

Semi-Annual Report for

AmAsia Pacific REITs

29 February 2024



AmInvest

Growing Your Investments in a Changing World

TRUST DIRECTORY

Manager

AmFunds Management Berhad
9th & 10th Floor, Bangunan AmBank Group
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50200 Kuala Lumpur

Board of Directors

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

Investment Committee

Arnold Lim Boon Lay
Tracy Chen Wee Keng
Goh Wee Peng

Trustee

Deutsche Trustees Malaysia Berhad

Auditors and Reporting Accountants

Ernst & Young PLT

Taxation Adviser

Deloitte Tax Services Sdn Bhd

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MANAGER'S REPORT

Dear Unitholders,

We are pleased to present you the Manager's report and the unaudited accounts of AmAsia Pacific REITs ("Fund") for the financial period from 1 September 2023 to 29 February 2024.

Salient Information of the Fund

Name	AmAsia Pacific REITs ("Fund")
Category/ Type	Fund-of-Funds / Income and Growth
Objective	<p>The Fund aims to provide regular income* and to a lesser extent capital appreciation over the medium to long-term by investing in real estate investment trusts (REITs).</p> <p><i>Note:</i> <i>*The income could be in the form of units or cash.</i> <i>Any material change to the investment objective of the Fund would require Unit Holders' approval.</i></p>
Duration	<p>The Fund was established on 18 July 2011 and shall exist for as long as it appears to the Manager and the Trustee that it is in the interest of the unitholders for it to continue. In some circumstances, the unitholders can resolve at a meeting to terminate the Fund.</p>
Performance Benchmark	<p>S&P Pan Asia REITs Index. (Available at www.aminvest.com)</p> <p><i>Note:</i> <i>*The risk profile of the performance benchmark is not the same as the risk profile of the Fund.</i></p> <p><i>The S&P Pan Asia REITs Index (the "Index") is a product of S&P Dow Jones Indices LLC ("SPDJI"), and has been licensed for use by AmFunds Management Berhad. S&P® is a registered trademark of S&P Global ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); AmAsia Pacific REITs are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, any of their respective affiliates (collectively, "S&P Dow Jones Indices"). S&P Dow Jones Indices makes no representation or warranty, express or implied, to the owners of the AmAsia Pacific REITs or any member of the public regarding the advisability of investing in securities generally or in AmAsia Pacific REITs particularly or the ability of the S&P Pan Asia REITs Index to track general market performance. S&P Dow Jones Indices' only relationship to AmFunds Management Berhad with respect to the S&P Pan Asia REITs Index is the licensing of the Index and certain trademarks, service marks and/or trade names of S&P Dow Jones Indices and/or its licensors. The S&P Pan Asia REITs Index is determined, composed and calculated by S&P Dow Jones Indices without regard to AmFunds Management Berhad or the AmAsia Pacific REITs. S&P Dow Jones Indices have no obligation to take the needs of AmFunds Management Berhad or the owners of AmAsia Pacific REITs into consideration in determining, composing or calculating the S&P Pan Asia REITs Index. S&P Dow Jones Indices are not responsible for and have not participated in the determination of the prices, and amount of AmAsia Pacific REITs or the timing of the issuance or sale of AmAsia Pacific REITs or in the determination or calculation of the equation by which AmAsia Pacific REITs is to be converted into cash, surrendered or redeemed, as the case may be. S&P Dow Jones Indices have no</i></p>

	<i>obligation or liability in connection with the administration, marketing or trading of AmAsia Pacific REITs. There is no assurance that investment products based on the S&P Pan Asia REITs Index will accurately track index performance or provide positive investment returns. S&P Dow Jones Indices LLC is not an investment advisor. Inclusion of a security within an index is not a recommendation by S&P Dow Jones Indices to buy, sell, or hold such security, nor is it considered to be investment advice.</i>
Income Distribution Policy	<p><u>Class B (MYR)</u></p> <p>Subject to availability of income, distribution is paid at least once a year and will be paid in the form of cash or units.</p> <p><i>Note: Income distribution amount (if any) for each of the Classes would be different subject to sole discretion of the Manager.</i></p>

Fund Performance Data

Portfolio Composition	Details of portfolio composition of the Fund as at 29 February 2024 and for the past three financial years are as follows:				
		As at 29.02.2024 %	As at 31 August		
			2023 %	2022 %	2021 %
REITs		92.17	91.56	89.54	85.37
Money market deposits and cash equivalents		7.83	8.44	10.46	14.63
Total		100.00	100.00	100.00	100.00
	<i>Note: The abovementioned percentages are calculated based on total net asset value.</i>				
Performance Details	Performance details of the Fund for the financial period ended 29 February 2024 and three financial years ended 31 August are as follows:				
		FPE 29.02.2024	FYE 2023	FYE 2022	FYE 2021
Net asset value (RM)		219,447,915	229,673,193	270,033,023	286,762,361
Units in circulation		333,399,814	348,007,390	362,245,300	335,587,916
Net asset value per unit (RM)		0.6582	0.6600	0.7454	0.8545
Highest net asset value per unit (RM)		0.6987	0.7483	0.8649	0.8854
Lowest net asset value per unit (RM)		0.6032	0.6520	0.7312	0.7536
Benchmark performance (%)		-0.06	-7.84	-14.00	16.28
Total return (%) ⁽¹⁾		-0.53	-10.80	-7.82	12.83
- Capital growth (%)		-0.53	-11.52	-12.50	8.16
- Income distribution (%)		-	0.72	4.68	4.67
Gross distribution (sen per unit)		-	0.84	4.01	3.70
Net distribution (sen per unit)		-	0.54	4.00	3.70

	FPE 29.02.2024	FYE 2023	FYE 2022	FYE 2021
Total expense ratio (%) ⁽²⁾	0.79	1.60	1.64	1.63
Portfolio turnover ratio (times) ⁽³⁾	0.06	0.20	0.46	0.47

Note:

- (1) Total return is the actual return of the Fund for the respective financial period/years computed based on the net asset value per unit and net of all fees.
(2) Total expense ratio (“TER”) is calculated based on the total fees and expenses incurred by the Fund divided by the average fund size calculated on a daily basis.
(3) Portfolio turnover ratio (“PTR”) is calculated based on the average of the total acquisitions and total disposals of investment securities of the Fund divided by the average fund size calculated on a daily basis.

Average Total Return (as at 29 February 2024)

Class B (MYR)	AmAsia Pacific REITs ^(a) %	S&P Pan Asia REITs Index ^(b) %
One year	-6.78	-3.10
Three years	-3.39	-4.05
Five years	-0.08	-2.08
Ten years	5.03	2.94

Annual Total Return

Financial Years Ended (31 August) Class B (MYR)	AmAsia Pacific REITs ^(a) %	S&P Pan Asia REITs Index ^(b) %
2023	-10.80	-7.84
2022	-7.82	-14.00
2021	12.83	16.28
2020	-3.32	-15.20
2019	17.55	19.72

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

(b) S&P Pan Asia REITs Index (Available at www.aminvest.com).

The Fund performance is calculated based on the net asset value per unit of the Fund. Average total return of the Fund and its benchmark for a period is computed based on the absolute return for that period annualised over one year.

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

Fund Performance

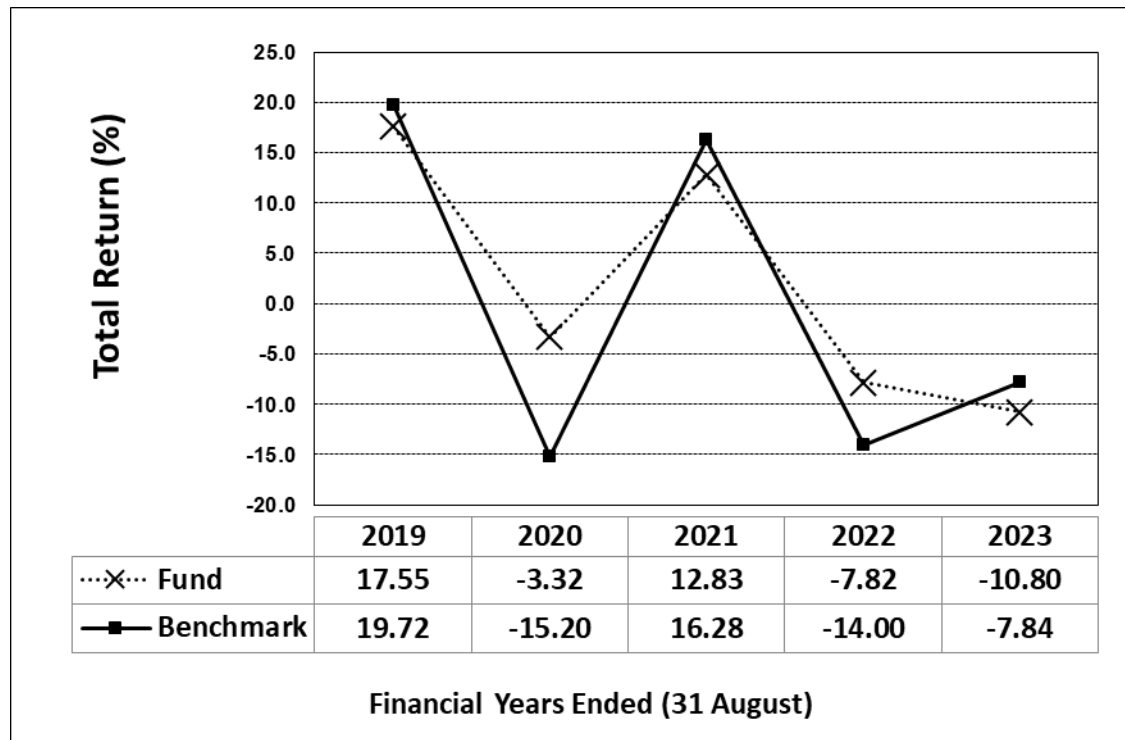
Class B (MYR)

For the financial period under review, the Fund registered a negative return of 0.53% which is entirely capital in nature.

Thus, the Fund's negative return of 0.53% has underperformed the benchmark's negative return of 0.06% by 0.47%.

As compared with the financial year ended 31 August 2023, the net asset value (“NAV”) per unit of the Fund decreased by 0.27% from RM0.6600 to RM0.6582, while units in circulation decreased by 4.20% from 348,007,390 units to 333,399,814 units.

The following line chart shows comparison between the annual performances of AmAsia Pacific REITs Class B (MYR) and its benchmark, S&P Pan Asia REITs Index, for the financial years ended 31 August.



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

Strategies and Policies Employed

For the financial period under review, the Fund achieved its investment objective, where 85% to 98% of the Fund's Net Asset Value ("NAV") was invested in REITs listed in the Asia Pacific region, In addition to country diversification, the Fund also diversified its REITs sector exposure in the residential, commercial and industrial segments. The Fund holds between 2% to 15% of its NAV in liquid assets. These strategies will continue to be applied going forward. The Manager employs an active allocation strategy, which means the asset allocation decisions will be made after reviewing the macroeconomic trends and REITs market outlook of the respective countries in the Asia Pacific region. The Manager will be targeting REITs with strong track records in generating regular income returns and which have potential for capital growth. In evaluating the suitability of a REIT, the Manager, amongst other factors, will review the underlying real estate market condition, track record, portfolio of assets, financial status, income distribution policy and cost factors of the REITs.

In an adverse market condition, the Manager may increase its asset allocation to lower risk assets such as liquid assets to safeguard the investment of the Fund. During such period, the Fund's investment may differ from the stipulated investment strategy.

Portfolio Structure	<p>The table below is the asset allocation of the Fund as at 29 February 2024 and 31 August 2023.</p> <table border="1" data-bbox="327 219 1444 459"> <thead> <tr> <th></th> <th>As at 29.02.2024 %</th> <th>As at 31.08.2023 %</th> <th>Changes %</th> </tr> </thead> <tbody> <tr> <td>REITs</td> <td>92.17</td> <td>91.56</td> <td>0.61</td> </tr> <tr> <td>Money market deposits and cash equivalents</td> <td>7.83</td> <td>8.44</td> <td>-0.61</td> </tr> <tr> <td>Total</td> <td>100.00</td> <td>100.00</td> <td></td> </tr> </tbody> </table> <p>For the financial period under review, the Fund invested 92.17% of its NAV in REITs and the remaining balance of 7.83% was held in money market deposits and cash equivalents.</p>		As at 29.02.2024 %	As at 31.08.2023 %	Changes %	REITs	92.17	91.56	0.61	Money market deposits and cash equivalents	7.83	8.44	-0.61	Total	100.00	100.00	
	As at 29.02.2024 %	As at 31.08.2023 %	Changes %														
REITs	92.17	91.56	0.61														
Money market deposits and cash equivalents	7.83	8.44	-0.61														
Total	100.00	100.00															
Securities Lending / Repurchase Transactions	<p>The Fund has not undertaken any securities lending or repurchase transactions (collectively referred to as “securities financing transactions”).</p>																
Cross Trade	<p>There were no cross trades undertaken during the financial period under review.</p>																
Distribution/ Unit split	<p>There is no income distribution and unit split declared for the financial period under review.</p>																
State of Affairs	<p>There has been neither significant changes to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unitholders during the financial period under review.</p>																
Rebates and Soft Commission	<p>During the period, the management company received soft commissions by virtue of transactions conducted for the Fund, in the form of research services, systems and services relating to performance measurement of portfolios and subscription fees for fund’s benchmark indices. All of these assist in the investment decision making process which are of demonstrable benefit to unitholders of the Fund.</p> <p>The company has soft commission arrangement with a total of 11 brokers, who execute trades for the Fund and other funds or investments managed by the company. The soft commission received would be in the form of research services, systems and services relating to performance measurement of portfolios and/or subscription fees for fund’s benchmark indices. All of these assist in the investment decision making process which are of demonstrable benefit to unitholders of the Fund and other funds or investments managed by the company.</p> <p>Soft commissions received were for the benefit of the Fund and there was no churning of trades.</p>																
Market Review	<p>During the financial period under review, conditions remain challenging for the real estate market as monetary conditions remain tight and assets valuation generally deteriorated. Transaction volume also continued to remain sparse with dealmaking often paralyzed by the standoff between potential buyers and sellers on pricing. Nonetheless, the latest reporting season in early 2024 saw the retail segment in Singapore and Australia continued to register positive rental reversions but remained weak in Hong Kong and China. Industrial operating metrics also remained strong in Australia and Singapore with high occupancy and double-digit releasing spreads. Meanwhile, office remained challenged, with the exception of Singapore, with no noticeable improvement in leasing spreads and activity still skewed to more premium assets. In the first two months of 2024, the REITs sector gave back part of the gains</p>																

	from the rebound in late 2023 as long term bond yields rose and market dialled back rate cut expectations.
Market Outlook	A peaking of the US Fed rate hike cycle typically bodes well for the rate-sensitive REITs sector. However, going into 2024 the REITs distributable income will still be affected by the elevated interest rate level as they roll over debts that were financed at lower rates previously. In the near term, we favour REITs with strong balance sheet and low leverage that will be able to weather the current high interest rate environment better.
Additional Information	<p>The following information was updated:</p> <ol style="list-style-type: none"> 1) Mr Tai Terk Lin, an Independent Non-Executive Director of AmFunds Management Berhad ('AFM'), has retired from the Board and the Fund Management Division's Audit and Risk Management Committee with effect from 15 December 2023. 2) Mdm Jas Bir Kaur A/P Lol Singh, an Independent Non-Executive Director of AFM, has resigned as the Chairperson of the Investment Committee and has been appointed as a member of the Fund Management Division's Audit and Risk Management Committee with effect from 15 December 2023. 3) Mr Arnold Lim Boon Lay has been appointed as an Independent Non-Executive Director of AFM and the Chairman of the Investment Committee with effect from 15 December 2023. 4) The Eleventh Supplementary Master Prospectus 1 March 2024 has been registered with the Securities Commission Malaysia. Notice of the issuance for the Eleventh Supplementary Master Prospectus dated 1 March 2024 has been published on our website at www.aminvest.com and sent to the Unit Holders on 13 March 2024

Kuala Lumpur, Malaysia
AmFunds Management Berhad

18 April 2024

AmAsia Pacific REITs

STATEMENT OF FINANCIAL POSITION AS AT 29 FEBRUARY 2024

	Note	29.02.2024 (unaudited) RM	31.08.2023 (audited) RM
ASSETS			
Investments	4	202,266,232	210,299,147
Amount due from Manager	5(a)	102,265	138,326
Distribution receivables		1,738,312	2,361,344
Amount due from brokers	6	-	1,628,307
Capital repayment receivables	7	300,181	320,406
Tax recoverable		1,098,986	407,650
Deposit with a licensed financial institution	8	11,890,984	13,027,155
Cash at banks		2,527,307	1,901,504
TOTAL ASSETS		<u>219,924,267</u>	<u>230,083,839</u>
LIABILITIES			
Amount due to Manager	5(b)	449,863	369,057
Amount due to Trustee	9	10,675	11,856
Distribution payable		-	12,279
Sundry payables and accruals		15,814	17,454
TOTAL LIABILITIES		<u>476,352</u>	<u>410,646</u>
NET ASSET VALUE ("NAV") OF THE FUND		<u>219,447,915</u>	<u>229,673,193</u>
EQUITY			
Unit holders' capital	11(a)	194,701,276	204,214,571
Retained earnings	11(b)(c)	24,746,639	25,458,622
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	11	<u>219,447,915</u>	<u>229,673,193</u>
UNITS IN CIRCULATION			
- Class B (MYR)	11(a)	<u>333,399,814</u>	<u>348,007,390</u>
NAV PER UNIT (RM)			
- Class B (MYR)		<u>0.6582</u>	<u>0.6600</u>

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

AmAsia Pacific REITs

STATEMENT OF COMPREHENSIVE INCOME *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024

	Note	01.09.2023 to 29.02.2024 RM	01.09.2022 to 28.02.2023 RM
INVESTMENT INCOME/(LOSS)			
Distribution income		5,355,756	5,269,915
Interest income		185,208	333,074
Other income		648	-
Net losses from investments:			
- Financial assets at fair value through profit or loss ("FVTPL")	10	(2,756,255)	(13,412,058)
Other net realised losses on foreign currency exchange		(364,806)	(619,486)
Other net unrealised (loss)/gain on foreign currency exchange		(3,135)	62,011
		<u>2,417,416</u>	<u>(8,366,544)</u>
EXPENDITURE			
Manager's fee	5	(1,661,135)	(1,876,017)
Trustee's fee	9	(66,445)	(75,041)
Audit fee		(5,462)	(5,443)
Tax agent's fee		(2,586)	(2,579)
Brokerage and other transaction fees		(71,959)	(110,647)
Custodian's fee		(24,613)	(40,791)
Other expenses		(3,678)	(3,212)
		<u>(1,835,878)</u>	<u>(2,113,730)</u>
Net income/(loss) before taxation		581,538	(10,480,274)
Taxation	13	(1,293,521)	(1,503,138)
Net losses after taxation, representing total comprehensive losses for the financial period		<u>(711,983)</u>	<u>(11,983,412)</u>
Total comprehensive losses comprises the following:			
Realised losses		(10,710,779)	(836,880)
Unrealised gain/(loss)		9,998,796	(11,146,532)
		<u>(711,983)</u>	<u>(11,983,412)</u>

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

AmAsia Pacific REITs

STATEMENT OF CHANGES IN EQUITY *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024

	Note	Unit holders' capital RM	Retained earnings RM	Total equity RM
At 1 September 2023		204,214,571	25,458,622	229,673,193
Total comprehensive loss for the financial period		-	(711,983)	(711,983)
Creation of units	11(a)	3,335,296	-	3,335,296
Cancellation of units	11(a)	(12,848,591)	-	(12,848,591)
Balance at 29 February 2024		<u>194,701,276</u>	<u>24,746,639</u>	<u>219,447,915</u>
At 1 September 2022		214,109,579	55,923,444	270,033,023
Total comprehensive loss for the financial period		-	(11,983,412)	(11,983,412)
Creation of units		16,441,657	-	16,441,657
Cancellation of units		(19,407,940)	-	(19,407,940)
Balance at 28 February 2023		<u>211,143,296</u>	<u>43,940,032</u>	<u>255,083,328</u>

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

AmAsia Pacific REITs

STATEMENT OF CASH FLOWS *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024

	Note	01.09.2023 to 29.02.2024 RM	01.09.2022 to 28.02.2023 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES			
Proceeds from sale of investments		16,580,329	14,445,866
Purchase of investments		(10,439,633)	(20,760,902)
Capital repayments received		415,692	730,510
Distributions received		5,564,168	5,439,608
Interest received		185,208	333,074
Other income		648	-
Manager's fee paid		(1,711,744)	(1,929,800)
Trustee's fee paid		(67,626)	(77,953)
Tax paid		(1,569,374)	(306,906)
Custodian's fee paid		(24,613)	(40,791)
Payments for other expenses		(85,325)	(116,144)
Net cash generated from/(used in) operating and investing activities		<u>8,847,730</u>	<u>(2,283,438)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		3,371,357	15,898,636
Payments for cancellation of units		(12,717,176)	(19,395,124)
Distribution paid		(12,279)	(32,610)
Net cash used in financing activities		<u>(9,358,098)</u>	<u>(3,529,098)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		(510,368)	(5,812,536)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD		<u>14,928,659</u>	<u>24,581,169</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD		<u>14,418,291</u>	<u>18,768,633</u>
Cash and cash equivalents comprise:			
Deposit with a licensed financial institution	8	11,890,984	16,480,250
Cash at banks		<u>2,527,307</u>	<u>2,288,383</u>
		<u>14,418,291</u>	<u>18,768,633</u>

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

AmAsia Pacific REITs

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024

1. GENERAL INFORMATION

AmAsia Pacific REITs (the “Fund”) was established pursuant to a Deed dated 5 April 2011 as amended by Deeds supplemental thereto (the “Deeds”), between AmFunds Management Berhad as the Manager, Deutsche Trustees Malaysia Berhad as the Trustee and all unit holders.

The Fund aims to provide regular income and to a lesser extent capital appreciation over the medium to long term by investing in real estate investment trusts (REITs). As provided in the Deeds, the financial year shall end on 31 August. The units in the Fund for Class B (MYR) were first offered for sale on 18 July 2011, while Class A (USD), Class B (AUD) and Class B (SGD) were first offered for sale on 16 July 2014. There were no units in circulation for Class A (USD), Class B (AUD) and Class B (SGD) since its offer date and were terminated on 31 August 2018.

The financial statements were authorised for issue by the Manager on 18 April 2024.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

Standards effective during the financial period

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

Description	Effective for financial periods beginning on or after
MFRS 17 <i>Insurance Contracts and Amendments to MFRS 17*</i>	1 January 2023
Initial Application of MFRS 17 and MFRS 9 - <i>Comparative Information</i> (Amendments to MFRS 17 <i>Insurance Contracts</i>)*	1 January 2023
Amendments to MFRS 101 <i>Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current</i>	1 January 2023
Amendments to MFRS 101 <i>Presentation of Financial Statements: Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 112 <i>Income Taxes: International Tax Reform - Pillar Two Model Rules</i>	1 January 2023

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

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

Standards issued but not yet effective

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

Description	Effective for financial periods beginning on or after
Amendments to MFRS 16 <i>Leases: Lease Liability in a Sale and Leaseback*</i>	1 January 2024
Amendments to MFRS 101 <i>Presentation of Financial Statements: Non-Current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 <i>Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 121 <i>The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*</i>	Deferred

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

3. SUMMARY OF ACCOUNTING POLICIES

3.1 Income recognition

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

(i) Distribution income

Distribution income is recognised when the Fund's right to receive payment is established.

(ii) Interest income

Interest income on short-term deposits is recognised on an accrual basis using the effective interest method.

(iii) Gain or loss on disposal of investments

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

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

3.2 Income tax

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

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

3.3 Functional and presentation currency

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

3.4 Foreign currency transactions

Transactions in currencies other than the Fund's functional currency (foreign currencies) are recorded in the functional currency using exchange rates prevailing at the transaction dates. At each reporting date, foreign currency monetary items are translated into RM at exchange rates ruling at the reporting date. All exchange gains or losses are recognised in profit or loss.

3.5 Statement of cash flows

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

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

3.6 Distribution

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

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

3.7 Capital repayment received

Capital repayment received is cash received by the Fund as a result of capital reduction, a corporate action executed by a REIT entity in which the Fund is holding units of shares as its investments. A capital reduction is made out of an entity's contributed share capital. The shareholders will receive a return of capital and the cost of the shareholder's investments are reduced accordingly by the amount of capital returned.

Capital repayment received is a financial asset and reduces the Fund's cost of investment on the REIT entity.

3.8 Unit holders' capital

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

3.9 Financial assets – initial recognition and measurement

(i) Initial recognition

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

(ii) Initial measurement

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

(iii) "Day 1" profit or loss

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

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

3.10 Financial assets under MFRS 9

Classification and measurement

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

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

Financial assets at amortised cost

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

Financial assets at FVOCI

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

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

Financial assets at FVTPL

Any financial assets that are not measured at amortised cost or FVOCI are measured at FVTPL. Subsequent to initial recognition, financial assets at FVTPL are measured at fair value. Changes in the fair value of those financial instruments are recorded in "Net gain or loss on financial assets at FVTPL". Distribution revenue and interest earned elements of such instruments are recorded separately in "Distribution income" and "Interest income" respectively. Exchange differences on financial assets at FVTPL are not recognised separately in profit or loss but are included in net gain or net loss on changes in fair value of financial assets at FVTPL.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

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

3.10 Financial assets under MFRS 9 (cont'd.)

Classification and measurement (cont'd.)

The Fund may classify its financial assets under the following categories: (cont'd.)

Financial assets at FVTPL (cont'd.)

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

The Fund subsequently measures its investments in collective investment schemes ("CIS") at FVTPL. Distributions earned whilst holding the investments are recognised in profit or loss when the right to receive the payment has been established. Gains and losses on the investments, realised and unrealised, are included in profit or loss.

3.11 Financial liabilities – classification and subsequent measurement

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

3.12 Derecognition of financial instruments

(i) Derecognition of financial asset

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

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

3.12 Derecognition of financial instruments (cont'd.)

(ii) Derecognition of financial liability

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

3.13 Financial instruments – expected credit losses (“ECL”)

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

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

3.14 Determination of fair value

For investments in CIS, fair value is determined based on the closing NAV per unit of the CIS. Purchased cost is the quoted price that the Fund paid when buying its investments. The difference between purchased cost and fair value is treated as unrealised gain or loss and is recognised in profit or loss. Unrealised gains or losses recognised in profit or loss are not distributable in nature.

3.15 Classification of realised and unrealised gains and losses

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

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

3.16 Significant accounting estimates and judgments

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

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

3.16 Significant accounting estimates and judgments (cont'd.)

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

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

4. INVESTMENTS

	29.02.2024	31.08.2023
	RM	RM
Financial assets at FVTPL		
Quoted CIS - local	18,583,061	18,475,523
Quoted CIS - foreign	183,683,171	191,823,624
	<u>202,266,232</u>	<u>210,299,147</u>

Details of investments as at 29 February 2024 are as follows:

Name of trust	Number of units	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
Quoted CIS - local				
REITs				
Axis Real Estate Investment Trust	4,255,900	7,532,943	7,862,731	3.43
IGB Real Estate Investment Trust	2,224,100	3,847,693	3,676,706	1.76
KLCCP Stapled Group Pavilion Real Estate Investment Trust	50,000	377,000	347,615	0.17
	5,374,350	6,825,425	7,702,257	3.11
Total quoted CIS - local	<u>11,904,350</u>	<u>18,583,061</u>	<u>19,589,309</u>	<u>8.47</u>

AmAsia Pacific REITs

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024

4. INVESTMENTS (CONT'D.)

Details of investments as at 29 February 2024 are as follows: (cont'd.)

Name of trust	Number of units	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
Quoted CIS - foreign				
Australia				
REITs				
Arena REIT	387,195	4,100,444	4,090,404	1.87
BWP Trust	410,559	4,423,927	5,119,540	2.01
Centuria Industrial REIT	562,040	5,830,603	6,278,231	2.66
Charter Hall Group	129,582	5,009,057	4,888,482	2.28
Charter Hall Long WALE REIT	394,456	4,542,703	5,813,192	2.07
Charter Hall Retail REIT	221,342	2,412,379	2,463,202	1.10
Goodman Group	113,330	10,462,201	6,891,054	4.77
Healthco Healthcare And Wellness REIT	390,000	1,667,713	1,760,436	0.76
HomeCo Daily Needs REIT	864,715	3,323,911	3,545,620	1.51
Mirvac Group	743,113	5,001,708	5,875,455	2.28
National Storage REIT	376,791	2,629,153	2,696,470	1.20
Scentre Group	210,015	2,016,590	1,820,753	0.92
Stockland Corporation Limited	452,164	6,268,293	5,977,302	2.86
The GPT Group	287,975	3,867,684	4,190,785	1.76
Waypoint REIT Limited	449,519	3,261,541	3,566,639	1.49
Total in Australia	5,992,796	64,817,907	64,977,565	29.54
Hong Kong				
REITs				
Link Real Estate Investment Trust	558,727	13,202,145	15,363,127	6.01
Total in Hong Kong	558,727	13,202,145	15,363,127	6.01
Japan				
REITs				
CRE Logistics REIT, Inc.	764	3,449,328	5,907,113	1.57
GLP J-REIT	989	3,725,671	5,411,308	1.70
Healthcare & Medical Investment Corporation	346	1,427,294	1,862,416	0.65

AmAsia Pacific REITs

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024

4. INVESTMENTS (CONT'D.)

Details of investments as at 29 February 2024 are as follows: (cont'd.)

Name of trust	Number of units	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
Quoted CIS - foreign (cont'd.)				
Japan (cont'd.)				
REITs (cont'd.)				
Industrial & Infrastructure Fund Investment Corporation	799	3,189,654	5,804,086	1.46
Japan Hotel REIT Investment Corporation	1,129	2,596,910	2,471,189	1.18
Kenedix Office Investment Corporation	24	113,983	125,852	0.05
LaSalle LOGIPORT REIT	973	4,343,603	5,373,118	1.98
Mitsubishi Estate Logistics REIT Investment Corporation	354	3,919,916	6,289,481	1.79
Mitsui Fudosan Logistics Park Inc.	315	4,236,571	6,549,964	1.93
Nippon Accommodations Fund Inc.	122	2,195,505	2,535,714	1.00
Nippon Prologis REIT, Inc.	501	3,977,820	5,648,681	1.81
Total in Japan	6,316	33,176,255	47,978,922	15.12
Singapore				
REITs				
CapitaLand Ascendas Trust	753,844	7,283,481	6,405,643	3.32
CapitaLand Ascott Trust	1,322,600	4,174,058	4,319,381	1.90
CapitaLand China Trust	1,032,116	2,693,191	3,920,266	1.23
CapitaLand Integrated Commercial Trust	804,278	5,558,648	5,812,880	2.53
CDL Hospitality Trusts	1,104,600	3,758,714	4,293,937	1.71
Digital Core REIT	1,694,200	4,659,660	6,085,369	2.12
Frasers Centrepoint Trust	1,425,230	11,006,165	10,435,401	5.02
Frasers Logistics & Commercial Trust	1,193,174	4,333,591	4,144,575	1.98
Keppel DC REIT	305,381	1,830,619	2,321,246	0.84
Keppel Pacific Oak US REIT	2,414,715	1,431,322	6,887,580	0.65

AmAsia Pacific REITs

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024

4. INVESTMENTS (CONT'D.)

Details of investments as at 29 February 2024 are as follows: (cont'd.)

Name of trust	Number of units	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
Quoted CIS - foreign (cont'd.)				
Singapore (cont'd.)				
REITs (cont'd.)				
Keppel REIT	1,533,700	4,678,035	5,296,925	2.13
Lendlease Global Commercial REIT	2,201,654	4,463,997	5,257,900	2.03
Mapletree Industrial Trust	689,205	5,565,329	5,771,493	2.54
Mapletree Logistics Trust	1,023,127	5,339,471	5,367,220	2.43
Mapletree Pan Asia Commercial Trust	1,197,784	5,701,895	7,512,693	2.60
Parkway Life Real Estate Investment Trust	700	8,688	7,198	-*
Total in Singapore	18,696,308	72,486,864	83,839,707	33.03
Total quoted CIS - foreign	25,254,147	183,683,171	212,159,321	83.70
Total financial assets at FVTPL	37,158,497	202,266,232	231,748,630	92.17
Shortfall of fair value over purchased cost		(29,482,398)		

* represents less than 0.01%

5. AMOUNT DUE FROM/TO MANAGER

	Note	29.02.2024 RM	31.08.2023 RM
(a) Due from Manager			
Creation of units	(i)	102,265	138,326
(b) Due to Manager			
Cancellation of units	(ii)	164,337	32,922
Manager's fee payable	(iii)	285,526	336,135
		449,863	369,057

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

5. AMOUNT DUE FROM/TO MANAGER (CONT'D.)

- (i) This represents amount receivable from the Manager for units created.
- (ii) This represents amount payable to the Manager for units cancelled.

The normal credit period in the previous financial year and current financial period for creation and cancellation of units is three business days.

- (iii) Manager's fee is at a rate of 1.50% (31.08.2023: 1.50%) per annum for Class B (MYR) on the NAV of the Fund, calculated on a daily basis.

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

6. AMOUNT DUE FROM BROKERS

Amount due from brokers arose from the sale of investments. The settlement period is within two business days from the transaction date.

7. CAPITAL REPAYMENT RECEIVABLES

The amount relates to the capital repayment as a result of corporate action from its investment in securities.

8. DEPOSIT WITH A LICENSED FINANCIAL INSTITUTION

	29.02.2024	31.08.2023
	RM	RM
At nominal value:		
Short-term deposit	<u>11,890,000</u>	<u>13,025,000</u>
At carrying value:		
Short-term deposit	<u>11,890,984</u>	<u>13,027,155</u>

Details of deposit with a licensed financial institution are as follows:

Maturity date	Financial Institution	Nominal value RM	Carrying value RM	Carrying value as a percentage of NAV %
29.02.2024				
Short-term deposit				
01.03.2024	Hong Leong Investment Bank	<u>11,890,000</u>	<u>11,890,984</u>	<u>5.42</u>

AmAsia Pacific REITs

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024

9. AMOUNT DUE TO TRUSTEE

Trustee's fee is at a rate of 0.06% (31.08.2023: 0.06%) per annum for Class B (MYR) on the NAV of the Fund, calculated on a daily basis, subject to a minimum fee of RM10,000 per annum.

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

10. NET LOSSES FROM INVESTMENTS

	01.09.2023 to 29.02.2024	01.09.2022 to 28.02.2023
	RM	RM
Net losses on financial assets at FVTPL comprised:		
– Net realised losses on sale of investments	(14,290,321)	(1,817,603)
– Net realised gain/(loss) on foreign currency exchange	1,532,135	(385,912)
– Net unrealised gain/(loss) on changes in fair value of investments	6,721,658	(15,076,135)
– Net unrealised gains on foreign currency fluctuation of investments denominated in foreign currency	3,280,273	3,867,592
	<u>(2,756,255)</u>	<u>(13,412,058)</u>

11. TOTAL EQUITY

Total equity is represented by:

	Note	29.02.2024	31.08.2023
		RM	RM
Unit holders' capital	(a)	194,701,276	204,214,571
Retained earnings			
– Realised income	(b)	54,239,084	64,949,863
– Unrealised losses	(c)	<u>(29,492,445)</u>	<u>(39,491,241)</u>
		<u>219,447,915</u>	<u>229,673,193</u>

AmAsia Pacific REITs

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024

11. TOTAL EQUITY (CONT'D.)

(a) Unit holders' capital/units in circulation - Class B (MYR)

	29.02.2024		31.08.2023	
	Number of units	RM	Number of units	RM
At beginning of the financial period/year	348,007,390	204,214,571	362,245,300	214,109,579
Creation during the financial period/year	5,071,551	3,335,296	30,383,044	21,159,486
Reinvestment of distribution	-	-	2,867,226	1,884,628
Cancellation during the financial period/year	(19,679,127)	(12,848,591)	(47,488,180)	(32,939,122)
At end of the financial period/year	<u>333,399,814</u>	<u>194,701,276</u>	<u>348,007,390</u>	<u>204,214,571</u>

(b) Realised – distributable

	29.02.2024 RM	31.08.2023 RM
At beginning of the financial period/year	64,949,863	63,320,308
Net realised (loss)/income for the financial period/year	(10,710,779)	3,526,462
Distribution out of realised income	-	(1,896,907)
At end of the financial period/year	<u>54,239,084</u>	<u>64,949,863</u>

(c) Unrealised – non-distributable

	29.02.2024 RM	31.08.2023 RM
At beginning of the financial period/year	(39,491,241)	(7,396,864)
Net unrealised gain/(loss) for the financial period/year	9,998,796	(32,094,377)
At end of the financial period/year	<u>(29,492,445)</u>	<u>(39,491,241)</u>

12. SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES

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

Related parties

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

Relationships

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

AmAsia Pacific REITs

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024

12. SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES (CONT'D.)

There are no units held by the Manager or any related party as at 29 February 2024 and 31 August 2023.

Other than those disclosed elsewhere in the financial statements, the significant related balance as at reporting date is as follows:

	29.02.2024 RM	31.08.2023 RM
Significant related party balance		
<u>AmBank (M) Berhad</u>		
Cash at bank	4,448	4,454

13. TAXATION

	01.09.2023 to 29.02.2024 RM	01.09.2022 to 28.02.2023 RM
Local tax	928,797	1,020,849
Foreign tax	364,724	482,289
	<u>1,293,521</u>	<u>1,503,138</u>

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

Pursuant to the Finance Act 2021, income derived by a resident person from sources outside Malaysia and received in Malaysia from 1 January 2022 will no longer be exempt from tax. Foreign-sourced income ("FSI") received in Malaysia will be taxed at the prevailing tax rate(s) of the taxpayer and based on applicable tax rules. Bilateral or unilateral tax credits may be allowed if the same income has suffered foreign tax, and where relevant conditions are met.

The taxation charged for the financial period is related to withholding tax derived from countries including Australia, Japan, Malaysia and Singapore at the rates prevailing in these countries.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

13. TAXATION (CONT'D.)

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

	01.09.2023 to 29.02.2024	01.09.2022 to 28.02.2023
	RM	RM
Net income/(loss) before taxation	<u>581,538</u>	<u>(10,480,274)</u>
Taxation at Malaysian statutory rate of 24% (2023: 24%)	139,569	(2,515,266)
Tax effects of:		
Income not subject to tax	(2,804,642)	(784,684)
Losses not allowed for tax deduction	3,517,983	4,295,793
Restriction on tax deductible expenses for unit trust fund	359,985	406,395
Non-permitted expenses for tax purposes	40,627	55,745
Permitted expenses not used and not available for future financial periods	39,999	45,155
Tax expense for the financial period	<u>1,293,521</u>	<u>1,503,138</u>

14. TOTAL EXPENSE RATIO (“TER”)

The Fund’s TER is as follows:

	01.09.2023 to 29.02.2024	01.09.2022 to 28.02.2023
	% p.a.	% p.a.
Manager’s fee	0.75	0.75
Trustee’s fee	0.03	0.03
Fund’s other expenses	0.01	0.02
Total TER	<u>0.79</u>	<u>0.80</u>

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

15. PORTFOLIO TURNOVER RATIO (“PTR”)

The PTR of the Fund, which is the ratio of average total acquisitions and disposals of investments to the average NAV of the Fund calculated on a daily basis, is 0.06 times (01.09.2022 to 28.02.2023: 0.07 times).

AmAsia Pacific REITs

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024

16. SEGMENTAL REPORTING

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

17. TRANSACTIONS WITH BROKERS

Details of transactions with brokers for the financial period ended 29 February 2024 are as follows:

	Transaction value		Brokerage fee, stamp duty and clearing fee	
	RM	%	RM	%
Macquarie Securities (Australia) Limited	9,851,078	38.36	27,052	37.59
Macquarie Bank Limited (Australia)	9,068,795	35.32	27,206	37.81
Merrill Lynch International Limited	3,035,341	11.82	7,285	10.12
CLSA Australia Pty Ltd	1,305,454	5.08	2,611	3.63
DBS Vickers Securities (Singapore) Pte Ltd.	1,264,533	4.92	3,667	5.10
CLSA Limited (Hong Kong)	1,154,175	4.50	4,138	5.75
	<u>25,679,376</u>	<u>100.00</u>	<u>71,959</u>	<u>100.00</u>

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

The above transactions are in respect of quoted CIS.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

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

(a) Market risk

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

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

(i) Price risk

Price risk refers to the uncertainty of an investment's future prices. In the event of adverse price movements, the Fund might endure potential loss on its quoted investments. In managing price risk, the Manager actively monitors the performance and risk profile of the investment portfolio.

(ii) Interest rate risk

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

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

(iii) Currency risk

Currency risk is associated with the Fund's assets and liabilities that are denominated in currencies other than the Fund's functional currency. Currency risk refers to the potential loss the Fund might face due to unfavorable fluctuations of currencies other than the Fund's functional currency against the Fund's functional currency.

The net unhedged financial assets of the Fund that are not denominated in Fund's functional currency are as follows:

Assets denominated in	29.02.2024		31.08.2023	
	RM equivalent	% of NAV	RM equivalent	% of NAV
Australian Dollar				
Investments	64,817,907	29.54	68,050,149	29.63
Distribution receivables	54,386	0.02	634,863	0.28
Cash at bank	688,707	0.31	175,288	0.07
	<u>65,561,000</u>	<u>29.87</u>	<u>68,860,300</u>	<u>29.98</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

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

(a) Market risk (cont'd.)

(iii) Currency risk (cont'd.)

The net unhedged financial assets of the Fund that are not denominated in Fund's functional currency are as follows: (cont'd.)

Assets denominated in	29.02.2024		31.08.2023	
	RM equivalent	% of NAV	RM equivalent	% of NAV
Hong Kong Dollar				
Investments	13,202,145	6.01	7,110,830	3.10
Cash at bank	55	~*	53	~*
	<u>13,202,200</u>	<u>6.01</u>	<u>7,110,883</u>	<u>3.10</u>
Japanese Yen				
Investments	33,176,255	15.12	40,929,298	17.82
Capital repayment receivables	47,699	0.02	63,435	0.03
Distribution receivables	598,509	0.27	493,273	0.22
Cash at bank	582,034	0.27	584,973	0.25
	<u>34,404,497</u>	<u>15.68</u>	<u>42,070,979</u>	<u>18.32</u>
Singapore Dollar				
Investments	66,395,882	30.26	68,915,449	30.00
Capital repayment receivables	156,130	0.07	197,020	0.09
Distribution receivables	1,043,070	0.47	707,589	0.31
Amount due from brokers	-	-	1,579,295	0.69
Cash at bank	476,648	0.22	213,113	0.09
	<u>68,071,730</u>	<u>31.02</u>	<u>71,612,466</u>	<u>31.18</u>
United States Dollar				
Investments	6,090,982	2.77	6,817,898	2.96
Capital repayment receivables	96,352	0.04	59,951	0.03
Distribution receivables	42,346	0.02	484,646	0.21
Cash at bank	296,275	0.14	289,715	0.13
	<u>6,525,955</u>	<u>2.97</u>	<u>7,652,210</u>	<u>3.33</u>

* represents less than 0.01%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

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

(b) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge an obligation. Credit risk applies to short-term deposits and distribution receivables. The issuer of such instruments may not be able to fulfill the required interest payments or repay the principal invested or amount owing. These risks may cause the Fund's investments to fluctuate in value.

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

(c) Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected. The Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellations of units by unit holders. Liquid assets comprise of deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 5 to 7 days. The Fund's policy is to always maintain a prudent level of liquid assets so as to reduce liquidity risk.

(d) Single issuer risk

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

(e) Regulatory risk

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

(f) Country risk

The risk of price fluctuation in foreign securities may arise due to political, financial and economic events in foreign countries. If this occurs, there is a possibility that the net asset value of the Fund may be adversely affected.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

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

(g) Management risk

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

(h) Non-compliance risk

This is the risk of the Manager or the Trustee not complying with their respective internal policies, the Deed and its Supplemental Deed, securities law or guidelines issued by the regulators relevant to each party, which may adversely affect the performance of the Fund.

AmAsia Pacific REITs

STATEMENT BY THE MANAGER

I, Goh Wee Peng, being the Director of and on behalf of the Board of Directors of AmFunds Management Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards 134: *Interim Financial Reporting* (“MFRS 134”) so as to give a true and fair view of the financial position of AmAsia Pacific REITs (the “Fund”) as at 29 February 2024 and of the comprehensive income, the changes in equity and cash flows for the financial period then ended.

For and on behalf of the Manager

GOH WEE PENG

Executive Director

Kuala Lumpur, Malaysia

18 April 2024

AmAsia Pacific REITs

TO THE UNIT HOLDERS OF AMASIA PACIFIC REITs (“Fund”)

We have acted as Trustee of the Fund for the financial period ended 29 February 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AmFunds Management Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the following:-

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

For Deutsche Trustees Malaysia Berhad

Ng Hon Leong
Head, Fund Operations

Sylvia Beh
Chief Executive Officer

Kuala Lumpur,
18 April 2024

DIRECTORY

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P.O Box 13611, 50816 Kuala Lumpur

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

