



ANNUAL REPORT
30 April 2024

AHAM Select Asia Pacific (ex Japan) REITs Fund

MANAGER
AHAM Asset Management Berhad
199701014290 (429786-T)

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

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AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

Annual Report and Audited Financial Statements For The Financial Year Ended 30 April 2024

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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 EPRA 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 30 Apr 2024 (%)	As at 30 Apr 2023 (%)	As at 30 Apr 2022 (%)
Portfolio Composition			
Quoted collective investment schemes - local			
- REITs	16.02	5.55	6.33
Total quoted collective investment schemes - local	16.02	5.55	6.33
Quoted collective investment schemes - foreign			
- REITs	76.60	89.36	90.65
Total quoted collective investment schemes - foreign	76.60	89.36	90.65
Cash and cash equivalent	7.38	5.09	3.02
Total	100.00	100.00	100.00
Total NAV (RM'million)	33.129	41.836	50.038
NAV per Unit (RM)	0.3866	0.4275	0.4707
Unit in Circulation (million)	85.696	97.869	106.302
Highest NAV	0.4316	0.4809	0.4848
Lowest NAV	0.3729	0.3984	0.4351
Return of the fund (%)	-9.00	-7.55	4.91
- Capital Return (%)	-9.57	-9.18	0.45
- Income Return (%)	0.63	1.79	4.44
Gross Distribution per Unit (sen)	0.31	0.76	2.00
Net Distribution per Unit (sen)	0.25	0.76	2.00
Total Expense Ratio (%) ¹	1.79	1.98	2.01
Portfolio Turnover Ratio (times) ²	0.48	0.36	0.74

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

The performance figures are a comparison of the growth/decline in Net Asset Value ("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

¹ The Fund's TER was lower than previous year due to lower expenses incurred by the Fund during the financial year.

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

Income Distribution / Unit Split

The NAV per Unit prior and subsequent to the distributions are as follow:

Cum Date	Ex-Date	Cum-distribution (RM)	Distribution per Unit (RM)	Ex-distribution (RM)
16-Nov-21	17-Nov-21	0.4712	0.0200	0.4506
15-Nov-22	16-Nov-22	0.4339	0.0076	0.4244
14-Nov-23	15-Nov-23	0.3895	0.0025	0.3960

No unit splits were declared for the financial year ended 30 April 2024.

Income Distribution Breakdown

Class	Ex-Date	Income (per unit)	Income (%)	Capital (per unit) (sens / cents)	Capital (%)
MYR	17-Nov-21	2.0000	100.00	0.0000	0.00
MYR	16-Nov-22	0.7600	100.00	0.0000	0.00
MYR	15-Nov-23	0.2500	100.00	0.0000	0.00

Fund Performance

Table 1: Performance of the Fund

	1 Year (1/5/23 - 30/4/24)	3 Years (1/5/21 - 30/4/24)	5 Years (1/5/19 - 30/4/24)	Since Commencement (16/5/07 - 30/4/24)
Fund	(9.00%)	(11.74%)	(9.22%)	18.79%
Benchmark	(6.56%)	(8.22%)	(10.70%)	22.39%
Outperformance	(2.44%)	(3.52%)	1.48%	(3.60%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/23 - 30/4/24)	3 Years (1/5/21 - 30/4/24)	5 Years (1/5/19 - 30/4/24)	Since Commencement (16/5/07 - 30/4/24)
Fund	(9.00%)	(4.07%)	(1.91%)	1.02%
Benchmark	(6.56%)	(2.82%)	(2.24%)	1.20%
Outperformance	(2.44%)	(1.25%)	0.33%	(0.18%)

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.

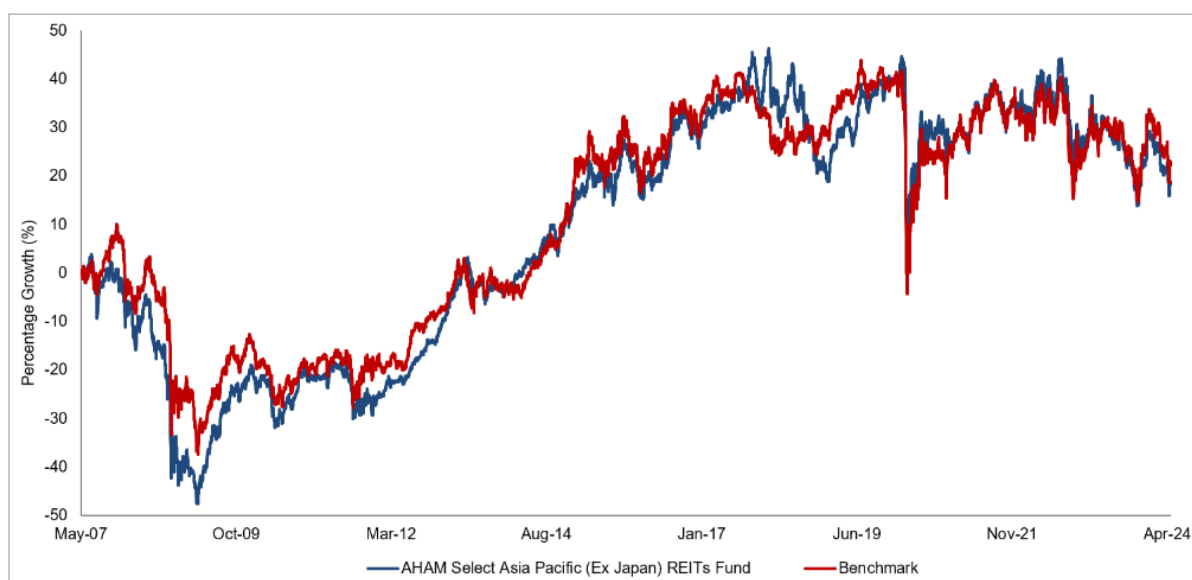
MANAGER'S REPORT

Performance Review (1 May 2023 to 30 April 2024)

For the period 1 May 2023 to 30 April 2024, the Fund has registered a return of -9.00% as compared to the benchmark return of -6.56%. The Fund thus underperformed the benchmark by 2.44%. The Net Asset Value (NAV) per unit of the Fund as at 30 April 2024 was RM0.3866 while the NAV per unit on 30 April 2023 was RM0.4275. During the same period under review, the Fund has declared an income distribution of RM0.0025 per unit.

Since commencement, the Fund has registered a return of 18.79% compared to the benchmark return of 22.39%, underperforming by 3.60%.

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 year under review, please refer to Fund Performance Data.

As at 30 April 2024, the Fund's exposure in local REITs stood at 16.02% and 76.60% in in foreign REITs. The remaining of the Fund's NAV was held in cash and cash equivalents.

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 year under review, the Real Estate Investment Trusts (REITs) market faced significant challenges, reflected in the performance of key benchmarks. The FTSE EPRA Nareit Asia ex Japan REITs Index declined by 12.6%, while the FTSE ST All-Share Real Estate Investments Trust Index saw a more substantial decrease of 13.47%.

The review period was marked by considerable volatility, primarily driven by higher for longer inflation rates. Contrary to initial market expectations of multiple rate cuts, the Federal Reserve maintained higher interest rates longer than anticipated, refraining from any rate reductions. This prolonged period of elevated interest rates significantly impacted the REITs sector.

The REITs market suffered in three ways. Firstly, via higher interest rate expenses. The sustained higher interest rates led to increased borrowing costs for REITs. This escalation in interest expenses directly affected their distributions, as higher costs eroded the income available for payouts. Additionally, the higher interest rates contributed to increased gearing, as low-rate debts matured and was refinanced at higher rates.

Secondly REITs were affected by downward revaluation of Assets. Elevated cap rates, a consequence of the higher interest rates, resulted in the downward revaluation of REIT assets which are rate sensitive. This decline in asset values also further elevated gearing levels as asset values declined while debt levels increased.

Thirdly REITs had difficulties in finding value accretive acquisitions. The higher cost of capital meant that many potential acquisitions were no longer financially attractive, while sellers were reluctant to reduce prices as most held the view that an elevated interest rate environment would be temporary.

Investment Outlook

Looking ahead, the investment outlook for the REITs market remains cautiously optimistic. Despite the challenges faced over the past year, there are opportunities for recovery and growth.

A significant factor that will continue to influence the REITs market is the trajectory of inflation and interest rates. The Federal Reserve is expected to remain data-dependent while inflation and the key risk is interest rates could potentially stay higher than previously anticipated, which would have negative effects on the REITs market as stated in the market review section above.

Given these challenges, a selective approach to investing in REITs is paramount. The primary focus will be on REITs operating in sectors and countries that demonstrate resilience and growth potential. Furthermore, it is crucial to evaluate the balance sheets of REITs, prioritizing those with lower leverage and stronger liquidity positions. The quality of management is also important as REITs with experienced and capable management teams are better positioned to navigate the complexities of the current 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 year under review.

Soft Commissions received from Brokers

As per the requirements of the Securities Commission's Guidelines on Unit Trust Funds and Guidelines on Compliance Function for Fund Management Companies, 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 have been carried out during the financial year under review.

Securities Financing Transactions

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

Changes Made to The Fund's Prospectus

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

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND (“Fund”)

We have acted as Trustee of the Fund for the financial year ended 30 April 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 year 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 Guidelines on Unit Trust Funds;
2. Valuation and pricing is 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.

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

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
24 June 2024

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
INVESTMENT LOSS			
Dividend income		1,820,169	2,194,529
Interest income from financial assets at amortised cost		9,417	13,598
Net gain/(loss) on foreign currency exchange		126,277	(9,958)
Net loss on financial assets at fair value through profit or loss	9	(4,466,197)	(4,651,733)
		<u>(2,510,334)</u>	<u>(2,453,564)</u>
EXPENSES			
Management fee	4	(674,510)	(810,199)
Trustee fee	5	(26,243)	(31,534)
Fund accounting fee	6	(20,000)	(1,667)
Auditors' remuneration		(7,500)	(7,500)
Tax agent's fee			
- Current year's provision		(11,657)	(24,049)
- Overprovision of tax agent's fee		95,248	-
Transaction costs		(76,142)	(78,708)
Other expenses		(143,217)	(155,445)
		<u>(864,021)</u>	<u>(1,109,102)</u>
NET LOSS BEFORE TAXATION		(3,374,355)	(3,562,666)
Taxation	7	(156,002)	(361,300)
NET LOSS AFTER TAXATION AND TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL YEAR		<u>(3,530,357)</u>	<u>(3,923,966)</u>
Net loss after taxation is made up of the following:			
Realised amount		(3,744,710)	(264,769)
Unrealised amount		214,353	(3,659,197)
		<u>(3,530,357)</u>	<u>(3,923,966)</u>

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

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2024

	<u>Note</u>	<u>2024</u> RM	<u>2023</u> RM
ASSETS			
Cash and cash equivalents		2,240,045	2,189,148
Amount due from Manager			
- creation of units		6,545	45,701
Amount due from brokers		-	26,860
Dividends receivable		13,043	19,233
Financial assets at fair value through profit or loss	9	30,683,093	39,705,284
Tax recoverable		306,311	79,877
TOTAL ASSETS		33,249,037	42,066,103
LIABILITIES			
Amount due to Manager			
- management fee		49,566	62,419
- cancellation of units		4,630	7,295
Amount due to Trustee		1,928	2,427
Fund accounting fee		1,667	1,667
Auditors' remuneration		7,500	7,500
Tax agent's fee		28,489	121,949
Other payables and accruals		26,120	27,080
TOTAL LIABILITIES		119,900	230,337
NET ASSET VALUE OF THE FUND		33,129,137	41,835,766
EQUITY			
Unitholders' capital		145,507,821	150,456,283
Accumulated losses		(112,378,684)	(108,620,517)
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		33,129,137	41,835,766
NUMBER OF UNITS IN CIRCULATION	10	85,696,000	97,869,000
NET ASSET VALUE PER UNIT (RM)		0.3866	0.4275

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

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

	Unitholders' <u>capital</u> RM	Accumulated <u>losses</u> RM	<u>Total</u> RM
Balance as at 1 May 2023	150,456,283	(108,620,517)	41,835,766
Total comprehensive loss for the financial year	-	(3,530,357)	(3,530,357)
Distributions (Note 8)	-	(227,810)	(227,810)
Movement in unitholders' capital:			
Creation of units arising from applications	714,980	-	714,980
Creation of units arising from distributions	226,915	-	226,915
Cancellation of units	<u>(5,890,357)</u>	-	<u>(5,890,357)</u>
Balance as at 30 April 2024	<u><u>145,507,821</u></u>	<u><u>(112,378,684)</u></u>	<u><u>33,129,137</u></u>
Balance as at 1 May 2022	153,970,996	(103,933,313)	50,037,683
Total comprehensive loss for the financial year	-	(3,923,966)	(3,923,966)
Distributions (Note 8)	-	(763,238)	(763,238)
Movement in unitholders' capital:			
Creation of units arising from applications	8,200,886	-	8,200,886
Creation of units arising from distributions	760,049	-	760,049
Cancellation of units	<u>(12,475,648)</u>	-	<u>(12,475,648)</u>
Balance as at 30 April 2023	<u><u>150,456,283</u></u>	<u><u>(108,620,517)</u></u>	<u><u>41,835,766</u></u>

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

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

	<u>2024</u> RM	<u>2023</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sale of investments	17,945,556	17,665,240
Purchase of investments	(12,900,852)	(13,571,912)
Dividends received	1,169,228	2,056,589
Interest received	9,417	13,598
Management fee paid	(687,362)	(822,010)
Trustee fee paid	(26,742)	(31,994)
Fund accounting fee paid	(20,000)	-
Payment for other fees and expenses	(42,678)	(42,620)
Tax paid	(382,500)	(450,000)
Refund of foreign tax	65	8,823
Net realised gain/(loss) on foreign currency exchange	5,758	(12,973)
	<hr/>	<hr/>
Net cash flows generated from operating activities	5,070,160	4,812,741
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	754,135	8,156,126
Payments for cancellation of units	(5,893,022)	(13,097,910)
Payment for distribution	(895)	(3,189)
	<hr/>	<hr/>
Net cash flows used in financing activities	(5,139,782)	(4,944,973)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS		
	(69,622)	(132,232)
EFFECTS OF FOREIGN CURRENCY EXCHANGE		
	120,519	3,015
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		
	<hr/>	<hr/>
	2,189,148	2,318,365
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR		
	<hr/> <hr/>	<hr/> <hr/>
	2,240,045	2,189,148

Cash and cash equivalents as at 30 April 2024 and 30 April 2023 comprises of bank balances.

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

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 judgement in the process of applying the Fund’s accounting policies. Although these estimates and judgement are based on the Manager’s best knowledge of current events and actions, actual results may differ.

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

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

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

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

- Amendments to MFRS 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.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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.

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 equities and 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 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 DISTRIBUTION

A distribution to the Fund's unitholders is accounted for as a deduction from realised reserve. A proposed distribution is recognised as a liability in the period in which it is approved by the Trustee of the Fund

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

E TAXATION

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

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

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

F 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.

G FOREIGN CURRENCY TRANSLATION

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income.

H 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.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(i) Classification (continued)

The contractual cash flows of the Fund's debt securities are solely payments of principal and interest ("SPPI"). However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

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

The Fund classifies amount due to Manager, amount due to Trustee, payables for fund accounting fee, auditors' remuneration and 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.

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 or loss' in the 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 year end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

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 expected credit losses as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Quantitative criteria:

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

Qualitative criteria:

The debtor meets 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.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

Write-off

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

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

I 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 change in value.

J AMOUNTS DUE FROM/(TO) BROKERS

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

K UNITHOLDERS' CAPITAL

The unitholders' 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 year if unitholder exercises the right to put the unit back to the Fund.

Units are created and cancelled 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 unitholders with the total number of outstanding units.

L CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

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

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

However, the Manager is of the opinion that there are no accounting policies which require significant judgement 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.

M 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 FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 Third 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 24 June 2024.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	<u>Note</u>	At amortised cost RM	At fair value through profit or loss RM	<u>Total</u> RM
<u>2024</u>				
<u>Financial assets</u>				
Cash and cash equivalents		2,240,045	-	2,240,045
Amount due from Manager				
- creation of units		6,545	-	6,545
Dividends receivable		13,043	-	13,043
Quoted collective investment schemes	9	-	30,683,093	30,683,093
Total		<u>2,259,633</u>	<u>30,683,093</u>	<u>32,942,726</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		49,566	-	49,566
- cancellation of units		4,630	-	4,630
Amount due to Trustee		1,928	-	1,928
Fund accounting fee		1,667	-	1,667
Auditors' remuneration		7,500	-	7,500
Tax agent's fee		28,489	-	28,489
Other payables and accruals		26,120	-	26,120
Total		<u>119,900</u>	<u>-</u>	<u>119,900</u>
<u>2023</u>				
<u>Financial assets</u>				
Cash and cash equivalents		2,189,148	-	2,189,148
Amount due from Manager				
- creation of units		45,701	-	45,701
Amount due from broker		26,860	-	26,860
Dividends receivable		19,233	-	19,233
Quoted collective investment schemes	9	-	39,705,284	39,705,284
Total		<u>2,280,942</u>	<u>39,705,284</u>	<u>41,986,226</u>

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

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

Financial instruments are as follows: (continued)

	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	62,419	-	62,419
- cancellation of units	7,295	-	7,295
Amount due to Trustee	2,427	-	2,427
Fund accounting fee	1,667	-	1,667
Auditors' remuneration	7,500	-	7,500
Tax agent's fee	121,949	-	121,949
Other payables and accruals	27,080	-	27,080
	<u>230,337</u>	<u>-</u>	<u>230,337</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>30,683,093</u>	<u>39,705,284</u>

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

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

Market risk (continued)

(a) Price risk (continued)

The following table summarises the sensitivity of the Fund's loss after taxation NAV to price risk movement. 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 Fund's investments, having regard to the historical volatility of the prices.

<u>% Change in price</u>	<u>Market value</u> RM	<u>Impact on</u> <u>loss after</u> <u>tax/NAV</u> RM
<u>2024</u>		
-10%	27,614,784	(3,068,309)
0%	30,683,093	-
+10%	33,751,402	3,068,309
	<u><u> </u></u>	<u><u> </u></u>
<u>2023</u>		
-15%	33,749,491	(5,955,793)
0%	39,705,284	-
+15%	45,661,077	5,955,793
	<u><u> </u></u>	<u><u> </u></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 placement with a financial institution. The Manager overcomes this exposure by way of maintaining deposits on short-term basis.

As at 30 April 2024 and 30 April 2023, the Fund is not exposed to the interest rate risk.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

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

Market risk (continued)

(c) Currency risk

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

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

<u>2024</u>	Quoted collective investment schemes RM	Cash and cash equivalents RM	<u>Total</u> RM
<u>Financial assets</u>			
Australian Dollar	-	4,863	4,863
Euro	-	2,182	2,182
Hong Kong Dollar	1,034,153	1,779,122	2,813,275
Indian Rupee	-	66	66
Singapore Dollar	21,219,113	357,443	21,576,556
United States Dollar	3,122,175	12,223	3,134,398
	<u>25,375,441</u>	<u>2,155,899</u>	<u>27,531,340</u>

<u>2024</u>	Tax agent's fee payable RM	<u>Total</u> RM
<u>Financial liabilities</u>		
United States Dollar	24,589	24,589
	<u>24,589</u>	<u>24,589</u>

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

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

<u>2023</u>	<u>Quoted collective investment schemes</u> RM	<u>Cash and cash equivalents</u> RM	<u>Other assets*</u> RM	<u>Total</u> RM
<u>Financial assets</u>				
Australian Dollar	-	4,563	-	4,563
Euro	-	2,083	-	2,083
Hong Kong Dollar	5,130,335	7,975	-	5,138,310
Singapore Dollar	28,159,773	648,301	46,093	28,854,167
United States Dollar	4,092,560	1,501,870	-	5,594,430
	<u>37,382,668</u>	<u>2,164,792</u>	<u>46,093</u>	<u>39,593,553</u>

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

<u>2023</u>	<u>Tax agent's fee payable</u> RM	<u>Total</u> RM
<u>Financial liabilities</u>		
United States Dollar	<u>114,249</u>	<u>114,249</u>

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

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

	Change <u>in rate</u> %	Impact on loss after <u>tax/NAV</u> RM
<u>2024</u>		
Australian Dollar	+/-7.78	+/- 378
Euro	+/-5.35	+/- 117
Hong Kong Dollar	+/-5.54	+/- 155,855
Indian Rupee	+/-5.24	+/- 3
Singapore Dollar	+/-3.49	+/- 753,022
United States Dollar	+/-5.51	+/- 171,350
		<hr/> <hr/>
<u>2023</u>	%	RM
Australian Dollar	+/-11.71	+/- 534
Euro	+/-8.28	+/- 172
Hong Kong Dollar	+/-5.53	+/- 284,149
Singapore Dollar	+/-4.45	+/- 1,284,010
United States Dollar	+/-5.66	+/- 310,178
		<hr/> <hr/>

Credit risk

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

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

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

Credit risk (continued)

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 concentrations and counterparties of the Fund:

	<u>Cash and cash equivalents</u> RM	<u>Other assets*</u> RM	<u>Total</u> RM
<u>2024</u>			
Financial Services			
- AAA	2,240,045	-	2,240,045
Real Estate			
- Non-rated ("NR")	-	13,043	13,043
Others			
- NR	-	6,545	6,545
	<u>2,240,045</u>	<u>19,588</u>	<u>2,259,633</u>
<u>2023</u>			
Financial Services			
- AAA	2,189,148	-	2,189,148
Real Estate			
- NR	-	46,093	46,093
Others			
- NR	-	45,701	45,701
	<u>2,189,148</u>	<u>91,794</u>	<u>2,280,942</u>

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

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES 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 payments and cancellation of units by unitholders. Liquid assets comprise cash, 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	49,566	-	49,566
- cancellation of units	4,630	-	4,630
Amount due to Trustee	1,928	-	1,928
Fund accounting fee	1,667	-	1,667
Auditors' remuneration	-	7,500	7,500
Tax agent's fee	-	28,489	28,489
Other payables and accruals	-	26,120	26,120
	<u>57,791</u>	<u>62,109</u>	<u>119,900</u>
<u>2023</u>			
Amount due to Manager			
- management fee	62,419	-	62,419
- cancellation of units	7,295	-	7,295
Amount due to Trustee	2,427	-	2,427
Fund accounting fee	1,667	-	1,667
Auditors' remuneration	-	7,500	7,500
Tax agent's fee	-	121,949	121,949
Other payables and accruals	-	27,080	27,080
	<u>73,808</u>	<u>156,529</u>	<u>230,337</u>

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

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

Capital risk

The capital of the Fund is represented by equity consisting of unitholders' capital 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 unitholders.

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 unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

3 FAIR VALUE ESTIMATION

Financial instruments comprise financial assets and financial liabilities. Fair value is defined as 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 year end date. The Fund utilises the bid price for financial assets which falls 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 categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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

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

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2024</u>				
Financial assets at fair value through profit or loss				
- quoted collective investment schemes	30,683,093	-	-	30,683,093
	<u>30,683,093</u>	<u>-</u>	<u>-</u>	<u>30,683,093</u>
<u>2023</u>				
Financial assets at fair value through profit or loss				
- quoted collective investment schemes	39,705,284	-	-	39,705,284
	<u>39,705,284</u>	<u>-</u>	<u>-</u>	<u>39,705,284</u>

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include quoted 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 Manager, amount due from brokers, dividends receivable and all current liabilities are a reasonable approximation of the fair values due to their short-term nature.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

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 financial year ended 30 April 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% per annum of the NAV of the Fund, exclusive of foreign sub-custodian fee.

For the financial year ended 30 April 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.

6 FUND ACCOUNTING FEE

The fund valuation and accounting fee for the Fund is RM20,000 (2023: RM1,667) during the financial year.

7 TAXATION

	<u>2024</u> RM	<u>2023</u> RM
Current taxation - local	162,734	370,123
Refund of foreign tax	(65)	(8,823)
Overprovision of prior year's tax	(6,667)	-
	<u>156,002</u>	<u>361,300</u>

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

7 TAXATION (CONTINUED)

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

	<u>2024</u> RM	<u>2023</u> RM
Net loss before taxation	(3,374,355)	(3,562,666)
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	(809,845)	(855,040)
Tax effects of:		
Investment loss not brought to tax	788,209	971,173
Expenses not deductible for tax purposes	37,016	69,886
Restrictions on tax deductible expenses for Unit Trust Funds	147,354	176,818
Foreign income subject to different tax rate	-	7,286
Refund of foreign tax	(65)	(8,823)
Overprovision of prior year's tax	(6,667)	-
Tax expense	<u>156,002</u>	<u>361,300</u>

8 DISTRIBUTIONS

	<u>2024</u> RM	<u>2023</u> RM
Distribution to unitholders is from the following sources:		
Dividend income	-	931,150
Previous year's realised income	282,484	-
Gross realised income	<u>282,484</u>	<u>931,150</u>
Less: Expenses	-	(167,912)
Less: Taxation	(54,674)	-
Net distribution amount	<u>227,810</u>	<u>763,238</u>

During the financial year ended 30 April 2024, distributions were made as follows:

<u>Ex-date</u>	<u>Gross distribution per unit</u> sen	<u>Net distribution per unit</u> sen
15.11.2023	<u>0.31</u>	<u>0.25</u>

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

8 DISTRIBUTIONS (CONTINUED)

During the financial year ended 30 April 2023, distributions were made as follows:

<u>Ex-date</u>	<u>Gross distribution per unit</u> sen	<u>Net distribution per unit</u> sen
16.11.2022	0.76	0.76

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.

Included in distribution for the financial year is an amount RM282,484 (2023: RM Nil) made from previous year's realised income.

The Fund has incurred an unrealised loss of RM Nil (2023: RM3,659,197) for the financial year ended 30 April 2024.

9 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	5,307,652	2,322,616
- quoted collective investment schemes - foreign	25,375,441	37,382,668
	<u>30,683,093</u>	<u>39,705,284</u>
Net loss on financial assets at fair value through profit or loss:		
- realised loss on sale of investments	(4,560,031)	(989,521)
- unrealised gain/(loss) on changes in fair value	93,834	(3,662,212)
	<u>(4,466,197)</u>	<u>(4,651,733)</u>

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

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

(a) Quoted collective investment schemes – local

(i) Quoted collective investment schemes – local as at 30 April 2024 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Real Estate</u>				
Axis Real Estate Investment Trust ("REIT")	783,107	1,435,381	1,495,734	4.51
IGB REIT	488,700	673,431	889,434	2.68
Pavilion REIT	820,000	1,000,400	1,074,200	3.25
Sunway REIT	1,169,800	1,736,592	1,848,284	5.58
	<hr/>	<hr/>	<hr/>	<hr/>
Total quoted collective investment schemes – local	3,261,607	4,845,804	5,307,652	16.02
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Accumulated unrealised gain on quoted collective investment schemes – local		461,848		
		<hr/>		
Total quoted collective investment schemes – local		5,307,652		
		<hr/> <hr/>		

(ii) Quoted collective investment schemes – local as at 30 April 2023 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Real Estate</u>				
Axis REIT	778,983	1,428,371	1,472,278	3.52
IGB REIT	488,700	673,431	850,338	2.03
	<hr/>	<hr/>	<hr/>	<hr/>
Total quoted collective investment schemes – local	1,267,683	2,101,802	2,322,616	5.55
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Accumulated unrealised gain on quoted collective investment schemes – local		220,814		
		<hr/>		
Total quoted collective investment schemes – local		2,322,616		
		<hr/> <hr/>		

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

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

(b) Quoted collective investment schemes – foreign

(i) Quoted collective investment schemes – foreign as at 30 April 2024 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Hong Kon</u>				
<u>Real Estate</u>				
Link REIT	50,166	1,684,165	1,034,153	3.12
<u>Singapore</u>				
<u>Real Estate</u>				
CapitaLand Ascendas REIT	488,558	4,344,259	4,434,852	13.39
CapitaLand China Trust	12,803	49,905	29,840	0.09
CapitaLand Integrated Commercial Trust	197,908	1,351,102	1,352,575	4.08
Frasers Centrepont Trust	449,931	3,274,046	3,406,143	10.28
Frasers Logistics & Commercial Trust	834,560	3,486,235	2,895,716	8.74
Keppel DC REIT	58,000	360,488	345,573	1.04
Keppel REIT	178,300	626,674	546,793	1.65
Mapletree Industrial Trust	211,495	1,949,845	1,675,220	5.06
Mapletree Logistics Trust	724,668	3,996,312	3,428,752	10.35
Mapletree Pan Asia Commercial Trust	185,300	998,711	818,294	2.47
Paragon REIT	206,500	653,527	611,561	1.85
Parkway Life REIT	133,400	1,661,683	1,673,794	5.05
	<u>3,681,423</u>	<u>22,752,787</u>	<u>21,219,113</u>	<u>64.05</u>
<u>United Kingdom</u>				
<u>Financials</u>				
Vanguard US Treasury 0-1 Year Bond ETF - (USD) Accumulating	12,151	3,015,160	3,122,175	9.43
Total quoted collective investment schemes– foreign	<u>3,743,740</u>	<u>27,452,112</u>	<u>25,375,441</u>	<u>76.60</u>
Accumulated unrealised loss on quoted collective investment schemes – foreign		<u>(2,076,671)</u>		
Total quoted collective investment schemes – foreign		<u>25,375,441</u>		

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

9 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 30 April 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 REIT	176,522	6,033,417	5,130,335	12.26
<u>Singapore</u>				
<u>Real Estate</u>				
CapitaLand Ascendas REIT	396,058	3,531,673	3,764,545	9.00
CapitaLand China Trust	12,803	51,730	47,396	0.11
CapitaLand Integrated Commercial Trust	454,908	3,111,901	3,079,842	7.36
Frasers Centrepoint Trust	266,831	1,821,757	1,957,798	4.68
Frasers Logistics & Commercial Trust	663,360	2,819,118	2,964,579	7.10
Keppel REIT	712,100	2,502,830	2,066,185	4.94
Lendlease Global Commercial REIT	2,677,232	6,728,506	6,205,541	14.83
Mapletree Industrial Trust	580,195	5,351,872	4,585,970	10.96
Mapletree Logistics Trust	705,240	3,941,768	4,092,560	9.78
Mapletree Pan Asia Commercial Trust	485,100	2,764,040	2,847,428	6.81
Paragon REIT	206,500	653,527	640,489	1.53
	<u>7,160,327</u>	<u>33,278,722</u>	<u>32,252,333</u>	<u>77.10</u>
Total quoted collective investment schemes – foreign	<u>7,336,849</u>	39,312,139	<u>37,382,668</u>	<u>89.36</u>
Accumulated unrealised loss on quoted collective investment schemes – foreign		<u>(1,929,471)</u>		
Total quoted collective investment schemes – foreign		<u>37,382,668</u>		

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

10 NUMBER OF UNITS IN CIRCULATION

	<u>2024</u>	<u>2023</u>
	No. of units	No. of units
At the beginning of the financial year	97,869,000	106,302,000
Creation of units arising from applications	1,764,000	17,756,571
Creation of units arising from distribution	572,583	1,817,429
Cancellation of units	(14,509,583)	(28,007,000)
At the end of the financial year	<u>85,696,000</u>	<u>97,869,000</u>

11 TRANSACTIONS WITH BROKERS

(i) Detail of transactions with top 10 brokers for the financial year ended 30 April 2024 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> RM	<u>Percentage</u> of <u>total trade</u> %	<u>Brokerage</u> <u>fees</u> RM	<u>Percentage</u> of total <u>brokerage fees</u> %
Citigroup Global Markets Ltd	8,486,684	27.65	17,450	27.40
DBS Vickers Securities (S) Pte Ltd	5,956,332	19.41	19,267	30.25
Sanford C. Bernstein & Co., LLC	2,889,635	9.42	2,010	3.16
Euroclear Bank SA	2,741,713	8.93	-	-
CLSA Singapore Pte Ltd	2,118,648	6.90	5,297	8.32
UOB Kay Hian Securities (M) Sdn Bhd	1,707,192	5.56	4,268	6.70
Sanford C. Bernstein (Hong Kong) Limited	1,334,432	4.35	2,669	4.19
Macquarie Securities Singapore Pte Ltd	1,258,637	4.10	3,146	4.94
CIMB Securities (Singapore) Pte Ltd	1,073,629	3.50	2,684	4.21
CGS International Securities Malaysia Sdn Bhd	1,000,400	3.26	2,501	3.93
Others	2,123,964	6.92	4,391	6.90
	<u>30,691,266</u>	<u>100.00</u>	<u>63,683</u>	<u>100.00</u>

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

11 TRANSACTIONS WITH BROKERS (CONTINUED)

(ii) Detail of transactions with brokers for the financial year ended 30 April 2023 are as follows: (continued)

<u>Name of brokers</u>	<u>Value of trade</u> RM	<u>Percentage</u> <u>of</u> <u>total trade</u> %	<u>Brokerage</u> <u>fees</u> RM	<u>Percentage</u> <u>of total</u> <u>brokerage fees</u> %
DBS Vickers Securities (S) Pte Ltd	13,940,623	49.54	34,852	51.75
Citigroup Global Markets Ltd	3,970,759	14.11	12,237	18.17
Morgan Stanley and Co. International Plc	2,878,147	10.23	5,756	8.55
CLSA Singapore Pte Ltd	2,635,730	9.37	6,079	9.02
CGS-CIMB Securities (Singapore) Pte Ltd	2,121,251	7.54	4,242	6.30
Affin Hwang Investment Bank Bhd #	843,225	3.00	2,108	3.13
Robert W.Baird & Co. Inc, New York	779,436	2.77	117	0.17
China International Capital Corp HK Securities Ltd	452,999	1.61	1,133	1.68
Macquarie (M) Sdn Bhd	429,568	1.52	609	0.90
CLSA Securities (Malaysia) Sdn Bhd	88,076	0.31	220	0.33
	<u>28,139,814</u>	<u>100.00</u>	<u>67,353</u>	<u>100.00</u>

Included in transactions with brokers are trades conducted with Affin Investment Bank Berhad, the former immediate holding company of the Manager amounting to RMNil (2023: RM843,225). The Manager is of the opinion that all transactions with the former immediate holding company have been entered into in the normal course of business at agreed terms between the related parties.

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

12 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")	Former ultimate holding corporate body of the Manager and substantial shareholder of the Manager
Affin Bank Berhad ("ABB")	Former penultimate holding company of the Manager
Affin Hwang Investment Bank Berhad	Former immediate holding company 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 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
Subsidiaries and associated companies of ABB as disclosed in its financial statements	Subsidiaries and associated companies of the former penultimate holding company of the Manager
Directors of AHAM Asset Management Berhad	Directors of the Manager

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

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

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

	2024		2023	
	No. of units	RM	No. of units	RM
<u>The Manager:</u>				
AHAM Asset Management Berhad (The units are held legally for booking purposes)	3,658	1,414	3,920	1,676

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

13 TOTAL EXPENSE RATIO (“TER”)

	<u>2024</u>	<u>2023</u>
	%	%
TER	1.79	1.98

TER is derived from the following calculation:

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

A	=	Management fee
B	=	Trustee fee
C	=	Auditors’ remuneration
D	=	Tax agent’s fee
E	=	Fund accounting fee
F	=	Other expenses, excluding sales and service 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 year calculated on a daily basis is RM37,403,678 (2023: RM45,083,504).

AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024 (CONTINUED)

14 PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2024</u>	<u>2023</u>
PTR (times)	<u>0.48</u>	<u>0.36</u>

PTR is derived from the following calculation:

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

where: total acquisition for the financial year = RM13,408,851 (2023: RM13,537,407)
total disposal for the financial year = RM22,524,876 (2023: RM18,703,484)

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 the opinion of the Manager, the financial statements set out on pages 1 to 33 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 30 April 2024 and of its financial performance, changes in equity and cash flows for the financial year ended 30 April 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
24 June 2024

INDEPENDENT AUDITORS' REPORT
TO THE UNITHOLDERS OF AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS
FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of AHAM Select Asia Pacific (Ex Japan) REITs Fund (“the Fund”) give a true and fair view of the financial position of the Fund as at 30 April 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 April 2024, 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 material accounting policy information, as set out on pages 1 to 33.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the “Auditors’ responsibilities for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (“By-Laws”) and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information other than the financial statements and auditors’ report thereon

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

INDEPENDENT AUDITORS' REPORT
TO THE UNITHOLDERS OF AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS
FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

Responsibilities of the Manager for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

INDEPENDENT AUDITORS' REPORT
TO THE UNITHOLDERS OF AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS
FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

- (a) Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- (d) Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audi

INDEPENDENT AUDITORS' REPORT
TO THE UNITHOLDERS OF AHAM SELECT ASIA PACIFIC (EX JAPAN) REITS
FUND (CONTINUED)

OTHER MATTERS

This report is made solely to the unitholders of the Fund, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
24 June 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