

Annual Report for

# Global Property Equities Fund

30 November 2023



**AmInvest**

Growing Your Investments in a Changing World

## TRUST DIRECTORY

### **Manager**

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

### **Board of Directors**

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

### **Investment Committee**

Arnold Lim Boon Lay  
Tracy Chen Wee Keng  
Goh Wee Peng

### **Trustee**

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 Unit Holders
- 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 Global Property Equities Fund ("Fund") for the financial year ended 30 November 2023.

### Salient Information of the Fund

<b>Name</b>	Global Property Equities Fund ("Fund")
<b>Category/ Type</b>	Feeder (Global Property Equity) / Capital growth and income
<b>Name of Target Fund</b>	Janus Henderson Horizon Global Property Equities Fund
<b>Objective</b>	<p>The Fund seeks to provide investors with long-term capital appreciation by investing in the quoted equity securities of companies or REITs (or its equivalent) listed or traded on regulated markets which derive the main part of their revenue from the ownership, management and/or development of real estate, throughout the world. 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>
<b>Duration</b>	The Fund was established on 25 October 2005 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.
<b>Performance Benchmark</b>	<p>FTSE EPRA/NAREIT Developed Index TR ("EPRA/NAREIT"). (Available at <a href="http://www.aminvest.com">www.aminvest.com</a>)</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>

<b>Income Distribution Policy</b>	Income distribution (if any) is paid at least once every year.
-----------------------------------	--

## Fund Performance Data

<b>Portfolio Composition</b>	Details of portfolio composition of the Fund as at 30 November are as follows:			
		<b>As at 30 November</b>		
		<b>2023</b>	<b>2022</b>	<b>2021</b>
		<b>%</b>	<b>%</b>	<b>%</b>
	Foreign collective investment scheme	97.39	97.38	97.44
	Money market deposits and cash equivalents	2.61	2.62	2.56
	<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
	<i>Note: The abovementioned percentages are calculated based on total net asset value.</i>			
<b>Performance Details</b>	Performance details of the Fund for the financial years ended 30 November are as follows:			
		<b>FYE</b>	<b>FYE</b>	<b>FYE</b>
		<b>2023</b>	<b>2022</b>	<b>2021</b>
	Net asset value (RM)*	23,221,444	26,240,850	37,499,806
	Units in circulation*	13,093,133	14,742,095	16,739,940
	Net asset value per unit (RM)*	1.7736	1.7800	2.2401
	Highest net asset value per unit (RM)*	1.9030	2.3393	2.3427
	Lowest net asset value per unit (RM)*	1.6599	1.7164	1.8100
	Benchmark performance (%)	2.88	-12.33	23.79
	Total return (%) <sup>(1)</sup>	1.60	-17.84	23.68
	- Capital growth (%)	-0.36	-20.60	22.27
	- Income distribution (%)	1.96	2.76	1.41
	Gross distribution (sen per unit)	4.37	6.93	2.58
	Net distribution (sen per unit)	3.48	6.19	2.58
	Total expense ratio (%) <sup>(2)</sup>	0.29	0.29	0.28
	Portfolio turnover ratio (times) <sup>(3)</sup>	0.06	0.11	0.51
	<i>* Above prices and net asset value per unit are shown as ex-distribution.</i>			
	<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.</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 decrease in the PTR for 2023 and 2022 were due mainly to investing activities.</i>			

**Average Total Return (as at 30 November 2023)**

	<b>Global Property Equities Fund<sup>(a)</sup></b> %	<b>EPRA/NAREIT<sup>(b)</sup></b> %
One year	1.60	2.88
Three years	1.07	3.74
Five years	3.58	2.39
Ten years	6.90	7.09

**Annual Total Return**

<b>Financial Years Ended (30 November)</b>	<b>Global Property Equities Fund<sup>(a)</sup></b> %	<b>EPRA/NAREIT<sup>(b)</sup></b> %
2023	1.60	2.88
2022	-17.84	-12.33
2021	23.68	23.79
2020	-5.63	-12.75
2019	22.37	15.55

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

(b) FTSE EPRA/NAREIT Global Total Return Index ("EPRA/NAREIT").  
(Available at [www.aminvest.com](http://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.**

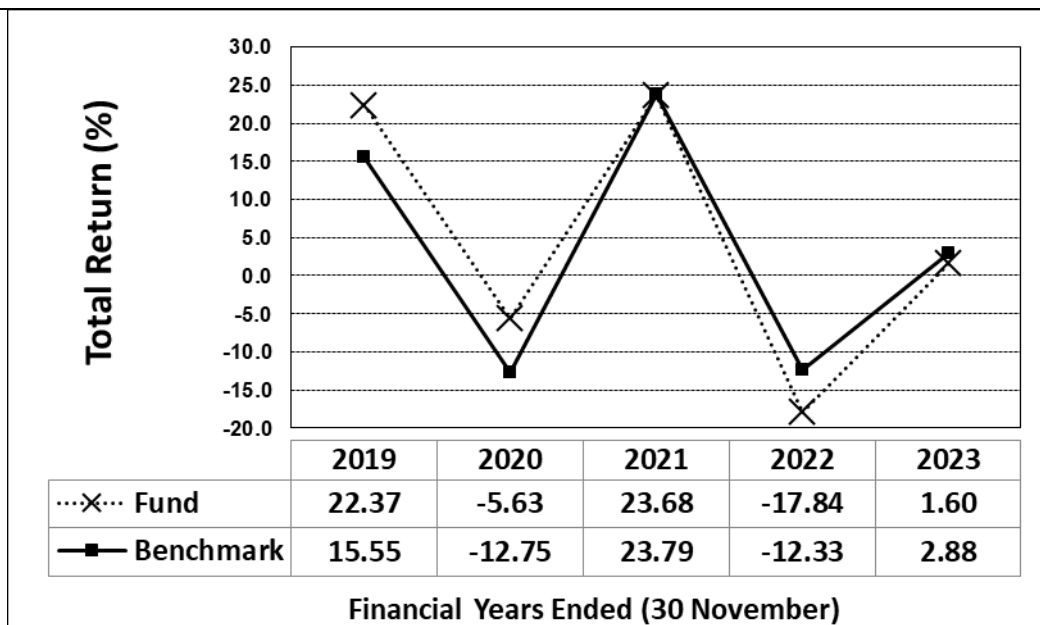
**Fund Performance**

For the financial year under review, the Fund registered a return of 1.60% comprising of negative 0.36% capital and 1.96% income distribution.

Thus, the Fund's return of 1.60% has underperformed the benchmark's return of 2.88% by 1.28%.

As compared with the financial year ended 30 November 2022, the net asset value ("NAV") per unit of the Fund decreased by 0.36% from RM1.7800 to RM1.7736, while units in circulation decreased by 11.19% from 14,742,095 units to 13,093,133 units.

The following line chart shows comparison between the annual performances of Global Property Equities Fund (formerly known as AmGlobal Property Equities Fund) and its benchmark, EPRA/NAREIT, for 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 Global Property Equities Fund (“the Target Fund”)**

Over the one-year period ending 30 November 2023, the fund (gross of fees) returned -0.4%, outperforming the benchmark (FTSE EPRA NAREIT Developed Index), which delivered -2.6%.

Stock selection added value, with positions in logistics landlords VGP, Prologis and STAG, cell tower owner Cellnex, Japanese diversified REIT Mitsui Fudosan and healthcare owner Welltower generating meaningful alpha. This was partly offset by exposure to the US life science sector through holdings in Healthpeak and Alexandria. An underweight to data centres middle of the period also detracted, as did residential names Invitation homes and UDR.

*Source: Janus Henderson Investors, as at 30 November 2023*

**Strategies and Policies Employed**

**Strategies and Policies employed by Target Fund**

In the beginning of the period, we added housebuilder exposure in the US given our view that despite a challenging housing market backdrop, a historically attractive valuation coupled with data suggesting demand trends aren’t deteriorating further resulted in a highly attractive expected total return. Here we bought Pultegroup, but later switched into peer NVR following outperformance. We took profits in US storage operator, Life Storage, following larger peer Public Storage’s attempt to acquire the firm.

We also sold data center REIT, Digital Realty, given uncertainty around the company’s ability to fund its capital plan in the current backdrop and switched into Equinix, which we view as the leader in the space with a strong balance sheet and no maturities coming due in 2024. Finally, we added CBRE where we see strong earnings growth potential from a highly cash generative and lowly levered business model and added Canadian healthcare owner Chartwell Retirement.

Elsewhere, we took profits in Singapore, selling out of City Developments and re-allocating proceeds into CapitalLand Investment. We also rotated out of JREITs HULIC REIT, Activia and Advance Residence, preferring the diversified exposure of United Urban and newly merged KDX Realty. We further added to our existing industrial/logistics exposure, with a new position in Fraser Logistics Trust and adding to our existing holding in Goodman, given strong fundamentals and earnings visibility. In Australia, we also took profit and switched out of retail landlord Vicinity Centers into peer Scentre Group as well as Stockland into Mirvac as we expect their higher quality portfolio to generate better relative returns.

Late in the period, we added a position in residential landlord Canadian Apartment Properties, where we see the potential for strong market rent growth to be supported by Canada's dynamic immigration policy and healthy employment growth. We also used equity raises to add Belgian logistics developer Montea and self-storage owner Shurgard, as they seek to further grow through acquisitions and new development. We sold out of net lease owner Spirit Realty following its merger-related outperformance.

*Source: Janus Henderson Investors, as at 30 November 2023*

### **Strategies and Policies of the Fund**

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

### **Target Fund's Top 10 Holdings**

#### **As at 30 November 2023**

<b>Asset Reporting Name</b>	<b>Weight %</b>	<b>Reporting Market Value In Fund Base Ccy</b>
Prologis	9.0	111,469,067
Equinix	7.3	90,091,358
Welltower	4.7	58,572,157
VICI Properties	4.6	56,590,808
Mitsui Fudosan	3.9	48,391,749
Americold Realty	3.7	45,510,161
Camden Property Trust	3.2	39,479,563
Agree Realty	3.2	39,285,613
Stag Industrial	3.1	38,019,178
Sabra Health Care	2.9	36,287,422

#### **As at 30 November 2022**

<b>Asset Reporting Name</b>	<b>Weight %</b>	<b>Reporting Market Value In Fund Base Ccy</b>
Prologis	9.1	123,454,248
VICI Properties	4.8	65,711,330
Digital Realty Trust	4.5	61,059,080
Alexandria Real Estate Equities	3.7	50,568,864
Healthpeak Properties	3.6	49,268,647
Welltower	3.5	47,451,948
UDR	3.4	46,013,143
Invitation Homes	3.2	43,267,743
CubeSmart	3.2	43,142,412
Mitsui Fudosan	3.1	42,498,803

*Source: Janus Henderson Investors, as at 30 November 2023*



<b>Portfolio Structure</b>	<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="367 219 1420 465"> <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>97.39</td> <td>97.38</td> <td>0.01</td> </tr> <tr> <td>Money market deposits and cash equivalents</td> <td>2.61</td> <td>2.62</td> <td>-0.01</td> </tr> <tr> <td><b>Total</b></td> <td><b>100.00</b></td> <td><b>100.00</b></td> <td></td> </tr> </tbody> </table> <p>For the financial year under review, the Fund has invested 97.39% of its NAV in the foreign collective investment scheme and the balance of 2.61% 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	97.39	97.38	0.01	Money market deposits and cash equivalents	2.61	2.62	-0.01	<b>Total</b>	<b>100.00</b>	<b>100.00</b>	
	As at 30.11.2023 %	As at 30.11.2022 %	Changes %														
Foreign collective investment scheme	97.39	97.38	0.01														
Money market deposits and cash equivalents	2.61	2.62	-0.01														
<b>Total</b>	<b>100.00</b>	<b>100.00</b>															
<b>Securities Lending / Repurchase Transactions</b>	<p>The Fund has not undertaken any securities lending or repurchase transactions (collectively referred to as “securities financing transactions”).</p>																
<b>Cross Trade</b>	<p>There were no cross trades undertaken during the financial year under review.</p>																
<b>Distribution/ Unit splits</b>	<p>During the financial year under review, the Fund declared income distribution, detailed as follows:</p> <table border="1" data-bbox="367 1014 1409 1153"> <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>3.48</td> <td>1.8007</td> <td>1.7659</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	3.48	1.8007	1.7659								
Date of distribution	Distribution per unit RM (sen)	NAV per unit Cum-Distribution (RM)	NAV per unit Ex-Distribution (RM)														
23-Nov-23	3.48	1.8007	1.7659														
<b>State of Affairs</b>	<p>There has been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unitholders during the financial year under review.</p>																
<b>Rebates and Soft Commission</b>	<p>During the year, the management company did not receive soft commissions by virtue of transactions conducted for the Fund.</p>																
<b>Market Review</b>	<p>Early in the period, the impact of one of the most aggressive ever US Federal Reserve tightening campaigns manifested itself via signs of stress in the banking system in the period, with the second and third-largest bank failures in US history, and the end of Credit Suisse, a 165-year-old global banking institution. Despite this, global equity markets gained over the period on hopes that systemic risks would be avoided, and with falling bond yields on hopes that central banks would pause interest rate hikes sooner than previously expected.</p> <p>Global listed real estate stocks declined over the period, underperforming broader equities on concerns that tightening lending standards would disproportionately impact the real estate sector, and result in lower capital availability and higher debt costs for companies moving forward. Despite these concerns, we saw evidence of the advantages of lower leveraged public REITs who continue to have access to capital.</p> <p>Toward the end of the period, signs of slowing inflation, increasing</p>																

	<p>unemployment and dovish commentary from the US Federal Reserve led to a surge in real estate stocks, outperforming the broader equity market, as the market began to price in Fed rate cuts for 2024.</p> <p>Within the sector, with much focus on the regional banks exposure to the challenged US office market, it was not surprising to see US office REITs notably weak, with shares down meaningfully from their pre-covid highs, pre-empting the challenges now being widely reported. Importantly, office represents only 6% of US REIT market capitalization. Conversely, data center REITs performed well during the period after advancements in AI technology led investors to believe a large increase in demand is on the horizon for data center storage. Elsewhere, European property stocks saw volatility early in the period, followed by an increase in stock prices toward the end of the period on market expectations of peaking interest rates and potential cuts in 2024. Asia Pacific property stocks posted a small decline, with Japanese names outperforming in the region.</p> <p><i>Source: Janus Henderson Investors, as at 30 November 2023</i></p>
<p><b>Market Outlook</b></p>	<p>While real estate markets will continue to face headwinds from a slowing economy and more restrictive financial conditions, increasing confidence that we have reached peak interest rates is likely to prove a key moment for the listed property sector. While the private commercial real estate market can dominate media headlines and is slow to adjust reported values to the challenging macroeconomic landscape, the listed market has reacted already, resulting in shares trading at wide discounts to private asset values and "pricing in" a more uncertain environment.</p> <p>Public REITs have continued to offer reliable and growing income streams, supported by strong balance sheets, more exposure to high-quality properties in areas of structural growth, and astute management teams. From pricing levels that we believe reflect today's economic reality, we think these characteristics could reward investors with current income and growth over time, as they have historically.</p> <p><i>Source: Janus Henderson Investors, as at 30 November 2023</i></p>
<p><b>Additional Information</b></p>	<p>The following information was updated:</p> <ol style="list-style-type: none"> <li>1) Pn Azian Binti Kassim has been appointed as an Independent Non-Executive Director of Amlslamic Funds Management Sdn Bhd and a member of the Fund Management Division's Audit and Risk Management Committee with effect 30 June 2023.</li> <li>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.</li> <li>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.</li> <li>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.</li> </ol>

	<p>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.</p>
--	---

	<p>Notice of issuance of the Tenth Supplementary Master Prospectus dated 31 August 2023 has been published on our website at <a href="http://www.aminvest.com">www.aminvest.com</a> and sent to the unit holders on 31 August 2023.</p>
--	---

Kuala Lumpur, Malaysia  
AmFunds Management Berhad

18 January 2024

## **Independent auditors' report to the unit holders of Global Property Equities Fund**

### **Report on the audit of the financial statements**

#### *Opinion*

We have audited the financial statements of Global Property Equities Fund (“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, 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  
Global Property Equities Fund (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 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.

*Auditors' responsibilities for the audit of the financial statements*

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

**Independent auditors' report to the unit holders of  
Global Property Equities Fund (cont'd.)**

*Auditors' 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  
Global Property Equities Fund (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

## Global Property Equities Fund

### STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2023

	Note	2023 RM	2022 RM
<b>ASSETS</b>			
Investment	4	22,615,187	25,552,242
Amount due from Target Fund Manager	5	-	319,878
Sundry receivables		-	280
Cash at banks		655,883	553,593
<b>TOTAL ASSETS</b>		<b>23,271,070</b>	<b>26,425,993</b>
<b>LIABILITIES</b>			
Amount due to Manager	6	22,252	92,018
Amount due to Trustee	7	1,342	1,555
Tax payable		13,002	38,878
Distribution payable	12	-	40,280
Sundry payables and accruals		13,030	12,412
<b>TOTAL LIABILITIES</b>		<b>49,626</b>	<b>185,143</b>
<b>NET ASSET VALUE (“NAV”) OF THE FUND</b>		<b>23,221,444</b>	<b>26,240,850</b>
<b>EQUITY</b>			
Unit holders’ capital	9(a)	19,904,448	22,907,605
Retained earnings	9(b)(c)	3,316,996	3,333,245
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>	9	<b>23,221,444</b>	<b>26,240,850</b>
<b>UNITS IN CIRCULATION</b>	9(a)	<b>13,093,133</b>	<b>14,742,095</b>
<b>NAV PER UNIT (RM) – EX-DISTRIBUTION</b>		<b>1.7736</b>	<b>1.7800</b>

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



## Global Property Equities Fund

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

	Note	2023 RM	2022 RM
<b>INVESTMENT INCOME/(LOSS)</b>			
Distribution income		728,119	856,329
Interest income		2,016	9,139
Other income	9(a)	116	5,242
Net losses from investment:			
– Financial assets at fair value through profit or loss (“FVTPL”)	8	(104,124)	(6,970,546)
Other net realised gains on foreign currency exchange		12,326	21,660
		<u>638,453</u>	<u>(6,078,176)</u>
<b>EXPENDITURE</b>			
Manager’s fee	6	(36,987)	(49,215)
Trustee’s fee	7	(17,830)	(22,709)
Audit fee		(8,200)	(8,200)
Tax agent’s fee		(3,800)	(3,800)
Custodian’s fee		(841)	(3,487)
Other expenses		(7,342)	(7,191)
		<u>(75,000)</u>	<u>(94,602)</u>
<b>Net income/(loss) before taxation</b>		563,453	(6,172,778)
<b>Taxation</b>	11	<u>(132,498)</u>	<u>(140,737)</u>
<b>Net income/(loss) after taxation, representing total comprehensive income/(loss) for the financial year</b>		<u>430,955</u>	<u>(6,313,515)</u>
Total comprehensive income/(loss) comprises the following:			
Realised income		389,125	1,152,263
Unrealised gain/(loss)		41,830	(7,465,778)
		<u>430,955</u>	<u>(6,313,515)</u>
<b>Distribution for the financial year</b>			
Net distribution	12	<u>447,204</u>	<u>886,869</u>
Gross distribution per unit (sen)	12	<u>4.37</u>	<u>6.93</u>
Net distribution per unit (sen)	12	<u>3.48</u>	<u>6.19</u>

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

## Global Property Equities Fund

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

	Note	Unit holders' capital RM	Retained earnings RM	Total equity RM
At 1 December 2022		22,907,605	3,333,245	26,240,850
Total comprehensive income for the financial year		-	430,955	430,955
Creation of units	9(a)	704,524	-	704,524
Reinvestment of distribution	9(a), 12	447,204	-	447,204
Cancellation of units	9(a)	(4,154,885)	-	(4,154,885)
Distribution	12	-	(447,204)	(447,204)
Balance at 30 November 2023		<u>19,904,448</u>	<u>3,316,996</u>	<u>23,221,444</u>
At 1 December 2021		26,966,177	10,533,629	37,499,806
Total comprehensive loss for the financial year		-	(6,313,515)	(6,313,515)
Creation of units	9(a)	4,644,458	-	4,644,458
Reinvestment of distribution	9(a), 12	846,589	-	846,589
Cancellation of units	9(a)	(9,549,619)	-	(9,549,619)
Distribution	12	-	(886,869)	(886,869)
Balance at 30 November 2022		<u>22,907,605</u>	<u>3,333,245</u>	<u>26,240,850</u>

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

## Global Property Equities Fund

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

	2023 RM	2022 RM
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Proceeds from sale of investment	3,331,360	6,361,170
Purchase of investment	(166,226)	(1,691,824)
Distribution received	728,119	856,329
Interest received	2,016	9,139
Other income received	396	4,962
Manager's fee paid	(37,513)	(50,955)
Trustee's fee paid	(18,043)	(23,592)
Tax agent's fee paid	(3,800)	(3,800)
Tax paid	(158,374)	(101,859)
Custodian's fee paid	(841)	(3,487)
Payments for other expenses	(14,924)	(16,882)
Net cash generated from operating and investing activities	<u>3,662,170</u>	<u>5,339,201</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	704,524	4,644,458
Payments for cancellation of units	(4,224,124)	(10,085,288)
Distribution paid	(40,280)	(10,192)
Net cash used in financing activities	<u>(3,559,880)</u>	<u>(5,451,022)</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	102,290	(111,821)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	<u>553,593</u>	<u>665,414</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<u>655,883</u>	<u>553,593</u>
Cash and cash equivalents comprise:		
Cash at banks	<u>655,883</u>	<u>553,593</u>

## Global Property Equities Fund

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

#### 1. GENERAL INFORMATION

Global Property Equities Fund (“the Fund”) was established pursuant to a Deed dated 20 October 2005 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 securities of companies or Real Estate Investment Trusts (“REITS”) listed or traded on a regulated market which derives the main part of their revenue from the ownership, management and/or development of real estate, throughout the world. Being a feeder fund, a minimum of 95% of the Fund’s NAV will be invested in the Luxembourg-based Janus Henderson Horizon Global 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 25 October 2005.

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” 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

## Global Property Equities Fund

### 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</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 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

##### 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.

## Global Property Equities Fund

### 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 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.

## Global Property Equities Fund

### 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 investment 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.

## Global Property Equities Fund

### 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 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 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 date 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.



## Global Property Equities Fund

### 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

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.

## Global Property Equities Fund

### 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.)

###### (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.

##### 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.

## Global Property Equities Fund

### 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 (cont'd.)

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
<b>Financial asset at FVTPL</b>		
At cost:		
Foreign CIS	<u>23,922,740</u>	<u>26,901,625</u>
At fair value:		
Foreign CIS	<u>22,615,187</u>	<u>25,552,242</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 %
<b>2023</b>				
Janus Henderson Horizon Global Property Equities Fund ("Target Fund")	<u>291,487</u>	<u>22,615,187</u>	<u>23,922,740</u>	<u>97.39</u>
<b>Shortfall of fair value over purchased cost</b>		<u>(1,307,553)</u>		

#### 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 5 business days from the transaction date.

## Global Property Equities Fund

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

#### 6. AMOUNT DUE TO MANAGER

	Note	2023 RM	2022 RM
<b>Due to Manager</b>			
Cancellation of units	(i)	19,246	88,486
Manager's fee payable	(ii)	3,006	3,532
		<u>22,252</u>	<u>92,018</u>

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

The normal credit period in the previous and current financial years for 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 are is one month.

#### 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.

## Global Property Equities Fund

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

#### 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	(514,258)	170,766
- Net realised gains on foreign currency exchange	368,304	324,466
- Net unrealised losses on changes in fair value of investment	(946,418)	(8,881,805)
- Net unrealised gains on foreign currency fluctuation of investment denominated in foreign currency	988,248	1,416,027
	<u>(104,124)</u>	<u>(6,970,546)</u>

#### 9. TOTAL EQUITY

Total equity is represented by:

	Note	2023 RM	2022 RM
Unit holders' capital	(a)	19,904,448	22,907,605
Retained earnings			
- Realised income	(b)	4,624,549	4,682,628
- Unrealised losses	(c)	(1,307,553)	(1,349,383)
		<u>23,221,444</u>	<u>26,240,850</u>

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

	2023		2022	
	Number of units	RM	Number of units	RM
At beginning of the financial year	14,742,095	22,907,605	16,739,940	26,966,177
Creation during the financial year	386,407	704,524	2,124,332	4,644,458
Reinvestment of distribution (Note 12)	253,244	447,204	463,910	846,589
Cancellation during the financial year	<u>(2,288,613)</u>	<u>(4,154,885)</u>	<u>(4,586,087)</u>	<u>(9,549,619)</u>
At end of the financial year	<u>13,093,133</u>	<u>19,904,448</u>	<u>14,742,095</u>	<u>22,907,605</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.

## Global Property Equities Fund

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

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

##### (b) Realised – distributable

	2023 RM	2022 RM
At beginning of the financial year	4,682,628	4,417,234
Net realised income for the financial year	389,125	1,152,263
Distribution out of realised income (Note 12)	(447,204)	(886,869)
At end of the financial year	<u>4,624,549</u>	<u>4,682,628</u>

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

	2023 RM	2022 RM
At beginning of the financial year	(1,349,383)	6,116,395
Net unrealised gain/(loss) for the financial year	41,830	(7,465,778)
At end of the financial year	<u>(1,307,553)</u>	<u>(1,349,383)</u>

#### 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.

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

	2023 RM	2022 RM
<b>Significant related party balances</b>		
<u>AmBank (M) Berhad</u>		
Cash at bank	<u>212</u>	<u>232</u>

## Global Property Equities Fund

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

#### 11. TAXATION

	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
Local tax		
– current year provision	133,381	140,737
– over provision in prior financial year	(883)	-
	<u>132,498</u>	<u>140,737</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 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:

	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
Net income/(loss) before taxation	<u>563,453</u>	<u>(6,172,778)</u>
Taxation at Malaysian statutory rate of 24% (2022: 24%)	135,229	(1,481,467)
Tax effects of:		
Income not subject to tax	(370,410)	(532,134)
Losses not allowed for tax deduction	350,562	2,131,633
Restriction on tax deductible expenses for unit trust fund	9,976	12,432
Non-permitted expenses for tax purposes	6,915	8,895
Permitted expenses not used and not available for future financial years	1,109	1,378
Over provision in prior financial year	(883)	-
Tax expense for the financial year	<u>132,498</u>	<u>140,737</u>

## Global Property Equities Fund

### 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:

	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
Distribution income	653,446	692,547
Interest income	1,188	7,391
Other income	68	4,239
Net realised gain from investment	-	418,031
	<u>654,702</u>	<u>1,122,208</u>
Less: Expenses	(75,000)	(94,602)
Taxation	(132,498)	(140,737)
Total amount of distribution	<u>447,204</u>	<u>886,869</u>
Gross distribution per unit (sen)	<u>4.37</u>	<u>6.93</u>
Net distribution per unit (sen)	<u>3.48</u>	<u>6.19</u>
Distribution made out of:		
– Realised income [Note 9(b)]	<u>447,204</u>	<u>886,869</u>
Comprising:		
Reinvestment of distribution [Note 9(a)]	447,204	846,589
Distribution payable	-	40,280
	<u>447,204</u>	<u>886,869</u>

Details of distribution to unit holders for the financial years are as follows:

#### Financial year ended 30 November 2023

<b>Distribution Ex-date</b>	<b>Gross distribution per unit RM (sen)</b>	<b>Net distribution per unit RM (sen)</b>	<b>Total distribution RM</b>
23 November 2023	<u>4.37</u>	<u>3.48</u>	<u>447,204</u>

#### Financial year ended 30 November 2022

<b>Distribution Ex-date</b>	<b>Gross distribution per unit RM (sen)</b>	<b>Net distribution per unit RM (sen)</b>	<b>Total distribution RM</b>
24 November 2022	<u>6.93</u>	<u>6.19</u>	<u>886,869</u>

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



## Global Property Equities Fund

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

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

The distribution declared for the financial year ended 30 November 2022 was proposed before taking into account the net unrealised loss of RM7,465,778 during the financial year which was carried forward to the current financial year.

#### 13. TOTAL EXPENSE RATIO (“TER”)

The Fund’s TER is as follows:

	<b>2023</b>	<b>2022</b>
	<b>% p.a.</b>	<b>% p.a.</b>
Manager’s fee	0.15	0.15
Trustee’s fee	0.07	0.07
Fund’s other expenses	0.07	0.07
Total TER	<u>0.29</u>	<u>0.29</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 0.06 times (2022: 0.11 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.

#### 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:

<b>Target Fund Manager</b>	<b>Transaction value</b>	
	<b>RM</b>	<b>%</b>
Henderson Management S.A.	<u>2,999,157</u>	<u>100.00</u>

There is no transaction with financial institutions related to the Manager during the financial year.

## Global Property Equities Fund

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

#### 16. TRANSACTIONS WITH THE TARGET FUND MANAGER (CONT'D.)

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

#### 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
<b>2023</b>				
<b>Assets</b>				
Investment	22,615,187	-	-	22,615,187
Cash at banks	-	655,883	-	655,883
Total financial assets	<u>22,615,187</u>	<u>655,883</u>	<u>-</u>	<u>23,271,070</u>
<b>Liabilities</b>				
Amount due to Manager	-	-	22,252	22,252
Amount due to Trustee	-	-	1,342	1,342
Total financial liabilities	<u>-</u>	<u>-</u>	<u>23,594</u>	<u>23,594</u>
<b>2022</b>				
<b>Assets</b>				
Investment	25,552,242	-	-	25,552,242
Amount due from Target Fund Manager	-	319,878	-	319,878
Sundry receivables	-	280	-	280
Cash at banks	-	553,593	-	553,593
Total financial assets	<u>25,552,242</u>	<u>873,751</u>	<u>-</u>	<u>26,425,993</u>
<b>Liabilities</b>				
Amount due to Manager	-	-	92,018	92,018
Amount due to Trustee	-	-	1,555	1,555
Distribution payable	-	-	40,280	40,280
Total financial liabilities	<u>-</u>	<u>-</u>	<u>133,853</u>	<u>133,853</u>

## Global Property Equities Fund

### 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.)

	Income, expenses, gains and losses	
	2023 RM	2022 RM
Net losses from financial assets at FVTPL	(104,124)	(6,970,546)
Income, of which derived from:		
– Distribution income from financial assets at FVTPL	728,119	856,329
– Interest income from financial assets at amortised cost	2,016	9,139
– Other net realised gains on foreign currency exchange	12,326	21,660

##### (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.

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
<b>2023</b>				
Financial assets at FVTPL	-	22,615,187	-	22,615,187
<b>2022</b>				
Financial assets at FVTPL	-	25,552,242	-	25,552,242

## Global Property Equities Fund

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

#### 17. FINANCIAL INSTRUMENTS (CONT'D.)

**(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's Malaysia's Guidelines on Unit Trust Funds and the Deed as the backbone of risk management of the Fund.

**(a) Market risk**

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

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

## Global Property Equities Fund

### 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.)

##### (i) Price risk (cont'd.)

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%	(1,130,759)	(1,277,612)
+5.00%	<u>1,130,759</u>	<u>1,277,612</u>

##### (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:

Percentage movements in currencies other than the Fund's functional currency:	Sensitivity of the Fund's NAV	
	2023 RM	2022 RM
-5.00%	(1,130,876)	(1,293,717)
+5.00%	<u>1,130,876</u>	<u>1,293,717</u>

## Global Property Equities Fund

### 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.)

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

<b>Assets denominated in United States Dollar</b>	<b>2023 RM equivalent</b>	<b>% of NAV</b>	<b>2022 RM equivalent</b>	<b>% of NAV</b>
Investment	22,615,187	97.39	25,552,242	97.38
Amount due from Target Fund Manager	-	-	319,878	1.22
Cash at bank	2,329	0.01	2,222	0.01
	<u>22,617,516</u>	<u>97.40</u>	<u>25,874,342</u>	<u>98.61</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 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 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.

##### (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.

## Global Property Equities Fund

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

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

##### **(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.

##### **(h) Non-compliance risk**

This is the risk of the Manager or the Trustee not complying with the 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.

## **Global Property Equities Fund**

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

#### **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.



## **Global Property Equities Fund**

### **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 Global Property Equities Fund (“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 **GLOBAL PROPERTY EQUITIES FUND** ("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 creation and 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

9<sup>th</sup> & 10<sup>th</sup> 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.)*

