



SEMI-ANNUAL REPORT
31 October 2024

AHAM Select Asia Pacific (ex Japan) REITs Fund

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

TRUSTEE
HSBC (Malaysia) Trustee Berhad
193701000084 (001281T)

Built On Trust

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AHAM Select Asia Pacific (ex Japan) REITs Fund

Semi-Annual Report and Unaudited Financial Statements For the Financial Period Ended 31 October 2024

Content	Page
FUND INFORMATION	III
FUND PERFORMANCE DATA.....	IV
MANAGER'S REPORT	VI
TRUSTEE'S REPORT	X
FINANCIAL STATEMENT	
DIRECTORY OF SALES OFFICE	

FUND INFORMATION

Fund Name	AHAM Select Asia Pacific (ex Japan) REITs Fund
Fund Type	Income & Growth
Fund Category	Fund-of-Funds
Investment Objective	The Fund seeks to provide both income and capital appreciation over the medium to long-term by investing in real estate investment trusts (REITs) in the Asia Pacific (ex Japan).
Benchmark	FTSE ERPA Nareit Asia ex Japan REITs Index
Distribution Policy	Subject to the availability of income, the Fund will distribute income on an annual basis. However, the amount available for distribution may fluctuate from time to time.

FUND PERFORMANCE DATA

Category	As at 31 Oct 2024 (%)	As at 31 Oct 2023 (%)	As at 31 Oct 2022 (%)
Portfolio composition			
Quoted equities – local			
- REITs	19.26	13.73	5.34
Total quoted equities – local	19.26	13.73	5.34
Quoted equities – foreign			
- Real estate	73.43	79.69	91.18
Total quoted equities – foreign	73.43	79.69	91.18
Cash & cash equivalent	7.31	6.58	3.48
Total	100.00	100.00	100.00
Total NAV (RM'million)	29.961	34.555	41.394
NAV per Unit (RM)	0.3918	0.3778	0.4105
Unit in Circulation (million)	76.461	91.459	100.834
Highest NAV	0.4054	0.4316	0.4809
Lowest NAV	0.3750	0.3729	0.3984
Return of the Fund (%)	1.35	-11.63	-12.79
- Capital Growth (%)	1.35	-11.63	-12.79
- Income Distribution (%)	Nil	Nil	Nil
Gross Distribution per Unit (sen)	Nil	Nil	Nil
Net Distribution per Unit (sen)	Nil	Nil	Nil
Total Expense Ratio (%) ¹	1.07	1.05	0.97
Portfolio Turnover Ratio (times) ²	0.20	0.31	0.18

¹The Fund's TER was higher than previous period under review due to higher expenses incurred for the Fund for the financial period.

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

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

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

An illustration of the above would be as follow:-

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

Income Distribution / Unit Split

No income distribution or unit splits were declared for the financial period ended 31 October 2024.

Fund Performance

Table 1: Performance of the Fund

	6 Months (1/5/24 - 31/10/24)	1 Year (1/11/23 - 31/10/24)	3 Years (1/11/21 - 31/10/24)	5 Years (1/11/19 - 31/10/24)	Since Commencement (16/5/07 - 31/10/24)
Fund	1.35%	4.36%	(10.44%)	(13.16%)	20.39%
Benchmark	2.60%	8.21%	(6.21%)	(11.56%)	25.57%
Outperformance	(1.25%)	(3.85%)	(4.23%)	(1.60%)	(5.18%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/11/23 - 31/10/24)	3 Years (1/11/21 - 31/10/24)	5 Years (1/11/19 - 31/10/24)	Since Commencement (16/5/07 - 31/10/24)
Fund	4.36%	(3.60%)	(2.78%)	1.07%
Benchmark	8.21%	(2.11%)	(2.42%)	1.31%
Outperformance	(3.85%)	(1.49%)	(0.36%)	(0.24%)

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2024 (1/5/23 - 30/4/24)	FYE 2023 (1/5/22 - 30/4/23)	FYE 2022 (1/5/21 - 30/4/22)	FYE 2021 (1/5/20 - 30/4/21)	FYE 2020 (1/5/19 - 30/4/20)
Fund	(9.00%)	(7.55%)	4.91%	9.92%	(6.43%)
Benchmark	(6.56%)	(4.56%)	2.91%	12.93%	(13.84%)
Outperformance	(2.44%)	(2.99%)	2.00%	(3.01%)	7.41%

Source of Benchmark: Bloomberg

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

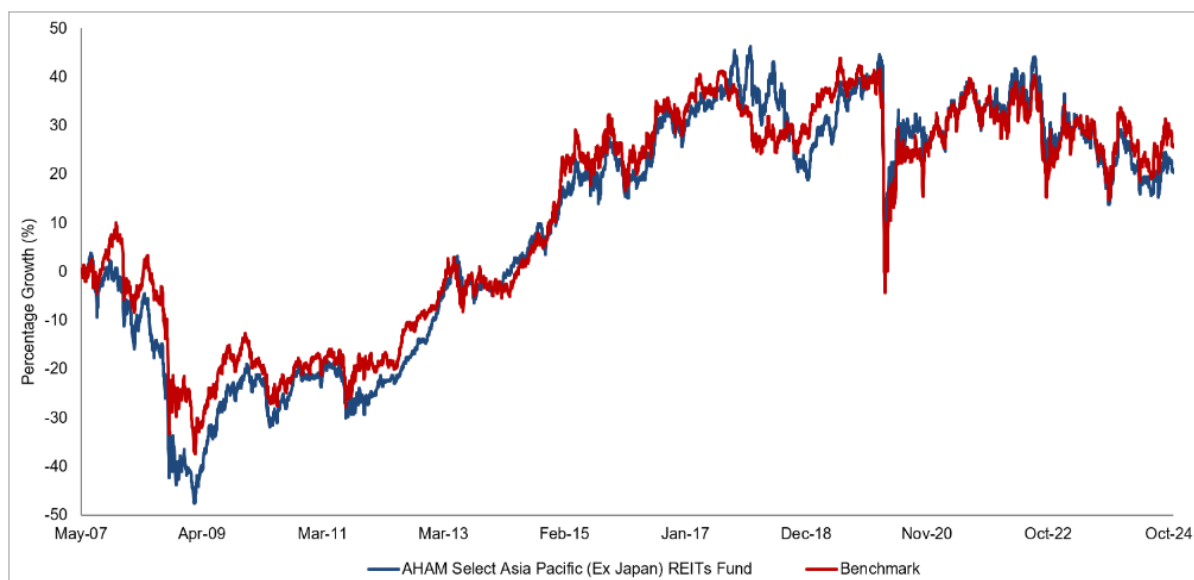
MANAGER'S REPORT

Performance Review (1 May 2024 to 31 October 2024)

For the period 1 May 2024 to 31 October 2024, the Fund has registered a return of 1.35% as compared to the benchmark return of 2.60%. The Fund thus underperformed the benchmark by 1.25%. The Net Asset Value (NAV) per unit of the Fund as at 31 October 2024 was RM0.3918 while the NAV per unit on 30 April 2024 was RM0.3866.

Since commencement, the Fund has registered a return of 20.39% compared to the benchmark return of 25.57%, underperforming by 5.18%.

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



"This information is prepared by AHAM Asset Management Berhad for information purposes only. Past earnings or the fund's distribution record is not a guarantee or reflection of the fund's future earnings/future distributions. Investors are advised that unit prices, distributions payable and investment returns may go down as well as up. Source of Benchmark is from Bloomberg."
Benchmark: FTSE EPRA Nareit Asia ex Japan REITs Index

Asset Allocation

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

As at 31 October 2024, the asset allocation of the Fund stood at 92.69% in equities while the balance was held in cash and cash equivalent.

During the period under review, out of the Fund's 92.69% exposure in REITs, 73.43% was in the foreign market and 19.26% in domestic market. The balance was held in cash and cash equivalent. Cash and cash equivalent was increased to 7.31%.

Strategies Employed

The Fund invests primarily in Collective Investment Schemes (CIS) such as REITs within both the domestic and foreign space to provide both income and capital appreciation over the medium to long-term.

Market Review

During the interim period from 1 May 2024 to October 31, 2024, Real Estate Investment Trusts (REITs) staged a strong resurgence. The FTSE EPRA Nareit Asia ex Japan REITs Index recorded an impressive rally of +11.77% in U.S. dollar terms (though it was lower at +2.60% in Malaysian ringgit terms due to the strong Ringgit) during the period under review.

Key drivers that influenced REIT performance during this period:

Federal Reserve Policy: The REIT market benefited significantly from a rally in U.S. Treasuries following expectations and subsequent rate cuts by the Federal Reserve. Besides this, falling yields on government bonds lowered the cost of capital, making REITs—a yield-sensitive asset class—more attractive to investors.

Political Developments in the United States: Political shifts in the U.S. added to market volatility. Initially, optimism surrounding Democratic election prospects, particularly the improved odds of Kamala Harris, supported risk sentiment. However, as the period progressed, changing dynamics—culminating in former President Trump's increased odds and eventual victory—introduced uncertainty, which tempered the rally in US Treasuries in the later part of the period under review.

China Stimulus Expectations: Anticipation of economic stimulus measures from China fuelled optimism in Asia's REIT markets, particularly those based in Hong Kong.

Investment Outlook

The REIT market outlook remains cautiously optimistic, driven by key factors such as inflation, interest rates, and fiscal policy. Fiscal policy under the new Trump administration, particularly regarding the handling of the fiscal deficit, will influence inflation expectations and bond markets. The Federal Reserve is expected to stay data dependent. The many moving parts will cause some levels of uncertainty on REIT borrowing costs moving forward. Meanwhile, certain sectors, like industrial and data centres may show resilience due to favourable growth prospects.

Given these conditions, a selective investment strategy remains essential. The main priority is to focus on REITs in sectors with resilient demand. The REITs also should have healthy balance sheets and strong liquidity. Management quality remains critical, as experienced teams are better equipped to navigate economic uncertainties. This approach ensures a balanced exposure to opportunities while mitigating risks in an evolving market environment.

State of Affairs of the Fund

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

Soft Commissions received from Brokers

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

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

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

Cross Trade

No cross trade transactions were carried out during the reported period.

Securities Financing Transactions

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

Changes Made To the Fund's Prospectus

There were no changes made to the Fund's prospectus during the financial period under review.

TRUSTEE'S REPORT

TO THE UNITHOLDERS OF AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND ("Fund")

We have acted as Trustee of the Fund for the financial period ended 31 October 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AHAM Asset Management Berhad has operated and managed the fund during the period covered by these financial statements in accordance with the following:

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

For HSBC (Malaysia) Trustee Berhad

Lee Cincee
Senior Manager, Trustee and Fiduciary Services

Kuala Lumpur
16 December 2024

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024

CONTENTS	PAGE(S)
UNAUDITED SEMI-ANNUAL STATEMENT OF COMPREHENSIVE INCOME	1
UNAUDITED SEMI-ANNUAL STATEMENT OF FINANCIAL POSITION	2
UNAUDITED SEMI-ANNUAL STATEMENT OF CHANGES IN EQUITY	3
UNAUDITED SEMI-ANNUAL STATEMENT OF CASH FLOWS	4
MATERIAL ACCOUNTING POLICY INFORMATION	5 - 10
NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS	11 - 28
STATEMENT BY THE MANAGER	29

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

UNAUDITED SEMI-ANNUAL STATEMENT OF COMPREHENSIVE INCOME FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024

	<u>Note</u>	6 months financial period ended <u>31.10.2024</u> RM	6 months financial period ended <u>31.10.2023</u> RM
INVESTMENT INCOME/(LOSS)			
Dividend income		706,322	992,691
Interest income for financial assets at amortised cost		5,421	3,917
Net (loss)/gain on foreign currency exchange		(75,987)	95,939
Net gain/(loss) on financial assets at fair value through profit or loss	8	182,711	(5,044,839)
		<u>818,467</u>	<u>(3,952,292)</u>
EXPENSES			
Management fee	4	(279,700)	(352,415)
Trustee fee	5	(10,885)	(13,712)
Fund accounting fee	6	(10,000)	(10,000)
Auditors' remuneration		(3,803)	(3,813)
Tax agent's fee		(15,761)	(1,982)
Transaction cost		(27,594)	(50,128)
Other expenses		(58,404)	(84,398)
		<u>(406,147)</u>	<u>(516,448)</u>
NET PROFIT/(LOSS) BEFORE TAXATION		412,320	(4,468,740)
Taxation	7	-	(168,120)
NET PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL PERIOD		<u>412,320</u>	<u>(4,636,860)</u>
Net profit/(loss) after taxation is made up of the following:			
Realised amount		(302,242)	(2,061,150)
Unrealised amount		714,562	(2,575,710)
		<u>412,320</u>	<u>(4,636,860)</u>

The accompanying summary of significant accounting policies and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

UNAUDITED SEMI-ANNUAL STATEMENT OF FINANCIAL POSITION AS AT 31 OCTOBER 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
ASSETS			
Cash and cash equivalents		1,840,911	2,129,153
Amount due from brokers		22,892	19,295
Amount due from Manager			
- creation of units		-	2,243
Dividend receivables		40,892	47,109
Tax recoverable		441,776	294,257
Financial assets at fair value through profit or loss	8	<u>27,770,935</u>	<u>32,281,822</u>
TOTAL ASSETS		<u>30,117,406</u>	<u>34,773,879</u>
LIABILITIES			
Amount due to Manager			
- management fee		46,715	53,628
- cancellation of units		48,382	3,386
Amount due to Trustee		1,817	2,086
Fund accounting fee		1,667	1,667
Auditors' remuneration		3,803	3,813
Tax agent's fee		28,433	127,665
Other payables and accruals		<u>25,711</u>	<u>26,651</u>
TOTAL LIABILITIES		<u>156,528</u>	<u>218,896</u>
NET ASSET VALUE OF THE FUND		<u>29,960,878</u>	<u>34,554,983</u>
EQUITY			
Unit holders' capital		141,927,242	147,812,360
Accumulated losses		<u>(111,966,364)</u>	<u>(113,257,377)</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>29,960,878</u>	<u>34,554,983</u>
NUMBER OF UNITS IN CIRCULATION	9	<u>76,461,000</u>	<u>91,459,000</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.3918</u>	<u>0.3778</u>

The accompanying summary of significant accounting policies and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

UNAUDITED SEMI-ANNUAL STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024

	Unit holders' <u>capital</u> RM	Accumulated <u>losses</u> RM	<u>Total</u> RM
Balance as at 1 May 2024	145,507,821	(112,378,684)	33,129,137
Total comprehensive income for the financial period	-	412,320	412,320
Movement in unit holders' capital:			
Creation of units arising from applications	519,290	-	519,290
Cancellation of units	(4,099,869)	-	(4,099,869)
Balance as at 31 October 2024	<u>141,927,242</u>	<u>(111,966,364)</u>	<u>29,960,878</u>
Balance as at 1 May 2023	150,456,283	(108,620,517)	41,835,766
Total comprehensive loss for the financial period	-	(4,636,860)	(4,636,860)
Movement in unit holders' capital:			
Creation of units arising from applications	312,453	-	312,453
Cancellation of units	(2,956,376)	-	(2,956,376)
Balance as at 31 October 2023	<u>147,812,360</u>	<u>(113,257,377)</u>	<u>34,554,983</u>

The accompanying summary of significant accounting policies and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

UNAUDITED SEMI-ANNUAL STATEMENT OF CASH FLOWS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024

	6 months financial period ended <u>31.10.2024</u> RM	6 months financial period ended <u>31.10.2023</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sale of investments	7,148,560	10,681,419
Purchase of investments	(4,362,243)	(9,599,734)
Dividend received	678,473	964,815
Interest received	5,421	3,917
Management fee paid	(282,551)	(361,205)
Trustee fee paid	(10,996)	(14,053)
Fund accounting fee paid	(10,000)	(10,000)
Payment for other fees and expenses	(109,725)	(138,721)
Net realised gain on foreign exchange	287,402	1,400,442
Tax paid	(135,465)	(382,500)
Net cash flows generated from operating activities	<u>3,208,876</u>	<u>2,544,380</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	525,835	355,910
Payments for cancellation of units	(4,056,117)	(2,960,285)
Net cash flows used in financing activities	<u>(3,530,282)</u>	<u>(2,604,375)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(321,406)	(59,995)
EFFECTS OF FOREIGN CURRENCY EXCHANGE	(77,728)	-
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	2,240,045	2,189,148
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>1,840,911</u>	<u>2,129,153</u>

Cash and cash equivalents as at 31 October 2024 and 31 October 2023 comprise of bank balances.

The accompanying summary of significant accounting policies and notes to the unaudited semi-annual financial statements form an integral part of these financial statements.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024

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

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

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

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

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

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

(b) Standards and amendments that have been issued but not yet effective:

- Amendments to MFRS 101 'Classification of liabilities as current or non-current' (effective 1 January 2024) clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). In addition, the amendments clarify that when a liability could be settled by the transfer of an entity's own equity instruments (e.g. a conversion option in a convertible bond), conversion option meeting the definition of an equity instrument in MFRS 132 'Financial Instruments: Presentation' does not impact the current or non-current classification of the convertible instrument.

The amendments also specify that covenants of loan arrangements which an entity must comply with only after the reporting date would not affect classification of a liability as current or non-current at the reporting date. However, those covenants that an entity is required to comply with on or before the reporting date would affect classification of a liability as current or non-current, even if the covenant is only assessed after the reporting date.

The adoption of the above standards, amendments to standards or interpretations is not expected to have a material effect on the financial statements of the Fund.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

B INCOME RECOGNITION

Dividend income

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

Interest income

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

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

Realised gains and losses on sale of investments

For quoted collective investment schemes, realised gains and losses on sale of investments are accounted for as the difference between the net disposal proceeds and the carrying amount of the investments, determined on a weighted average cost basis.

C TRANSACTION COSTS

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

D TAXATION

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

Tax on investment income from foreign investments is based on the tax regime of the respective countries that the Fund invests in.

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

E FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). The financial statements are presented in Ringgit Malaysia (“RM”), which is the Fund’s functional and presentation currency.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

F FOREIGN CURRENCY TRANSLATION

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

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

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

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

The Fund classifies cash and cash equivalents, amount due from brokers, amount due from Manager and dividend receivables as financial assets measured at amortised cost as these financial assets are held to collect contractual cash flows that represent SPPI.

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

(ii) Recognition and measurement

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

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

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

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

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

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

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

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

Financial assets at amortised cost and other financial liabilities are subsequently carried at amortised cost using the effective interest method.

(iii) Impairment

The Fund's financial assets measured at amortised cost are subject to expected credit losses. The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. Management considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12 month and lifetime expected credit losses as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Quantitative criteria:

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

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

Definition of default and credit-impaired financial assets (continued)

Qualitative criteria:

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

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

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

Write-off

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

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

H CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances and deposits held in highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

I AMOUNT DUE FROM/(TO) BROKERS

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

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

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

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

J UNIT HOLDERS' CAPITAL

The unit holders' contributions to the Fund meet the criteria to be classified as equity instruments under MFRS 132 "Financial Instruments: Presentation". Those criteria include:

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

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

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

K CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

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

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

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

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the Securities Commission's ("SC") Guidelines on Unit Trust Funds.

L REALISED AND UNREALISED PORTIONS OF PROFIT OR LOSS AFTER TAX

The analysis of realised and unrealised profit or loss after tax as presented on the statement of comprehensive income is prepared in accordance with SC's Guidelines on Unit Trust Funds.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024

1 INFORMATION ON THE FUND

The Unit Trust Fund was constituted under the name HwangDBS Global Infrastructure Fund (the “Fund”) pursuant to the execution of a Deed dated 15 March 2007 and modified by First Supplemental Deed dated 18 June 2007, Second Supplemental Deed dated 15 October 2008, Third Supplemental Deed dated 18 January 2012, Fourth Supplemental Deed dated 2 May 2012, Fifth Supplemental Deed dated 8 May 2013, Sixth Supplemental Deed dated 27 June 2014, Seventh Supplemental Deed dated 28 April 2017, Eighth Supplemental Deed dated 19 September 2017, Ninth Supplemental Deed dated 5 October 2018, Tenth Supplemental Deed dated 9 October 2019 and Eleventh Supplemental Deed dated 28 December 2022 (“the Deeds”) entered into between AHAM Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustees Berhad (the “Trustee”). The Fund has changed its name from HwangDBS Global Infrastructure Fund to Hwang Global Infrastructure Fund as amended by the Second Supplemental Deed dated 18 January 2012, from Hwang Global Infrastructure Fund to Hwang Asia Pacific (Ex-Japan) Infrastructure Fund as amended by the Fourth Supplemental Deed dated 2 May 2012, from Hwang Asia Pacific (Ex-Japan) Infrastructure Fund to Hwang Asia Pacific (Ex-Japan) REITS and Infrastructure Fund as amended by the Fifth Supplemental Deed dated 8 May 2013, from Hwang Asia Pacific (Ex-Japan) REITS and Infrastructure Fund to Affin Hwang Select Asia Pacific (Ex-Japan) REITS and Infrastructure Fund as amended by the Sixth Supplemental Deed dated 27 June 2014, from Affin Hwang Asia Pacific (Ex-Japan) REITS and Infrastructure Fund to Affin Hwang Select Asia Pacific (Ex-Japan) REITs Fund as amended by the Tenth Supplemental Deed dated 9 October 2019 and from Affin Hwang Select Asia Pacific (Ex-Japan) REITs Fund to AHAM Select Asia Pacific (Ex-Japan) REITS Fund as amended by the Eleventh Supplemental Deed dated 28 December 2022.

The Fund commenced operations on 25 April 2007 and will continue its operation until terminated by the Manager or Trustee as provided under Clause 12.1 of the Deed.

The Fund may invest in any of the following investments:

- a) Collective investment schemes;
- b) Money market instruments;
- c) Deposits;
- d) Derivatives; and
- e) Any other investments as may be permitted by the SC from time to time which are in line with the objective of the Fund.

All investments will be subjected to the SC’s Guidelines on Unit Trust Funds, the Deeds and the objective of the Fund.

The main objective of the Fund is to provide both income and capital appreciation over the medium to long-term by investing in real estate investment trusts (REITs) in the Asia Pacific (ex Japan).

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

The financial statements were authorised for issue by the Manager on xx December 2024.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVE AND POLICIES

Financial instruments are as follows:

	<u>Note</u>	At amortised <u>cost</u> RM	At fair value through <u>profit or loss</u> RM	<u>Total</u> RM
<u>2024</u>				
<u>Financial assets</u>				
Cash and cash equivalents		1,840,911	-	1,840,911
Amount due from brokers		22,892	-	22,892
Dividend receivables		40,892	-	40,892
Quoted collective investment schemes	8	-	27,770,935	27,770,935
Total		<u>1,904,695</u>	<u>27,770,935</u>	<u>29,675,630</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		46,715	-	46,715
- cancellation of units		48,382	-	48,382
Amount due to Trustee		1,817	-	1,817
Fund accounting fee		1,667	-	1,667
Auditor's remuneration		3,803	-	3,803
Tax agent's fee		28,433	-	28,433
Other payables and accruals		25,711	-	25,711
Total		<u>156,528</u>	<u>-</u>	<u>156,528</u>
<u>2023</u>				
<u>Financial assets</u>				
Cash and cash equivalents		2,129,153	-	2,129,153
Amount due from brokers		19,295	-	19,295
Amount due from Manager				
- creation of units		2,243	-	2,243
Dividend receivables		47,109	-	47,109
Quoted collective investment schemes	8	-	32,281,822	32,281,822
Total		<u>2,197,800</u>	<u>32,281,822</u>	<u>34,479,622</u>

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

Financial instruments are as follows: (continued)

	<u>Note</u>	At amortised <u>cost</u> RM	At fair value through <u>profit or loss</u> RM	<u>Total</u> RM
<u>2023</u> (continued)				
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		53,628	-	53,628
- cancellation of units		3,386	-	3,386
Amount due to Trustee		2,086	-	2,086
Fund accounting fee		1,667	-	1,667
Auditor's remuneration		3,813	-	3,813
Tax agent's fee		127,665	-	127,665
Other payables and accruals		26,651	-	26,651
		<u>218,896</u>	<u>-</u>	<u>218,896</u>
Total		<u>218,896</u>	<u>-</u>	<u>218,896</u>

The Fund is exposed to a variety of risks which include market risk (including price risk, interest rate risk, currency risk), credit risk, liquidity risk and capital risk.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated by the SC's Guidelines on Unit Trust Funds.

Market risk

(a) Price risk

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

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

	<u>2024</u> RM	<u>2023</u> RM
Quoted investments		
Quoted collective investment schemes	<u>27,770,935</u>	<u>32,281,822</u>

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

Market risk (continued)

(a) Price risk (continued)

The following table summarises the sensitivity of the Fund's profit/(loss) after taxation and NAV to price risk movements. The analysis is based on the assumptions that the market price increased by 10% (2023: 15%) and decreased by 10% (2023: 15%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities, having regard to the historical volatility of the prices.

<u>% Change in price</u>	<u>Market value</u> RM	Impact on profit/(loss) after <u>tax/NAV</u> RM
<u>2024</u>		
-10%	24,993,842	(2,777,094)
0%	27,770,935	-
+10%	<u>30,548,029</u>	<u>2,777,094</u>
<u>2023</u>		
-15%	27,439,549	(4,842,273)
0%	32,281,822	-
+15%	<u>37,124,095</u>	<u>4,842,273</u>

(b) Interest rate risk

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

The Fund's exposure to the interest rate risk is mainly confined to short-term deposit placement with a financial institution. The Manager overcomes this exposure by way of maintaining deposits on short-term basis.

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

(c) Currency risk

Currency risk is associated with investments denominated in foreign currencies. When the foreign currencies fluctuate in an unfavourable movement against Ringgit Malaysia, the investments will face currency losses in addition to the capital gain/(loss). The Manager will evaluate the likely directions of a foreign currency versus Ringgit Malaysia based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels, and technical chart considerations.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

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

	Quoted collective investment schemes RM	Cash and cash equivalent RM	Amount due from brokers RM	Dividend receivables RM	Total RM
<u>2024</u>					
<u>Financial assets</u>					
Australian Dollar	-	180	-	-	180
Euro	-	2,026	-	-	2,026
Hong Kong Dollar	1,178,722	1,013	-	-	1,179,735
Indian Rupee	-	60	-	-	60
Singapore Dollar	18,403,151	1,805,428	22,892	40,892	20,272,363
United States Dollar	2,418,395	1,238	-	-	2,419,633
	<u>22,000,268</u>	<u>1,809,945</u>	<u>22,892</u>	<u>40,892</u>	<u>23,873,997</u>
				Tax agent's fee RM	Total RM
<u>Financial liabilities</u>					
United States Dollar				22,556	22,556
				<u>22,556</u>	<u>22,556</u>
	Quoted collective investment schemes RM	Cash and cash equivalent RM	Amount due from brokers RM	Dividend receivables RM	Total RM
<u>2023</u>					
<u>Financial assets</u>					
Australian Dollar	-	4,722	-	-	4,722
Euro	-	2,161	-	-	2,161
Hong Kong Dollar	3,956,100	8,571	-	-	3,964,671
Indian Rupee	-	66	-	-	66
Singapore Dollar	20,810,424	2,028,323	19,295	35,649	22,893,691
United States Dollar	2,770,091	49,073	-	-	2,819,164
	<u>27,536,615</u>	<u>2,092,916</u>	<u>19,295</u>	<u>35,649</u>	<u>29,684,475</u>

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

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

	Tax agent's <u>fee</u> RM	<u>Total</u> RM
<u>2023</u> (continued)		
<u>Financial liabilities</u>		
United States Dollar	121,973	121,973

The table below summarises the sensitivity of the Fund's profit/(loss) after tax and NAV to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes by 10% (2023: 10%), with all other variables remain constants. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Any increase/(decrease) in foreign exchange rate will result in a corresponding (decrease)/increase in the net assets attributable to unit holders by approximately 10% (2023: 10%). Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

<u>2024</u>	%	Change in <u>rate</u> RM	Impact on profit/(loss) after tax/ <u>NAV</u>
Australian Dollar		+/- 10	+/- 18
Euro		+/- 10	+/- 203
Hong Kong Dollar		+/- 10	+/- 117,974
Indian Rupee		+/- 10	+/- 6
Singapore Dollar		+/- 10	+/- 2,027,236
United States Dollar		+/- 10	+/- 239,707
<u>2023</u>			
Australian Dollar		+/- 10	+/- 472
Euro		+/- 10	+/- 216
Hong Kong Dollar		+/- 10	+/- 396,467
Indian Rupee		+/- 10	+/- 7
Singapore Dollar		+/- 10	+/- 2,289,369
United States Dollar		+/- 10	+/- 269,719

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

Credit risk

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

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

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

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

The settlement terms of the proceeds from the creation of units' receivable from the Manager are governed by the SC's Guidelines on Unit Trust Funds.

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

	<u>Cash and cash equivalent</u> RM	<u>Amount due from brokers</u> RM	<u>Dividends receivable</u> RM	<u>Total</u> RM	
<u>2024</u>					
Financials Services					
- AAA	1,840,911	-	-	1,840,911	
Others					
- NR	-	22,892	-	22,892	
Real Estate					
- NR	-	-	40,892	40,892	
	<u>1,840,911</u>	<u>22,892</u>	<u>40,892</u>	<u>1,904,695</u>	
	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	
	<u>Cash and cash equivalent</u>	<u>Amount due from brokers</u>	<u>Amount due from Manager</u>	<u>Dividends receivable</u>	<u>Total</u>
	RM	RM	RM	RM	RM
<u>2023</u>					
Financials Services					
- AAA	2,129,153	-	-	-	2,129,153
Others					
- NR	-	-	2,243	-	2,243
Real Estate					
- NR	-	19,295	-	35,649	54,944
REITs					
- NR	-	-	-	11,460	11,460
	<u>2,129,153</u>	<u>19,295</u>	<u>2,243</u>	<u>47,109</u>	<u>2,197,800</u>
	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payment and cancellations of units by unit holders. Liquid assets comprise bank balances, deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 days.

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

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

	<u>Within one month</u> RM	<u>Between one month to one year</u> RM	<u>Total</u> RM
<u>2024</u>			
Amount due to Manager			
- management fee	46,715	-	46,715
- cancellation of units	48,382	-	48,382
Amount due to Trustee	1,817	-	1,817
Fund accounting fee	1,667	-	1,667
Auditors' remuneration	-	3,803	3,803
Tax agent's fee	-	28,433	28,433
Other payables and accruals	-	25,711	25,711
	<u>98,581</u>	<u>57,947</u>	<u>156,528</u>
<u>2023</u>			
Amount due to Manager			
- management fee	53,628	-	53,628
- cancellation of units	3,386	-	3,386
Amount due to Trustee	2,086	-	2,086
Fund accounting fee	1,667	-	1,667
Auditors' remuneration	-	3,813	3,813
Tax agent's fee	-	127,665	127,665
Other payables and accruals	-	26,651	26,651
	<u>60,767</u>	<u>158,129</u>	<u>218,896</u>

Capital risk

The capital of the Fund is represented by equity consisting of unit holders' capital and net of accumulated losses. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of shareholders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

3 FAIR VALUE ESTIMATION

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

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

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

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

(i) Fair value hierarchy

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

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

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

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

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

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2024</u>				
Financial assets at fair value through profit or loss:				
- quoted collective investment schemes	<u>27,770,935</u>	<u>-</u>	<u>-</u>	<u>27,770,935</u>

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2023</u>				
Financial assets at fair value through profit or loss:				
- quoted collective investment schemes	32,281,822	-	-	32,281,822

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

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

4 MANAGEMENT FEE

In accordance with the Deeds, the Manager is entitled to a management fee at a rate not exceeding 3.00% per annum of the NAV of the Fund, calculated on a daily basis.

For the 6 months financial period ended 31 October 2024, the management fee is recognised at a rate of 1.80% (2023: 1.80%) per annum of the NAV of the Fund, calculated on a daily basis as stated in the Fund's Prospectus.

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

5 TRUSTEE FEE

In accordance with the Deeds, the Trustee is entitled to an annual fee at a rate not exceeding 1.00% per annum of the NAV of the Fund, exclusive of foreign sub-custodian fee.

For the 6 months financial period ended 31 October 2024, the Trustee fee is recognised at a rate of 0.07% (2023: 0.07%) per annum on the NAV of the Fund, inclusive of local custodian fee but exclusive of foreign sub-custodian fee, calculated on daily basis as stated in the Fund's Prospectus.

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

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

6 FUND ACCOUNTING FEE

The fund valuation and accounting fee for the Fund is RM10,000 (2023: RM10,000) for the financial period.

7 TAXATION

	6 months financial period ended <u>31.10.2024</u> RM	6 months financial period ended <u>31.10.2023</u> RM
Current taxation	-	168,120

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

	6 months financial period ended <u>31.10.2024</u> RM	6 months financial period ended <u>31.10.2023</u> RM
Net profit/(loss) before taxation	412,320	(4,468,740)
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	98,957	(1,072,498)
Tax effects of:		
(Investment income not subject to tax)/		
Investment loss not brought to tax	(196,432)	1,128,341
Expenses not deductible for tax purposes	29,385	38,412
Restriction on tax deductible expenses for Unit Trust Funds	68,090	73,865
Tax expense	-	168,120

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2024</u> RM	<u>2023</u> RM
Financial assets at fair value through profit or loss:		
- quoted collective investment schemes - local	5,770,667	4,745,207
- quoted collective investment schemes - foreign	22,000,268	27,536,615
	<u>27,770,935</u>	<u>32,281,822</u>

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

	<u>2024</u> RM	<u>2023</u> RM
Net gain/(loss) on financial assets at fair value through profit or loss:		
- realised loss on sale of investments	(609,578)	(2,469,129)
- unrealised gain/(loss) on changes in fair value	792,289	(2,575,710)
	<u>182,711</u>	<u>(5,044,839)</u>

(a) Quoted collective investment schemes - local

(i) Quoted collective investment schemes - local as at 31 October 2024 are as follows:

	<u>Quantity</u>	<u>Aggregate cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Real Estate</u>				
Axis Real Estate Investment Trust ("REIT")	783,107	1,435,382	1,393,931	4.65
IGB REIT	488,700	673,430	1,016,496	3.39
Pavilion REIT	820,000	1,000,400	1,254,600	4.19
Sunway REIT	1,169,800	1,736,593	2,105,640	7.03
	<u>3,261,607</u>	<u>4,845,805</u>	<u>5,770,667</u>	<u>19.26</u>
Total quoted collective investment schemes - local				
Accumulated unrealised gain on quoted collective investment schemes - local		924,862		
Total quoted collective investment schemes - local		<u>5,770,667</u>		

(ii) Quoted collective investment schemes - local as at 31 October 2023 are as follows:

	<u>Quantity</u>	<u>Aggregate cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Real Estate</u>				
Axis REIT	778,983	1,428,371	1,402,169	4.06
IGB REIT	488,700	673,430	830,790	2.40
Pavilion REIT	820,000	1,000,400	984,000	2.85
Sunway REIT	1,032,600	1,528,048	1,528,248	4.42
	<u>3,120,283</u>	<u>4,630,249</u>	<u>4,745,207</u>	<u>13.73</u>
Total quoted collective investment schemes - local				
Accumulated unrealised gain on quoted collective investment schemes - local		114,958		
Total quoted collective investment schemes - local		<u>4,745,207</u>		

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

(b) Quoted collective investment schemes - foreign

(i) Quoted collective investment schemes - foreign as at 31 October 2024 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Hong Kong</u>				
<u>Real Estate</u>				
Link REIT	57,766	1,412,364	1,178,722	3.94
<u>Singapore</u>				
<u>Real Estate</u>				
Capitaland Ascendas REIT	307,658	2,727,994	2,737,535	9.14
Capitaland Integrated Commercial Trust	408,991	2,781,596	2,732,778	9.12
Frasers Centrepoint Trust	391,831	2,851,266	2,903,261	9.69
Frasers Logistics & Commercial Trust	736,660	3,065,874	2,607,295	8.70
Keppel DC REIT	31,100	206,212	234,549	0.78
Keppel REIT	178,300	626,674	527,854	1.76
Mapletree Industrial Trust	188,095	1,685,943	1,493,234	4.98
Mapletree Logistics Trust	664,408	3,587,575	2,901,002	9.68
Paragon REIT	206,500	641,163	597,678	2.00
Parkway Life REIT	133,400	1,649,513	1,667,965	5.57
	<u>3,246,943</u>	<u>19,823,810</u>	<u>18,403,151</u>	<u>61.42</u>
<u>United States</u>				
<u>Financials</u>				
Vanguard US Treasury 0-1 Year Bond ETF – (USD) Accumulating	9,993	2,511,490	2,418,395	8.07
Total quoted collective investment schemes - foreign	<u>3,314,702</u>	<u>23,747,664</u>	<u>22,000,268</u>	<u>73.43</u>
Accumulated unrealised loss on quoted collective investment schemes - foreign		<u>(1,747,396)</u>		
Total quoted collective investment schemes - foreign		<u>22,000,268</u>		

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

(b) Quoted collective investment schemes - foreign (continued)

(ii) Quoted collective investment schemes - foreign as at 31 October 2023 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Hong Kong</u>				
<u>Real Estate</u>				
Link Real Estate Investment Trust	181,350	6,154,541	3,956,100	11.45
<u>Singapore</u>				
<u>Real Estate</u>				
CapitaLand China Trust	12,803	50,446	35,059	0.10
CapitaLand Integrated Comm Trust	197,908	1,352,344	1,215,038	3.52
CapitaLand Ascendas Real Estate Investment Trust	488,558	4,363,275	4,413,973	12.77
Frasers Centrepoint Trust	332,931	2,372,715	2,392,408	6.92
Frasers Logistics & Commercial Trust	663,360	2,812,566	2,383,419	6.90
Keppel Real Estate Investment Trust	178,300	626,674	494,461	1.43
Mapletree Industrial Trust	580,195	5,350,265	4,331,134	12.53
Mapletree Logistics Trust	713,708	3,961,158	3,659,753	10.59
Mapletree Pan Asia Commercial Trust	109,700	623,636	505,120	1.46
Paragon Real Estate Investment Trust	206,500	653,527	569,064	1.65
Parkway Life Real Estate Investment Trust	69,400	873,080	810,995	2.35
	<u>3,553,363</u>	<u>23,039,686</u>	<u>20,810,424</u>	<u>60.22</u>
<u>United States</u>				
<u>Financials</u>				
Vanguard US Treasury 0-1 Year	11,085	2,741,713	2,770,091	8.02
Total quoted collective investment schemes - foreign	<u>3,745,798</u>	<u>31,935,940</u>	<u>27,536,615</u>	<u>79.69</u>
Accumulated unrealised loss on quoted collective investment schemes - foreign		<u>(4,399,325)</u>		
Total quoted collective investment schemes - foreign		<u>27,536,615</u>		

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

9 NUMBER OF UNITS IN CIRCULATION

	<u>2024</u>	<u>2023</u>
	No. of units	No. of units
As at the beginning of the financial period	85,696,000	97,869,000
Creation of units arising from applications	1,345,000	759,000
Cancellation of units	(10,580,000)	(7,169,000)
As at the end of the financial period	<u>76,461,000</u>	<u>91,459,000</u>

10 TRANSACTIONS WITH BROKERS

(i) Details of transactions with the top brokers for the 6 months financial period ended 31 October 2024 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> RM	Percentage of total trade %	Brokerage fees RM	Percentage of total brokerage %
UOB Kay Hian Pte Ltd	3,416,222	29.64	11,937	50.86
Société Générale S.A.	3,150,201	27.32	5,366	22.86
CLSA UK Pte Ltd	2,534,706	21.98	-	-
DBS Vickers Securities (S) Pte Ltd	936,681	8.12	2,342	9.98
Citigroup Global Markets Ltd	682,812	5.92	1,707	7.27
JP Morgan Securities Asia Pacific Ltd	501,785	4.35	1,505	6.41
CMB International Global Markets Limited	307,709	2.67	616	2.62
	<u>11,530,116</u>	<u>100.00</u>	<u>23,473</u>	<u>100.00</u>

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

10 TRANSACTIONS WITH BROKERS (CONTINUED)

(ii) Details of transactions with the top 10 brokers for the 6 months financial period ended 31 October 2023 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> RM	Percentage of total <u>trade</u> %	<u>Brokerage</u> <u>fees</u> RM	Percentage of total <u>brokerage</u> %
Citigroup Global Markets Ltd London	7,534,138	35.58	15,068	34.99
DBS Securities (S) Pte Ltd	3,806,432	17.98	11,639	27.02
Euroclear Bank S.A./ N.V.	2,741,713	12.95	-	-
UOB Kay Hian Securities (M) Sdn Bhd	1,498,648	7.08	3,747	8.70
CLSA Singapore Pte Ltd	1,430,235	6.76	3,576	8.30
Macquarie Securities (Singapore) Pte Ltd	1,258,637	5.94	3,147	7.31
Jupiter Securities Sdn Bhd	1,000,400	4.72	2,501	5.81
Macquarie (M) Sdn Bhd	837,255	3.95	2,093	4.86
Sanford C. Bernstein & Co., LLC	564,616	2.67	282	0.65
Morgan Stanley & CO. International Plc	471,166	2.23	942	2.19
Others	29,400	0.14	73	0.17
	<u>21,172,640</u>	<u>100.00</u>	<u>43,068</u>	<u>100.00</u>

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

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

<u>Related parties</u>	<u>Relationships</u>
CVC Capital Partners Asia V L.P. ("CVC Asia V")	Ultimate holding company of the Manager
Lembaga Tabung Angkatan Tentera ("LTAT")	Substantial shareholder of the Manager and former ultimate holding corporate body of the Manager
Starlight TopCo Limited	Penultimate holding company of the Manager
Starlight Universe Limited	Intermediate holding company of the Manager
Starlight Asset Sdn Bhd	Immediate holding company of the Manager
Nikko Asset Management International Limited ("NAMI")	Former substantial shareholder of the Manager
Nikko Asset Management Co., Ltd ("NAM")	Substantial shareholder of the Manager

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

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

The related parties of and their relationship with the Fund are as follows: (continued)

<u>Related parties</u>	<u>Relationships</u>
AHAM Asset Management Berhad	The Manager
Subsidiaries and associated companies of CVC Asia V as disclosed in their financial statements	Subsidiaries and associated companies of the ultimate holding company of the Manager
Directors of AHAM Asset Management Berhad	Directors of the Manager

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

	<u>2024</u>		<u>2023</u>	
	No. of units	RM	No. of units	RM
<u>The Manager:</u>				
AHAM Asset Management Berhad (the units are held legally for booking purposes)	3,889	1,524	4,409	1,666

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

12 TOTAL EXPENSE RATIO (“TER”)

	6 months financial period ended <u>31.10.2024</u> %	6 months financial period ended <u>31.10.2023</u> %
TER	1.07	1.05

TER is derived from the following calculation:

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

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

The average NAV of the Fund for the financial period calculated on a daily basis is RM30,851,576 (2023: RM38,873,012).

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2024 (CONTINUED)

13 PORTFOLIO TURNOVER RATIO (“PTR”)

	6 months financial period ended 31.10.2024	6 months financial period ended 31.10.2023
PTR (times)	0.20	0.31

PTR is derived from the following calculation:

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

where: total acquisitions for the financial period = RM4,362,243 (2023: RM9,599,734)
total disposals for the financial period = RM8,066,691 (2023: RM14,447,486)

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

STATEMENT BY THE MANAGER

I, Dato' Teng Chee Wai, for and on behalf of the board of directors of the Manager, **AHAM Asset Management Berhad**, do hereby state that in our opinion as the Manager, the financial statements set out on pages 1 to 28 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 October 2024 and of its financial performance, changes in equity and cash flows for the financial period ended 31 October 2024 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

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

DATO' TENG CHEE WAI
EXECUTIVE DIRECTOR/MANAGING DIRECTOR

Kuala Lumpur
16 December 2024

DIRECTORY OF SALES OFFICE

HEAD OFFICE

AHAM Asset Management Berhad
Ground Floor,
Menara Boustead,
69, Jalan Raja Chulan,
50200 Kuala Lumpur

Tel : 03 – 2116 6000
Toll free no : 1-800-88-7080
[Email:customer@aham.com.my](mailto:customer@aham.com.my)

PENANG

AHAM Asset Management Berhad
No. 123, Jalan Macalister,
10450 Georgetown,
Penang

Toll free no : 1-800-88-8377

PERAK

AHAM Asset Management Berhad
1, Persiaran Greentown 6,
Greentown Business Centre,
30450 Ipoh, Perak

Tel : 05 – 241 0668
Fax : 05 – 255 9696

PETALING JAYA

AHAM Asset Management Berhad
C-31-1, Jaya One,
72A Jalan Prof Diraja Ungku Aziz,
Section 13,
46200 Petaling Jaya,
Selangor

Tel : 03 – 7760 3062

MELAKA

AHAM Asset Management Berhad
Ground Floor, No. 584, Jalan Merdeka Taman
Melaka Raya,
75000 Melaka

Tel : 06 – 281 2890
Fax : 06 – 281 2937

JOHOR

AHAM Asset Management Berhad
Unit 22-05, Level 22 Menara Landmark
No. 12, Jalan Ngee Heng
80000 Johor Bahru, Johor

Tel : 07 – 227 8999
Fax : 07 – 223 8998

DIRECTORY OF SALES OFFICE (CONTINUED)

SABAH

AHAM Asset Management Berhad
Unit 1.09(a), Level 1 Plaza Shell,
29, Jalan Tunku Abdul Rahman,
88000 Kota Kinabalu, Sabah

Tel : 088 – 252 881
Fax : 088 – 288 803

SARAWAK - KUCHING

AHAM Asset Management Berhad
Ground Floor, No. 69
Block 10, Jalan Laksamana Cheng Ho
93200 Kuching,
Sarawak

Tel : 082 – 233 320
Fax : 082 – 233 663

SARAWAK - MIRI

AHAM Asset Management Berhad
1st Floor, Lot 1291
Jalan Melayu, MCLD,
98000 Miri,
Sarawak

Tel : 085 – 418 403
Fax : 085 – 418 372

AHAM Asset Management Berhad

Registration No: 199701014290 (429786-T)

Ground Floor, Menara Boustead, 69, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia.

Toll Free Number: 1800 88 7080 T: +603 2116 6000

aham.com.my