

Annual Report for

Asia-Pacific Property Equities

30 November 2023



AmInvest

Growing Your Investments in a Changing World

TRUST DIRECTORY

Manager

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

Board of Directors

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

Investment Committee

Arnold Lim Boon Lay
Tracy Chen Wee Keng
Goh Wee Peng

Trustee

AmanahRaya Trustees Berhad

Auditors and Reporting Accountants

Ernst & Young PLT

Taxation Adviser

Deloitte Tax Services Sdn Bhd

CONTENTS

- 1** Manager's Report
- 9** Independent Auditor's Report to the Unitholders
- 13** Statement of Financial Position
- 14** Statement of Comprehensive Income
- 15** Statement of Changes in Equity
- 16** Statement of Cash Flows
- 17** Notes to the Financial Statements
- 38** Statement by the Manager
- 39** Trustee's Report
- 40** Directory

MANAGER'S REPORT

Dear Unitholders,

We are pleased to present you the Manager's report and the audited accounts of Asia-Pacific Property Equities ("Fund") for the financial year ended 30 November 2023.

Salient Information of the Fund

Name	Asia-Pacific Property Equities ("Fund")
Category/ Type	Feeder (Asia-Pacific Property Equity) / Capital growth and income
Name of Target Fund	Janus Henderson Horizon Asia-Pacific Property Equities Fund
Objective	<p>The Fund seeks to obtain long-term capital appreciation by investing its assets in the quoted equities of companies or REITs (or its equivalents) having their registered office in the Asia Pacific Region listed or traded on a regulated market which derives the predominant part of their revenue from the ownership, management and/or development of real estate in the Asia Pacific Region. The Fund is denominated in RM.</p> <p><i>Note: 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 2006 and shall exist for as long as it appears to the Manager and the Trustee that it is in the interests 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>FTSE EPRA/NAREIT Pure Asia Total Return Net Dividend Index (capital constrained) ("EPRA/NAREIT Pure Asia") (Available at www.aminvest.com)</p> <p><i>Note: The Fund adheres to the benchmark of the Target Fund. The risk profile of the performance benchmark is not the same as the risk profile of the Fund.</i></p> <p><i>Source: London Stock Exchange Group plc and its group undertakings, including FTSE International Limited (collectively, the "LSE Group"), European Public Real Estate Association ("EPRA"), and the National Association of Real Estate Investments Trusts ("Nareit") (and together the "Licensor Parties"). © LSE Group 2023. FTSE Russell is a trading name of certain LSE Group companies. "FTSE®" and "Russell®" are a trade mark(s) of the relevant LSE Group companies and are used by any other LSE Group company under license. "Nareit®" is a trade mark of Nareit, "EPRA®" is a trade mark of EPRA and all are used by the LSE Group under license. All rights in the FTSE EPRA NAREIT Global Real Estate Index Series index(es) or data vest in the Licensor Parties. The Licensor Parties do not accept any liability for any errors or omissions in the indexes or data and no party may rely on any indexes or data contained in this communication. No further distribution of data from the LSE Group is permitted without the relevant LSE Group company's express written consent. The Licensor Parties do not promote, sponsor or endorse the content of this communication.</i></p>

Income Distribution Policy	Income distribution (if any) is paid at least once every year.
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Fund Performance Data

Portfolio Composition	Details of portfolio composition of the Fund as at 30 November are as follows:			
		As at 30 November		
		2023	2022	2021
		%	%	%
	Foreign collective investment scheme	97.80	97.08	97.61
	Money market deposits and cash equivalents	2.20	2.92	2.39
	Total	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 years ended 30 November are as follows:			
		FYE	FYE	FYE
		2023	2022	2021
	Net asset value (RM)*	5,591,861	6,576,286	7,714,288
	Units in circulation*	5,477,589	5,980,671	6,030,658
	Net asset value per unit (RM)*	1.0209	1.0996	1.2792
	Highest net asset value per unit (RM)*	1.1406	1.3179	1.4716
	Lowest net asset value per unit (RM)*	1.0186	1.0996	1.2550
	Benchmark performance (%)	-5.88	-9.57	5.46
	Total return (%) ⁽¹⁾	-4.28	-9.83	5.06
	- Capital growth (%)	-7.34	-13.93	1.12
	- Income distribution (%)	3.06	4.10	3.94
	Gross distribution (sen per unit)	4.45	6.49	4.98
	Net distribution (sen per unit)	3.36	5.24	4.98
	Total expense ratio (%) ⁽²⁾	0.52	0.50	0.39
	Portfolio turnover ratio (times) ⁽³⁾	0.07	0.06	0.10
	* Above prices and net asset value per unit are shown as ex-distribution.			
	<i>Note:</i>			
	<i>(1) Total return is the actual return of the Fund for the respective financial years computed based on the net asset value per unit and net of all fees.</i>			
	<i>(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. The TER increased by 0.02% as compared to 0.50% per annum for the financial year ended 30 November 2022 mainly due to decrease in average fund size.</i>			
	<i>(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. The increase in the PTR for 2023 and decrease in 2022 were due mainly to investing activities.</i>			

Average Total Return (as at 30 November 2023)

	Asia-Pacific Property Equities ^(a) %	EPRA/NAREIT PureAsia ^(b) %
One year	-4.28	-5.88
Three years	-3.21	-3.54
Five years	0.15	-2.51
Ten years	2.67	2.46

Annual Total Return

Financial Years Ended (30 November)	Asia-Pacific Property Equities ^(a) %	EPRA/NAREIT PureAsia ^(b) %
2023	-4.28	-5.88
2022	-9.83	-9.57
2021	5.06	5.46
2020	-6.19	-14.68
2019	18.41	15.02

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

(b) FTSE EPRA/NAREIT Pure Asia Total Return Net Dividend Index (capital constrained) ("EPRA/NAREIT Pure Asia") (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.

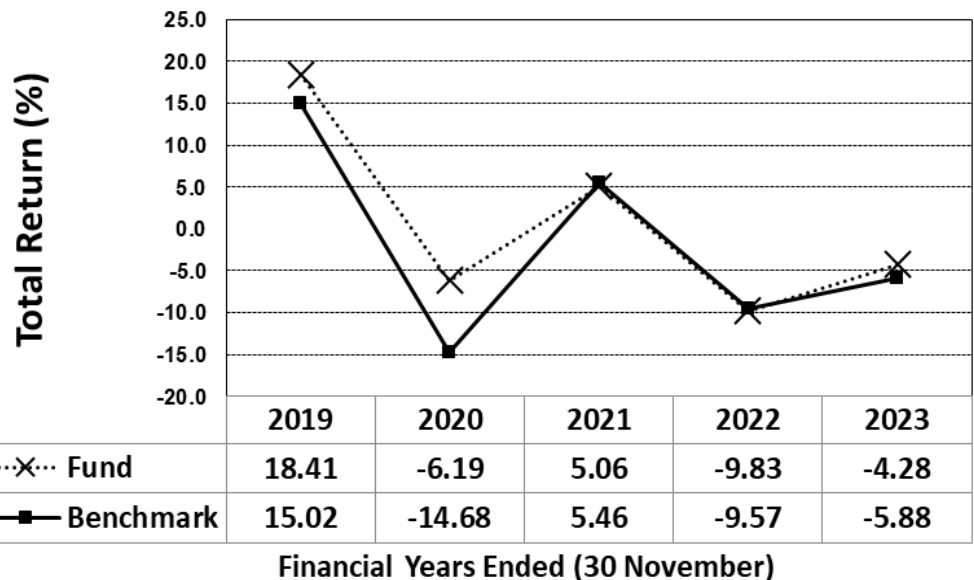
Fund Performance

For the financial year under review, the Fund registered a negative return of 4.28% comprising of negative 7.34% capital and 3.06% income distribution.

Thus, the Fund's negative return of 4.28% has outperformed the benchmark's negative return of 5.88% by 1.60%.

As compared with the financial year ended 30 November 2022, the net asset value ("NAV") per unit of the Fund decreased by 7.16% from RM1.0996 to RM1.0209, while units in circulation decreased by 8.41% from 5,980,671 units to 5,477,589 units.

The following line chart shows comparison between the annual performances of Asia-Pacific Property Equities and its benchmark, EPRA/NAREIT PureAsia, for the financial years ended 30 November.



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

Performance of the Target Fund

Fund Performance Review of the Target Fund – Janus Henderson Horizon Asia-Pacific Property Equities Fund (“the Target Fund”)

Over the one-year period ending 30 November 2023, the fund (gross of fees) returned -5.3%, outperforming the benchmark (FTSE EPRA Nareit Developed Asia Dividend+ Index), which declined -6.5%. Positive contribution from Australia, Japan and Singapore all contributed to relative outperformance, while exposure in Hong Kong detracted due to poor sentiment and slow recovery post re-opening in China. At the stock level, key contributors include our holdings in Singapore based Digital Core REIT, Australian REIT Goodman Group and Japanese developer Mitsubishi Estate. Conversely, key detractors included Hong Kong retail landlord Link REIT, Australian HomeCo Daily Needs REIT and Mirvac Group.

Source: Janus Henderson Investors, as at 30 November 2023

Strategies and Policies Employed

Strategies and Policies employed by Target Fund

Our investment process remains unchanged and we will continue to play to our strengths, reducing macro risks and focusing on bottom-up stock selection to drive returns through a concentrated, high conviction portfolio. The Target Fund aims to provide a sustainable level of income on top of the potential for capital growth over the long term.

At the start of the period, we brought our Japan exposure down to an underweight with the announcement of the change in yield curve control band by the Bank of Japan. We exited our holdings in Ichigo Office REIT given its outperformance, Activia Properties given deterioration in fundamentals within its office portfolio and Advance Residence on the back of rising concerns of a potential dilutive equity raise and added diversified REIT United Urban Investment as well as Fukuoka REIT given strong fundamentals in the region. In Singapore, we switched out of Mapletree Industrial Trust and Mapletree Logistics Trust to initiate new positions in peers CapitaLand Ascendas REIT and Digital Core REIT where valuations looked more attractive.

In the second half of the period we exited the holdings in LaSalle Logiport REIT to add to Kenedix Office REIT post announcement of its merger and Japan Hotel REIT. In Australia, we switched out of retail landlord Vicinity Centers into peer Scentre Group as we preferred the latter's higher-quality portfolio. We also took profit and exited the holding in Stockland, and added a new position in Mirvac Group where we liked the apartment and prime office portfolio alongside its attractive valuations. In Hong Kong, exited our holdings in Sun Hung Kai Properties and Hysan and added Sino Land.

Source: Janus Henderson Investors, as at 30 November 2023

Strategies and Policies of the Fund

For the financial year under review, a minimum of 95% of its NAV was invested in the Target Fund.

Target Fund's Top 10 Holdings

As at 30 November 2023

Asset Reporting Name	Weight %	Reporting Market Value In Fund Base Ccy
Mitsubishi Estate	9.1	1,670,234
Mitsui Fudosan	6.8	1,250,336
Japan Hotel REIT Investment	5.6	1,025,262
Digital Core REIT Management Pte	4.7	868,421
CapitaLand Investment	4.6	848,456
Link REIT	4.6	847,739
KDX Realty Investment	4.6	846,115
Scentre Group	4.6	840,521
CapitaLand Ascendas REIT	4.5	833,117
Swire Properties	4.5	829,370

As at 30 November 2022

Asset Reporting Name	Weight %	Reporting Market Value In Fund Base Ccy
Link REIT	7.9	2,367,788.77
Mitsubishi Estate	6.6	1,977,861.74
Stockland	6.2	1,860,062.78
Mitsui Fudosan	6.1	1,814,980.50
CK Asset	5.7	1,704,709.11
Japan Metropolitan Fund Invest	4.7	1,396,240.39
Orix JREIT	4.5	1,348,899.84
Vicinity	4.5	1,344,969.65
Mapletree Industrial Trust	3.9	1,159,818.31
Activia Properties	3.7	1,094,858.01

Source: Janus Henderson Investors

Portfolio Structure	<p>The table below is the asset allocation of the Fund as at 30 November 2023 and 30 November 2022.</p> <table border="1" data-bbox="354 210 1406 456"> <thead> <tr> <th></th> <th>As at 30.11.2023 %</th> <th>As at 30.11.2022 %</th> <th>Changes %</th> </tr> </thead> <tbody> <tr> <td>Foreign collective investment scheme</td> <td>97.80</td> <td>97.08</td> <td>0.72</td> </tr> <tr> <td>Money market deposits and cash equivalents</td> <td>2.20</td> <td>2.92</td> <td>-0.72</td> </tr> <tr> <td>Total</td> <td>100.00</td> <td>100.00</td> <td></td> </tr> </tbody> </table> <p>For the financial year under review, the Fund has invested 97.80% of its NAV in the foreign collective investment scheme and the balance of 2.20% of its NAV in money market deposits and cash equivalents.</p>		As at 30.11.2023 %	As at 30.11.2022 %	Changes %	Foreign collective investment scheme	97.80	97.08	0.72	Money market deposits and cash equivalents	2.20	2.92	-0.72	Total	100.00	100.00	
	As at 30.11.2023 %	As at 30.11.2022 %	Changes %														
Foreign collective investment scheme	97.80	97.08	0.72														
Money market deposits and cash equivalents	2.20	2.92	-0.72														
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 year under review.</p>																
Distribution/ Unit splits	<p>During the financial year under review, the Fund declared income distribution, detailed as follows:</p> <table border="1" data-bbox="354 999 1406 1144"> <thead> <tr> <th>Date of distribution</th> <th>Distribution per unit RM (sen)</th> <th>NAV per unit Cum-Distribution (RM)</th> <th>NAV per unit Ex-Distribution (RM)</th> </tr> </thead> <tbody> <tr> <td>23-Nov-23</td> <td>3.36</td> <td>1.0654</td> <td>1.0318</td> </tr> </tbody> </table> <p>There is no unit split declared for the financial year under review.</p>	Date of distribution	Distribution per unit RM (sen)	NAV per unit Cum-Distribution (RM)	NAV per unit Ex-Distribution (RM)	23-Nov-23	3.36	1.0654	1.0318								
Date of distribution	Distribution per unit RM (sen)	NAV per unit Cum-Distribution (RM)	NAV per unit Ex-Distribution (RM)														
23-Nov-23	3.36	1.0654	1.0318														
State of Affairs	<p>Adjourned meeting of the Unit Holders of the Fund was successfully convened on 15 February 2023 with the Resolution below duly passed:</p> <p>Change of Investment Objective of the Fund</p> <p>That authority be and is hereby given to the Manager to change the investment objective of the Fund as follows:</p> <p>“The Fund seeks to provide income, with a dividend yield higher than the benchmark, plus the potential for capital growth over the long term.”</p> <p>and that FURTHER the Manager and/or the trustee of the Fund shall be authorised to do all such things necessary to give effect to the change of investment objective in respect of the Fund in accordance with the relevant laws, guidelines and the provisions of the Deed.</p>																
Rebates and Soft Commission	<p>During the year, the management company did not receive soft commissions by virtue of transactions conducted for the Fund.</p>																

Market Review	<p>Asian property equities declined 6.51% through the one-year period underperforming the broader equities market. Japan (-2.3%) led the region in performance with developers outperforming while REITs lagged, in particular logistics landlords. Singapore outperformed led by industrial/logistics REITs while Australian REITs underperformed led by weakness in the smaller cap names as concerns over declining asset values amidst rate expansion weighed on performance. Hong Kong dragged on the region as poor sentiments prevailed and recovery post re-opening remained lackluster.</p> <p><i>Source: Janus Henderson Investors, as at 30 November 2023</i></p>
Market Outlook	<p>As central banks globally continued to raise interest rates, the largest economies in the Asia Pacific region – namely Japan and China - have not had to contend with rapidly rising rates through this cycle. Most property sectors across Asia Pacific have remained largely stable while yield expansion has been relatively mild, certainly versus how much seems to have been priced in by listed companies. We expect sectors with relative pricing power to help protect against rising cap rates and while balance sheets remained under scrutiny as the rate theme dominates it is important, in our view, to be selective.</p> <p>We think the long-term benefits of owning listed real estate remain. The asset class has historically offered lower correlations to many other asset classes and provided investors the benefits of portfolio enhancement by increasing risk-adjusted returns within a balanced portfolio. The real estate market has continued to provide an attractive, reliable and growing income stream for investors. This is something we expect to be rewarded over time.</p> <p><i>Source: Janus Henderson Investors, as at 30 November 2023</i></p>
Additional Information	<p>The following information was updated:</p> <ol style="list-style-type: none"> 1) Pn Azian Binti Kassim has been appointed as an Independent Non-Executive Director of AmIslamic Funds Management Sdn Bhd and a member of the Fund Management Division’s Audit and Risk Management Committee with effect 30 June 2023. 2) The Tenth Supplementary Master Prospectus dated 31 August 2023 has been registered with the Securities Commission Malaysia. The issuance of the Tenth Supplementary Master Prospectus is to be in line with the revised Guidelines on Unit Trust Funds and the Prospectus Guidelines for Collective Investment Schemes. 3) 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. 4) 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. 5) 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.

	Notice of issuance of the Tenth Supplementary Master Prospectus dated 31 August 2023 has been published on our website at www.aminvest.com and sent to the unit holders on 31 August 2023.
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Kuala Lumpur, Malaysia
AmFunds Management Berhad

18 January 2024

Independent auditors' report to the unit holders of Asia-Pacific Property Equities

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Asia Pacific-Property Equities (“the Fund”), which comprise the statement of financial position as at 30 November 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended 30 November 2023, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 13 to 37.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 November 2023, and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

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 *Auditor's 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 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.

Information other than the financial statements and auditors' report thereon

The Manager is responsible for the other information. The other information comprises the information in the annual report of the Fund, 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.

**Independent auditors' report to the unit holders of
Asia-Pacific Property Equities (cont'd.)**

Information other than the financial statements and auditors' report thereon (cont'd.)

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 the fact. We have nothing to report in this regard.

Responsibilities of the Manager and the Trustees for the financial statements

The Manager 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 cease operations, or has no realistic alternative but to do so.

The Trustee is responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

Auditor's 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 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
Asia-Pacific Property Equities (cont'd.)**

Auditor's responsibilities for the audit of the financial statements (cont'd.)

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

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements 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.
- 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
Asia-Pacific Property Equities (cont'd.)**

Other matters

This report is made solely to the unit holders of the Fund, as a body, in accordance with the Guidelines on Unit Trust Funds issued by Securities Commission Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Ng Sue Ean
No. 03276/07/2024 J
Chartered Accountant

Kuala Lumpur, Malaysia
18 January 2024

Asia-Pacific Property Equities

STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2023

	Note	2023 RM	2022 RM
ASSETS			
Investment	4	5,468,942	6,384,302
Amount due from Target Fund Manager	5	-	135,956
Cash at banks		160,609	94,225
TOTAL ASSETS		<u>5,629,551</u>	<u>6,614,483</u>
LIABILITIES			
Amount due to Manager	6	20,656	840
Amount due to Trustee	7	333	384
Tax payable		2,177	20,641
Distribution payable	12	2,011	3,892
Sundry payables and accruals		12,513	12,440
TOTAL LIABILITIES		<u>37,690</u>	<u>38,197</u>
NET ASSET VALUE ("NAV") OF THE FUND		<u>5,591,861</u>	<u>6,576,286</u>
EQUITY			
Unit holders' capital	9(a)	11,129,212	11,678,963
Accumulated losses	9(b)(c)	<u>(5,537,351)</u>	<u>(5,102,677)</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	9	<u>5,591,861</u>	<u>6,576,286</u>
UNITS IN CIRCULATION	9(a)	<u>5,477,589</u>	<u>5,980,671</u>
NAV PER UNIT (RM) – EX-DISTRIBUTION		<u>1.0209</u>	<u>1.0996</u>

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

Asia-Pacific Property Equities

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

	Note	2023 RM	2022 RM
INVESTMENT LOSSES			
Distribution income		261,729	347,904
Interest income		459	1,949
Net losses from investment:			
– Financial assets at fair value through profit or loss (“FVTPL”)	8	(421,261)	(974,903)
Other net realised losses on foreign currency exchange		(2,103)	(1,323)
		<u>(161,176)</u>	<u>(626,373)</u>
EXPENDITURE			
Manager’s fee	6	(9,419)	(10,485)
Trustee’s fee	7	(4,441)	(5,059)
Audit fee		(8,000)	(8,000)
Tax agent’s fee		(3,800)	(3,800)
Custodian’s fee		(834)	(1,162)
Other expenses		(6,713)	(7,346)
		<u>(33,207)</u>	<u>(35,852)</u>
Net losses before taxation		(194,383)	(662,225)
Taxation	11	(61,352)	(83,263)
Net losses after taxation, representing total comprehensive losses for the financial year		<u>(255,735)</u>	<u>(745,488)</u>
Total comprehensive losses comprises the following:			
Realised income		192,656	304,969
Unrealised losses		(448,391)	(1,050,457)
		<u>(255,735)</u>	<u>(745,488)</u>
Distribution for the financial year			
Net distribution	13	<u>178,939</u>	<u>299,499</u>
Gross distribution per unit (sen)	13	<u>4.45</u>	<u>6.49</u>
Net distribution per unit (sen)	13	<u>3.36</u>	<u>5.24</u>

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

Asia-Pacific Property Equities

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

	Note	Unit holders' capital RM	Accumulated losses RM	Total equity RM
At 1 December 2022		11,678,963	(5,102,677)	6,576,286
Total comprehensive loss for the financial year		-	(255,735)	(255,735)
Reinvestment of distribution	9(a), 12	176,928	-	176,928
Cancellation of units	9(a)	(726,679)	-	(726,679)
Distribution	12	-	(178,939)	(178,939)
Balance at 30 November 2023		<u>11,129,212</u>	<u>(5,537,351)</u>	<u>5,591,861</u>
At 1 December 2021		11,771,978	(4,057,690)	7,714,288
Total comprehensive loss for the financial year		-	(745,488)	(745,488)
Reinvestment of distribution	9(a), 12	295,607	-	295,607
Cancellation of units	9(a)	(388,622)	-	(388,622)
Distribution	12	-	(299,499)	(299,499)
Balance at 30 November 2022		<u>11,678,963</u>	<u>(5,102,677)</u>	<u>6,576,286</u>

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

Asia-Pacific Property Equities

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

	2023	2022
	RM	RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of investment	828,700	374,784
Purchase of investment	(200,749)	(341,383)
Distribution received	261,729	347,904
Interest received	459	1,949
Manager's fee paid	(9,500)	(10,676)
Trustee's fee paid	(4,492)	(5,175)
Tax agent's fee paid	(3,800)	(3,800)
Tax paid	(79,816)	(62,622)
Custodian's fee paid	(834)	(1,162)
Payments for other expenses	(14,639)	(15,726)
Net cash generated from operating and investing activities	<u>777,058</u>	<u>284,093</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments for cancellation of units	(706,782)	(450,600)
Distribution paid	(3,892)	(3,445)
Net cash used in financing activities	<u>(710,674)</u>	<u>(454,045)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	66,384	(169,952)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	<u>94,225</u>	<u>264,177</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u>160,609</u>	<u>94,225</u>
Cash and cash equivalents comprise:		
Cash at banks	<u>160,609</u>	<u>94,225</u>

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

1. GENERAL INFORMATION

Asia-Pacific Property Equities (“the Fund”) was established pursuant to a Deed dated 27 June 2006 as amended by Deeds supplemental thereto (“the Deed”), between AmFunds Management Berhad as the Manager, AmanahRaya Trustees Berhad as the Trustee and all unit holders.

The Fund was set up with the objective of providing investors with long term capital appreciation by investing in quoted equity of companies or Real Estate Investment Trust (“REITs”) (or its equivalents) having their registered office in the Asia Pacific Region listed or traded on a regulated market which derives the predominant part of their revenue from the ownership, management and/or development of real estate in Asia Pacific Region. Being a feeder fund, a minimum of 95% of the Fund’s NAV will be invested in the Luxembourg-based Janus Henderson Horizon Asia-Pacific Property Equities Fund (“Target Fund”), which is a separate unit trust fund managed by Henderson Management S.A. (“Target Fund Manager”). As provided in the Deed, the financial year shall end on 30 November and the units in the Fund were first offered for sale on 18 July 2006.

The financial statements were authorised for issue by the Manager on 18 January 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 (“MFRS”) as issued by the Malaysian Accounting Standards Board (“MASB”) and International Financial Reporting Standards (“IFRS”).

Standards effective during the financial year

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

Description	Effective for financial periods beginning on or after
Amendments to MFRSs contained in the document entitled “Annual Improvements to MFRS Standards 2018-2020”	1 January 2022
Reference to the Conceptual Framework (Amendments to MFRS 3 <i>Business Combinations</i>)*	1 January 2022
Property, Plant and Equipment – Proceeds before Intended Use (Amendments to MFRS 116 <i>Property, Plant and Equipment</i>)*	1 January 2022
Onerous Contracts - Cost of Fulfilling a Contract (Amendments to MFRS 137 <i>Provisions, Contingent Liabilities and Contingent Assets</i>)	1 January 2022
Extension of the Temporary Exemption from applying MFRS 9 (Amendments to MFRS 4 <i>Insurance Contracts</i>)*	1 January 2022

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

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
MFRS 17 <i>Insurance Contracts</i> and Amendments to MFRS 17*	1 January 2023
Initial Application of MFRS 17 and MFRS 9 - <i>Comparative Information (Amendments to MFRS 17 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 16 <i>Leases: Lease Liability in a Sale and Leaseback</i> *	1 January 2024
Amendments to MFRS 101 <i>Presentation of Financial Statements: Non-Current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 <i>Statement of Cash Flows</i> and MFRS 7 <i>Financial Instruments: Disclosures: Supplier Finance Arrangements</i>	1 January 2024
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 SIGNIFICANT ACCOUNTING POLICIES

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.

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

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

3.1 Income recognition (cont'd.)

(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 investment

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

3.2 Income tax

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

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

3.3 Functional and presentation currency

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

3.4 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 investment that are readily convertible to cash with insignificant risk of changes in value.

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

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

3.6 Distribution

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

3.7 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").

3.8 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.

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

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

3.9 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 date 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 income 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.

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

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

3.9 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 investment in collective investment scheme ("CIS") at FVTPL. Distributions earned whilst holding the investment in CIS is recognised in profit or loss when the right to receive the payment has been established. Gains and losses on the investment in CIS, realised and unrealised, are included in profit or loss.

3.10 Financial liabilities – classification and subsequent measurement

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

3.11 Derecognition of financial instruments

(i) Derecognition of financial asset (cont'd.)

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.

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

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

3.11 Derecognition of financial instruments (cont'd.)

(i) Derecognition of financial asset (cont'd.)

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

(ii) Derecognition of financial liability

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

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

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

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

3.13 Determination of fair value

For the investment in CIS, fair value is determined based on the closing NAV per unit of the foreign CIS. Purchased cost is the quoted price that the Fund paid when buying its investment. 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.

3.14 Classification of realised and unrealised gains and losses

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

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

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

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

3.15 Significant accounting estimates and judgments

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

The Fund classifies its investment as financial assets at FVTPL as the Fund may sell its investment 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 year.

4. INVESTMENT

	2023 RM	2022 RM
Financial asset at FVTPL		
At cost:		
Foreign CIS	<u>5,376,613</u>	<u>5,843,582</u>
At fair value:		
Foreign CIS	<u>5,468,942</u>	<u>6,384,302</u>

Details of investment are as follows:

Foreign CIS	Number of units	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
2023				
Janus Henderson Horizon Asia-Pacific Property Equities Fund ("Target Fund")	<u>107,837</u>	<u>5,468,942</u>	<u>5,376,613</u>	<u>97.80</u>
Excess of fair value over purchased cost		<u>92,329</u>		

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

5. AMOUNT DUE FROM TARGET FUND MANAGER

The amount due from Target Fund Manager arose from the sale of investment. The settlement period is within five business days from the transaction date.

6. AMOUNT DUE TO MANAGER

	Note	2023 RM	2022 RM
Due to Manager			
Cancellation of units	(i)	19,897	-
Manager's fee payable	(ii)	759	840
		<u>20,656</u>	<u>840</u>

(i) This represents amount payable to the Manager for units cancelled.

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

(ii) As the Fund is investing in the Target Fund, the Manager's fee is charged as follows:

	2023 % p.a.	2022 % p.a.
Manager's fee charged by the Target Fund Manager, on the NAV of the Target Fund	1.70	1.70
Manager's fee charged by the Manager, on the NAV of investment in the Target Fund (Note a)	0.10	0.10
Manager's fee charged by the Manager, on the remaining NAV of the Fund (Note a)	1.80	1.80

Note a) The Manager's fee is charged on 0.10% of the NAV of investment in the Target Fund and 1.80% on the remaining NAV of the Fund.

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

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

7. AMOUNT DUE TO TRUSTEE

Trustee's fee is at a rate of 0.07% (2022: 0.07%) per annum on the NAV of the Fund, calculated on a daily basis.

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

8. NET LOSSES FROM INVESTMENT

	2023 RM	2022 RM
Net losses on financial assets at FVTPL comprised:		
– Net realised (loss)/gain on sale of investment	(123,288)	2,681
– Net realised gains on foreign currency exchange	150,418	72,873
– Net unrealised losses on changes in fair value of investment	(629,171)	(1,355,242)
– Net unrealised gains on foreign currency fluctuation of investment denominated in foreign currency	180,780	304,785
	<u>(421,261)</u>	<u>(974,903)</u>

9. TOTAL EQUITY

Total equity is represented by:

	Note	2023 RM	2022 RM
Unit holders' capital	(a)	11,129,212	11,678,963
Accumulated losses			
– Realised losses	(b)	(5,629,680)	(5,643,397)
– Unrealised gains	(c)	92,329	540,720
		<u>5,591,861</u>	<u>6,576,286</u>

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

9. TOTAL EQUITY (CONT'D.)

(a) Unit holders' capital/units in circulation

	2023		2022	
	Number of units	RM	Number of units	RM
At beginning of the financial year	5,980,671	11,678,963	6,030,658	11,771,978
Reinvestment of distribution (Note 12)	171,475	176,928	265,047	295,607
Cancellation during the financial year	<u>(674,557)</u>	<u>(726,679)</u>	<u>(315,034)</u>	<u>(388,622)</u>
At end of the financial year	<u>5,477,589</u>	<u>11,129,212</u>	<u>5,980,671</u>	<u>11,678,963</u>

The Manager imposed an exit penalty of 1.00% (2022: 1.00%) if cancellation is made within 90 days of purchase on the NAV per unit of the Fund during the financial year. The exit penalty will be recognised as income of the Fund.

(b) Realised

	2023 RM	2022 RM
At beginning of the financial year	(5,643,397)	(5,648,867)
Net realised income for the financial year	192,656	304,969
Distribution out of realised income (Note 12)	<u>(178,939)</u>	<u>(299,499)</u>
At end of the financial year	<u>(5,629,680)</u>	<u>(5,643,397)</u>

(c) Unrealised – non-distributable

	2023 RM	2022 RM
At beginning of the financial year	540,720	1,591,177
Net unrealised losses for the financial year	<u>(448,391)</u>	<u>(1,050,457)</u>
At end of the financial year	<u>92,329</u>	<u>540,720</u>

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

10. SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES

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

<u>Related parties</u>	<u>Relationships</u>
AmFunds Management Berhad	The Manager
AmInvestment Bank Berhad	Holding company of the Manager
AMMB Holdings Berhad ("AMMB")	Ultimate holding company of the Manager
Subsidiaries and associates of AMMB as disclosed in its financial statements	Subsidiaries and associate companies of the ultimate holding company of the Manager

There are no units held by the Manager or any related party as at 30 November 2023 and 30 November 2022.

11. TAXATION

	2023 RM	2022 RM
Local tax	<u>61,352</u>	<u>83,263</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 exempted 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.

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

	2023 RM	2022 RM
Net losses before taxation	<u>(194,383)</u>	<u>(662,225)</u>
Taxation at Malaysian statutory rate of 24% (2022: 24%)	(46,652)	(158,934)
Tax effects of:		
Income not subject to tax	(81,060)	(91,666)
Loss not allowed for tax deduction	181,095	325,258
Restriction on tax deductible expenses for unit trust fund	3,870	4,101
Non-permitted expenses for tax purposes	3,669	4,048
Permitted expenses not used and not available for future financial years	430	456
Tax expense for the financial year	<u>61,352</u>	<u>83,263</u>

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

12. DISTRIBUTION

Distribution to unit holders declared for the current and previous financial years are from the following sources:

	2023	2022
	RM	RM
Distribution income	247,418	345,293
Interest income	434	1,877
Net realised gain on sale of investment	-	2,582
Net realised gain on foreign currency exchange	25,646	68,862
	<u>273,498</u>	<u>418,614</u>
Less: Expenses	(33,207)	(35,852)
Taxation	(61,352)	(83,263)
Total amount of distribution	<u>178,939</u>	<u>299,499</u>
Gross distribution per unit (sen)	<u>4.45</u>	<u>6.49</u>
Net distribution per unit (sen)	<u>3.36</u>	<u>5.24</u>
Distribution made out of:		
– Realised income [Note 9(b)]	<u>178,939</u>	<u>299,499</u>
Comprising:		
Reinvestment of distribution [Note 9(a)]	176,928	295,607
Distribution payable	2,011	3,892
	<u>178,939</u>	<u>299,499</u>

Financial year ended 30 November 2023

Distribution Ex-date	Gross distribution per unit RM (sen)	Net distribution per unit RM (sen)	Total distribution RM
23 November 2023	<u>4.45</u>	<u>3.36</u>	<u>178,939</u>

Financial year ended 30 November 2022

Distribution Ex-date	Gross distribution per unit RM (sen)	Net distribution per unit RM (sen)	Total distribution RM
24 November 2022	<u>6.49</u>	<u>5.24</u>	<u>299,499</u>

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

12. DISTRIBUTION (CONT'D.)

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

The distribution declared for the current and previous financial years have been proposed before taking into account the net unrealised loss of RM448,391 (2022: RM1,050,457) during the financial years which is carried forward to the next financial year.

13. TOTAL EXPENSE RATIO (“TER”)

The Fund’s TER is as follows:

	2023	2022
	% p.a.	% p.a.
Manager’s fee	0.15	0.15
Trustee’s fee	0.07	0.07
Fund’s other expenses	0.30	0.28
Total TER	<u>0.52</u>	<u>0.50</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.

14. PORTFOLIO TURNOVER RATIO (“PTR”)

The PTR of the Fund, which is the ratio of average total acquisitions and disposals of investment to the average NAV of the Fund calculated on a daily basis, is 0.07 times (2022: 0.06 times).

15. SEGMENTAL REPORTING

As stated in Note 1, the Fund is a feeder fund whereby a minimum of 95% of the Fund’s NAV will be invested in the Target Fund.

As the Fund operates substantially as a feeder fund which invests primarily in the Target Fund, it is not possible or meaningful to classify its investment by separate business or geographical segments.

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

16. TRANSACTIONS WITH THE TARGET FUND MANAGER

Details of transactions with the Target Fund Manager for the financial year ended 30 November 2023 are as follows:

Target Fund Manager	Transaction value	
	RM	%
Henderson Management S.A.	895,596	100.00

The above transactions are in respect of investment in foreign CIS. Transactions in this investment do not involve any commission or brokerage.

17. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The significant accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities of the Fund in the statement of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
2023				
Assets				
Investment	5,468,942	-	-	5,468,942
Cash at banks	-	160,609	-	160,609
Total financial assets	<u>5,468,942</u>	<u>160,609</u>	<u>-</u>	<u>5,629,551</u>
Liabilities				
Amount due to Manager	-	-	20,656	20,656
Amount due to Trustee	-	-	333	333
Distribution payable	-	-	2,011	2,011
Total financial liabilities	<u>-</u>	<u>-</u>	<u>23,000</u>	<u>23,000</u>

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

17. FINANCIAL INSTRUMENTS (CONT'D.)

(a) Classification of financial instruments (cont'd.)

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
2022				
Assets				
Investment	6,384,302	-	-	6,384,302
Amount due from Target Fund Manager	-	135,956	-	135,956
Cash at banks	-	94,225	-	94,225
Total financial assets	<u>6,384,302</u>	<u>230,181</u>	<u>-</u>	<u>6,614,483</u>
Liabilities				
Amount due to Manager	-	-	840	840
Amount due to Trustee	-	-	384	384
Distribution payable	-	-	3,892	3,892
Total financial liabilities	<u>-</u>	<u>-</u>	<u>5,116</u>	<u>5,116</u>

	Income, expenses, gains and losses	
	2023 RM	2022 RM
Net losses from financial assets at FVTPL	(421,261)	(974,903)
Income, of which derived from:		
- Distribution income from financial assets at FVTPL	261,729	347,904
- Interest income from financial assets at amortised cost	459	1,949
- Other net realised losses on foreign currency exchange	(2,103)	(1,323)

(b) Financial instruments that are carried at fair value

The Fund's financial assets and liabilities are carried at fair value.

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable; either directly or indirectly; or

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

17. FINANCIAL INSTRUMENTS (CONT'D.)

(b) Financial instruments that are carried at fair value (cont'd.)

The following table shows an analysis of financial instruments recorded at fair value by the level of the fair value hierarchy:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2023				
Financial assets at FVTPL	-	5,468,942	-	5,468,942
2022				
Financial assets at FVTPL	-	6,384,302	-	6,384,302

(c) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value due to their short period to maturity or short credit period:

- Amount due from Target Fund Manager
- Cash at banks
- Amount due to Manager
- Amount due to Trustee
- Distribution payable

There are no financial instruments which are not carried at fair value and whose carrying amounts are not reasonable approximation of their respective fair value.

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 investment 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.

(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.

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

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

(a) Market risk (cont'd.)

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 investment in the Target Fund. In managing price risk, the Manager actively monitors the performance and risk profile of the investment portfolio.

The result below summarised the price risk sensitivity of the Fund's NAV due to movements of price by -5.00% and +5.00% respectively:

Percentage movements in price by:	Sensitivity of the Fund's NAV	
	2023 RM	2022 RM
-5.00%	(273,447)	(319,215)
+5.00%	273,447	319,215

(ii) Interest rate risk

Interest rate risk will affect the value of the Fund's investment, 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 result below summarised the currency risk sensitivity of the Fund's NAV due to appreciation/depreciation of the Fund's functional currency against currencies other than the Fund's functional currency:

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

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

(a) Market risk (cont'd.)

(iii) Currency risk (cont'd.)

Percentage movements in currencies other than the Fund's functional currency:	Sensitivity of the Fund's NAV	
	2023 RM	2022 RM
-5.00%	(273,564)	(326,124)
+5.00%	273,564	326,124
	<u>273,564</u>	<u>326,124</u>

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

Assets denominated in USD	2023		2022	
	RM equivalent	% of NAV	RM equivalent	% of NAV
Investment	5,468,942	97.80	6,384,302	96.93
Amount due from Target Fund Manager	-	-	135,956	2.07
Cash at bank	2,329	0.04	2,222	0.03
	<u>5,471,271</u>	<u>97.84</u>	<u>6,522,480</u>	<u>99.03</u>

(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 distributions receivable. 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 investment to fluctuate in value.

The Fund, as a feeder fund, invests significantly all its assets in the Target Fund. The Target Fund manages the risk by setting internal counterparty limits and undertaking internal credit evaluation to minimise such risk.

Cash at banks are held for liquidity purposes and are not exposed to significant credit risk.

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

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

(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. This is also the risk of the Fund experiencing large redemptions, when the Investment Manager could be forced to sell large volumes of its holdings at unfavorable prices to meet redemption requirements.

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

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

(d) Single issuer risk

The Fund, as a feeder fund, invests significantly all its assets in the Target Fund. The Target Fund is restricted from investing in securities issued by any issuer in excess of a certain percentage of its NAV. Under such restriction, the risk exposure to the securities of any single issuer is diversified and managed by the Target Fund Manager 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 NAV of the Fund may be adversely affected.

(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.

Asia-Pacific Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2023

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

(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 laws or guidelines issued by the regulators relevant to each party, which may adversely affect the performance of the Fund.

The specific risks associated to the Target Fund include market risk, securities risk, emerging market risk, settlement and credit risks, regulatory and accounting standards risks, political risk, custody risk and liquidity risk.

19. CAPITAL MANAGEMENT

The primary objective of the Fund's capital management is to ensure that it maximises unit holders' value by expanding its fund size to benefit from economies of scale and achieving growth in NAV from the performance of its investment.

The Fund manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Fund may issue new or bonus units or make distribution payment.

No changes were made in the objective, policies or processes during the financial years ended 30 November 2023 and 30 November 2022.

Asia-Pacific Property Equities

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 and International Financial Reporting Standards so as to give a true and fair view of the financial position of Asia-Pacific Property Equities (“the Fund”) as at 30 November 2023 and the comprehensive income, the changes in equity and cash flows for the financial year then ended.

For and on behalf of the Manager

GOH WEE PENG
Executive Director

Kuala Lumpur, Malaysia
18 January 2024

TRUSTEE'S REPORT

To the unit holders of **ASIA-PACIFIC PROPERTY EQUITIES** ("Fund"),

We have acted as Trustee of the Fund for the financial year ended 30 November 2023 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 year 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 cancellation of units are carried out in accordance with the deed and any regulatory requirement.

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

For **AMANAHRAYA TRUSTEES BERHAD**

ZAINUDIN BIN SUHAIMI

Chief Executive Officer

Date: 12 January 2024

DIRECTORY

Head Office 9th & 10th Floor, Bangunan AmBank Group
55, Jalan Raja Chulan, 50200 Kuala Lumpur
Tel: (03) 2032 2888 Facsimile: (03) 2031 5210
Email: enquiries@aminvest.com

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

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

