



ANNUAL REPORT
30 November 2024

AHAM Absolute Return Fund I

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

TRUSTEE
TMF Trustees Malaysia Berhad
(200301008392 [610812-W])

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AHAM ABSOLUTE RETURN FUND I

Annual Report and Audited Financial Statements
For Financial Period from 1 December 2023 to 30 November 2024 (Date of
Termination)

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FUND INFORMATION

Fund Name	AHAM Absolute Return Fund I
Fund Type	Income and Growth
Fund Category	Mixed Assets
Investment Objective	The Fund endeavours to achieve long-term capital growth while striving to maintain capital stability.
Termination Date	30 November 2024
Benchmark	Absolute return of 7.0% per annum
Distribution Policy	The Fund endeavours to distribute income on an annual basis at the end of every November

FUND PERFORMANCE DATA

Category	As at 30 Nov 2024 (%)	As at 30 Nov 2023 (%)	As at 30 Nov 2022 (%)
Portfolio composition			
Quoted equities – foreign	-	40.32	40.91
Unquoted fixed income securities – foreign	-	18.97	18.91
Collective investment scheme – local	-	13.87	7.45
Exchange traded fund	-	10.36	-
Cash & cash equivalent	100.00	16.48	32.73
Total	100.00	100.00	100.00
Total NAV (RM'million)	0.018	11.770	18.616
NAV per Unit (RM)	0.0000	0.9490	0.9733
Unit in Circulation (million)	0.000	12.402	19.126
Highest NAV	1.2568	1.0439	1.1581
Lowest NAV	0.5093	0.9308	0.9401
Return of the Fund (%)	-37.56	-2.50	-14.55
- Capital Growth (%)	-37.56	-2.50	-14.55
- Income Distribution (%)	Nil	Nil	Nil
Gross Distribution per Unit (sen)	Nil	Nil	Nil
Net Distribution per Unit (sen)	Nil	Nil	Nil
Total Expense Ratio (%) ¹	0.92	1.46	1.14
Portfolio Turnover Ratio (times) ²	5.47	0.90	0.81

¹The Fund's TER was lower than previous year due to a lower average NAV of the Fund during the financial period from 1 December 2023 to 30 November 2024 (date of termination).

²The Fund's PTR was higher due to lower average NAV of the Fund during the financial period from 1 December 2023 to 30 November 2024 (date of termination).

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

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

An illustration of the above would be as follow:-

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

Income Distribution / Unit Split

No income distribution or unit split were declared for the financial period ended 30 November 2024 (date of termination).

Income Distribution Breakdown

No income distribution was declared for the financial period ended 30 November 2024 (date of termination).

Performance Review

Table 1: Performance of the Fund

	For the Period (1/12/23 - 28/11/24)	3 Years (29/11/21 - 28/11/24)	5 Years (29/11/19 - 28/11/24)	Since Commencement (26/6/09 - 28/11/24)
Fund	(37.56%)	(48.78%)	(46.03%)	18.52%
Benchmark	6.98%	22.53%	40.31%	184.21%
Outperformance	(44.54%)	(71.31%)	(86.34%)	(165.69%)

Table 2: Average Total Return

	For the Period (1/12/23 - 28/11/24)	3 Years (29/11/21 - 28/11/24)	5 Years (29/11/19 - 28/11/24)	Since Commencement (26/6/09 - 28/11/24)
Fund	(37.56%)	(19.97%)	(11.59%)	1.11%
Benchmark	6.98%	7.00%	7.00%	7.00%
Outperformance	(44.54%)	(26.97%)	(18.59%)	(5.89%)

Table 3: Annual Total Return

	FYE 2024 (1/12/23 - 28/11/24)	FYE 2023 (1/12/22 - 30/11/23)	FYE 2022 (1/12/21 - 30/11/22)	FYE 2021 (1/12/20 - 30/11/21)	FYE 2020 (1/12/19 - 30/11/20)
Fund	(37.56%)	(2.50%)	(14.55%)	(5.58%)	10.47%
Benchmark	6.98%	7.00%	7.00%	7.00%	7.00%
Outperformance	(44.54%)	(9.50%)	(21.55%)	(12.58%)	3.47%

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

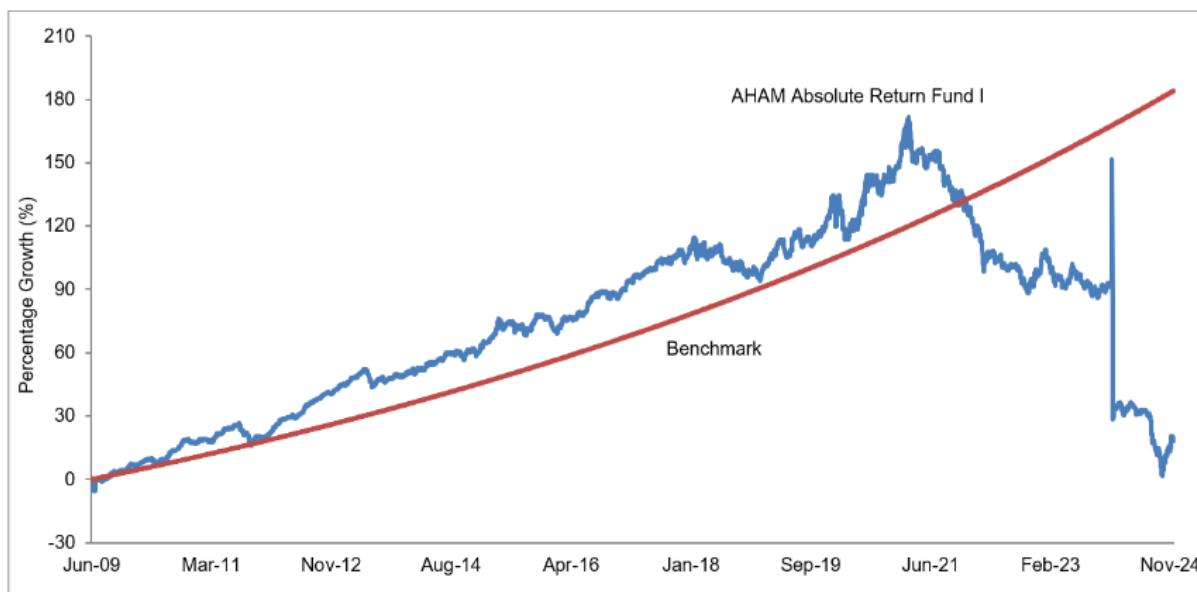
MANAGER'S REPORT

Performance Review (1 December 2023 to 28 November 2024)

For the period under review from 1 December 2023 to 28 November 2024, the Fund registered a –37.56% return compared to the benchmark return of 6.98%. The Fund thus underperformed the Benchmark by 44.54%. The Net Asset Value (“NAV”) per unit of the Fund as at 28 November 2024 was RM0.5926 while the NAV per unit as at 30 November 2023 was RM0.9490.

Since commencement, the Fund has registered a return of 18.52% compared to the benchmark return of 184.21%, underperformed by 165.69%.

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



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

Benchmark: Absolute return of 7.0% per annum

Asset Allocation

As at 30 November 2024 (date of termination), the Fund has been liquidated the asset and holding 100% in cash due to Fund's termination.

Strategies Employed

To achieve potential capital growth over the financial period under review, the Manager invested in an optimal asset allocation mix of equities and fixed income instruments. The investment strategy in equities was based on bottom-up stock picking and alpha generation while investments in fixed income instruments was driven by interest rate outlook for the market and the overall balance between credit quality and yield of the targeted fixed income payout.

Market Review

Over the financial period under review, the US equity markets saw significant movements, with the Standard and Poor's 500 ("S&P 500") rising 12.3% year-on-year, supported by resilient economic data and market-friendly policy developments. President Donald Trump's nomination of Scott Bessent as Treasury Secretary in late 2023 was a pivotal moment, bringing optimism to markets due to his pragmatic stance on fiscal policy and deregulation. This bolstered investor confidence and alleviated inflation concerns, contributing to strong fund inflows into United States ("U.S.") equities, which reached a three-year high of \$315 billion by mid-year.

Economic data throughout the period showcased the resilience of the U.S. economy. Jobless claims remained at historic lows, while the Purchasing Managers' Index ("PMI") consistently indicated steady business activity. The Federal Reserve's monetary policy took a cautious approach, with interest rates kept stable despite moderate inflationary pressures. The Personal Consumption Expenditures ("PCE") Price Index indicated controlled inflation, aligning with the Fed's target range.

In contrast, Europe grappled with economic challenges, including a contraction in the manufacturing and services sectors. The Eurozone's Gross Domestic Product ("GDP") growth stalled at 0.5%, weighed down by high energy prices and geopolitical tensions. The EUR/USD exchange rate fluctuated, touching a low of 1.03 in March 2024 before recovering to 1.07 by November, driven by improved sentiment as inflation pressures in the region eased.

Asian markets delivered mixed performances. The Morgan Stanley Capital International ("MSCI") Asia ex-Japan Index gained 4.1% during the year, driven by strong performance in India and selective recovery in ASEAN markets. However, China underperformed as concerns about weak economic growth and limited stimulus measures persisted. Mainland Chinese equities fell 8.5% over the year, reflecting investor apprehension about escalating U.S.-China trade tensions and sluggish domestic demand.

India was a bright spot, with its markets rallying 18.7%, supported by political stability and a renewed focus on infrastructure development. The government's strong mandate in key state elections allowed it to prioritize growth-enhancing policies, boosting investor sentiment.

The Financial Times Stock Exchange ("FTSE") Bursa Malaysia Kuala Lumpur Composite ("KLCI") Index recorded a modest gain of 2.5% year-on-year. While the index faced intermittent selling pressure from foreign investors, local institutional and retail investors provided support. Sectoral performance was mixed: construction stocks, such as Gamuda Berhad and IJM Corporation Berhad, outperformed, supported by government infrastructure initiatives, while plantation and utilities sectors lagged due to weaker earnings prospects.

Investment Outlook

Several key macroeconomic factors are expected to influence global equity markets. The primary factor is the trajectory of inflation data in developed countries, particularly the U.S. Changes in U.S. inflation data will determine the Federal Funds Rate and overall financial conditions in the U.S., which will significantly impact global financial conditions.

China's economic health also has broad implications for the global economy, particularly for Asian economies due to close trade linkages with China. The Chinese economy continues to struggle with sluggish housing sales and domestic consumption. Although various stimulus measures have been implemented, they have yet to successfully accelerate the Chinese economy.

Global geopolitical developments are another important driver of financial markets. Donald Trump's election victory would lead to changes in domestic policies affecting U.S. businesses and global trade activities.

These key issues will be closely monitored, and any material developments will impact the portfolio's construction for the remainder of 2024. Our portfolio positioning does incorporate risk mitigation strategies to better withstand potential changes in macroeconomic conditions.

State of Affairs of the Fund

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

Soft Commissions received from Brokers

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

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

During the financial period under review, the management company had received on behalf of the Fund, soft commissions in the form of research materials, data and quotation services, investment-related publications, market data feed and industry benchmarking agencies which are of demonstrable benefit to Unitholders of the Fund.

Cross Trade

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

Securities Financing Transactions

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

Changes Made To the Fund's Information Memorandum

No changes were made to the Fund's Information Memorandum over the financial period under review (date of termination).

TRUSTEE'S REPORT TO THE UNIT HOLDER OF AHAM ABSOLUTE RETURN FUND I ("Fund")

We have acted as the Trustee of the Fund for the financial period from 1 December 2023 to 30 November 2024 (date of termination) and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AHAM Asset Management Berhad has operated and managed the Fund during the financial period covered by these financial statements in accordance with the following:-

1. Limitations imposed on the investment powers of the Manager Company under the Deeds, securities laws and the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework;
2. Valuation and pricing are carried out in accordance with the Deeds; and
3. Any creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirements.

For TMF Trustees Malaysia Berhad
(Company No.: (200301008392 [610812-W])

NORHAYATI BINTI AZIT
DIRECTOR – FUND SERVICES

Kuala Lumpur
27 January 2025

AHAM ABSOLUTE RETURN FUND I

FINANCIAL STATEMENTS

**FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024
(DATE OF TERMINATION)**

AHAM ABSOLUTE RETURN FUND I

FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION)

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AHAM ABSOLUTE RETURN FUND I

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION)

	<u>Note</u>	Financial period from 1.12.2023 to 30.11.2024 (date of <u>termination</u>) RM	Financial year ended <u>30.11.2023</u> RM
INVESTMENT INCOME			
Dividend income		4,340	98,458
Interest income from financial assets at amortised cost		11,128	29,367
Interest income from financial assets at fair value through profit or loss		9,492	153,580
Net loss on foreign currency exchange		(836,847)	(124,197)
Net gain/(loss) on forward foreign currency contracts at fair value through profit or loss	13	80,481	(144,797)
Net gain on financial assets at fair value through profit or loss	9	859,831	339,455
		<hr/>	<hr/>
		128,425	351,866
		<hr/>	<hr/>
EXPENSES			
Management fee	4	(10,447)	(112,239)
Trustee fee	5	(983)	(10,564)
Auditors' remuneration	6	(1,009)	(9,000)
Tax agent's fee	6	(291)	(32,454)
Fund accounting fee	7	(833)	(10,833)
Transaction costs		(9,055)	(31,216)
Other expenses	11	420	(26,910)
		<hr/>	<hr/>
		(22,198)	(233,216)
		<hr/>	<hr/>
NET PROFIT BEFORE TAXATION		106,227	118,650
TAXATION	8	14,485	(64,177)
		<hr/>	<hr/>
NET PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD/YEAR		<u>120,712</u>	<u>54,473</u>

AHAM ABSOLUTE RETURN FUND I

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

	<u>Note</u>	Financial period from 1.12.2023 to 30.11.2024 (date of <u>termination</u>) RM	Financial year ended <u>30.11.2023</u> RM
Net profit after taxation is made up of the following:			
Realised amount		120,712	(377,896)
Unrealised amount		-	432,369
		<u>120,712</u>	<u>54,473</u>

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

AHAM ABSOLUTE RETURN FUND I

STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2024

	<u>Note</u>	As at 30.11.2024 (date of termination) RM	As at 30.11.2023 RM
ASSETS			
Cash and cash equivalents	12	3,808	1,915,561
Amount due from brokers		-	128,295
Dividends receivable		-	379
Amount due from Manager			
- management fee rebate receivable		-	795
Financial assets at fair value through profit or loss	9	-	9,831,455
Forward foreign currency contracts at fair value through profit or loss	13	-	-
Tax recoverable		48,110	8,041
		<hr/>	<hr/>
TOTAL ASSETS		51,918	11,884,526
LIABILITIES			
Forward foreign currency contracts at fair value through profit or loss	13	-	80,481
Amount due to Manager			
- management fee		-	8,237
- advance from Manager		29,036	-
Amount due to Trustee		-	775
Fund accounting fee		-	833
Auditors' remuneration	6	1,008	9,000
Tax agent's fee	6	1,191	4,400
Other payables and accruals		3,045	10,732
		<hr/>	<hr/>
TOTAL LIABILITIES		34,280	114,458
		<hr/>	<hr/>
NET ASSET VALUE OF THE FUND		17,638	11,770,068
		<hr/> <hr/>	<hr/> <hr/>

AHAM ABSOLUTE RETURN FUND I

STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2024 (CONTINUED)

	<u>Note</u>	As at 30.11.2024 (date of termination) RM	As at 30.11.2023 RM
EQUITY			
Unit holder's capital		(9,535,005)	2,338,137
Retained earnings		9,552,643	9,431,931
NET ASSETS ATTRIBUTABLE TO UNIT HOLDER*		<u>17,638</u>	<u>11,770,068</u>
NUMBER OF UNITS IN CIRCULATION*	14	<u>-</u>	<u>12,402,000</u>
NET ASSET VALUE PER UNIT (RM)		<u>-</u>	<u>0.9490</u>

* The Fund has no unit holders, other than the Manager, since 9 January 2024. It has cancelled all of its units as of 29 November 2024 and the net proceeds have been distributed to its remaining unit holder, the Manager on 29 November 2024.

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

AHAM ABSOLUTE RETURN FUND I

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION)

	Unit holder's <u>capital</u> RM	Retained <u>earnings</u> RM	<u>Total</u> RM
Balance as at 1 December 2023	2,338,137	9,431,931	11,770,068
Total comprehensive income for the financial period	-	120,712	120,712
Movement in unit holder's capital:			
Cancellation of units	<u>(11,873,142)</u>	<u>-</u>	<u>(11,873,142)</u>
Balance as at 30 November 2024 (date of termination)	<u><u>(9,535,005)</u></u>	<u><u>9,552,643</u></u>	<u><u>17,638</u></u>
Balance as at 1 December 2022	9,238,140	9,377,458	18,615,598
Total comprehensive income for the financial year	-	54,473	54,473
Movement in unit holders' capital:			
Cancellation of units	<u>(6,900,003)</u>	<u>-</u>	<u>(6,900,003)</u>
Balance as at 30 November 2023	<u><u>2,338,137</u></u>	<u><u>9,431,931</u></u>	<u><u>11,770,068</u></u>

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

AHAM ABSOLUTE RETURN FUND I

STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION)

	<u>Note</u>	Financial period from 1.12.2023 to 30.11.2024 (date of <u>termination</u>) RM	Financial year ended <u>30.11.2023</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		12,401,948	12,747,497
Purchase of investments		(1,582,826)	(10,210,807)
Dividends received		2,983	103,707
Interest received		12,252	254,979
Management fee rebate received		1,359	10,069
Management fee paid		(18,684)	(116,870)
Trustee fee paid		(1,758)	(11,000)
Fund accounting paid		(1,666)	(10,000)
Payment for other fees and expenses		(6,324)	(62,127)
Realised gain on forward foreign currency contract		-	46,940
Net realised foreign currency exchange gain		(836,847)	237,922
Tax paid		(10,233)	-
		<hr/>	<hr/>
Net cash generated from operating activities		9,960,204	2,990,310
		<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for cancellation of units		(11,871,957)	(6,900,003)
		<hr/>	<hr/>
Net cash flows used in financing activities		(11,871,957)	(6,900,003)
		<hr/>	<hr/>
NET DECREASE IN CASH AND CASH EQUIVALENTS		(1,911,753)	(3,909,693)
EFFECTS OF FOREIGN CURRENCY EXCHANGE		-	(119,615)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD/YEAR		1,915,561	5,944,869
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD/YEAR	12	3,808	1,915,561
		<hr/> <hr/>	<hr/> <hr/>

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

AHAM ABSOLUTE RETURN FUND I

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (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 under the historical cost convention, except as disclosed in the summary of significant accounting policies and comply with Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

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

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

The Fund commenced operations on 26 June 2009. As the Fund was left with no unit holder, other than the Manager since 9 January 2024, the Manager terminated the Fund on 30 November 2024 in accordance to the Deeds. The Fund has cancelled all of its units as of 29 November 2024 and the net proceeds have been distributed to its remaining unit holder, the Manager on 29 November 2024. The Manager and the Trustee of the Fund hereby authorised the termination of the trust in respect of the Fund on 30 November 2024. As such, the going concern assumption can no longer be used for the preparation of financial statements. Accordingly, the Manager has prepared the financial statements on a non-going concern basis of accounting.

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

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

AHAM ABSOLUTE RETURN FUND I

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

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

- 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 30 November 2024.

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 and unquoted fixed income securities are recognised based on effective interest rate method on an accrual basis.

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

AHAM ABSOLUTE RETURN FUND I

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

B INCOME RECOGNITION (CONTINUED)

Realised gains and losses on sale of investments

For quoted equities and 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.

For unquoted fixed income securities, 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 cost adjusted for accretion of discount or amortisation of premium on investments.

C TRANSACTION COSTS

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

D TAXATION

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

Withholding taxes on investment income from foreign investment are based on tax regime of the respective countries that the Fund invests in. Such withholding taxes are not “income tax” in nature and are recognised, measured based on the requirements of MFRS 137. They are presented within other expenses line in the statement of comprehensive income.

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.

AHAM ABSOLUTE RETURN FUND I

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

F FOREIGN CURRENCY TRANSLATIONS

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 recognised in statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

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

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

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

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 cash and cash equivalents, amount due from brokers, amount due from Manager and dividends receivable 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 auditors' remuneration, tax agent's fee, fund accounting fee and other payables and accruals as financial liabilities measured at amortised cost.

AHAM ABSOLUTE RETURN FUND I

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement

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

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

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

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

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

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

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

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

AHAM ABSOLUTE RETURN FUND I

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

Unquoted fixed income securities including money market instrument denominated in Ringgit Malaysia are revalued on a daily basis based on fair value prices quoted by a bond pricing agency ("BPA") registered with the Securities Commission ("SC") as per the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework. Where such quotation is not available or where the Manager is of the view that the price quoted by the BPA for a specific unquoted fixed income securities differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager:

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

Unquoted fixed income securities denominated in foreign currencies are revalued at least twice a week by reference to the mid price quoted in Bloomberg. The Fund uses the Composite Bloomberg Bond Trader ("CBBT") which is a weighted average bid and ask of price contributions submitted by Bloomberg Dealers. However, if such quotations are not available, the fair value shall be determined by reference to the bid and offer prices quoted by independent and reputable financial institutions.

Financial assets at amortised cost and other financial liabilities, except forward foreign currency contracts 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 considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

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

AHAM ABSOLUTE RETURN FUND I

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

Definition of default and credit-impaired financial assets

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

Quantitative criteria:

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

Qualitative criteria:

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

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

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

Write-off

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

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

AHAM ABSOLUTE RETURN FUND I

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

I AMOUNT DUE FROM/(TO) BROKER

Amounts due from and to broker represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. The due from broker balance is held for collection. Refer to Note G for accounting policy on recognition and measurement.

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

Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

J UNIT HOLDER'S CAPITAL

The unit holder's 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 NAV;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

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

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

K 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 comprises forward foreign currency contracts. 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 negative fair value are presented as financial assets measured at fair value through profit or loss and financial liabilities measured at fair value through profit or loss, respectively.

AHAM ABSOLUTE RETURN FUND I

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

K DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

The fair value of forward foreign currency contracts is determined using forward exchange rates at the statements of financial position, with the resulting value discounted back to present value.

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

L CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

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

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

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

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

M REALISED AND UNREALISED PORTIONS OF PROFIT OR LOSS AFTER TAX

The analysis of realised and unrealised portions of profit or loss after tax as presented on the statement of comprehensive income is prepared in accordance with SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION)

1 INFORMATION ON THE FUND

The Wholesale Fund was constituted under the name HwangDBS Absolute Return Fund (the “Fund”) pursuant to the execution of a Deed dated 12 June 2009, Supplemental Deed dated 18 January 2012, Second Supplemental Deed dated 27 June 2014, Third Supplemental Deed dated 05 October 2018 and Fourth Supplemental Deed dated 26 October 2023 (the “Deeds”) entered into between AHAM Asset Management Berhad (the “Manager”) and TMF Trustees Malaysia Berhad (the “Trustee”). The Fund changed its name from HwangDBS Absolute Return Fund to Hwang Absolute Return Fund as amended by the Supplemental Deed dated 18 January 2012 and from Hwang Absolute Return Fund to Affin Hwang Absolute Return Fund I as amended by the Second Supplemental Deed dated 27 June 2014. Subsequently, the Fund changed its name from Affin Hwang Absolute Return Fund I to AHAM Absolute Return Fund I as amended by the Fourth Supplemental Deed dated 26 October 2023.

The Fund commenced operations on 26 June 2009. As the Fund was left with no unit holder, other than the Manager since 9 January 2024, the Manager terminated the Fund on 30 November 2024 in accordance to the Deeds. The Fund has cancelled all of its units as of 29 November 2024 and the net proceeds have been distributed to its remaining unit holder, the Manager on 29 November 2024. The Manager and the Trustee of the Fund hereby authorised the termination of the trust in respect of the Fund on 30 November 2024. As such, the going concern assumption can no longer be used for the preparation of financial statements. Accordingly, the Manager has prepared the financial statements on a non-going concern basis of accounting.

The Fund may invest in any of the following investments:

- a) Listed securities;
- b) Unlisted securities including, without limitation, securities that have been approved by the relevant regulatory authorities for the listing of and quotation for such securities;
- c) Government bonds, treasury bills and other government approved or guaranteed bonds;
- d) Debentures including corporate bonds;
- e) Deposits;
- f) Other money market instruments such as negotiable certificates of deposits and bankers’ acceptance;
- g) Units/shares in collective investment schemes;
- h) Warrants;
- i) Financial derivatives, for the purpose of hedging only; and
- j) Any other form of investments permitted by the SC which is in line with the objective of the Fund.

The main objective of the Fund is to achieve long term capital growth while striving to maintain capital stability.

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

The financial statements were authorised for issue by the Manager on 27 January 2025.

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

<u>As at 30.11.2024 (date of termination)</u>	<u>Note</u>	At amortised <u>cost</u> RM	At fair value through <u>profit or loss</u> RM	<u>Total</u> RM
<u>Financial assets</u>				
Cash and cash equivalents	12	3,808	-	3,808
Total		<u>3,808</u>	<u>-</u>	<u>3,808</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- advances from Manager		29,036	-	29,036
Auditor's remuneration		1,008	-	1,008
Tax agent's fee		1,191	-	1,191
Other payables and accruals		3,045	-	3,045
Total		<u>34,280</u>	<u>-</u>	<u>34,280</u>

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

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

Financial instruments are as follows: (continued)

<u>As at 30.11.2023</u>	<u>Note</u>	At amortised cost RM	At fair value through profit or loss RM	Total RM
<u>Financial assets</u>				
Cash and cash equivalents	12	1,915,561	-	1,915,561
Amount due from Manager				
- management fee rebate receivable		795	-	795
Dividends receivable		379	-	379
Quoted equities	9	-	4,747,372	4,747,372
Unquoted fixed income securities	9	-	2,233,474	2,233,474
Collective investment schemes	9	-	1,632,927	1,632,927
Exchange-traded funds	9	-	1,217,682	1,217,682
Amount due from brokers		128,295	-	128,295
Total		<u>2,045,030</u>	<u>9,831,455</u>	<u>11,876,485</u>
<u>Financial liabilities</u>				
Forward foreign currency contracts	13	-	80,481	80,481
Amount due to Manager				
- management fee		8,237	-	8,237
Amount due to Trustee		775	-	775
Fund accounting fee		833	-	833
Auditor's remuneration		9,000	-	9,000
Tax agent's fee		4,400	-	4,400
Other payables and accruals		10,732	-	10,732
Total		<u>33,977</u>	<u>80,481</u>	<u>114,458</u>

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 Unlisted Capital Market Products under the Lodge and Launch Framework.

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

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

Market risk

(a) Price risk

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

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

	As at 30.11.2024 (date of termination) RM	As at 30.11.2023 RM
Quoted investments		
Quoted equities	-	4,747,372
Collective investment schemes	-	1,632,927
Exchanged-traded fund	-	1,217,682
	<u>-</u>	<u>7,597,981</u>
Unquoted investments*		
Unquoted fixed income securities	-	2,233,474
	<u>-</u>	<u>2,233,474</u>

* Includes interest receivable of RMNil (2023: RM21,856).

The Fund is not exposed to price risk as at 30 November 2024 (date of termination) as the investments of the Fund have been sold off.

The following table summarises the sensitivity of the Fund's profit after taxation and NAV to price risk movements as at 30 November 2023. The analysis is based on the assumptions that the market price increased by 10% and decreased by 10% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted and unquoted securities, having regard to the historical volatility of the prices.

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

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

Market risk (continued)

(a) Price risk (continued)

<u>% Change in price</u>	<u>Market value</u> RM	Impact on profit after <u>tax/NAV</u> RM
<u>As at 30.11.2023</u>		
-10%	8,828,639	(980,960)
0%	9,809,599	-
+10%	10,790,559	980,960

(b) Interest rate risk

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

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

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

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

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

Market risk (continued)

(b) Interest rate risk (continued)

The table below summarises the sensitivity of the Fund's profit after taxation and NAV to movements in prices of unquoted fixed income securities held by the Fund as a result of movement in interest rate as at 30 November 2023. The analysis is based on the assumptions that the interest rate increased and decreased by 2% (200 basis points) with all other variables held constant.

<u>% Change in interest rate</u>	<u>Impact on profit after tax/NAV</u> RM
<u>As at 30.11.2023</u>	
+ 2%	(38,231)
- 2%	39,376

The Fund is not exposed to any interest rate risk as at 30 November 2024 (date of termination) as the investments of the Fund have been sold off.

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

(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.

The Fund has no financial instruments denominated in foreign currencies as at 30 November 2024 (date of termination).

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

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

	<u>Quoted equities & exchange-traded funds</u> RM	<u>Unquoted fixed income securities</u> RM	<u>Cash and cash equivalents</u> RM	<u>Forward foreign currency contracts</u> RM	<u>Other assets*</u> RM	<u>Total</u> RM
<u>As at 30.11.2023</u>						
<u>Financial assets</u>						
Australian Dollar	-	-	15,318	-	-	15,318
Chinese Yuan	-	-	162,626	-	-	162,626
Hong Kong Dollar	1,659,589	-	85,317	-	128,295	1,873,201
Korea Won	867,839	-	-	-	-	867,839
Singapore Dollar	150,525	-	75,589	-	-	226,114
Thai Baht	448,279	-	-	-	-	448,279
United States Dollar	2,838,822	2,233,474	52,025	-	379	5,124,700
	<u>5,965,054</u>	<u>2,233,474</u>	<u>390,875</u>	<u>-</u>	<u>128,674</u>	<u>8,718,077</u>
<u>Financial liabilities</u>						
United States Dollar	-	-	-	80,481	-	80,481
	<u>-</u>	<u>-</u>	<u>-</u>	<u>80,481</u>	<u>-</u>	<u>80,481</u>

*Other assets consist of amount due from broker & dividend receivables.

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

The table below summarises the sensitivity of the Fund's profit after tax and NAV to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes by each currency's respective historical volatility, with all other variables remain constants. 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 (decrease)/increase in the net assets attributable to unit holders 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> %	Impact on profit after tax/NAV RM
<u>As at 30.11.2023</u>		
Australian Dollar	+/- 9.36	+/- 1,434
Chinese Yuan	+/- 4.94	+/- 8,034
Hong Kong Dollar	+/- 6.08	+/- 113,891
Korea Won	+/- 7.94	+/- 68,906
Singapore Dollar	+/- 3.78	+/- 8,547
United States Dollar	+/- 6.06	+/- 305,680
Thailand Baht	+/- 7.22	+/- 32,366

Credit risk

Credit risk refers to the ability of an issuer or counterparty to make timely payments of interest, principals and proceeds from realisation of investment. The Manager manages the credit risk by undertaking credit evaluation to minimise such risk.

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

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

Credit risk (continued)

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

Credit risk arising from placements on deposits in licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions.

For unquoted fixed income securities, the Manager regularly reviews the rating assigned to the issuer so that necessary steps can be taken if the rating falls below those described by the Deeds and SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework

The settlement terms of the proceeds from the creation of units' receivable from the Manager are governed by the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

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

	Cash and cash <u>equivalents</u> RM	<u>Total</u> RM
<u>As at 30.11.2024</u> <u>(date of termination)</u>		
Financial Services - AAA	3,808	3,808
	<u>3,808</u>	<u>3,808</u>

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

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

Credit risk (continued)

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

	Unquoted fixed income securities RM	Cash and cash equivalents RM	Other assets* RM	Total RM
<u>As at 30.11.2023</u>				
Financial Services				
- AAA	-	1,915,561	128,295	2,043,856
Government				
- AAA	390,010	-	-	390,010
Industrials				
- NR ("Non-rated")	947,781	-	-	947,781
Real Estate				
- Baa1	867,729	-	-	867,729
- NR	27,954	-	-	27,954
Technology				
- NR	-	-	379	379
Others				
- NR	-	-	795	795
	<u>2,233,474</u>	<u>1,915,561</u>	<u>129,469</u>	<u>4,278,504</u>

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

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (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. The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payment and cancellations of units by unit holders. Liquid assets comprise cash and other instruments, which are capable of being converted into cash within 7 days.

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

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

	<u>Within one month</u> RM	<u>Between one month to one year</u> RM	<u>Total</u> RM
<u>As at 30.11.2024 (date of termination)</u>			
Amount due to Manager			
- advance from Manager	-	29,036	29,036
Auditor's remuneration	-	1,008	1,008
Tax agent's fee	-	1,191	1,191
Other payables and accruals	-	3,045	3,045
	<u>-</u>	<u>34,280</u>	<u>34,280</u>
	<u>-</u>	<u>34,280</u>	<u>34,280</u>
<u>As at 30.11.2023</u>			
Amount due to Manager			
- management fee	8,237	-	8,237
Amount due to Trustee	775	-	775
Fund accounting fee	833	-	833
Auditor's remuneration	-	9,000	9,000
Tax agent's fee	-	4,400	4,400
Other payables and accruals	-	10,732	10,732
Forward foreign currency contracts	-	80,481	80,481
	<u>9,845</u>	<u>104,613</u>	<u>114,458</u>
	<u>9,845</u>	<u>104,613</u>	<u>114,458</u>

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

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

Capital risk

The capital of the Fund is represented by equity consisting of unit holders' capital and retained earnings. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. 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 unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

3 FAIR VALUE ESTIMATION

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

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

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

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

(i) Fair value hierarchy

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

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

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

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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

As at 30 November 2024 (date of termination), the Fund's investments have been sold off.

The following table analyses within the fair value hierarchy the Fund's financial assets and financial liabilities (by class) measured at fair value as at 30 November 2023:

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>As at 30.11.2023</u>				
Financial assets at fair value through profit or loss:				
- quoted equities	4,747,372	-	-	4,747,372
- unquoted fixed income securities	-	2,233,474	-	2,233,474
- collective investment schemes	1,632,927	-	-	1,632,927
- exchange-traded fund	1,217,682	-	-	1,217,682
	<u>7,597,981</u>	<u>2,233,474</u>	<u>-</u>	<u>9,831,455</u>
Financial liabilities at fair value through profit or loss:				
- forward foreign currency contracts	-	80,481	-	80,481
	<u>-</u>	<u>80,481</u>	<u>-</u>	<u>80,481</u>

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

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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

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

4 MANAGEMENT FEE

In accordance with the Deeds, the Manager is entitled to a management fee at a rate not exceeding 1.00% per annum on the NAV of the Fund, calculated on a daily basis.

The Manager imposes a tiered management fee in respect of the Fund as stated in the Information Memorandum: -

Net Asset Value (NAV)	% of NAV of the Funds
< RM10 million	1.00% per annum
≥ RM10 million to < RM25 million	0.85% per annum
≥ RM25 million to < RM50 million	0.80% per annum
≥ RM50 million	0.75% per annum

For the financial period ended 30 November 2024 (date of termination) and financial year ended 30 November 2023, management fee is recognised in accordance with the rates stated above.

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 Deeds, the Trustee is entitled to an annual fee, exclusive of foreign custodian fees, at a rate not exceeding 0.10% per annum on the NAV of the Fund, calculated on a daily basis.

For the financial period ended 30 November 2024 (date of termination), the Trustee fee is recognised at a rate of 0.08% (2023: 0.08%) per annum on the NAV of the Fund, calculated on a daily basis as stated in the Information Memorandum.

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

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

6 AUDITORS' REMUNERATION & TAX AGENT'S FEES

For the financial period from 1 December 2023 to 30 November 2024 (date of termination), the auditors' remuneration and tax agent's fee of the Fund are RM9,000 and RM3,500 respectively, of which RM7,992 and RM2,309 of the fees are borne by the Manager.

7 FUND ACCOUNTING FEE

The annual fund valuation and accounting fee for the Fund is RM833 (2023: RM10,833) for the financial period/year.

8 TAXATION

	Financial period from 1.12.2023 to 30.11.2024 (date of termination) RM	Financial year ended 30.11.2023 RM
Current taxation	7,172	83,703
Overprovision of prior year tax	(21,657)	(2,496)
Deferred tax (Note 10)	-	(17,030)
	<u>(14,485)</u>	<u>64,177</u>

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

	Financial period from 1.12.2023 to 30.11.2024 (date of termination) RM	Financial year ended 30.11.2023 RM
Net profit before taxation	<u>106,227</u>	<u>118,650</u>
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	25,494	28,476
Tax effects of:		
Investment income not subject to tax	(23,252)	(15,390)
Expenses not deductible for tax purposes	2,578	26,875
Restriction on tax deductible expenses for Wholesale Fund	2,352	26,712
Overprovision of prior year tax	(21,657) (2,496)	
	<u>(14,485)</u>	<u>64,177</u>

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30.11.2024 (date of termination) RM	As at 30.11.2023 RM
Financial assets at fair value through profit or loss:		
- quoted equities – foreign	-	4,747,372
- unquoted fixed income securities – foreign	-	2,233,474
- collective investment schemes – local	-	1,632,927
- exchange-traded funds – foreign	-	1,217,682
	<u>-</u>	<u>9,831,455</u>
	<u>-</u>	<u>9,831,455</u>
	Financial period from 1.12.2023 to 30.11.2024 (date of termination) RM	Financial year ended 30.11.2023 RM
Net gain on financial assets at fair value through profit or loss:		
- realised gain/(loss) on sale of investments	859,267	(416,868)
- unrealised gain on changes in fair value	-	746,384
- management fee rebate on collective investment schemes #	564	9,939
	<u>859,831</u>	<u>339,455</u>
	<u>859,831</u>	<u>339,455</u>

In arriving at the fair value of collective investment schemes, the management fee initially paid to the Manager of the collective investment schemes have been considered as part of its NAV. In order to prevent the double charging of management fee which is not permissible under SC's Guidelines, management fee charged on the Fund's investments in collective investment schemes have 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.

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

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

(a) Quoted equities – foreign

(i) There are no foreign quoted equities as at 30 November 2024 (date of termination).

(ii) Quoted equities – foreign as at 30 November 2023 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Hong Kong</u>				
<u>Consumer Discretionary</u>				
Alibaba Group Holding Ltd	7,560	397,543	327,844	2.79
Samsonite International SA	5,100	67,295	69,361	0.59
	<u>12,660</u>	<u>464,838</u>	<u>397,205</u>	<u>3.38</u>
<u>Consumer Staples</u>				
Budweiser Brewing Company				
APAC	23,800	292,446	195,914	1.66
Vinda International Holdings	6,000	74,841	71,580	0.61
	<u>29,800</u>	<u>367,287</u>	<u>267,494</u>	<u>2.27</u>
<u>Financial Services</u>				
AIA Group Ltd	10,200	465,130	410,082	3.48
<u>Technology</u>				
Tencent Holdings Ltd	3,000	533,619	584,809	4.97
<u>South Korea</u>				
<u>Healthcare</u>				
Hugel Inc	328	158,278	180,499	1.53

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 30 November 2023 are as follows: (continued)

	<u>Quantity</u>	Aggregate cost RM	Fair value RM	Percentage of NAV %
<u>South Korea (continued)</u>				
<u>Technology</u>				
SK Hynix Inc	744	240,218	359,724	3.06
<u>Telecommunication</u>				
Samsung Electronics Co Ltd	1,248	270,527	327,616	2.78
<u>Singapore</u>				
<u>Real Estate</u>				
CapitaLand Integrated Commercial Trust	23,700	143,825	150,525	1.28
<u>Taiwan</u>				
<u>Technology</u>				
Taiwan Semiconductor Manufacturing	1,461	620,956	661,961	5.62
<u>Thailand</u>				
<u>Consumer Staples</u>				
CP ALL PCL	41,100	345,834	281,162	2.39
<u>Financial Services</u>				
Bangkok Bank Plc	8,400	175,470	167,117	1.42

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 30 November 2023 are as follows: (continued)

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>United States</u>				
<u>Consumer Discretionary</u>				
Amazon.com Inc	375	218,050	255,237	2.17
<u>Energy</u>				
Valaris Limited	307	99,151	98,105	0.84
<u>Financial Services</u>				
HDFC Bank Ltd	888	244,240	248,397	2.11
<u>Technology</u>				
Meta Platforms Inc	55	84,634	83,818	0.71
Microsoft Corporation	155	151,745	273,621	2.32
	210	236,379	357,439	3.03
Total quoted equities – foreign	<u>134,421</u>	<u>4,583,802</u>	<u>4,747,372</u>	<u>40.33</u>
Accumulated unrealised gain on quoted equities – foreign		<u>163,570</u>		
Total quoted equities – foreign		<u>4,747,372</u>		

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

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

(b) Unquoted fixed income securities – foreign

(i) There are no unquoted fixed income securities as at 30 November 2024 (date of termination).

(ii) Unquoted fixed income securities – foreign as at 30 November 2023 are as follows:

<u>Name of issuer</u>	<u>Nominal value</u> RM	<u>Adjusted cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Bonds</u>				
4.75% Scentre Group Trust 2 Call: 24.06.2026 (Baa1)	931,800	852,969	867,729	7.37
6.75% Times China Holdings Ltd Call: 08.07.2023 (NR)	1,164,750	1,046,106	27,954	0.24
2.75% United Treasury N/B Call: 15.11.2042 (Aaa)	512,490	399,157	390,010	3.31
8.10% Yinson Juniper Ltd Call: 29.03.2024 (NR)	931,800	825,699	947,781	8.05
Total unquoted fixed income securities – foreign	<u>3,540,840</u>	<u>3,123,931</u>	<u>2,233,474</u>	<u>18.97</u>
Accumulated unrealised loss on unquoted fixed income securities – foreign		<u>(890,457)</u>		
Total unquoted fixed income securities – foreign		<u>2,233,474</u>		

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

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

(c) Collective investment schemes – local

(i) There are no local collective investment schemes as at 30 November 2024 (date of termination).

(ii) Collective investment schemes – local as at 30 November 2023 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
AHAM INR Flexi Fund	200,000	271,400	279,440	2.37
AHAM Select Cash Fund	739,105	803,741	818,190	6.95
AHAM TWD Flexi Fund	209,838	263,629	535,297	4.55
	<hr/>	<hr/>	<hr/>	<hr/>
Total collective investment schemes – local	<u>1,148,943</u>	<u>1,338,770</u>	<u>1,632,927</u>	<u>13.87</u>
Accumulated unrealised gain on collective investment schemes – local		<u>294,157</u>		
Total collective investment schemes – local		<u><u>1,632,927</u></u>		

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

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

(d) Exchange-traded funds – foreign

(i) There are no foreign exchange-traded funds as at 30 November 2024 (date of termination).

(ii) Exchange-traded funds – foreign as at 30 November 2023 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
Energy Select Sector SPDR Fund	301	122,163	118,527	1.01
iShares USD Treasury Bond 20+y	10,409	230,828	213,671	1.82
iShares Core MSCI Asia ex Japan ETF	10,000	292,544	285,597	2.43
Vanguard US Treasury 0-1 Year Bond UCITS ETF	2,440	600,504	599,887	5.09
	<hr/>	<hr/>	<hr/>	<hr/>
Total quoted exchange-traded funds – foreign	23,150	1,246,039	1,217,682	10.35
	<hr/>	<hr/>	<hr/>	<hr/>
Accumulated unrealised loss on exchange-traded funds – foreign		(28,357)		
		<hr/>		
Total quoted exchange-traded funds – foreign		1,217,682		
		<hr/>		

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

10 DEFERRED TAX LIABILITIES

	As at 30.11.2024 (date of <u>termination</u> RM	As at <u>30.11.2023</u> RM
Deferred tax liabilities	-	-

The movements in the deferred tax liabilities balances are as follows:

	Foreign interest receivables on financial assets at fair value <u>through profit or loss</u> As at 30.11.2024 (date of <u>termination</u> RM	As at <u>30.11.2023</u> RM
Balance at the beginning of the financial period/year	-	17,030
Transfer to income statement (Note 8)	-	(17,030)
Balance as at the end of the financial period/year	-	-

11 OTHER EXPENSES

	Financial period from 1.12.2023 to 30.11.2024 (date of <u>termination</u>) RM	Financial year ended <u>30.11.2023</u> RM
Custodian fee expenses	4,455	14,991
Bank charges	696	496
Withholding tax expenses	943	9,734
General expenses	-	900
SST expenses	-	789
Overprovision of other expenses	(6,514)	-
	(420)	26,910

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

12 CASH AND CASH EQUIVALENTS (CONTINUED)

	As at 30.11.2024 (date of <u>termination</u> RM	As at <u>30.11.2023</u> RM
Cash and bank balances	3,808	415,351
Deposits with licensed financial institutions	-	1,500,210
	<u>3,808</u>	<u>1,915,561</u>

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

	As at 30.11.2024 (date of <u>termination</u> RM %	As at <u>30.11.2023</u> RM %
Deposits with licensed financial institutions	-	3.02

Deposits with licensed financial institutions have an average remaining day to maturity period of Nil day (2023: 1 day).

13 FORWARD FOREIGN CURRENCY CONTRACTS

As at the date of statement of financial position, there are Nil (2023: 2) forward foreign currency contracts outstanding. The notional principal amount of the outstanding forward currency contracts amounted to RM Nil (2023: RM2,008,050). The forward foreign currency contracts entered into during the financial year were to hedge against the currency exposure arising from investments in foreign unquoted fixed income securities denominated in United States Dollar. As the Fund has not adopted hedge accounting during the financial year, the changes in the fair value of the forward foreign currency contracts are recognised immediately in the statement of comprehensive income.

	As at 30.11.2024 (date of <u>termination</u> RM	As at <u>30.11.2023</u> RM
Financial liabilities at fair value through profit or loss:		
- forward foreign currency contracts	-	(80,481)
	<u>-</u>	<u>(80,481)</u>

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

13 FORWARD FOREIGN CURRENCY CONTRACTS (CONTINUED)

	Financial period from 1.12.2023 to 30.11.2024 (date of <u>termination</u>) RM	Financial year ended <u>30.11.2023</u> RM
Net gain/(loss) on forward foreign currency contracts at fair value through profit or loss:		
- realised gain on forward foreign currency contracts	80,481	46,940
- unrealised loss on forward foreign currency contracts	-	(191,737)
	<u>80,481</u>	<u>(144,797)</u>

(a) Forward foreign currency contracts

(i) There are no forward foreign currency contracts as at 30 November 2024 (date of termination).

(ii) Forward foreign currency contracts as at 30 November 2023 are as follows:

<u>Name of issuer</u>	<u>Receivables</u> RM	<u>Payables</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
Affin Hwang Investment Bank Bhd	1,563,800	1,624,413	(60,613)	(0.51)
CIMB Bank Bhd	444,250	464,118	(19,868)	(0.17)
Total forward foreign currency contracts	<u>2,008,050</u>	<u>2,088,531</u>	<u>(80,481)</u>	<u>(0.68)</u>

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

14 NUMBER OF UNITS IN CIRCULATION

	As at 30.11.2024 (date of termination) No. of units	As at 30.11.2023 No. of units
At the beginning of the financial year	12,402,000	19,126,000
Cancellation of units	(12,402,000)	(6,724,000)
At the end of the financial year	<u>-</u>	<u>12,402,000</u>

15 TRANSACTIONS WITH BROKERS

(i) Details of transactions with the top 10 brokers for the financial period ended 30 November 2024 (date of termination) are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage fees</u> %
MarketAxess Holdings Inc	2,631,659	20.03	-	0.00
CLSA Ltd	2,332,734	17.75	1,221	22.18
AHAM Asset Management Berhad #	1,649,393	12.55	-	0.00
Macquarie Bank Limited Hong Kong	1,239,305	9.43	496	9.00
Flow Traders Ltd	895,659	6.82	-	0.00
Jefferies International Limited	812,754	6.18	-	0.00
Alliance Bernstein (Singapore) Ltd	534,224	4.06	50	0.91
Macquarie Securities Korea Limited	508,139	3.87	1,270	23.07
JP Morgan Chase Bank Bhd	496,809	3.78	-	0.00
Bank of America Merrill Lynch	470,822	3.58	-	0.00
Others	1,570,712	11.95	2,469	44.84
	<u>13,142,210</u>	<u>100.00</u>	<u>5,506</u>	<u>100.00</u>

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

15 TRANSACTIONS WITH BROKERS (CONTINUED)

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

<u>Name of brokers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage fees</u> %
CLSA Ltd	3,770,961	17.26	4,379	23.78
Alliance Bernstein (Singapore) Ltd	2,756,154	12.61	1,382	7.51
Robert W. Baird & Co.	1,804,607	8.26	438	2.38
AHAM Asset Management Berhad #	1,489,566	6.82	-	-
Bank of America Merrill Lynch	1,376,756	6.30	3,616	19.63
Instinet Pacific Limited	1,346,658	6.16	708	3.84
Flow Traders Ltd	867,984	3.97	-	-
Morgan Stanley Asia Limited	824,423	3.77	-	-
Citibank Berhad	815,381	3.73	-	-
JP Morgan Securities (Asia Pacific) Ltd	810,424	3.71	-	-
Others #	5,981,247	27.41	7,894	42.86
	<u>21,844,161</u>	<u>100.00</u>	<u>18,417</u>	<u>100.00</u>

Included in transactions with brokers are trades with AHAM Asset Management Berhad, the Manager amounting to RM1,649,393 (2023: RM1,489,566). The Manager is of the opinion that all transactions with the Manager have been entered into at agreed terms between the related parties.

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

16 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>Relationships</u>
CVC Capital Partners Asia V L.P. ("CVC Asia V")	Ultimate holding company of the Manager
Lembaga Tabung Angkatan Tentera ("LTAT")	Former ultimate holding corporate body of the Manager and substantial shareholder of the Manager
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 International Limited ("NAM")	Substantial shareholder of the Manager
AHAM Asset Management Berhad	The Manager
Subsidiaries and associated companies of CVC Asia V as disclosed in their financial statements	Subsidiaries and associated companies of the ultimate holding company of the Manager
Directors of AHAM Asset Management Berhad	Directors of the Manager

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

	<u>30.11.2024 (date of termination)</u>	As at	<u>30.11.2023</u>	As at
	No. of units	RM	No. of units	RM
<u>The Manager:</u>				
AHAM Asset Management Berhad (The units are held legally for booking purposes)	-	-	2,648	2,513
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

17 TOTAL EXPENSE RATIO ("TER")

	Financial period from 1.12.2023 to 30.11.2024 (date of <u>termination</u>) %	Financial year ended <u>30.11.2023</u> %
TER	0.92	1.46

TER is derived from the following calculation:

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

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

The average NAV of the Fund for the financial period/year calculated on a daily basis is RM1,230,159 (2023: RM13,204,376).

AHAM ABSOLUTE RETURN FUND I

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2023 TO 30 NOVEMBER 2024 (DATE OF TERMINATION) (CONTINUED)

18 PORTFOLIO TURNOVER RATIO (“PTR”)

	Financial period from 1.12.2023 to 30.11.2024 (date of <u>termination</u>)	Financial year ended <u>30.11.2023</u>
PTR (times)	5.47	0.90

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 = RM 1,582,680 (2023: RM10,189,300)
total disposals for the financial period/year = RM11,884,384 (2023: RM13,554,315)

AHAM ABSOLUTE RETURN FUND I

STATEMENT BY THE MANAGER

I, Dato' Teng Chee Wai, for and on behalf of the board of directors of the Manager, **AHAM Asset Management Berhad**, do hereby state that in the opinion of the Manager, the financial statements set out on pages 1 to 45 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 30 November 2024 and of its financial performance, changes in equity and cash flows for the financial period from 1 December 2023 to 30 November 2024 (date of termination) in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

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

DATO' TENG CHEE WAI
EXECUTIVE DIRECTOR/MANAGING DIRECTOR

Kuala Lumpur
27 January 2025

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDER OF AHAM ABSOLUTE RETURN FUND I

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of AHAM Absolute Return Fund I (“the Fund”) give a true and fair view of the financial position of the Fund as at 30 November 2024 (date of termination), and of its financial performance and its cash flows for the financial period from 1 December 2023 to 30 November 2024 (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 30 November 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 1 to 45.

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.

Emphasis of matter

We draw attention to Note A on the basis of preparation of the financial statements, which states that the Fund has been terminated on 30 November 2024. 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.

**INDEPENDENT AUDITORS' REPORT
TO THE UNIT HOLDER OF AHAM ABSOLUTE RETURN FUND I (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 gives 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 UNIT HOLDER OF AHAM ABSOLUTE RETURN FUND I (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

INDEPENDENT AUDITORS' REPORT
TO THE UNIT HOLDER OF AHAM ABSOLUTE RETURN FUND I (CONTINUED)

OTHER MATTERS

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

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
27 January 2025

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