

ANNUAL REPORT
31 May 2025

AHAM Absolute Return Fund II

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

CUSTODIAN
Deutsche Bank (Malaysia) Berhad
199401026871 (312552-W)

Built On Trust

aham.com.my

AHAM ABSOLUTE RETURN FUND II

Annual Report and Audited Financial Statements For the Financial Year Ended 31 May 2025

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FUND INFORMATION

Fund Name	AHAM Absolute Return Fund II
Fund Type	Growth
Fund Category	Mixed Assets
Investment Objective	The Fund is categorised as growth fund which seeks to achieve medium to long-term capital appreciation by investing primarily in securities of developed and emerging markets globally
Benchmark	Absolute return of 8% per annum
Distribution Policy	The Fund is not expected to make distribution. However, incidental distribution may be declared whenever is appropriate.

FUND PERFORMANCE DATA

Category	As at 31 May 2025 (%)	As at 31 May 2024 (%)	As at 31 May 2023 (%)
Portfolio Composition			
Quoted equities – local			
- Financial Services	6.51	5.12	-
- Utilities	-	2.95	2.42
Total quoted equities – local	6.51	8.07	2.42
Quoted equities – foreign			
- Consumer Discretionary	12.43	11.72	9.61
- Consumer Staples	7.90	3.58	7.69
- Energy	-	2.06	-
- Financial Services	9.02	12.09	4.97
- Health Care	9.78	6.06	2.60
- Industrial	1.85	3.79	2.15
- Real Estate	-	-	7.26
- Technology	14.97	23.24	26.05
- Utilities	3.70	-	-
- Total quoted equities – foreign	59.65	62.54	60.33

FUND PERFORMANCE DATA (CONTINUED)

Category	As at 31 May 2025 (%)					As at 31 May 2024 (%)					As at 31 May 2023 (%)				
Collective investment scheme – local	12.62					12.17					18.33				
Collective investment scheme – foreign	0.75					0.71					0.57				
Exchange-traded funds – foreign	14.67					6.77					4.99				
Cash & cash equivalent	5.80					9.74					13.36				
Total	100.00					100.00					100.00				
Currency class	MYR Class	AUD Class	USD Class	GBP Class	SGD Class	MYR Class	AUD Class	USD Class	GBP Class	SGD Class	MYR Class	AUD Class	USD Class	GBP Class	SGD Class
Total NAV (million)	241.536	1.167	6.046	0.230	3.224	282.520	1.535	5.918	0.222	3.634	339.516	2.183	9.347	0.220	3.617
NAV per Unit (in respective currencies)	1.4168	0.6296	0.5204	0.5521	0.5137	1.4291	0.5543	0.4745	0.5329	0.4904	1.2913	0.5241	0.4375	0.5060	0.4533
Unit in Circulation (million)	170.485	1.853	11.618	0.416	6.276	197.693	2.769	12.472	0.416	7.410	262.921	4.166	21.362	0.434	7.980
Highest NAV	1.5312	0.6618	0.5315	0.6129	0.5479	1.4629	0.5704	0.4825	0.5451	0.4972	1.3421	0.5425	0.4944	0.5711	0.5003
Lowest NAV	1.3166	0.5512	0.4583	0.5097	0.4733	1.2465	0.4926	0.4069	0.4752	0.4266	1.2023	0.4817	0.3974	0.4911	0.4298
Return of the fund (%)	-0.86	13.58	9.67	3.60	4.75	10.67	5.76	8.46	5.32	8.18	-1.95	3.13	-6.95	-4.94	-7.88
- Capital Return (%)	-0.86	13.58	9.67	3.60	4.75	10.67	5.76	8.46	5.32	8.18	-1.95	3.13	-6.95	-4.94	-7.88
- Income Return (%)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Gross Distribution per Unit (sen)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Distribution per Unit (sen)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Expense Ratio (%) ¹			1.07					1.05					1.13		
Portfolio Turnover Ratio (times) ²			0.72					1.31					0.83		

¹ The Fund's TER was higher than previous financial year due to lower average NAV of the Fund incurred during the financial year.

² The Fund's PTR was lower than the previous financial year due to lower trading activities during the financial year.

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 year taking into account all the distribution payable (if any) during the stipulated year.

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	=	Capital return x Income return – 1

Income Distribution / Unit Split

No income distributions or unit splits were declared for the financial year ended 31 May 2025.

Income Distribution Breakdown

No income distribution was declared for the financial year ended 31 May 2025.

Fund Performance

Average Total Return ended 31 May 2025

Class	1 Year	3 Years	5 Years
MYR	-0.86%	2.46%	1.48%
AUD	13.58%	7.39%	3.05%
GBP	3.60%	1.22%	0.52%
SGD	4.75%	1.44%	0.23%
USD	9.67%	3.44%	2.03%

Annual Total Return for the Financial Year ended 31 May

Class	2025	2024	2023	2022	2021
MYR	-0.86%	10.67%	-1.95%	-18.21%	22.29%
AUD	13.58%	5.76%	3.13%	-16.87%	12.85%
GBP	3.60%	5.32%	-4.94%	-13.35%	14.18%
SGD	4.75%	8.18%	-7.88%	-20.06%	21.20%
USD	9.67%	8.46%	-6.95%	-22.92%	29.59%

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

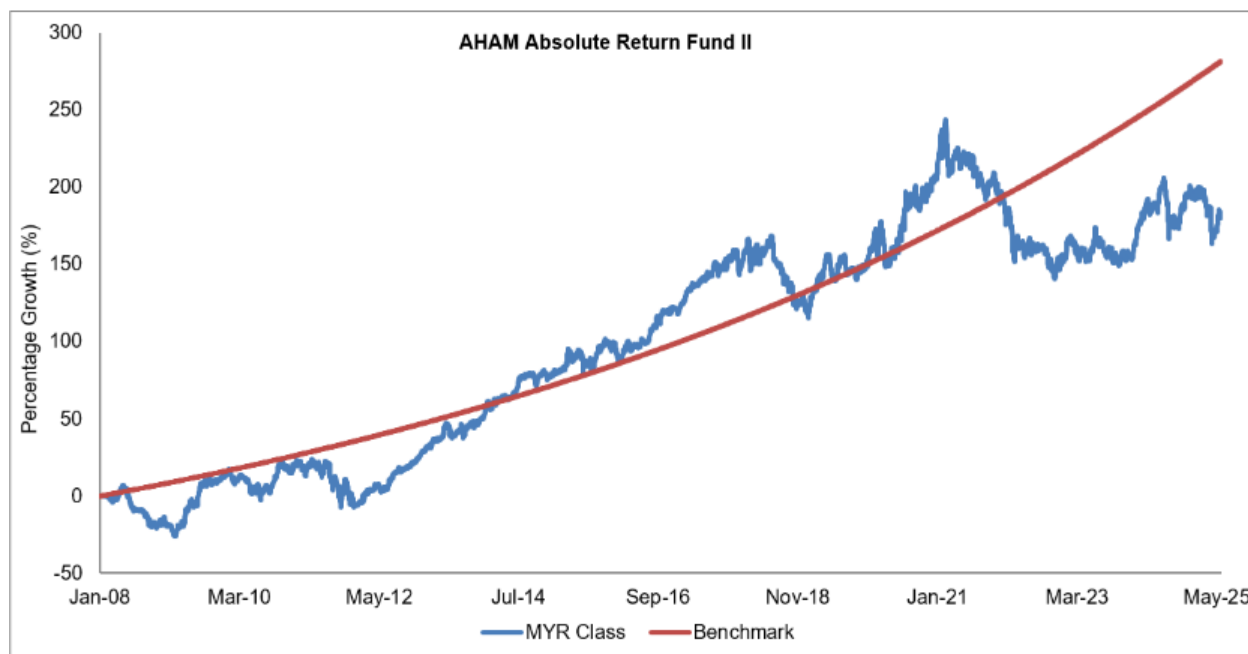
MANAGER'S REPORT

Performance Review

MYR Class

The Fund has registered a return of 183.36% since commencement compared to the benchmark return of 281.81%, underperforming by 98.45%. For the financial year under review, the Fund registered a -0.86% return compared to the benchmark return of 8.00%. The Fund thus underperformed the benchmark by 8.86%. The Net Asset Value per unit ("NAV") of the Fund as at 31 May 2025 was MYR1.4168 while the NAV as at 31 May 2024 was MYR1.4291.

Movement of the Fund versus the Benchmark since commencement.



AUD Class

The Fund has registered a return of 25.92% since commencement compared to the benchmark return of 73.75%, underperforming by 47.83%. For the financial year under review, the Fund registered a 13.58% return compared to the benchmark return of 8.00%. The Fund thus outperformed the benchmark by 5.58%. The Net Asset Value per unit ("NAV") of the Fund as at 31 May 2025 was AUD0.6296 while the NAV as at 31 May 2024 was AUD0.5543.

GBP Class

The Fund has registered a return of 10.42% since commencement compared to the benchmark return of 73.75%, underperforming by 63.33%. For the financial year under review, the Fund registered a 3.60% return compared to the benchmark return of 8.00%. The Fund thus underperformed the benchmark by 4.40%. The Net Asset Value per unit ("NAV") of the Fund as at 31 May 2025 was GBP0.5521 while the NAV as at 31 May 2024 was GBP0.5329.

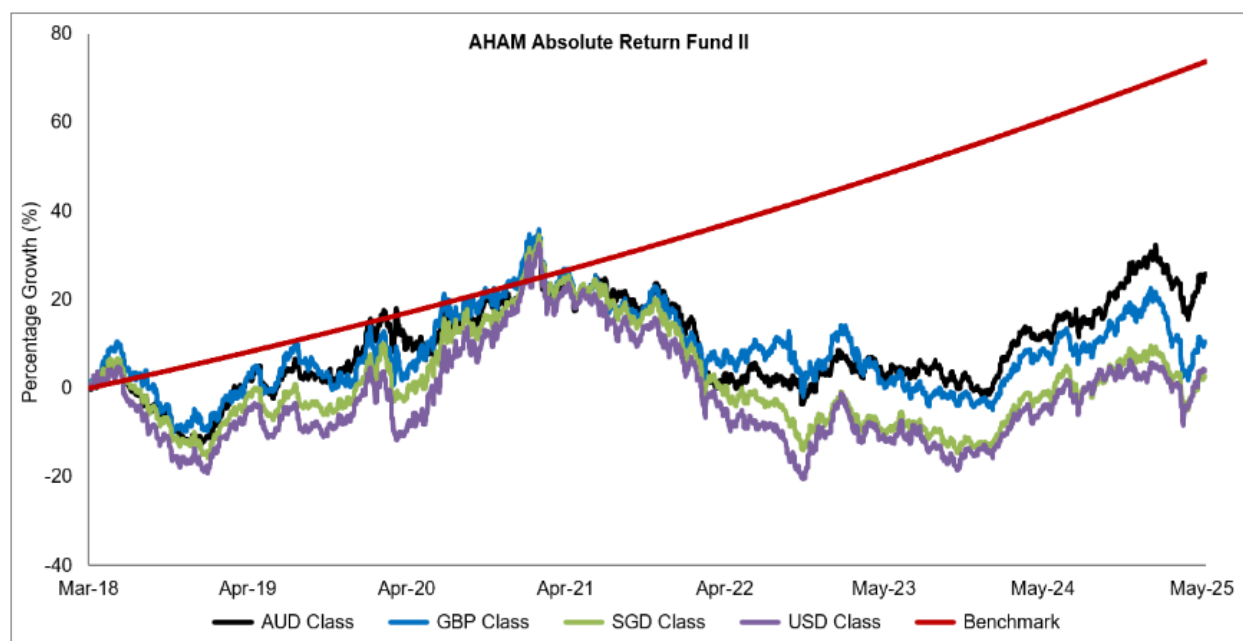
SGD Class

The Fund has registered a return of 2.74% since commencement compared to the benchmark return of 73.75%, underperforming by 71.01%. For the financial year under review, the Fund registered a 4.75% return compared to the benchmark return of 8.00%. The Fund thus underperformed the benchmark by 3.25%. The Net Asset Value per unit ("NAV") of the Fund as at 31 May 2025 was SGD0.5137 while the NAV as at 31 May 2024 was SGD0.4904.

USD Class

The Fund has registered a return of 4.08% since commencement compared to the benchmark return of 73.75%, underperforming by 69.67%. For the financial year under review, the Fund registered a 9.67% return compared to the benchmark return of 8.00%. The Fund thus outperformed the benchmark by 1.67%. The Net Asset Value per unit ("NAV") of the Fund as at 31 May 2025 was USD0.5204 while the NAV as at 31 May 2024 was USD0.4745.

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 8.0% per annum.

Asset Allocation

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

As at 31 May 2025, the asset allocation of the Fund stood at 66.16% in equities, 13.37% in collective investment schemes, 14.67% in exchange-traded funds while the balance was held in cash and cash equivalent.

Strategies Employed

The Fund's primary strategy is to invest in Quality Compounders at reasonable valuations. Quality Compounders are businesses with a strong moat, high return on capital, and a healthy growth trajectory.

Market Review

The Standard & Poor's ("S&P") 500 index experienced gains of approximately 13.5% in USD terms from June 1, 2025 to May 31, 2025. Multiple factors drove the S&P 500's strength during this financial year. The steady economic growth in the US, healthy earnings growth, and AI-related optimism have kept the stock market buoyant.

The Asia ex-Japan ("AxJ") equity markets, as measured by the Morgan Stanley Capital International ("MSCI") Asia ex-Japan Index, saw a 15.4% gain in USD terms from March 1, 2025 to May 31, 2025. Weaker US Dollar, rate cuts, and artificial intelligence ("AI")-related optimism have contributed to AxJ's outperformance. China's various stimulus and market-friendly announcements have also bolstered the largest economy within the AxJ market.

Investment Outlook

Several key macroeconomic factors are expected to influence the global equity markets. The primary factor would be the economic impact of Trump's tariff on the US and other exporting countries that are hurt by the tariff. Although tariff is a headwind to global economic growth, interest rate cuts globally could be an offsetting factor.

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 government has gradually increased its monetary and fiscal stimulus.

Global geopolitical developments are another important driver of financial markets. While the wars in Iran and Ukraine are ongoing, they have de-escalated so far.

These key issues above will be closely monitored, and any material developments may impact the portfolio's construction for the remainder of 2025. Our portfolio positioning does incorporate risk mitigation strategies to better withstand potential changes in macroeconomic conditions.

State of Affairs of the Fund

The Fund's investment into Sotella RPS, a foreign collective investment scheme, is currently undergoing legal proceedings initiated by the manager of Sotella Fund, Lyra Capital Pte. Ltd. The counterparty of the Sotella Fund has defaulted on its obligations and legal proceedings have concurrently been initiated to exercise the rights of the Fund to recover amounts owing. These rights include a lienholder's caveat on parcels of land acting as security of the Sotella Fund, as well as an undertaking by the parent companies of the counterparty.

Firstly, the litigation under the Memorandum of Deposit which entails the transfer of four parcels of land held in lien. Judgement has been passed by the courts in February 2025 to compel the transfer of land to Sotella / its nominees. To that effect, Sotella has established its nominee to accept the transfer of land and is in progress of the transfer process. The defendants have appealed the judgement which will be heard by the Court of Appeal on 31 July 2025. The second legal track is the litigation under the Deed of Undertaking which legal proceedings completed in July 2025, with a decision by the High Court due in September 2025. This entails the requirement for shareholders of the defaulting party to take necessary steps to meet the obligations of the defaulted party. Lastly, the dispute will also be undergoing arbitration at the Asian International Arbitration Centre, with proceedings completed in June 2025 with the tribunal expected to deliver its final award by September 2025.

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

Cross Trade

No cross trade transactions were carried out over the financial year under review.

Securities Financing Transactions

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

Changes Made To the Fund's Information Memorandum

No changes were made to the Fund's Information Memorandum over the financial year under review.

AHAM ABSOLUTE RETURN FUND II

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

AHAM ABSOLUTE RETURN FUND II

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

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AHAM ABSOLUTE RETURN FUND II

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	<u>Note</u>	<u>2025</u> RM	<u>2024</u> RM
INVESTMENT INCOME			
Dividend income		5,376,133	5,019,003
Interest income from financial assets at amortised cost		47,879	84,296
Net (loss)/gain on foreign currency exchange		(1,387,160)	162,494
Net (loss)/gain on financial assets at fair value through profit or loss	8	(1,783,402)	35,519,579
		<u>2,253,450</u>	<u>40,785,372</u>
EXPENSES			
Management fee	4	(3,113,395)	(3,665,236)
Custodian fee	5	(107,591)	(107,087)
Fund accounting fee	6	(33,000)	(36,000)
Auditors' remuneration		(11,500)	(11,500)
Tax agent's fee		(31,882)	(23,744)
Transaction costs		(678,804)	(1,434,179)
Other expenses		(871,294)	(630,091)
		<u>(4,847,466)</u>	<u>(5,907,837)</u>
NET (LOSS)/PROFIT BEFORE TAXATION		(2,594,016)	34,877,535
Taxation	7	-	(247,981)
(DECREASE)/INCREASE IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>(2,594,016)</u>	<u>34,629,554</u>
(Decrease)/increase in net assets attributable to unit holders comprise the following:			
Realised amount		2,726,500	(13,204,889)
Unrealised amount		(5,320,516)	47,834,443
		<u>(2,594,016)</u>	<u>34,629,554</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 II

STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2025

	<u>Note</u>	<u>2025</u> RM	<u>2024</u> RM
ASSETS			
Cash and cash equivalents		18,264,800	19,749,549
Amount due from broker		-	12,860,340
Amount due from Manager			
- creation of units		-	72,410
- management fee rebate receivable		29,486	43,638
Dividends receivable		146,217	24,643
Financial assets at fair value through profit or loss	8	266,009,873	297,026,173
Tax recoverable		12,571	-
TOTAL ASSETS		<u>284,462,947</u>	<u>329,776,753</u>
LIABILITIES			
Amount due to Manager			
- management fee		239,149	283,181
- cancellation of units		1,824,256	269,261
Fund accounting fee		3,000	9,000
Auditors' remuneration		11,500	6,911
Tax agent's fee		3,994	7,794
Tax provision		-	50,888
Other payables and accruals		11,435	11,747
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)		<u>2,093,334</u>	<u>638,782</u>
NET ASSET VALUE OF THE FUND		<u>282,369,613</u>	<u>329,137,971</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>282,369,613</u>	<u>329,137,971</u>

AHAM ABSOLUTE RETURN FUND II

STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2025 (CONTINUED)

	<u>Note</u>	<u>2025</u> RM	<u>2024</u> RM
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS			
- AUD Class		3,184,069	4,799,370
- GBP Class		1,315,807	1,327,252
- MYR Class		241,536,185	282,519,646
- SGD Class		10,618,962	12,646,883
- USD Class		25,714,590	27,844,820
		<u>282,369,613</u>	<u>329,137,971</u>
NUMBER OF UNITS IN CIRCULATION			
- AUD Class	9(a)	1,853,000	2,769,000
- GBP Class	9(b)	416,000	416,000
- MYR Class	9(c)	170,485,000	197,693,000
- SGD Class	9(d)	6,276,000	7,410,000
- USD Class	9(e)	11,618,000	12,472,000
		<u>190,648,000</u>	<u>220,760,000</u>
NET ASSET VALUE PER UNIT (RM)			
- AUD Class		1.7183	1.7333
- GBP Class		3.1630	3.1905
- MYR Class		1.4168	1.4291
- SGD Class		1.6920	1.7067
- USD Class		<u>2.2133</u>	<u>2.2326</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
- AUD Class		AUD0.6296	AUD0.5543
- GBP Class		GBP0.5521	GBP0.5329
- MYR Class		RM1.4168	RM1.4291
- SGD Class		SGD0.5137	SGD4.904
- USD Class		<u>USD0.5204</u>	<u>USD0.4745</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 II

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	<u>2025</u> RM	<u>2024</u> RM
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR	329,137,971	402,691,303
Movement due to units created and cancelled during the financial year		
Creation of units arising from applications	6,031,376	4,514,620
- AUD Class	224,040	15,652
- GBP Class	-	131,607
- MYR Class	5,141,375	3,007,599
- SGD Class	457,867	1,359,762
- USD Class	208,094	-
Cancellation of units	(50,205,718)	(112,697,506)
- AUD Class	(1,801,546)	(2,400,471)
- GBP Class	-	(183,905)
- MYR Class	(43,848,436)	(89,968,378)
- SGD Class	(2,454,909)	(2,117,365)
- USD Class	(2,100,827)	(18,027,387)
Net (decrease)/increase in net assets attributable to unit holders during the financial year	(2,594,016)	34,629,554
- AUD Class	(37,795)	659,438
- GBP Class	(11,445)	128,335
- MYR Class	(2,276,400)	29,964,818
- SGD Class	(30,879)	1,097,731
- USD Class	(237,497)	2,779,232
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL YEAR	<u>282,369,613</u>	<u>329,137,971</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 II

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	<u>2025</u> RM	<u>2024</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sale of investments	252,165,480	511,580,371
Purchase of investments	(210,867,588)	(431,118,699)
Dividends received	4,163,211	4,907,897
Interest received	47,879	84,296
Management fee rebate received	392,639	558,986
Management fee paid	(3,157,427)	(3,728,685)
Custodian fee paid	(107,591)	(107,087)
Fund accounting paid	(39,000)	(33,000)
Payment for other fees and expenses	(85,923)	(51,191)
Net realised (loss)/gain on foreign currency exchange	(1,419,239)	114,604
Tax paid	(62,332)	(428,230)
Net cash flows generated from operating activities	<u>41,030,109</u>	<u>81,779,262</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	6,103,786	4,442,211
Payments for cancellation of units	(48,650,723)	(121,354,804)
Net cash flows used in financing activities	<u>(42,546,937)</u>	<u>(116,912,593)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(1,516,828)</u>	<u>(35,133,331)</u>
EFFECTS OF FOREIGN CURRENCY EXCHANGE	32,097	47,890
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	<u>19,749,549</u>	<u>54,834,990</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u><u>18,264,800</u></u>	<u><u>19,749,549</u></u>

Cash and cash equivalents as at 31 May 2025 and 31 May 2024 comprise of bank balances.

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

AHAM ABSOLUTE RETURN FUND II

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

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

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

The preparation of financial statements in conformity with MFRS and International Financial Reporting Standards 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.

- (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 2024 that have a material effect on the financial statements of the Fund.

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

- Amendments to MFRS 9 and MFRS 7 'Amendments to the Classification and Measurement of Financial Instruments' (effective 1 January 2026)
 - The amendments clarify that financial assets are derecognised when the rights to the cash flows expire or when the asset is transferred, and financial liabilities are derecognised at the settlement date (i.e. when the liability is extinguished or qualifies for derecognition);
 - There is an optional exception to derecognise a financial liability at a date earlier than the settlement date if the cash transfer takes place through an electronic payment system, provided that all the specified criteria are met;
 - The amendments also clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest ("SPPI") criterion;
 - There are additional new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
 - The amendments update the disclosures for equity instruments designated at fair value through other comprehensive income ("FVOCI").

AHAM ABSOLUTE RETURN FUND II

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

- (b) Standards and amendments that have been issued that are applicable to the Fund but not yet effective: (continued)
- MFRS 18 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027) replaces MFRS 101 'Presentation of Financial Statements'
 - The new MFRS introduces a new structure of profit or loss statement.
 - i. Income and expenses are classified into 3 new main categories
 - Operating category which typically includes results from the main business activities;
 - Investing category that presents the results of the investments in associates and joint ventures and other assets that generate a return largely independently of other resources; and
 - Financing category that presents income and expenses from financing liabilities.
 - ii. Entities are required to present two new specified subtotals: 'Operating profit or loss' and 'Profit or loss before financing and income taxes'.
 - Management-defined performance measures are disclosed in a single note and reconciled to the most similar specified subtotal in MFRS Accounting Standards.
 - Changes to the guidance on aggregation and disaggregation which focus on grouping items based on their shared characteristics.

The Fund is currently still assessing the effect of the above standards and amendments. No other new standards or amendments to standards are expected to have a material effect on the financial statements of the Fund.

B INCOME RECOGNITION

Dividend income

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

Interest income

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

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

AHAM ABSOLUTE RETURN FUND II

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

B INCOME RECOGNITION (CONTINUED)

Realised gains and loss on sale of investments

For quoted equities, collective investment schemes ("CIS") and exchange-traded funds ("ETF"), realised gains and losses on sale of investments are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on a weighted average cost basis.

C TRANSACTION COSTS

Transaction costs are costs incurred to acquire financial assets or liabilities measured 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 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 II

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

F FOREIGN CURRENCY TRANSLATION

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at 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 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 are measured at fair value through profit or loss.

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

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

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

AHAM ABSOLUTE RETURN FUND II

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (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 measured at fair value through profit or loss' category including the effects of foreign currency transactions are presented in the statement of comprehensive income within 'net gain/(loss) on financial assets measured at fair value through profit or loss' in the financial year which they arise.

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

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

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

Financial assets measured at amortised cost and other financial liabilities 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.

AHAM ABSOLUTE RETURN FUND II

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

Management considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Quantitative criteria:

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

Qualitative criteria:

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

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

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

Write-off

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

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

H CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances which are subject to an insignificant risk of change in value.

AHAM ABSOLUTE RETURN FUND II

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

I AMOUNTS DUE FROM/(TO) BROKERS

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

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

Significant financial difficulties of the 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 CREATION AND CANCELLATION OF UNITS

The unit holders' contribution to the Fund meets the definition of puttable instruments classified as financial liability under MFRS 132 "Financial Instruments: Presentation".

The Fund issues cancellable units, in five classes of units, known respectively as the AUD Class, GBP Class, MYR Class, SGD Class and USD Class, which are cancelled at the unit holders' option and do not have identical features. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the unit holder exercises the right to put back the unit to the Fund.

Units are created and cancelled at the unit holders' option at prices based on the Fund's NAV per unit of respective classes at the close of business on the relevant dealing day. The Fund's NAV per unit of respective classes is calculated by dividing the net assets attributable to unit holders of respective classes with the total number of outstanding units of respective classes.

K (DECREASE)/INCREASE IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

Income not distributed is included in net assets attributable to unit holders.

AHAM ABSOLUTE RETURN FUND II

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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.

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

(i) Fair value of collective investment scheme – foreign

The Fund invests in a collective investment scheme – foreign that is not quoted in active markets. Fair value of such investment is determined by using valuation techniques set out in Note 3 of the financial statements.

M REALISED AND UNREALISED PORTIONS OF DECREASE OR INCREASE IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

The analysis of realised and unrealised portions of decrease or increase in net assets attributable to unit holders 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 II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

1 INFORMATION ON THE FUND

The Wholesale Fund was constituted under the name HwangDBS Ascendur RIS (1) (the “Fund”) in accordance to the Information Memorandum dated 18 December 2007 which was replaced by Replacement Information Memorandum dated 7 December 2023. The Fund has changed its name from HwangDBS Ascendur RIS (1) to HwangDBS Absolute Return Fund II as amended by the Information Memorandum dated 27 May 2010 and from HwangDBS Absolute Return Fund II to Hwang Absolute Return Fund II as amended by the Supplemental Information Memorandum dated 16 April 2012. The Fund has then changed its name from Hwang Absolute Return Fund II to Affin Hwang Absolute Return Fund II as amended by the Supplemental Information Memorandum dated 22 September 2014 and 29 March 2018. The Fund has subsequently changed its name from Affin Hwang Absolute Return Fund II to AHAM Absolute Return Fund II as amended by Replacement Information Memorandum dated 7 December 2023.

The Fund was launched on 18 December 2007 and commenced operations on 29 January 2008.

The Fund may invest in equity securities of developed and emerging markets. It may also invest in fixed income securities of developed markets or debt instruments and collective investment schemes for the purpose of cash management and gaining access into a particular market, industry or sector where such is the optimum mode of access.

All investments will be subjected to the SC’s Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework, the Deeds and the objective of the Fund.

The main objective of the Fund is to achieve medium to long-term capital appreciation by primarily investing in securities of developed and emerging markets globally.

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 29 July 2025.

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	Note	At amortised cost RM	At fair value through profit or loss RM	Total RM
<u>2025</u>				
<u>Financial assets</u>				
Amount due from Manager				
- management fee rebate receivable		29,486	-	29,486
Cash and cash equivalents		18,264,800	-	18,264,800
Dividends receivable		146,217	-	146,217
Quoted equities	8	-	186,819,063	186,819,063
Collective investment schemes	8	-	37,766,069	37,766,069
Exchange-traded funds	8	-	41,424,741	41,424,741
Total		<u>18,440,503</u>	<u>266,009,873</u>	<u>284,450,376</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		239,149	-	239,149
- cancellation of units		1,824,256	-	1,824,256
Fund accounting fee		3,000	-	3,000
Auditors' remuneration		11,500	-	11,500
Tax agent's fee		3,994	-	3,994
Other payables and accruals		11,435	-	11,435
Total		<u>2,093,334</u>	<u>-</u>	<u>2,093,334</u>

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

Financial instruments are as follows: (continued)

	<u>Note</u>	At amortised <u>cost</u> RM	At fair value through <u>profit or loss</u> RM	<u>Total</u> RM
<u>2024</u>				
<u>Financial assets</u>				
Amount due from Manager				
- creation of units		72,410	-	72,410
- management fee rebate receivable		43,638	-	43,638
Amount due from broker		12,860,340	-	12,860,340
Cash and cash equivalents		19,749,549	-	19,749,549
Dividends receivable		24,643	-	24,643
Quoted equities	8	-	232,375,762	232,375,762
Collective investment schemes	8	-	42,388,301	42,388,301
Exchange-traded funds	8	-	22,262,110	22,262,110
Total		<u>32,750,580</u>	<u>297,026,173</u>	<u>329,776,753</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		283,181	-	283,181
- cancellation of units		269,261	-	269,261
Fund accounting fee payable		9,000	-	9,000
Auditors' remuneration		6,911	-	6,911
Tax agent's fee		7,794	-	7,794
Other payables and accruals		11,747	-	11,747
Total		<u>587,894</u>	<u>-</u>	<u>587,894</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 II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (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 are as follows:

	<u>2025</u> RM	<u>2024</u> RM
Quoted investments		
Quoted equities	186,819,063	232,375,762
Collective investment schemes	37,766,069	42,388,301
Exchange-traded funds	41,424,741	22,262,110
	<u>266,009,873</u>	<u>297,026,173</u>

The following table summarises the sensitivity of the Fund's (loss)/profit after taxation and net asset value to price risk movement. The analysis is based on the assumptions that the market price increased by 5% (2024: 5%) and decreased by 5% (2024: 5%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the Fund's investments, having regard to the historical volatility of the prices.

<u>% Change in price</u>	<u>Market value</u> RM	Impact on (loss)/profit after tax/NAV RM
<u>2025</u>		
-5%	252,709,379	(13,300,494)
0%	266,009,873	-
+5%	279,310,367	13,300,494
	<u>266,009,873</u>	<u>13,300,494</u>
<u>2024</u>		
-5%	282,174,864	(14,851,309)
0%	297,026,173	-
+5%	311,877,482	14,851,309
	<u>297,026,173</u>	<u>14,851,309</u>

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

Market risk (continued)

(b) Interest rate risk

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

As at 31 May 2025 and 31 May 2024, the Fund is not exposed to any interest rate risk.

(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.

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (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:

	<u>Quoted equities</u> RM	<u>Collective investment schemes</u> RM	<u>Exchange- traded funds</u> RM	<u>Cash and cash equivalents</u> RM	<u>Dividends receivable</u> RM	<u>Total</u> RM
<u>2025</u>						
<u>Financial assets</u>						
Australian Dollar	-	-	-	19,313	-	19,313
Canadian Dollar	-	-	-	17,910	-	17,910
Euro	16,602,839	-	-	1,514,702	-	18,117,541
British Pound Sterling	21,707,096	-	-	1,244,909	120,089	23,072,094
Hong Kong Dollar	8,356,106	-	8,241,476	54,610	-	16,652,192
Singapore Dollar	6,627,078	-	-	14,393,305	-	21,020,383
United States Dollar	115,137,977	2,126,500	33,183,265	1,003,191	26,128	151,477,061
	<u>168,431,096</u>	<u>2,126,500</u>	<u>41,424,741</u>	<u>18,247,940</u>	<u>146,217</u>	<u>230,376,494</u>

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (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)

	Net assets attributable to <u>unit holders</u> RM	<u>Total</u> RM
<u>2025</u> (continued)		
<u>Financial liabilities</u>		
Australian Dollar	3,184,069	3,184,069
British Pound Sterling	1,315,807	1,315,807
Singapore Dollar	10,618,962	10,618,962
United States Dollar	25,714,590	25,714,590
	<u>40,833,428</u>	<u>40,833,428</u>

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (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</u> RM	<u>Collective investment schemes</u> RM	<u>Exchange- traded funds</u> RM	<u>Cash and cash equivalents</u> RM	<u>Dividends receivable</u> RM	<u>Total</u> RM
<u>2024</u>						
<u>Financial assets</u>						
Australian Dollar	-	-	-	5,675	-	5,675
British Pound Sterling	20,350,284	-	-	355,052	-	20,705,336
Euro	-	-	-	4,267,859	-	4,267,859
Hong Kong Dollar	8,898,719	-	-	1,089,240	-	9,987,959
Indian Rupee	-	-	-	15,668	-	15,668
Indonesia Rupiah	8,904,874	-	-	-	-	8,904,874
Korean Won	11,346,934	-	-	-	-	11,346,934
Singapore Dollar	9,884,002	-	-	3,317,723	-	13,201,725
Taiwan Dollar	-	-	-	-	-	-
United States Dollar	146,411,333	2,352,500	22,262,110	8,741,304	24,643	179,791,890
	<u>205,796,146</u>	<u>2,352,500</u>	<u>22,262,110</u>	<u>17,792,521</u>	<u>24,643</u>	<u>248,227,920</u>

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (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)

	Net assets attributable to <u>unit holders</u> RM	<u>Total</u> RM
<u>2024</u> (continued)		
<u>Financial liabilities</u>		
Australian Dollar	4,799,370	4,799,370
British Pound Sterling	1,327,252	1,327,252
Singapore Dollar	12,646,883	12,646,883
United States Dollar	27,844,820	27,844,820
	<u>46,618,325</u>	<u>46,618,325</u>

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (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 (loss)/profit after tax and net asset value to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes based on each currency's respective historical volatility, with all other variables 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 increase/(decrease) 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.

	Change in rate %	Impact on (loss)/profit after tax/NAV RM
<u>2025</u>		
Australian Dollar	+/- 8.97	-/+ 283,879
Canadian Dollar	+/- 7.21	+/- 1,291
Euro	+/- 7.37	+/- 1,335,263
British Pound Sterling	+/- 7.33	+/- 1,594,736
Hong Kong Dollar	+/- 7.20	+/- 1,198,958
Singapore Dollar	+/- 4.64	+/- 482,626
United States Dollar	+/- 7.38	+/- 9,281,270
<u>2024</u>		
Australian Dollar	+/- 7.51	-/+ 360,006
British Pound Sterling	+/- 5.73	+/- 1,103,364
Euro	+/- 5.31	+/- 226,623
Hong Kong Dollar	+/- 5.39	+/- 538,351
Indian Rupee	+/- 5.14	+/- 805
Indonesia Rupee	+/- 5.64	+/- 502,235
Korean Won	+/- 7.00	+/- 794,285
Singapore Dollar	+/- 3.44	+/- 19,087
United States Dollar	+/- 5.39	+/- 8,189,947

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

Credit risk

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

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

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

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

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

	Cash and cash <u>equivalents</u> RM	Other <u>assets*</u> RM	<u>Total</u> RM
<u>2025</u>			
Consumer Staples			
- Non-rated ("NR")	-	13,170	13,170
Financial services			
- AAA	18,264,800	-	18,264,800
Health Care			
- NR	-	120,089	120,089
Technology			
- NR	-	12,958	12,958
Others			
- NR	-	29,486	29,486
	<u>18,264,800</u>	<u>175,703</u>	<u>18,440,503</u>

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

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

Credit risk (continued)

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

	Amount due from broker RM	Cash and cash equivalents RM	Other assets* RM	Total RM
<u>2024</u>				
Consumer Discretionary				
- NR	-	-	7,075	7,075
Financial Services				
- AA1	-	19,749,549	-	19,749,549
Technology				
- NR	-	-	17,568	17,568
Others				
- NR	12,860,340	-	116,048	12,976,388
	<u>12,860,340</u>	<u>19,749,549</u>	<u>140,691</u>	<u>32,750,580</u>

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

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 payments and cancellation of units by unit holders. Liquid assets comprise bank balances and other instruments, which are capable of being converted into cash within 7 days.

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

Liquidity risk (continued)

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

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

	Within <u>one month</u> RM	Between one month <u>to one year</u> RM	<u>Total</u> RM
<u>2025</u>			
Amount due to Manager			
- management fee	239,149	-	239,149
- cancellation of units	1,824,256	-	1,824,256
Fund accounting fee	3,000	-	3,000
Auditors' remuneration	-	11,500	11,500
Tax agent's fee	-	3,994	3,994
Other payables and accruals	-	11,435	11,435
Net assets attributable to unit holders*	282,369,613	-	282,369,613
	<u>284,436,018</u>	<u>26,929</u>	<u>284,462,947</u>
<u>2024</u>			
Amount due to Manager			
- management fee	283,181	-	283,181
- cancellation of units	269,261	-	269,261
Fund accounting fee	9,000	-	9,000
Auditors' remuneration	-	6,911	6,911
Tax agent's fee	-	7,794	7,794
Other payables and accruals	-	11,747	11,747
Net assets attributable to unit holders*	329,137,971	-	329,137,971
	<u>329,699,413</u>	<u>26,452</u>	<u>329,725,865</u>

* Outstanding units are cancelled on demand at the unit holder's option (Note J). However, the Manager does not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as unit holders of these instruments typically retain them for the medium to long term return.

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

Capital risk

The capital of the Fund is represented by the net assets attributable to unit holders. The amount of net asset attributable to unit holders 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 defined as 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 last traded price for financial assets which fall 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 II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (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.

The following table analyses within the fair value hierarchy the Fund's financial assets (by class) measured at fair value:

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2025</u>				
Financial assets at fair value through profit or loss				
- quoted equities	186,819,063	-	-	186,819,063
- collective investment schemes	35,639,569	-	2,126,500	37,766,069
- exchange-traded funds	41,424,741	-	-	41,424,741
	<u>263,883,373</u>	<u>-</u>	<u>2,126,500</u>	<u>266,009,873</u>
<u>2024</u>				
Financial assets at fair value through profit or loss				
- quoted equities	232,375,762	-	-	232,375,762
- collective investment schemes	40,035,801	-	2,352,500	42,388,301
- exchange-traded funds	22,262,110	-	-	22,262,110
	<u>294,673,673</u>	<u>-</u>	<u>2,352,500</u>	<u>297,026,173</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, CIS and ETF. The Fund does not adjust the quoted and published prices for these instruments.

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

Level 3 instruments

Investment classified within Level 3 make use of significant unobservable inputs in deriving fair value, as they trade infrequently. As observable prices are not available for these securities, the Fund has used valuation techniques to derive the fair value.

In assessing fair value of Sotella Fund Pte Ltd ("Sotella Fund") Redeemable Preference Shares ("RPS"), the valuation assessments are performed by Camelot Trust Pte Ltd, the Sotella Fund's fund administrator who reports to the Manager on a weekly basis.

As at 31 May 2025 and 31 May 2024, the fair value of Sotella Fund RPS are measured at fair value equivalent to the aggregate cost which are essentially asset-backed private debt. In this case, the assets underlying the debt comprises land assets.

As with most fixed-income-like securities, the fair value of Sotella Fund RPS may be calculated using the discounted value of its cash flows, and which is largely predicated on the discount rate used. As a manner of approach and prudence, any calculated gains above par are not captured as unrealised gains.

The Sotella Fund RPS is currently undergoing legal proceedings as initiated by the manager of Sotella Fund, Lyra Capital Pte Ltd, as the counterparty has defaulted on its obligations.

With the above, the Manager has taken a prudent approach where the fair value of Sotella Fund RPS is equivalent to the aggregate cost as at 31 May 2025 as disclosed in Note 8(d) of the financial statements.

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

4 MANAGEMENT FEE

In accordance with the Information Memorandum, 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.

For the financial year ended 31 May 2025, the management fee is recognised at a rate of 1.00% (2024: 1.00%) per annum on the NAV of the Fund calculated on a daily basis.

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

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

5 CUSTODIAN FEE

In accordance with the Information Memorandum, the Custodian is entitled to an annual fee (inclusive of local custodian fee but excluding foreign sub-custodian fee) of up to 0.03% (2024: 0.03%) per annum of the security asset under custody, which will be subjected to a minimum fee of RM12,000 per annum.

6 FUND ACCOUNTING FEE

The fund valuation and accounting fee for the Fund is RM33,000 (2024: RM36,000) during the financial year.

7 TAXATION

	<u>2025</u> RM	<u>2024</u> RM
Current taxation	-	390,252
Over provision of taxation in prior year	-	(142,271)
	<u>-</u>	<u>247,981</u>

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

	<u>2025</u> RM	<u>2024</u> RM
Net (loss)/profit before taxation	(2,594,016)	34,877,535
Tax at Malaysian statutory tax rate of 24% (2024: 24%)	(622,564)	8,370,608
Tax effects of:		
Investment income not subject to tax	(540,828)	(9,266,109)
Expenses not deductible for tax purposes	405,483	535,465
Restrictions on tax deductible expenses for Wholesale Fund	757,909	750,288
Over provision of taxation in prior year	-	(142,271)
Tax expense	<u>-</u>	<u>247,981</u>

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2025</u> RM	<u>2024</u> RM
Financial assets at fair value through profit or loss:		
- quoted equities – local	18,387,967	26,579,616
- quoted equities – foreign	168,431,096	205,796,146
- collective investment schemes – local	35,639,569	40,035,801
- collective investment scheme – foreign	2,126,500	2,352,500
- exchange-traded funds – foreign	41,424,741	22,262,110
	<u>266,009,873</u>	<u>297,026,173</u>
Net (loss)/gain on financial assets at fair value through profit or loss		
- realised gain/(loss) on sale of investments	3,190,706	(12,817,508)
- unrealised (loss)/gain on changes in fair value	(5,352,595)	47,786,553
- management fee rebate on collective investment schemes #	378,487	550,534
	<u>(1,783,402)</u>	<u>35,519,579</u>

In arriving at the fair value of collective investment schemes, the management fee initially paid to the Manager of collective investment schemes have been considered as part of its net asset value. In order to prevent the double charging of management fee which is not permissible under SC 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.

(a) Quoted equities – local

(i) Quoted equities – local as at 31 May 2025 are as follows:

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Financial Services</u>				
Malayan Banking Bhd	1,253,800	11,249,439	12,262,164	4.34
Public Bank Bhd	1,421,300	6,615,867	6,125,803	2.17
	<u>2,675,100</u>	<u>17,865,306</u>	<u>18,387,967</u>	<u>6.51</u>
Total quoted equities – local	<u>2,675,100</u>	<u>17,865,306</u>	<u>18,387,967</u>	<u>6.51</u>
Accumulated unrealised gain on quoted equities – local		<u>522,661</u>		
Total quoted equities – local		<u>18,387,967</u>		

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

(a) Quoted equities – local (continued)

(ii) Quoted equities – local as at 31 May 2024 are as follows:

<u>Name of counter</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Financial Services</u>				
Malayan Banking Bhd	1,698,200	15,236,718	16,863,126	5.12
<u>Utilities</u>				
Mega First Corporation Bhd	2,037,000	7,565,380	9,716,490	2.95
Total quoted equities – local	3,735,200	22,802,098	26,579,616	8.07
Accumulated unrealised gain on quoted equities – local		3,777,518		
Total quoted equities – local		26,579,616		

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

(b) Quoted equities – foreign

(i) Quoted equities – foreign as at 31 May 2025 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>France</u>				
<u>Technology</u> Exosens SAS	32,553	5,528,832	6,797,336	2.41
<u>Hong Kong</u>				
<u>Consumer Discretionary</u> Trip.com Group Ltd	21,700	6,719,868	5,814,420	2.06
<u>Consumer Staples</u> Giant Biogene Holding Co Ltd	66,000	3,037,483	2,541,686	0.90
<u>Ireland</u>				
<u>Consumer Staples</u> Kerry Group PLC	21,161	9,608,863	9,805,503	3.47
<u>Singapore</u>				
<u>Financial Services</u> DBS Group Holdings Ltd	44,988	4,896,431	6,627,078	2.35
<u>United Kingdom</u>				
<u>Consumer Discretionary</u> Compass Group PLC	65,005	8,184,112	9,701,037	3.43
<u>Health Care</u> Haleon PLC	506,339	10,210,164	12,006,059	4.25

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

(b) Quoted equities – foreign (continued)

(i) Quoted equities – foreign as at 31 May 2025 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	8,465	5,924,199	7,380,697	2.61
Lennar Corporation Class A	8,443	4,556,902	3,809,129	1.35
Service Corporation International	25,329	8,370,288	8,402,490	2.98
	<u>42,237</u>	<u>18,851,389</u>	<u>19,592,316</u>	<u>6.94</u>
<u>Consumer Staples</u>				
Cencora Inc	8,043	8,456,261	9,962,411	3.53
<u>Financial Services</u>				
Aon PLC - Class A	5,614	7,949,949	8,883,909	3.15
ICICI Bank Limited	68,231	7,928,831	9,935,984	3.52
	<u>73,845</u>	<u>15,878,780</u>	<u>18,819,893</u>	<u>6.67</u>
<u>Health Care</u>				
Danaher Corporation	5,420	4,374,565	4,377,434	1.55
HCA Healthcare Inc	4,947	8,303,103	8,024,290	2.84
Natera Inc	4,814	3,146,600	3,229,355	1.14
	<u>15,181</u>	<u>15,824,268</u>	<u>15,631,079</u>	<u>5.53</u>
<u>Industrials</u>				
REV Group Inc	32,757	4,943,477	5,222,939	1.85
<u>Technology</u>				
Meta Platforms Inc Class A	3,970	7,301,948	10,932,487	3.87
Microsoft Corporation	5,244	9,199,896	10,267,286	3.64
Taiwan Semiconductor Manufacturing Company Ltd ADR	17,333	8,260,348	14,251,019	5.05
	<u>26,547</u>	<u>24,762,192</u>	<u>35,450,792</u>	<u>12.56</u>

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

(b) Quoted equities – foreign (continued)

(i) Quoted equities – foreign as at 31 May 2025 are as follows: (continued)

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>United States</u> (continued)				
<u>Utilities</u>				
Waste Management Inc	10,205	9,460,770	10,458,547	3.70
Total quoted equities – foreign	966,561	146,362,890	168,431,096	59.65
Accumulated unrealised gain on quoted equities – foreign		22,068,206		
Total quoted equities – foreign		168,431,096		

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

(b) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 31 May 2024 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> Samsonite International S.A.	596,640	9,237,002	8,898,719	2.70
<u>Indonesia</u>				
<u>Financial Services</u> Bank Central Asia Tbk PT	3,326,500	9,100,942	8,904,874	2.71
<u>Korea</u>				
<u>Technology</u> SK Hynix Inc	17,661	8,618,414	11,346,934	3.45
<u>Singapore</u>				
<u>Financial Services</u> DBS Group Holdings Ltd	79,128	8,612,181	9,884,002	3.00
<u>United Kingdom</u>				
<u>Consumer Discretionary</u> Compass Group PLC	77,623	9,740,308	10,181,700	3.09
<u>Health Care</u> Haleon PLC	523,083	10,324,625	10,168,584	3.09

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

(b) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 31 May 2024 are as follows: (continued)

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
<u>United States</u>				
<u>Consumer Discretionary</u>				
Amazon.com Inc	11,532	8,070,627	9,573,292	2.91
D.R. Horton Inc	9,634	6,934,697	6,699,927	2.04
Marriott International Inc	2,964	3,116,707	3,224,227	0.98
	24,130	18,122,031	19,497,446	5.93
<u>Consumer Staples</u>				
Cencora Inc	11,060	11,628,279	11,782,806	3.58
<u>Energy</u>				
Valaris Ltd	18,632	6,172,299	6,785,160	2.06
<u>Financial Services</u>				
Aon PLC - Class A	3,579	4,886,220	4,740,233	1.44
HDFC Bank Ltd	34,200	10,578,946	9,308,701	2.83
ICICI Bank Ltd	55,111	6,208,911	6,933,609	2.11
	92,890	21,674,077	20,982,543	6.38
<u>Health Care</u>				
Thermo Fisher Scientific Inc	3,655	9,647,117	9,768,972	2.97
<u>Industrials</u>				
American Express Company	5,856	4,930,452	6,612,871	2.01
Corpay Inc	4,651	6,008,315	5,860,474	1.78
	10,507	10,938,767	12,473,345	3.79

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

(b) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 31 May 2024 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 (continued)</u>				
<u>Technology</u>				
Broadcom Inc	1,652	9,492,842	10,335,073	3.14
Meta Platforms Inc	2,858	4,683,708	6,277,815	1.91
Micron Technology Inc	8,144	4,828,626	4,789,690	1.46
Microsoft Corporation	7,112	12,477,052	13,895,414	4.22
Taiwan Semiconductor				
Manufacturing Company Ltd	34,870	16,617,916	24,796,535	7.53
Western Digital Corporation	14,184	4,993,191	5,026,534	1.53
	<u>68,820</u>	<u>53,093,335</u>	<u>65,121,061</u>	<u>19.79</u>
Total quoted equities – foreign	<u>4,850,329</u>	<u>186,909,377</u>	<u>205,796,146</u>	<u>62.54</u>
Accumulated unrealised gain on quoted equities – foreign		<u>18,886,769</u>		
Total quoted equities – foreign		<u>205,796,146</u>		

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

(c) Collective investment schemes – local

(i) Collective investment schemes – local as at 31 May 2025 are as follow:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
AHAM INR Flexi Fund*	6,574,405	9,001,278	9,527,627	3.37
AHAM TWD Flexi Fund*	8,838,024	23,169,797	26,111,942	9.25
Total collective investment schemes – local	15,412,429	32,171,075	35,639,569	12.62
Accumulated unrealised gain on collective investment schemes – local		3,468,494		
Total collective investment schemes – local		35,639,569		

* Managed by the Manager.

(ii) Collective investment schemes – local as at 31 May 2024 are as follow:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
AHAM INR Flexi Fund*	6,574,405	9,001,278	9,660,430	2.94
AHAM TWD Flexi Fund*	9,686,024	25,392,917	30,375,371	9.23
Total collective investment schemes – local	16,260,429	34,394,195	40,035,801	12.17
Accumulated unrealised gain on collective investment schemes – local		5,641,606		
Total collective investment schemes – local		40,035,801		

* Managed by the Manager.

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

(d) Collective investment scheme – foreign

(i) Collective investment scheme – foreign as at 31 May 2025 is as follow:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
Sotella Fund Pte. Ltd. Class A1 - USD #	10	2,218,500	2,126,500	0.75
Total collective investment scheme – foreign	10	2,218,500	2,126,500	0.75
Accumulated unrealised loss on collective investment scheme – foreign		(92,000)		
Total collective investment scheme – foreign		2,126,500		

(ii) Collective investment scheme – foreign as at 31 May 2024 is as follow:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
Sotella Fund Pte. Ltd. Class A1 - USD #	10	2,218,500	2,352,500	0.71
Total collective investment scheme – foreign	10	2,218,500	2,352,500	0.71
Accumulated unrealised gain on collective investment scheme – foreign		134,000		
Total collective investment scheme – foreign		2,352,500		

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

(d) Collective investment scheme – foreign (continued)

Sotella Fund Pte. Ltd. (“Sotella Fund”) Redeemable Preference Shares (“RPS”)

Sotella Fund is currently undergoing legal proceedings initiated by the manager of Sotella Fund, Lyra Capital Pte. Ltd. The counterparty of the Sotella Fund has defaulted on its obligations and legal proceedings have concurrently been initiated to exercise the rights of the Fund to recover amounts owing. These rights include a lienholder’s caveat on parcels of land acting as security of the Sotella Fund, as well as an undertaking by the parent companies of the counterparty.

Firstly, the litigation under the Memorandum of Deposit which entails the transfer of four parcels of land held in lien. Judgement has been passed by the courts in February 2025 to compel the transfer of land to Sotella / its nominees. To that effect, Sotella has established its nominee to accept the transfer of land and is in progress of the transfer process. The defendants have appealed the judgement which will be heard by the Court of Appeal on 31 July 2025. The second legal track is the litigation under the Deed of Undertaking which legal proceedings completed in July 2025, with a decision by the High Court due in September 2025. This entails the requirement for shareholders of the defaulting party to take necessary steps to meet the obligations of the defaulted party. Lastly, the dispute will also be undergoing arbitration at the Asian International Arbitration Centre, with proceedings completed in June 2025 with the tribunal expected to deliver its final award by September 2025.

The Manager will continue to monitor ongoing progress with inputs from the manager of Sotella Fund as well as the appointed solicitor in the Manager’s assessment of the recoverability of the investment.

In the current case of Sotella Fund RPS, the Manager will continue to value the investment at cost or at par due to the following reasons:-

1. The current collateral is valued at RM125 million based on the professional valuation report dated 17 May 2024. As the valuation report remains current, the Manager will take the market value as good.
2. The collateral is currently in the process of being transferred to Sotella Fund RPS nominees, following which a property agent can be appointed to commence the sale process.
3. The recovery of the RPS principal amount invested will be from the sale of the four pieces of land and the additional assets to be provided by the defendants from the remaining two legal proceedings.

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

(e) Exchange-traded funds – foreign

(i) Exchange-traded funds – foreign as at 31 May 2025 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>				
Hang Seng China Enterprises Index ETF	89,170	4,607,595	4,200,087	1.49
iShares Hang Seng TECH ETF	684,200	4,731,449	4,041,389	1.43
	<u>773,370</u>	<u>9,339,044</u>	<u>8,241,476</u>	<u>2.92</u>
<u>Ireland</u>				
Global X European Infrastructure Development UCITS ETF EUR Acc	72,585	6,087,264	6,444,968	2.28
<u>United States</u>				
Alerian MLP ETF	84,962	19,142,494	17,261,374	6.11
Global X Cybersecurity ETF	28,614	4,110,911	4,248,384	1.51
VanEck Gold Miners ETF	24,272	5,426,520	5,228,539	1.85
	<u>137,848</u>	<u>28,679,925</u>	<u>26,738,297</u>	<u>9.47</u>
Total exchange-traded funds – foreign	<u>983,803</u>	<u>44,106,233</u>	<u>41,424,741</u>	<u>14.67</u>
Accumulated unrealised loss on exchange-traded funds – foreign		<u>(2,681,492)</u>		
Total exchange-traded funds – foreign		<u>41,424,741</u>		

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

(e) Exchange-traded funds – foreign (continued)

(ii) Exchange-traded funds – foreign as at 31 May 2024 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>United States</u>				
Alerian MLP ETF	58,875	13,210,804	12,695,225	3.86
The Energy Select Sector SPDR® Fund	21,817	8,852,735	9,566,885	2.91
	<u>80,692</u>	<u>22,063,539</u>	<u>22,262,110</u>	<u>6.77</u>
Total exchange-traded funds – foreign	<u>80,692</u>	<u>22,063,539</u>	<u>22,262,110</u>	<u>6.77</u>
Accumulated unrealised gain on exchange-traded funds – foreign		<u>198,571</u>		
Total exchange-traded funds – foreign		<u>22,262,110</u>		

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

9 NUMBER OF UNITS IN CIRCULATION

(a) AUD Class units in circulation

	<u>2025</u> No. of units	<u>2024</u> No. of units
At beginning of the financial year	2,769,000	4,166,000
Creation of units arising from applications	132,000	10,000
Cancellation of units	(1,048,000)	(1,407,000)
At the end of the financial year	<u>1,853,000</u>	<u>2,769,000</u>

(b) GBP Class units in circulation

	<u>2025</u> No. of units	<u>2024</u> No. of units
At beginning of the financial year	416,000	434,000
Creation of units arising from applications	-	46,000
Cancellation of units	-	(64,000)
At the end of the financial year	<u>416,000</u>	<u>416,000</u>

(c) MYR Class units in circulation

	<u>2025</u> No. of units	<u>2024</u> No. of units
At beginning of the financial year	197,693,000	262,921,000
Creation of units arising from applications	3,556,000	2,116,000
Cancellation of units	(30,764,000)	(67,344,000)
At the end of the financial year	<u>170,485,000</u>	<u>197,693,000</u>

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

9 NUMBER OF UNITS IN CIRCULATION (CONTINUED)

(d) SGD Class units in circulation

	<u>2025</u> No. of units	<u>2024</u> No. of units
At beginning of the financial year	7,410,000	7,980,000
Creation of units arising from applications	264,000	806,000
Cancellation of units	(1,398,000)	(1,376,000)
At the end of the financial year	<u>6,276,000</u>	<u>7,410,000</u>

(e) USD Class units in circulation

	<u>2025</u> No. of units	<u>2024</u> No. of units
At beginning of the financial year	12,472,000	21,362,000
Creation of units arising from applications	96,000	-
Cancellation of units	(950,000)	(8,890,000)
At the end of the financial year	<u>11,618,000</u>	<u>12,472,000</u>

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

10 TRANSACTIONS WITH BROKERS

- (i) Detail of transactions with top 10 brokers for the financial year ended 31 May 2025 is 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> %
Robert W. Baird & Co. Incorporated	193,778,200	43.04	36,579	9.18
Cowen Execution Services LLC	42,473,373	9.43	63,710	16.00
Societe Generale Paris Agency Business (Ex SGLB)	28,411,168	6.31	8,523	2.14
Citigroup Global Markets Ltd	19,515,947	4.33	48,790	12.25
CLSA Ltd (Hong Kong)	13,653,735	3.03	26,012	6.53
CLSA Singapore Pte Ltd	13,359,858	2.97	6,680	1.68
Flow Traders B.V.	9,339,045	2.07	-	-
AllianceBernstein	9,314,796	2.07	2,181	0.55
National Financial Services LLC	8,697,050	1.93	4,786	1.20
PT. Mandiri Sekuritas	7,773,333	1.73	23,320	5.85
Others	103,946,257	23.09	177,701	44.62
	<u>450,262,762</u>	<u>100.00</u>	<u>398,282</u>	<u>100.00</u>

- (ii) Detail of transactions with top 10 brokers for the financial year ended 31 May 2024 is 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> %
Robert W. Baird & Co. Incorporated	268,891,508	28.27	48,876	5.20
CLSA Ltd (Hong Kong)	50,851,135	5.34	95,861	10.21
Sanford C. Bernstein and Co., LLC	50,669,241	5.33	11,825	1.26
Flow Traders B.V.	46,026,379	4.84	-	-
CLSA Ltd (United Kingdom)	38,612,675	4.06	-	-
Merrill Lynch International Ltd	38,001,407	3.99	109,899	11.70
Macquarie Securities (Australia) Ltd	33,886,606	3.56	27,315	2.91
Citibank National Association	31,730,587	3.33	8,164	0.87
CLSA Securities Korea Ltd.	30,995,907	3.26	76,049	8.10
Affin Hwang Investment Bank Bhd	30,367,853	3.19	-	-
Others	331,435,435	34.83	561,134	59.75
	<u>951,468,733</u>	<u>100.00</u>	<u>939,123</u>	<u>100.00</u>

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

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

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

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

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

	<u>2025</u>		<u>2024</u>	
	No. of units	RM	No. of units	RM
<u>The Manager:</u>				
AHAM Asset Management Berhad (The units are held legally for booking purposes)				
- AUD Class	3,503	6,019	3,538	6,132
- GBP Class	3,277	10,365	3,277	10,455
- MYR Class	2,914	4,129	2,773	3,963
- SGD Class	3,865	6,540	3,159	5,391
- USD Class	3,090	6,839	3,579	7,990
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Director of the Manager</u>				
Director of AHAM Asset Management Berhad (The units are held beneficially)	249,003	352,787	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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

AHAM ABSOLUTE RETURN FUND II

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

12 TOTAL EXPENSE RATIO ("TER")

	<u>2025</u> %	<u>2024</u> %
TER	<u>1.07</u>	<u>1.05</u>

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 = Custodian 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 year calculated on a daily basis is RM311,307,888 (2024: RM366,965,857).

13 PORTFOLIO TURNOVER RATIO ("PTR")

	<u>2025</u>	<u>2024</u>
PTR (times)	<u>0.72</u>	<u>1.31</u>

PTR is derived from the following calculation:

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

where: total acquisition for the financial year = RM210,776,542 (2024: RM426,519,516)
total disposal for the financial year = RM236,440,247 (2024: RM538,111,614)

AHAM ABSOLUTE RETURN FUND II

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 49 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 May 2025 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial year then ended 31 May 2025 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
29 July 2025

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF AHAM ABSOLUTE RETURN FUND II

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of AHAM Absolute Return Fund II ("the Fund") give a true and fair view of the financial position of the Fund as at 31 May 2025, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 May 2025, and the statement of comprehensive income, statement of changes in net assets attributable to unit holders 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 49.

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 8(d) to the financial statements, which describes the status of the Fund's investment in the collective investment scheme of which the counterparty of its sole investment in the redeemable preference shares has defaulted. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF AHAM ABSOLUTE RETURN FUND II (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the Manager for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

**INDEPENDENT AUDITORS' REPORT
TO THE UNIT HOLDERS OF AHAM ABSOLUTE RETURN FUND II (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 Funds'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 HOLDERS OF AHAM ABSOLUTE RETURN FUND II (CONTINUED)**

OTHER MATTERS

This report is made solely to the unit holders 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
29 July 2025

DIRECTORY OF SALES OFFICE

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