866,695</u></b>
<b>LIABILITIES</b>			
Amount due to Manager	6	7,526,706	6,815,048
Amount due to Trustee	7	228,162	213,815
Distribution payable		31,313,162	29,346,441
Sundry payables and accruals		50,911	56,249
<b>TOTAL LIABILITIES</b>		<b><u>39,118,941</u></b>	<b><u>36,431,553</u></b>
<b>NET ASSET VALUE (“NAV”) OF THE FUND</b>		<b><u>10,819,437,846</u></b>	<b><u>10,048,435,142</u></b>
<b>EQUITY</b>			
Unit holders’ capital	9(a)	10,665,068,572	9,904,530,488
Retained earnings	9(b)(c)	154,369,274	15,698,853
Fair value reserve	9(d)	-	53,271,339
Capital reserve		-	74,934,462
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>	9,10	<b><u>10,819,437,846</u></b>	<b><u>10,048,435,142</u></b>
<b>UNITS IN CIRCULATION</b>	9(a)	<b><u>10,665,068,572</u></b>	<b><u>9,904,530,488</u></b>
<b>NAV PER UNIT (RM)</b>		<b><u>1.0145</u></b>	<b><u>1.0145</u></b>

*The accompanying notes form an integral part of the unaudited financial statements.*

## AmlIncome

### STATEMENT OF COMPREHENSIVE INCOME (Unaudited) FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

	Note	01.04.2024 to 30.09.2024 RM	01.04.2023 to 30.09.2023 RM
<b>INVESTMENT INCOME</b>			
Interest income		228,986,954	202,999,291
Net gains from investments:	8		
- Financial assets at fair value through profit or loss ("FVTPL")		7,799,763	3,882,585
- Financial assets at fair value through other comprehensive income ("FVOCI")		-	1,257,633
- Reclassification from other comprehensive income		53,271,339	-
		<u>290,058,056</u>	<u>208,139,509</u>
<b>EXPENDITURE</b>			
Manager's fee	6	(40,264,472)	(36,834,126)
Trustee's fee	7	(1,342,149)	(1,227,804)
Audit fee		(7,524)	(7,500)
Tax agent's fees		(2,055)	(2,050)
Other expenses		(3,688)	(4,168)
		<u>(41,619,888)</u>	<u>(38,075,648)</u>
<b>Net income before taxation</b>		248,438,168	170,063,861
<b>Taxation</b>	12	-	-
<b>Net income after taxation</b>		<u>248,438,168</u>	<u>170,063,861</u>
<b>Other comprehensive income:</b>			
<u>Items that may be reclassified to profit or loss:</u>			
- Net gain from investments		-	22,175,053
- Changes in allowance for expected credit losses		-	(1,718,754)
- Reclassification to profit or loss on sale of investments		-	461,120
- Reclassification to profit or loss		(53,271,339)	-
		<u>(53,271,339)</u>	<u>20,917,419</u>
<b>Net income after taxation, representing total comprehensive income for the financial period</b>		<u>195,166,829</u>	<u>190,981,280</u>
Total comprehensive income comprises the following:			
Realised income		190,471,749	166,072,997
Unrealised gains		4,695,080	24,908,283
		<u>195,166,829</u>	<u>190,981,280</u>
<b>Distributions for the financial period</b>			
Net distributions	13	<u>184,702,209</u>	<u>162,469,582</u>

The accompanying notes form an integral part of the unaudited financial statements.

## AmlIncome

### STATEMENT OF CHANGES IN EQUITY *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

	Note	Unit holders' capital RM	Retained earnings RM	Fair value reserve RM	Capital reserve RM	Total equity RM
At 1 April 2024		9,904,530,488	15,698,853	53,271,339	74,934,462	10,048,435,142
Total comprehensive income for the financial period		-	248,438,168	(53,271,339)	-	195,166,829
Transfer from capital reserve	9(b)	-	74,934,462	-	(74,934,462)	-
Creation of units	9(a)	3,227,123,477	-	-	-	3,227,123,477
Reinvestment of distributions	9(a)	179,306,703	-	-	-	179,306,703
Cancellation of units	9(a)	(2,645,892,096)	-	-	-	(2,645,892,096)
Distributions	13	-	(184,702,209)	-	-	(184,702,209)
Balance at 30 September 2024		<u>10,665,068,572</u>	<u>154,369,274</u>	<u>-</u>	<u>-</u>	<u>10,819,437,846</u>
At 1 April 2023		9,438,744,745	210,529	2,780,201	72,151,063	9,513,886,538
Total comprehensive income for the financial period		-	170,063,861	20,917,419	-	190,981,280
Transfer to capital reserve	10	-	(1,874,335)	-	1,874,335	-
Creation of units	9(a)	3,034,952,452	-	-	-	3,034,952,452
Reinvestment of distributions	9(a)	157,628,405	-	-	-	157,628,405
Cancellation of units	9(a)	(3,089,141,783)	-	-	-	(3,089,141,783)
Distributions	13	-	(162,469,582)	-	-	(162,469,582)
Balance at 30 September 2023		<u>9,542,183,819</u>	<u>5,930,473</u>	<u>23,697,620</u>	<u>74,025,398</u>	<u>9,645,837,310</u>

*The accompanying notes form an integral part of the unaudited financial statements.*

## AmlIncome

### STATEMENT OF CASH FLOWS *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

	Note	01.04.2024 to 30.09.2024 RM	01.04.2023 to 30.09.2023 RM
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>			
Proceeds from sale of investments		672,000,000	1,217,513,950
Purchases of investments		(1,382,644,569)	(1,361,530,505)
Proceeds from maturity of deposits with licensed financial institutions		600,000,000	-
Placement of deposits with licensed financial institutions		(800,000,000)	(500,000,000)
Interest received		209,392,710	176,428,886
Manager's fee paid		(39,552,814)	(37,255,796)
Trustee's fee paid		(1,327,802)	(1,234,976)
Payments for other expenses		(18,605)	(20,678)
Net cash used in operating and investing activities		<u>(742,151,080)</u>	<u>(506,099,119)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from creation of units		3,227,123,477	3,034,952,452
Payments for cancellation of units		(2,645,892,096)	(3,089,141,783)
Distributions paid		<u>(3,428,785)</u>	<u>(3,433,452)</u>
Net cash generated from/(used in) financing activities		<u>577,802,596</u>	<u>(57,622,783)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(164,348,484)</b>	<b>(563,721,902)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>		<b><u>2,323,991,599</u></b>	<b><u>2,806,722,723</u></b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>		<b><u>2,159,643,115</u></b>	<b><u>2,243,000,821</u></b>
Cash and cash equivalents comprise:			
Short-term deposits with licensed financial institutions	5	251,119,862	-
Cash at banks		<u>1,908,523,253</u>	<u>2,243,000,821</u>
		<u>2,159,643,115</u>	<u>2,243,000,821</u>

*The accompanying notes form an integral part of the unaudited financial statements.*

## AmlIncome

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 1. GENERAL INFORMATION

AmlIncome (the “Fund”) was established pursuant to a Deed dated 17 January 2000 as amended by Deeds supplemental thereto (the “Deeds”), between AmFunds Management Berhad as the Manager, HSBC (Malaysia) Trustee Berhad as the Trustee and all unit holders.

The Fund was set up with the objective of providing investors with a high stream of income returns. As provided in the Deeds, the financial year shall end on 31 March and units in the Fund were first offered for sale on 20 January 2000.

The financial statements were authorised for issue by the Manager on 19 November 2024.

#### 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Fund have been prepared on a historical cost basis, except as otherwise stated in the accounting policies and comply with Malaysian Financial Reporting Standards 134: *Interim Financial Reporting* (“MFRS 134”) as issued by the Malaysian Accounting Standards Board (“MASB”).

##### Standards effective during the financial period

The adoption of the following MFRS and amendments to MFRS which became effective during the financial period did not have any material financial impact to the financial statements.

<b>Description</b>	<b>Effective for financial periods beginning on or after</b>
Amendments to MFRS 16 <i>Leases: Lease Liability in a Sale and Leaseback*</i>	1 January 2024
Amendments to MFRS 101 <i>Presentation of Financial Statements: Non-Current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 <i>Statement of Cash Flows</i> and MFRS 7 <i>Financial Instruments: Disclosures: Supplier Finance Arrangements</i>	1 January 2024

##### Standards issued but not yet effective

The new and amended standards that have been issued but not yet effective up to the date of issuance of the Fund’s financial statements are disclosed below. The Fund intends to adopt these new pronouncements, if applicable, when they become effective.

## AmlIncome

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D.)

##### Standards issued but not yet effective (cont'd.)

Description	Effective for financial periods beginning on or after
Amendments to MFRS 121 <i>The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 <i>Financial Instruments</i> and MFRS 7 <i>Financial Instruments: Disclosures: Amendments to the Classifications and Measurement of Financial Instruments</i>	1 January 2026
Amendments that are part of Annual Improvements - Volume 11: Amendments to MFRS 1 <i>First-time Adoption of Malaysian Financial Reporting Standards</i>	1 January 2026
Amendments to MFRS 7 <i>Financial Instruments: Disclosures</i>	
Amendments to MFRS 9 <i>Financial Instruments</i>	
Amendments to MFRS 10 <i>Consolidated Financial Statements</i> *	
Amendments to MFRS 107 <i>Statement of Cash Flows</i>	
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i> *	1 January 2027
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> *	Deferred

\* These MFRS and Amendments to MFRSs are not relevant to the Fund.

#### 3. SUMMARY OF ACCOUNTING POLICIES

##### 3.1 Income recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at the fair value of consideration received or receivable.

###### (i) Interest income

For all interest-bearing financial assets, interest income is calculated using the effective interest method. Effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not future credit losses.

Once the recorded value of a financial asset or a group of similar financial assets has been reduced due to an impairment loss, interest income continues to be recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024**

**3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)**

**3.1 Income recognition (cont'd.)**

(ii) Gain or loss on disposal of investments

On disposal of investments, the net realised gain or loss on disposal is measured as the difference between the net disposal proceeds and the carrying amount of the investments. The net realised gain or loss is recognised in profit or loss.

**3.2 Income tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

**3.3 Functional and presentation currency**

Functional currency is the currency of the primary economic environment in which the Fund operates that most faithfully represents the economic effects of the underlying transactions. The functional currency of the Fund is Ringgit Malaysia ("RM") which reflects the currency in which the Fund competes for funds, issues and redeems units. The Fund has also adopted RM as its presentation currency.

**3.4 Statement of cash flows**

The Fund adopts the direct method in the preparation of the statement of cash flows.

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to cash with insignificant risk of changes in value.

**3.5 Distribution**

Distribution is at the discretion of the Manager. A distribution to the Fund's unit holders is accounted for as a deduction from retained earnings and realised income. Realised income is the income earned from interest income and net gain on disposal of investments after deducting expenses and taxation. A proposed distribution is recognised as a liability in the period in which it is approved. Distribution is either reinvested or paid in cash to the unit holders on the distribution payment date. Reinvestment of units is based on the NAV per unit on the distribution payment date, which is also the time of creation.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024**

**3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)**

**3.6 Unit holders' capital**

The unit holders' capital of the Fund meets the definition of puttable instruments and is classified as equity instruments under MFRS 132 *Financial Instruments: Presentation* ("MFRS 132").

**3.7 Retained earnings**

An amount has been set aside by the Manager that may be applied to make good any losses incurred by the Fund and to meet unit holders' cancellation of units. The amount is based on accumulated realised gain/loss and 0.05% of the units in circulation ("UIC") from the Fund's interest income computed on a daily basis. However, this amount may be varied at the discretion of the Manager.

The amount in the retained earnings set aside by the Manager for the financial period ended 30 September 2024 amounted to RM77,599,323 (31.03.2024: RM74,934,462).

**3.8 Financial instruments – initial recognition and measurement**

(i) Initial recognition

Financial assets and financial liabilities are recognised when the Fund becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised using trade date accounting or settlement date accounting. The method used is applied consistently for all purchases and sales of financial assets that belong to the same category of financial assets.

(ii) Initial measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at FVTPL, transaction costs that are attributable to the acquisition of the financial asset. All financial liabilities are recognised initially at fair value and, in the case of financial liabilities not recorded at FVTPL, net of directly attributable transaction costs.

(iii) "Day 1" profit or loss

At initial measurement, if the transaction price differs from the fair value, the Fund immediately recognises the difference between the transaction price and fair value (a "Day 1" profit or loss) in profit or loss provided that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. Level 1 input) or based on a valuation technique that uses only data from observable markets. In all other cases, the difference between the transaction price and model value is recognised in profit or loss on a systematic and rational basis that reflects the nature of the instrument over its tenure.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024**

**3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)**

**3.9 Financial assets**

*Classification and measurement*

The classification of financial assets depends on the Fund's business model of managing the financial assets in order to generate cash flows ("business model test") and the contractual cash flow characteristics of the financial instruments ("SPPI test"). The business model test determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both and the assessment is performed on a portfolio basis. The SPPI test determines whether the contractual cash flows are solely for payments of principal and interest and the assessment is performed on a financial instrument basis.

*Business model*

The business model reflects how the Fund manages the financial assets in order to generate cash flows. That is, whether the Fund's objective is solely to collect the contractual cash flows from the assets, or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. the financial assets are held for trading purposes), then the financial assets are classified as part of "other" business model. Factors considered by the Fund in determining the business model for a portfolio of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, and how risks are assessed and managed.

The Fund reclassifies its financial assets if it changes its business model for managing those financial assets.

*Cash flow characteristics*

Where the business model is to hold the financial assets to collect contractual cash flows, or to collect contractual cash flows and sell, the Fund assesses whether the financial assets' contractual cash flows represent solely payment of principal and interest ("SPPI"). In making this assessment, the Fund considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024**

**3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)**

**3.9 Financial assets (cont'd.)**

*Classification and measurement (cont'd.)*

The Fund may classify its financial assets under the following categories:

*Financial assets at amortised cost*

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets include in this category are deposits with licensed financial institutions, cash at banks, amount due from Target Fund Manager, amount due from Manager, amounts due from brokers/financial institutions, dividend/distribution receivables other receivables.

*Financial assets at FVOCI*

A financial asset is measured at FVOCI if its business model is both to hold the asset to collect contractual cash flows and to sell the financial asset. In addition, the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding principal.

These investments are initially recorded at fair value and transaction costs are expensed in the profit or loss. Subsequent to initial recognition, these investments are remeasured at fair value. All fair value adjustments are initially recognised through OCI. Debt instruments at FVOCI are subject to impairment assessment.

*Financial assets at FVTPL*

Any financial assets that are not measured at amortised cost or FVOCI are measured at FVTPL. Subsequent to initial recognition, financial assets at FVTPL are measured at fair value. Changes in the fair value of those financial instruments are recorded in "Net gain or loss on financial assets at FVTPL". Interest earned element of such instrument is recorded in "Interest income".

Instruments that qualify for amortised cost or FVOCI may be irrevocably designated as FVTPL, if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Equity instruments are normally measured at FVTPL, nevertheless, the Fund is allowed to irrevocably designate equity instruments that are not held for trading as FVOCI, with no subsequent reclassification of gains or losses to profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024**

**3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)**

**3.10 Financial liabilities – classification and subsequent measurement**

Financial liabilities issued by the Fund are classified as financial liabilities at amortised cost, where the substance of the contractual arrangement results in the Fund having an obligation either to deliver cash or another financial asset to the holders. After initial measurement, financial liabilities are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

**3.11 Derecognition of financial instruments**

(i) Derecognition of financial asset

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired, or
- the Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either:
  - the Fund has transferred substantially all the risks and rewards of the asset, or
  - the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

For investments classified as FVOCI - debt instruments, the cumulative fair value change recognised in OCI is recycled to profit or loss.

(ii) Derecognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Gains and losses are recognised in profit or loss when the liabilities are recognised, and through the amortisation process.

**3.12 Financial instruments – expected credit losses (“ECL”)**

The Fund assesses the ECL associated with its financial assets at amortised cost using simplified approach. Therefore, the Fund does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The ECL in respect of financial assets at amortised cost, if any, is recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024**

**3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)**

**3.12 Financial instruments – expected credit losses (“ECL”) (cont'd.)**

Financial assets together with the associated allowance are written off when it has exhausted all practical recovery efforts and there is no realistic prospect of future recovery. The Fund may also write-off financial assets that are still subject to enforcement activity when there is no reasonable expectation of full recovery. If a write-off is later recovered, the recovery is credited to profit or loss.

**3.13 Determination of fair value**

For investments in unquoted fixed income securities, nominal value is the face value of the securities and fair value is determined based on the indicative prices from Bond Pricing Agency Malaysia Sdn. Bhd. plus accrued interest, which includes the accretion of discount and amortisation of premium. Adjusted cost of investments relates to the purchased cost plus accrued interest, adjusted for amortisation of premium and accretion of discount, if any, calculated over the period from the date of acquisition to the date of maturity of the respective securities as approved by the Manager and the Trustee.

The difference between adjusted cost and fair value is treated as unrealised gain or loss and is recognised in profit or loss. Unrealised gains or losses recognised in profit or loss are not distributable in nature.

**3.14 Classification of realised and unrealised gains and losses**

Unrealised gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of prior period's unrealised gains and losses for financial instruments which were realised (i.e. sold, redeemed or matured) during the reporting period.

Realised gains and losses on disposals of financial instruments are calculated using the weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount.

**3.15 Significant accounting estimates and judgments**

The preparation of the Fund's financial statements requires the Manager to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in the future.

The Fund classifies its investments as financial assets at FVTPL during the financial period as the Fund may sell its investments in the short-term for profit-taking or to meet unit holders' cancellation of units.

## AmlIncome

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 3. SUMMARY OF ACCOUNTING POLICIES (CONT'D.)

##### 3.15 Significant accounting estimates and judgments (cont'd.)

No major judgments have been made by the Manager in applying the Fund's accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### 4. INVESTMENTS

	30.09.2024 RM	31.03.2024 RM
<b>Financial assets at FVTPL</b>		
At nominal value:		
Cagamas bond	45,000,000	-
Corporate bonds	6,601,250,000	1,735,000,000
	<u>6,646,250,000</u>	<u>1,735,000,000</u>
At fair value:		
Cagamas bond	45,030,600	-
Corporate bonds	6,684,682,850	1,754,954,350
	<u>6,729,713,450</u>	<u>1,754,954,350</u>
	<b>30.09.2024 RM</b>	<b>31.03.2024 RM</b>
<b>Financial assets at FVOCI</b>		
At nominal value:		
Cagamas bond	-	45,000,000
Corporate bonds	-	4,107,000,000
Commercial papers	-	50,000,000
	<u>-</u>	<u>4,202,000,000</u>
At fair value:		
Cagamas bond	-	45,140,400
Corporate bonds	-	4,162,486,860
Commercial papers	-	49,875,500
	<u>-</u>	<u>4,257,502,760</u>

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 30 September 2024 are as follows:

Maturity date	Issuer	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
<b>Financial assets at FVTPL</b>					
<b>Cagamas bond</b>					
01.11.2024	Cagamas Berhad	45,000,000	45,030,600	45,000,000	0.42
<b>Total Cagamas bond</b>		<b>45,000,000</b>	<b>45,030,600</b>	<b>45,000,000</b>	<b>0.42</b>
<b>Corporate bonds</b>					
11.10.2024	Amanat Lebuhraya Rakyat Berhad	25,000,000	25,005,500	25,000,000	0.23
11.10.2024	YTL Power International Berhad	80,000,000	80,028,000	80,025,696	0.74
17.10.2024	Press Metal Aluminium Holdings Berhad	50,000,000	50,010,000	50,005,873	0.46
29.11.2024	ANIH Berhad	5,000,000	5,010,450	5,010,165	0.05
12.12.2024	DRB-HICOM Berhad	75,000,000	75,118,500	75,000,000	0.69
13.12.2024	Malaysia Airports Holdings Berhad	80,000,000	80,238,400	80,206,179	0.74
13.12.2024	Sabah Development Bank Bhd.	400,000,000	400,744,000	399,944,944	3.70
17.12.2024	Fortune Premiere Sdn. Bhd.	5,000,000	5,001,350	4,994,753	0.05
18.12.2024	Public Bank Berhad	5,000,000	5,001,550	4,996,539	0.05
20.12.2024	MBSB Bank Berhad	115,000,000	115,279,450	115,516,239	1.06

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 30 September 2024 are as follows: (cont'd.)

Maturity date	Issuer	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
<b>Financial assets at FVTPL (cont'd.)</b>					
<b>Corporate bonds (cont'd.)</b>					
24.12.2024	Toyota Capital Malaysia Sdn. Bhd.	20,000,000	20,009,000	20,002,038	0.18
03.02.2025	Hong Leong Financial Group Berhad	75,000,000	75,010,500	74,693,234	0.69
21.02.2025	Sabah Development Bank Bhd.	200,000,000	200,716,000	200,000,000	1.86
21.02.2025	Perbadanan Kemajuan Negeri Selangor	25,000,000	25,050,250	24,999,151	0.23
27.02.2025	TG Excellence Berhad	95,000,000	94,670,350	94,816,685	0.88
27.02.2025	Toyota Capital Malaysia Sdn. Bhd.	5,000,000	4,999,200	4,983,446	0.05
12.03.2025	AEON Credit Service (M) Berhad	20,000,000	19,998,600	19,874,715	0.18
26.03.2025	Bank Islam Malaysia Berhad	150,000,000	150,010,500	149,571,929	1.39
14.04.2025	UEM Sunrise Berhad	15,000,000	15,120,000	15,098,237	0.14
23.05.2025	Tanjung Bin Energy Sdn. Bhd.	75,000,000	75,320,250	75,018,632	0.70



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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 30 September 2024 are as follows: (cont'd.)

Maturity date	Issuer	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
<b>Financial assets at FVTPL (cont'd.)</b>					
<b>Corporate bonds (cont'd.)</b>					
29.05.2025	Perbadanan Kemajuan Negeri Selangor	55,000,000	55,339,350	55,000,000	0.51
19.06.2025	Perbadanan Kemajuan Negeri Selangor	30,000,000	30,202,500	29,999,097	0.28
24.06.2025	7-Eleven Malaysia Holdings Berhad	20,000,000	20,108,000	20,004,249	0.19
26.06.2025	Perbadanan Kemajuan Negeri Selangor	50,000,000	50,346,500	49,989,452	0.47
30.06.2025	Danum Capital Berhad	110,000,000	110,389,400	110,000,000	1.02
11.07.2025	Perbadanan Kemajuan Negeri Selangor	80,000,000	80,591,200	80,000,000	0.74
25.07.2025	Sarawak Petchem Sdn. Bhd.	50,000,000	50,354,000	50,000,000	0.47
30.07.2025	TNB Western Energy Berhad	5,000,000	5,053,250	5,037,339	0.05
05.09.2025	Fortune Premiere Sdn. Bhd.	35,000,000	35,381,850	35,230,630	0.33
19.09.2025	UEM Sunrise Berhad	10,000,000	10,044,700	10,016,946	0.09

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 30 September 2024 are as follows: (cont'd.)

Maturity date	Issuer	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
<b>Financial assets at FVTPL (cont'd.)</b>					
<b>Corporate bonds (cont'd.)</b>					
19.09.2025	UEM Sunrise Berhad	20,000,000	20,236,000	19,912,711	0.19
13.10.2024	Amanat Lebuhraya Rakyat Berhad	25,000,000	25,212,000	25,000,000	0.23
20.10.2025	RHB Bank Berhad	5,000,000	4,960,950	4,933,144	0.04
21.10.2025	Bank Islam Malaysia Berhad	65,000,000	64,838,150	64,685,774	0.60
27.10.2025	Alliance Bank Malaysia	10,000,000	9,968,500	9,922,358	0.09
31.10.2025	Fortune Premiere Sdn. Bhd.	5,000,000	5,062,350	5,046,213	0.05
31.10.2025	UEM Sunrise Berhad	10,000,000	10,143,400	10,072,472	0.09
12.11.2025	MMC Corporation Berhad	5,000,000	5,108,850	5,081,115	0.05
03.12.2025	CIMB Group Holdings Berhad	55,000,000	54,792,650	54,939,313	0.51
12.12.2025	UEM Sunrise Berhad	70,000,000	71,391,600	70,000,000	0.66
13.01.2026	Malayan Cement Berhad	10,000,000	10,180,100	10,000,000	0.09
30.01.2026	UEM Sunrise Berhad	80,000,000	81,706,400	80,045,306	0.75

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 30 September 2024 are as follows: (cont'd.)

Maturity date	Issuer	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
<b>Financial assets at FVTPL (cont'd.)</b>					
<b>Corporate bonds (cont'd.)</b>					
27.02.2026	Malaysian Resources Corporation Berhad	70,000,000	70,969,500	70,023,921	0.65
09.03.2026	Perbadanan Kemajuan Negeri Selangor	10,000,000	10,147,000	10,099,356	0.09
16.03.2026	Tanjung Bin Energy Sdn. Bhd.	15,000,000	15,195,600	15,000,848	0.14
30.03.2026	YTL Power International Berhad	135,000,000	136,479,600	135,055,922	1.26
07.04.2026	UEM Sunrise Berhad	5,000,000	5,113,050	5,096,540	0.05
30.04.2026	UDA Holdings Berhad	80,000,000	80,646,400	80,176,149	0.74
22.05.2026	Tanjung Bin Energy Sdn. Bhd.	25,000,000	25,302,500	25,017,804	0.23
15.06.2026	Bank Muamalat Malaysia Berhad	55,000,000	55,516,450	55,158,920	0.51
19.06.2026	UEM Sunrise Berhad	100,000,000	102,469,000	100,000,000	0.95
23.06.2026	S P Setia Berhad	20,000,000	20,178,200	20,000,000	0.19
03.07.2026	AEON Co. (M) Berhad	30,000,000	30,242,100	30,000,000	0.28

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 30 September 2024 are as follows: (cont'd.)

Maturity date	Issuer	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
<b>Financial assets at FVTPL (cont'd.)</b>					
<b>Corporate bonds (cont'd.)</b>					
03.07.2026	Edra Energy Sdn. Bhd.	10,000,000	10,353,400	10,269,731	0.10
27.07.2026	Sarawak Petchem Sdn. Bhd.	40,000,000	40,759,200	40,000,000	0.38
21.08.2026	Lebuhraya DUKE Fasa 3 Sdn. Bhd.	5,000,000	5,058,150	5,032,115	0.05
28.08.2026	MTT Shipping Sdn. Bhd.	35,000,000	35,351,050	35,000,000	0.33
11.09.2026	Fortune Premiere Sdn. Bhd.	30,000,000	30,032,400	29,737,976	0.28
15.09.2026	Tanjung Bin Energy Sdn. Bhd.	10,000,000	10,178,600	10,027,109	0.09
25.09.2026	Malayan Cement Berhad	295,000,000	295,492,650	295,808,288	2.73
06.11.2026	AmBank (M) Berhad*	30,000,000	30,342,300	30,000,000	0.28
11.11.2026	YTL Corporation Berhad	30,000,000	30,531,600	30,228,188	0.28
27.11.2026	ANIH Berhad	15,000,000	15,442,200	15,466,161	0.14
11.12.2026	Affin Islamic Bank Berhad	20,000,000	20,136,200	20,060,997	0.19
11.12.2026	Exsim Capital Resources Berhad	30,000,000	30,341,700	30,063,075	0.28
21.12.2026	MBSB Bank Berhad	5,000,000	5,129,100	5,080,014	0.05

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 30 September 2024 are as follows: (cont'd.)

Maturity date	Issuer	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
<b>Financial assets at FVTPL (cont'd.)</b>					
<b>Corporate bonds (cont'd.)</b>					
29.01.2027	TNB Western Energy Berhad	10,000,000	10,285,100	10,196,731	0.09
26.02.2027	Malaysian Resources Corporation Berhad	25,000,000	25,605,250	25,495,507	0.24
08.03.2027	AmBank (M) Berhad*	295,000,000	297,781,850	295,682,146	2.75
08.03.2027	AmBank Islamic Berhad*	60,000,000	60,585,600	60,000,000	0.56
16.03.2027	Tanjung Bin Energy Sdn. Bhd.	15,000,000	15,342,300	15,023,858	0.14
19.03.2027	IJM Land Berhad	10,000,000	10,249,700	10,142,539	0.09
25.03.2027	Genting RMTN Berhad	25,000,000	25,512,250	25,032,108	0.24
31.03.2027	GENM Capital Berhad	10,000,000	10,156,800	9,965,934	0.09
15.04.2027	MBSB Bank Berhad	25,000,000	25,271,250	25,000,000	0.23
21.04.2027	RHB Islamic Bank Berhad	75,000,000	75,315,000	75,000,000	0.70
21.04.2027	S P Setia Berhad	125,000,000	126,270,000	125,000,000	1.17
29.04.2027	Alliance Bank Malaysia	5,000,000	5,013,200	5,000,000	0.05
29.04.2027	Hong Leong Bank Berhad	206,250,000	208,906,500	206,308,564	1.93

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 30 September 2024 are as follows: (cont'd.)

Maturity date	Issuer	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
<b>Financial assets at FVTPL (cont'd.)</b>					
<b>Corporate bonds (cont'd.)</b>					
03.05.2027	YTL Power International Berhad	15,000,000	15,478,500	15,299,638	0.14
21.05.2027	Tanjung Bin Energy Sdn. Bhd.	40,000,000	40,858,400	40,046,409	0.38
28.05.2027	Exsim Capital Resources Berhad	30,000,000	30,375,600	30,073,635	0.28
08.06.2027	Genting Capital Berhad	25,000,000	25,333,500	24,818,056	0.23
18.06.2027	UEM Sunrise Berhad	70,000,000	72,914,800	70,000,000	0.67
30.06.2027	PONSB Capital Berhad	25,000,000	25,798,750	25,000,000	0.24
02.07.2027	Malayan Cement Berhad	50,000,000	50,327,000	50,062,026	0.47
20.07.2027	Bank Muamalat Malaysia Berhad	25,000,000	25,704,500	25,000,000	0.24
26.07.2027	Affin Bank Berhad	30,000,000	30,607,200	30,000,000	0.28
27.07.2027	Sarawak Petchem Sdn. Bhd.	35,000,000	36,073,450	35,000,000	0.33
30.07.2027	TNB Western Energy Berhad	10,000,000	10,347,500	10,236,953	0.10

## AmlIncome

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 30 September 2024 are as follows: (cont'd.)

Maturity date	Issuer	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
<b>Financial assets at FVTPL (cont'd.)</b>					
<b>Corporate bonds (cont'd.)</b>					
24.08.2027	Bank Islam Malaysia Berhad	100,000,000	102,044,000	101,010,487	0.94
26.08.2027	DRB-HICOM Berhad	105,000,000	109,717,650	105,000,000	1.01
03.09.2027	YTL Power International Berhad	45,000,000	46,579,050	45,059,344	0.43
08.09.2027	CIMB Group Holdings Berhad	30,000,000	30,456,000	30,000,000	0.28
09.09.2027	EDOTCO Malaysia Sdn. Bhd.	70,000,000	71,016,400	70,134,748	0.66
15.09.2027	Tanjung Bin Energy Sdn. Bhd.	35,000,000	35,979,300	34,766,998	0.33
27.09.2027	IJM Land Berhad	5,000,000	5,002,550	4,938,567	0.05
04.10.2027	Johor Port Berhad	5,000,000	5,187,200	5,000,000	0.05
12.10.2027	AmBank (M) Berhad*	75,000,000	77,694,750	75,000,000	0.72
27.10.2027	United Overseas Bank (Malaysia) Bhd.	70,000,000	72,198,700	70,000,000	0.67
29.10.2027	Eco World Capital Berhad	60,000,000	63,226,200	60,344,446	0.58

## AmlIncome

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 30 September 2024 are as follows: (cont'd.)

Maturity date	Issuer	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
<b>Financial assets at FVTPL (cont'd.)</b>					
<b>Corporate bonds (cont'd.)</b>					
11.11.2027	Petroleum Sarawak Exploration & Production Sdn. Bhd.	95,000,000	98,733,500	95,131,008	0.91
16.11.2027	Dialog Group Berhad	35,000,000	34,825,350	34,088,365	0.32
16.12.2027	Affin Islamic Bank Berhad	10,000,000	10,257,400	10,210,722	0.09
28.03.2028	AmBank (M) Berhad*	15,000,000	15,304,200	15,000,000	0.14
29.03.2028	CIMB Thai Bank Public Company Limited	50,000,000	50,822,500	50,000,000	0.47
03.05.2028	UDA Holdings Berhad	15,000,000	15,265,950	15,168,440	0.14
05.05.2028	GENM Capital Berhad	70,000,000	71,514,100	70,000,000	0.66
19.06.2028	Hong Leong Bank Berhad	30,000,000	30,341,100	30,000,000	0.28
23.06.2028	Affin Bank Berhad	5,000,000	5,168,500	5,090,993	0.05
27.06.2028	AmBank (M) Berhad*	50,000,000	51,080,000	50,000,000	0.47
10.08.2028	Eco World Capital Berhad	45,000,000	46,687,950	45,029,688	0.43
15.09.2028	Perbadanan Kemajuan Negeri Selangor	25,000,000	25,828,750	25,435,611	0.24



## AmlIncome

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 30 September 2024 are as follows: (cont'd.)

Maturity date	Issuer	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
<b>Financial assets at FVTPL (cont'd.)</b>					
<b>Corporate bonds (cont'd.)</b>					
18.09.2028	Press Metal Aluminium Holdings Berhad	5,000,000	5,078,050	5,078,927	0.05
10.10.2028	Affin Islamic Bank Berhad	55,000,000	56,211,650	55,083,767	0.52
12.10.2028	Malayan Cement Berhad	35,000,000	36,345,750	35,062,886	0.34
13.10.2028	Affin Islamic Bank Berhad	30,000,000	30,578,100	30,000,000	0.28
17.10.2028	Bank Islam Malaysia Berhad	35,000,000	35,698,600	35,000,000	0.33
23.10.2028	CIMB Group Holdings Berhad	75,000,000	76,620,750	75,085,452	0.71
25.10.2028	Public Bank Berhad	40,000,000	40,085,200	40,000,000	0.37
26.10.2028	Perbadanan Kemajuan Negeri Selangor	50,000,000	52,025,000	50,175,130	0.48
03.11.2028	AmBank (M) Berhad*	15,000,000	15,322,500	15,271,902	0.14
17.11.2028	RHB Bank Berhad	35,000,000	35,677,250	35,000,000	0.33
22.03.2029	MNRB Holdings Berhad	15,000,000	15,302,250	15,286,485	0.14

## AmlIncome

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 30 September 2024 are as follows: (cont'd.)

Maturity date	Issuer	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
<b>Financial assets at FVTPL (cont'd.)</b>					
<b>Corporate bonds (cont'd.)</b>					
26.03.2029	Hong Leong Bank Berhad	80,000,000	80,784,000	80,000,000	0.75
09.05.2029	AmBank Islamic Berhad*	30,000,000	30,197,400	30,000,000	0.28
31.05.2029	GENM Capital Berhad	125,000,000	127,268,750	125,000,000	1.18
08.06.2029	GENM Capital Berhad	90,000,000	91,639,800	90,000,000	0.85
28.06.2029	CIMB Group Holdings Berhad	115,000,000	115,522,100	115,000,000	1.07
16.08.2029	AEON Co. (M) Berhad	15,000,000	15,086,700	15,065,451	0.14
16.08.2029	Sunway Treasury Sukuk Sdn. Bhd.	45,000,000	45,032,400	45,000,000	0.42
<b>Total corporate bonds</b>		<b>6,601,250,000</b>	<b>6,684,682,850</b>	<b>6,607,981,209</b>	<b>61.78</b>
<b>Total financial assets at FVTPL</b>		<b>6,646,250,000</b>	<b>6,729,713,450</b>	<b>6,652,981,209</b>	<b>62.20</b>
<b>Total investments</b>		<b>6,646,250,000</b>	<b>6,729,713,450</b>	<b>6,652,981,209</b>	<b>62.20</b>
<b>Excess of fair value over adjusted cost</b>			<b>76,732,241</b>		

\* The issuer for these securities are related parties to the Manager.

## AmlIncome

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 5. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

	30.09.2024 RM	31.03.2024 RM
At nominal value:		
Fixed deposits	1,850,000,000	1,650,000,000
Short-term deposits	250,000,000	-
	<u>2,100,000,000</u>	<u>1,650,000,000</u>
At carrying value:		
Fixed deposits	1,889,912,330	1,671,845,753
Short-term deposits	251,119,862	-
	<u>2,141,032,192</u>	<u>1,671,845,753</u>

Details of deposits with licensed financial institutions are as follows:

Maturity date	Financial institutions	Nominal value RM	Carrying value RM	Carrying value as a percentage of NAV %
<b>30.09.2024</b>				
<b>Fixed deposits</b>				
03.12.2024	Public Bank Berhad	300,000,000	310,673,424	2.88
11.12.2024	Public Bank Berhad	300,000,000	310,390,686	2.87
18.12.2024	Public Bank Berhad	450,000,000	465,214,932	4.30
24.02.2025	CIMB Bank Berhad	100,000,000	100,406,028	0.93
26.02.2025	Public Bank Berhad	50,000,000	50,187,397	0.46
07.08.2025	CIMB Bank Berhad	150,000,000	150,865,479	1.39
18.08.2025	CIMB Bank Berhad	150,000,000	150,689,178	1.39
19.08.2025	CIMB Bank Berhad	100,000,000	100,448,767	0.93
21.08.2025	CIMB Bank Berhad	100,000,000	100,427,398	0.93
22.08.2025	CIMB Bank Berhad	100,000,000	100,416,712	0.93
25.08.2025	CIMB Bank Berhad	50,000,000	50,192,329	0.46
	<b>Total fixed deposits</b>	<u>1,850,000,000</u>	<u>1,889,912,330</u>	<u>17.47</u>
<b>Short-term deposits</b>				
07.10.2024	CIMB Bank Berhad	150,000,000	150,863,013	1.39
07.10.2024	Public Bank Berhad	100,000,000	100,256,849	0.93
	<b>Total short-term deposits</b>	<u>250,000,000</u>	<u>251,119,862</u>	<u>2.32</u>
	<b>Total deposits</b>	<u>2,100,000,000</u>	<u>2,141,032,192</u>	<u>19.79</u>

## AmlIncome

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 6. AMOUNT DUE TO MANAGER

	30.09.2024 RM	31.03.2024 RM
<b>Due to Manager</b>		
Manager's fee payable	<u>7,526,706</u>	<u>6,815,048</u>

Manager's fee is at a rate of 0.75% (31.03.2024: 0.75%) per annum on the NAV of the Fund, calculated on a daily basis.

The normal credit period in the previous financial year and current financial period for Manager's fee payable is one month.

#### 7. AMOUNT DUE TO TRUSTEE

Trustee's fee is at a rate of 0.025% (31.03.2024: 0.025%) per annum on the NAV of the Fund, calculated on a daily basis.

The normal credit period in the previous financial year and current financial period for Trustee's fee payable is one month.

#### 8. NET GAINS FROM INVESTMENTS

	01.04.2024 to 30.09.2024 RM	01.04.2023 to 30.09.2023 RM
Net gains on financial assets at FVTPL comprised:		
- Net unrealised gains on changes in fair value of investments	7,799,763	3,990,864
- Net realised loss on sale of investments	-	(108,279)
	<u>7,799,763</u>	<u>3,882,585</u>
Net gains on financial assets at FVOCI comprised:		
- Allowance for expected credit losses	-	1,718,754
- Net realised loss on sale of investments	-	(461,120)
	<u>-</u>	<u>1,257,634</u>
Reclassification from other comprehensive income	<u>53,271,339</u>	<u>-</u>

## AmlIncome

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 9. TOTAL EQUITY

Total equity is represented by:

	Note	30.09.2024 RM	31.03.2024 RM
Unit holders' capital	(a)	10,665,068,572	9,904,530,488
Retained earnings			
– Realised income/(loss)	(b)	77,637,033	(3,066,969)
– Unrealised gains	(c)	76,732,241	18,765,822
Fair value reserve	(d)	-	53,271,339
Capital reserve	10	-	74,934,462
		<u>10,819,437,846</u>	<u>10,048,435,142</u>

#### (a) Unit holders' capital/Units in circulation

	30.09.2024		31.03.2024	
	Number of units	RM	Number of units	RM
At beginning of the financial period/year	9,904,530,488	9,904,530,488	9,438,744,745	9,438,744,745
Creation during the financial period/year	3,227,123,477	3,227,123,477	6,461,223,930	6,461,223,930
Reinvestment of distributions	179,306,703	179,306,703	325,195,485	325,195,485
Cancellation during the financial period/year	(2,645,892,096)	(2,645,892,096)	(6,320,633,672)	(6,320,633,672)
At end of the financial period/year	<u>10,665,068,572</u>	<u>10,665,068,572</u>	<u>9,904,530,488</u>	<u>9,904,530,488</u>

#### (b) Realised

	30.09.2024 RM	31.03.2024 RM
At beginning of the financial period/year	(3,066,969)	(5,097,866)
Net realised income for the financial period/year	190,471,749	340,191,500
Transfer from/(to) capital reserve	74,934,462	(2,783,399)
Distributions out of realised income (Note 13)	(184,702,209)	(335,377,204)
At end of the financial period/year	<u>77,637,033</u>	<u>(3,066,969)</u>

## AmIncome

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 9. TOTAL EQUITY (CONT'D.)

##### (c) Unrealised – non-distributable

	30.09.2024 RM	31.03.2024 RM
At beginning of the financial period/year	18,765,822	5,308,395
Net unrealised gains for the financial period/year	57,966,419	13,457,427
At end of the financial period/year	<u>76,732,241</u>	<u>18,765,822</u>

##### (d) Fair value reserve

	30.09.2024 RM	31.03.2024 RM
At beginning of the financial period/year	53,271,339	2,780,201
Fair value revaluation gain	-	50,754,728
Reclassification of gains on sale of investments	-	1,759,551
Provision for expected credit losses	-	(2,023,141)
Reclassification to profit or loss	(53,271,339)	-
At end of the financial period/year	<u>-</u>	<u>53,271,339</u>

#### 10. NAV ATTRIBUTABLE TO UNIT HOLDERS

In line with the requirement of MFRS 9, unquoted investments at FVOCI have been valued at the indicative prices at the close of business. However, the valuation, creation and cancellation of units will be based on RM1.00 per unit as stated in the trust deed.

#### 11. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

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

##### Related parties

AmFunds Management Berhad  
AmInvestment Bank Berhad  
AMMB Holdings Berhad (“AMMB”)  
Subsidiaries and associates of AMMB  
as disclosed in its financial statements

##### Relationships

The Manager  
Holding company of the Manager  
Ultimate holding company of the Manager  
Subsidiaries and associate companies of the  
ultimate holding company of the Manager

## AmIncome

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 11. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONT'D.)

	30.09.2024		31.03.2024	
	Number of units	RM	Number of units	RM
Parties related to the Manager*	2,438,294	2,473,649	2,389,324	2,423,969

\* The related parties are the legal and beneficial owners of the units. The Manager did not hold any units in the Fund as at 30 September 2024 and 31 March 2024.

Other than those disclosed elsewhere in the financial statements, the significant related party transactions and balances as at the reporting date are as follows:

	01.04.2024 to 30.09.2024 RM	01.04.2023 to 30.09.2023 RM
<b>(i) Significant related party transactions</b>		
<u>AmBank (M) Berhad</u> Interest income	10,626,968	7,714,545
	30.09.2024 RM	31.03.2024 RM
<b>(ii) Significant related party balances</b>		
<u>AmBank (M) Berhad</u> Cash at bank	1,908,523,253	2,323,991,599

#### 12. TAXATION

Income tax payable is calculated on investment income less deduction for permitted expenses as provided for under Section 63B of the Income Tax Act, 1967.

## AmlIncome

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 12. TAXATION (CONT'D.)

A reconciliation of income tax expense applicable to net income before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Fund is as follows:

	<b>01.04.2024 to 30.09.2024 RM</b>	<b>01.04.2023 to 30.09.2023 RM</b>
Net income before taxation	<u>248,438,168</u>	<u>170,063,861</u>
Taxation at Malaysian statutory rate of 24% (2023: 24%)	59,625,160	40,815,326
Tax effects of:		
Income not subject to taxation	(69,613,933)	(50,090,138)
Loss not allowed for tax deduction	-	136,656
Restriction on tax deductible expenses for unit trust fund	8,698,751	7,957,791
Non-permitted expenses for tax purposes	323,494	296,165
Permitted expenses not used and not available for future financial period	<u>966,528</u>	<u>884,200</u>
Tax expense for the financial period	<u>-</u>	<u>-</u>

#### 13. DISTRIBUTIONS

Details of distributions to unit holders for the financial periods are as follows:

	<b>01.04.2024 to 30.09.2024 RM</b>	<b>01.04.2023 to 30.09.2023 RM</b>
On redemption of units	1,091,538	798,465
Income entitlement distributed on:		
30 April 2024/2023	28,872,522	26,081,022
31 May 2024/2023	30,139,564	27,041,778
30 June 2024/2023	29,595,984	26,375,680
31 July 2024/2023	31,384,430	27,723,235
31 August 2024/2023	32,305,005	27,393,622
30 September 2024/2023	<u>31,313,166</u>	<u>27,055,780</u>
	<u>184,702,209</u>	<u>162,469,582</u>
	<b>01.04.2024 to 30.09.2024 RM</b>	<b>01.04.2023 to 30.09.2023 RM</b>
Gross distributions per unit (sen)	<u>1.76</u>	<u>1.69</u>
Net distributions per unit (sen)	<u>1.76</u>	<u>1.69</u>



## AmlIncome

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 13. DISTRIBUTIONS (CONT'D.)

##### Financial period ended 30 September 2024

<b>Distributions Ex-date</b>	<b>Gross distributions per unit RM (sen)</b>	<b>Net distributions per unit RM (sen)</b>	<b>Total distributions RM</b>
30 April 2024	0.29	0.29	29,012,098
31 May 2024	0.30	0.30	30,357,115
30 June 2024	0.29	0.29	29,800,002
31 July 2024	0.29	0.29	31,562,540
31 August 2024	0.30	0.30	32,534,164
30 September 2024	0.29	0.29	31,436,290
	<u>1.76</u>	<u>1.76</u>	<u>184,702,209</u>

##### Financial period ended 30 September 2023

<b>Distributions Ex-date</b>	<b>Gross distributions per unit RM (sen)</b>	<b>Net distributions per unit RM (sen)</b>	<b>Total distributions RM</b>
30 April 2023	0.27	0.27	26,204,407
31 May 2023	0.28	0.28	27,180,514
30 June 2023	0.28	0.28	26,586,141
31 July 2023	0.29	0.29	27,896,880
31 August 2023	0.29	0.29	27,473,635
30 September 2023	0.28	0.28	27,128,005
	<u>1.69</u>	<u>1.69</u>	<u>162,469,582</u>

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

The above distributions have no implication on unit prices as the NAV per unit of the Fund is maintained at RM1.00 throughout the financial period.

## AmlIncome

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024

#### 14. TOTAL EXPENSE RATIO (“TER”)

The Fund’s TER is as follows:

	<b>01.04.2024 to 30.09.2024</b>	<b>01.04.2023 to 30.09.2023</b>
	<b>RM</b>	<b>RM</b>
Manager’s fee	0.38	0.38
Trustee’s fee	0.01	0.01
Fund’s other expenses	-*	-*
Total TER	<u>0.39</u>	<u>0.39</u>

\* represents less than 0.01%.

The TER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis.

#### 15. PORTFOLIO TURNOVER RATIO (“PTR”)

The PTR of the Fund, which is the ratio of average total acquisitions and disposals of investments to the average NAV of the Fund calculated on a daily basis, is 0.10 times (01.04.2023 to 30.09.2023: 0.13 times).

#### 16. SEGMENTAL REPORTING

In accordance with the objective of the Fund, substantially all of the Fund’s investments are made in the form of fixed income securities in Malaysia. The Manager is of the opinion that the risk and rewards from these investments are not individually or segmentally distinct and hence the Fund does not have a separately identifiable business or geographical segments.

#### 17. TRANSACTIONS WITH BROKERS

Details of transactions with brokers for the financial period ended 30 September 2024 are as follows:

	<b>Transactions value</b>	
	<b>RM</b>	<b>%</b>
AmBank (M) Berhad*	395,676,914	28.53
Kenanga Investment Bank Berhad	249,237,123	17.97
RHB Investment Bank Berhad	223,794,088	16.14
CIMB Bank Berhad	195,743,537	14.12
Hong Leong Investment Bank Berhad	155,735,992	11.23
Malayan Banking Berhad	79,404,696	5.73
Hong Leong Bank Berhad	47,167,394	3.40
Public Bank Bhd	40,000,000	2.88
Total	<u>1,386,759,744</u>	<u>100.00</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024**

**17. TRANSACTIONS WITH BROKERS (CONT'D.)**

\* Financial institution related to the Manager.

The Manager is of the opinion that the above transactions have been entered in the normal course of business and have been established under terms that are no less favourable than those arranged with independent third parties.

The above transactions are in respect of fixed income instruments. Transactions in these investments do not involve any commission or brokerage fee.

**18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Fund is exposed to a variety of risks that include market risk, credit risk, liquidity risk, single issuer risk, regulatory risk, management risk and non-compliance risk.

Risk management is carried out by closely monitoring, measuring and mitigating the above said risks, careful selection of investments coupled with stringent compliance to investment restrictions as stipulated by the Capital Markets and Services Act 2007, Securities Commission Malaysia's Guidelines on Unit Trust Funds and the Deed as the backbone of risk management of the Fund.

**(a) Market risk**

The Fund's principal exposure to market risk arises primarily due to changes in the market environment, global economic and geo-political developments.

The Fund's market risk is affected primarily by the following risk:

**(i) Interest rate risk**

Interest rate risk will affect the value of the Fund's investments, given the interest rate movements, which are influenced by regional and local economic developments as well as political developments.

Domestic interest rates on deposits and placements with licensed financial institutions are determined based on prevailing market rates.

**(b) Credit risk**

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge an obligation. The Fund invests up to 100% of its NAV in fixed income instruments. As such the Fund would be exposed to the risk of bond issuers and financial institutions defaulting on its repayment obligations which in turn would affect the NAV of the Fund.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024**

**18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)**

**(b) Credit risk (cont'd.)**

For deposits with licensed financial institutions, the Fund makes placements with financial institutions with sound rating of P1/MARC-1 and above. Cash at banks are held for liquidity purposes and are not exposed to significant credit risk.

**(c) Liquidity risk**

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its financial liabilities or redeem its units earlier than expected. This is also the risk of fund experiencing large redemptions, when the Investment Manger could be forced to sell large volumes of its holdings at unfavorable prices to meet redemptions requirements.

The Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellations of units by unit holders. Liquid assets comprise of cash at banks, deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 5 to 7 days. The Fund's policy is to always maintain a prudent level of liquid assets so as to reduce liquidity risk.

The Fund's financial liabilities have contractual maturities of not more than six months.

**(d) Single issuer risk**

Internal policy restricts the Fund from investing in securities issued by any issuer of not more than a certain percentage of its NAV. Under such restriction, the risk exposure to the securities of any single issuer is diversified and managed by issuer is managed based on internal/external ratings.

**(e) Regulatory risk**

Any changes in national policies and regulations may have effects on the capital market and the NAV of the Fund.

**(f) Management risk**

Poor management of the Fund may cause considerable losses to the Fund that in turn may affect the NAV of the Fund.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024**

**18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)**

**(g) Non-compliance risk**

This is the risk of the Manager, the Trustee or the Fund not complying with internal policies, the Deeds, securities laws or guidelines issued by the regulators. Non-compliance risk may adversely affect the investments of the Fund when the Fund is forced to rectify the non-compliance.

**(h) Unstable NAV risk**

Unstable NAV risk means that the actual NAV per unit of the Fund may fluctuate with the market and may not be maintained at or above its initial price (RM1.00) at all times. This is the risk especially applicable to money market and short-to-medium-term fixed income funds that are priced at RM1.00.

## **AmIncome**

### **STATEMENT BY THE MANAGER**

I, Goh Wee Peng, being the Director of and on behalf of the Board of Directors of AmFunds Management Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards 134: *Interim Financial Reporting* (“MFRS 134”) so as to give a true and fair view of the financial position of AmIncome (the “Fund”) as at 30 September 2024 and of the comprehensive income, the changes in equity and cash flows of the Fund for the financial period then ended.

For and on behalf of the Manager

**GOH WEE PENG**

Executive Director

Kuala Lumpur, Malaysia

19 November 2024

## **TRUSTEE'S REPORT**

### **TO THE UNIT HOLDERS OF AMINCOME ("Fund")**

We have acted as Trustee of the Fund for the financial period ended 30 September 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AmFunds 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 Deeds, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the Deeds; and
3. Any creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirement.

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

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat  
Manager, Investment Compliance Monitoring

Kuala Lumpur  
19 November 2024

## DIRECTORY

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Email: enquiries@aminvest.com

Postal Address AmFunds Management Berhad  
P.O Box 13611, 50816 Kuala Lumpur

*For enquiries about this or any of the other Funds offered by AmFunds Management Berhad  
Please call 2032 2888 between 8.45 a.m. to 5.45 p.m. (Monday to Thursday),  
Friday (8.45 a.m. to 5.00 p.m.)*



