

Annual Report for

# AmAsia Pacific REITs

31 August 2021



**AmInvest**

Growing Your Investments in a Changing World

## **TRUST DIRECTORY**

### **Manager**

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

### **Board of Directors**

Jeyaratnam A/L Tamotharam Pillai  
Tai Terk Lin  
Dato' Mustafa Bin Mohd Nor  
Jas Bir Kaur A/P Lol Singh  
Ng Chih Kaye  
Goh Wee Peng

### **Investment Committee**

Jas Bir Kaur A/P Lol Singh  
Dato' Mustafa Bin Mohd Nor  
Izad Shahadi Bin Mohd Sallehuddin  
Goh Wee Peng

### **Trustee**

Deutsche Trustees Malaysia Berhad

### **Auditors and Reporting Accountants**

Ernst & Young PLT

### **Taxation Adviser**

Deloitte Tax Services Sdn Bhd

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## MANAGER'S REPORT

Dear Unitholders,

We are pleased to present you the Manager's report and the audited accounts of AmAsia Pacific REITs ("Fund") for the financial year ended 31 August 2021.

### Salient Information of the Fund

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

	<i>obligation or liability in connection with the administration, marketing or trading of AmAsia Pacific REITs. There is no assurance that investment products based on the S&amp;P Pan Asia REITs Index will accurately track index performance or provide positive investment returns. S&amp;P Dow Jones Indices LLC is not an investment advisor. Inclusion of a security within an index is not a recommendation by S&amp;P Dow Jones Indices to buy, sell, or hold such security, nor is it considered to be investment advice.</i>				
<b>Income Distribution Policy</b>	<b><u>Class B (MYR)</u></b>  Subject to availability of income, distribution is paid at least once a year and will be paid in the form of cash or units.  <i>Note: Income distribution amount (if any) for each of the Classes would be different subject to sole discretion of the Manager.</i>				
<b>Breakdown of Unit Holdings by Size</b>	For the financial year under review, the size of the Fund for Class B (MYR) stood at 335,587,916 units.				
	<b>Size of holding</b>	<b>As at 31 August 2021</b>		<b>As at 31 August 2020</b>	
		<b>Number of units held</b>	<b>Number of unitholders</b>	<b>Number of units held</b>	<b>Number of unitholders</b>
	5,000 and below	508,087	198	452,722	173
	5,001-10,000	1,027,930	147	746,192	109
	10,001-50,000	6,243,824	281	4,804,004	228
	50,001-500,000	4,240,753	45	3,655,685	41
	500,001 and above	323,567,322	17	476,686,094	17

## Fund Performance Data

Portfolio Composition

Details of portfolio composition of the Fund for the financial years as at 31 August are as follows:

	FY 2021 %	FY 2020 %	FY 2019 %
Real estate investment trust	85.37	83.95	72.98
Money market deposits and cash equivalents	14.63	16.05	27.02
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

Note: The abovementioned percentages are calculated based on total net asset value.

**Performance Details**

Performance details of the Fund for Class B (MYR) for the financial years ended 31 August are as follows:

	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2019</b>
Net asset value (RM)*	286,762,361	384,922,358	391,761,287
Units in circulation*	335,587,916	486,344,697	459,452,185
Net asset value per unit (RM)*	0.8545	0.7915	0.8527
Highest net asset value per unit (RM)*	0.8854	0.8943	0.8688
Lowest net asset value per unit (RM)*	0.7536	0.6048	0.7279
Benchmark performance (%)	16.28	-15.20	19.72
Total return (%) <sup>(1)</sup>	12.83	-3.32	17.55
- Capital growth (%)	8.16	-7.31	13.05
- Income distribution (%)	4.67	3.99	4.50
Gross distribution (sen per unit)	3.70	3.40	3.40
Net distribution (sen per unit)	3.70	3.40	3.40
Management expense ratio (%) <sup>(2)</sup>	1.63	1.65	1.60
Portfolio turnover ratio (times) <sup>(3)</sup>	0.47	0.49	0.35

\* Above prices and net asset value per unit are shown as ex-distribution.

*Note:*

- (1) Total return is the actual return of the Fund for the respective financial years computed based on the net asset value per unit and net of all fees.
- (2) Management expense ratio ("MER") is calculated based on the total fees and expenses incurred by the Fund divided by the average fund size calculated on a daily basis. The MER decreased by 0.02% as compared to 1.65% per annum for the financial year ended 31 August 2020 mainly due to decrease in expenses.
- (3) Portfolio turnover ratio ("PTR") is calculated based on the average of the total acquisitions and total disposals of investment securities of the Fund divided by the average fund size calculated on a daily basis. The PTR decreased by 0.02 times (4.1%) as compared to 0.49 times for the financial year ended 31 August 2020 mainly due to decrease in investing activities.

#### Average Total Return (as at 31 August 2021)

<b>Class B (MYR)</b>	<b>AmAsia Pacific REITs<sup>(a)</sup> %</b>	<b>S&amp;P Pan Asia REITs Index<sup>(b)</sup> %</b>
One year	12.83	16.28
Three years	8.64	5.68
Five years	6.65	2.92
Ten years	10.06	7.34

#### Annual Total Return

<b>Financial Years Ended (31 August) Class B (MYR)</b>	<b>AmAsia Pacific REITs<sup>(a)</sup> %</b>	<b>S&amp;P Pan Asia REITs Index<sup>(b)</sup> %</b>
2021	12.83	16.28
2020	-3.32	-15.20
2019	17.55	19.72
2018	2.25	-0.38
2017	5.20	-1.80

(a) Source: Novagni Analytics and Advisory Sdn. Bhd.  
(b) S&P Pan Asia REITs Index (Available at [www.aminvest.com](http://www.aminvest.com)).

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

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

## Fund Performance

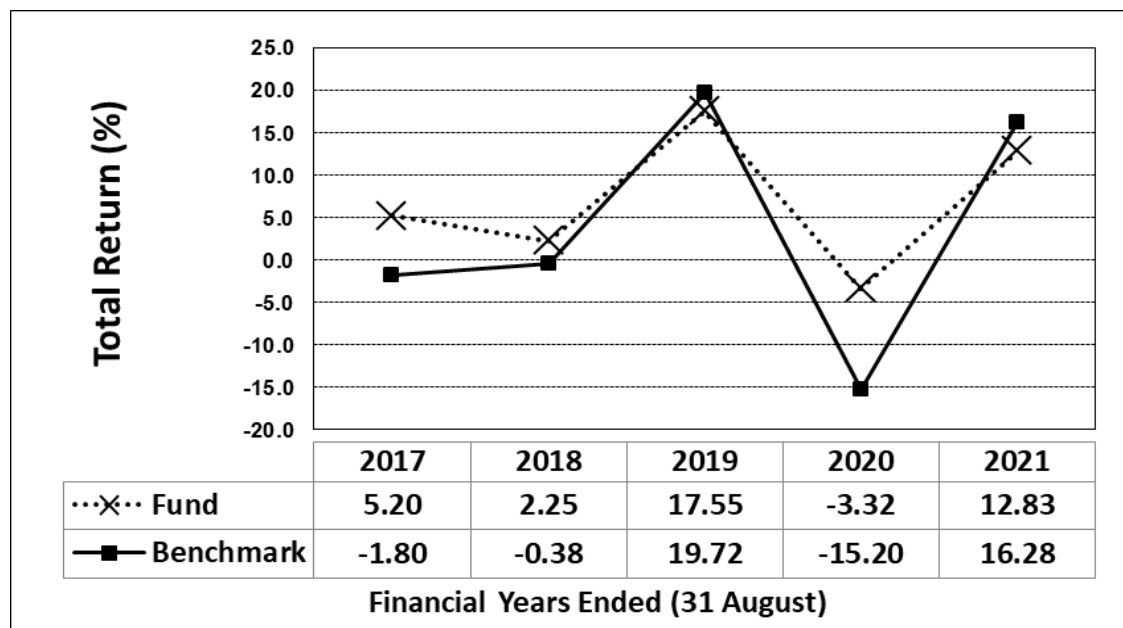
### Class B (MYR)

For the financial year under review, the Fund registered a return of 12.83% comprising of 8.16% capital growth and 4.67% income distribution.

Thus, the Fund's return of 12.83% has underperformed the benchmark's return of 16.28% by 3.45%.

As compared with the financial year ended 31 August 2020, the net asset value ("NAV") per unit of the Fund increased by 7.96% from RM0.7915 to RM0.8545, while units in circulation decreased by 31.00% from 486,344,697 units to 335,587,916 units.

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



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

## Has the Fund achieved its objective?

The Fund has achieved its objectives through delivering returns on capital gains as well as the payout of dividends to unitholders.

Strategies and Policies Employed	<p>For the financial year under review, the Fund achieved its investment objective, where 70% to 98% of the Fund’s Net Asset Value (“NAV”) was invested in REITs listed in the Asia Pacific region, being Australia, Hong Kong, Japan, Malaysia, New Zealand, Singapore, South Korea, Taiwan and Thailand. In addition to country diversification, the Fund also diversified its REITs sector exposure in residential, commercial and industrial. The Fund holds between 2% to 30% of its NAV in liquid assets. These strategies will continue to be applied going forward.</p> <p>The Manager employs an active allocation strategy, which means the asset allocation decisions will be made after reviewing the macroeconomic trends and REITs market outlook of the respective countries in the Asia Pacific region. The Manager will be targeting REITs with strong track records in generating regular income returns and which have potential for capital growth. In evaluating the suitability of a REIT, the Manager, amongst other factors, will review the track record, portfolio of assets, financial status, income distribution policy and cost factors of the REITs.</p> <p>In an adverse market condition, the Manager may increase its asset allocation to lower risk assets such as liquid assets to preserve the Fund’s capital. During this year, the Fund’s investment may differ from the stipulated investment strategy.</p>																
Portfolio Structure	<p>This table below is the asset allocation of the Fund for the financial years under review.</p> <table><tr><th></th><th>As at 31.8.2021 %</th><th>As at 31.8.2020 %</th><th>Changes %</th></tr><tr><td>Real estate investment trust</td><td>85.37</td><td>83.95</td><td>1.42</td></tr><tr><td>Money market deposits and cash equivalents</td><td>14.63</td><td>16.05</td><td>-1.42</td></tr><tr><td><b>Total</b></td><td><b>100.00</b></td><td><b>100.00</b></td><td></td></tr></table> <p>For the financial year under review, the higher equity weighting was due to share price performance of underlying investments as well as deployment of cash into equities.</p>		As at 31.8.2021 %	As at 31.8.2020 %	Changes %	Real estate investment trust	85.37	83.95	1.42	Money market deposits and cash equivalents	14.63	16.05	-1.42	<b>Total</b>	<b>100.00</b>	<b>100.00</b>	
	As at 31.8.2021 %	As at 31.8.2020 %	Changes %														
Real estate investment trust	85.37	83.95	1.42														
Money market deposits and cash equivalents	14.63	16.05	-1.42														
<b>Total</b>	<b>100.00</b>	<b>100.00</b>															
Cross Trades	<p>There were no cross trades undertaken during the financial year under review.</p>																
Distribution/ Unit split	<p>During the financial year under review, the Fund declared income distributions for Class B (MYR), detailed as follows:</p> <table><tr><th>Date of distribution</th><th>Distribution per unit (sen)</th><th>NAV per unit Cum-Distribution (RM)</th><th>NAV per unit Ex-Distribution (RM)</th></tr><tr><td>22-Feb-21</td><td>1.70</td><td>0.8164</td><td>0.7994</td></tr><tr><td>24-Aug-21</td><td>2.00</td><td>0.8776</td><td>0.8576</td></tr></table> <p>There was no unit split declared for the financial year under review.</p>	Date of distribution	Distribution per unit (sen)	NAV per unit Cum-Distribution (RM)	NAV per unit Ex-Distribution (RM)	22-Feb-21	1.70	0.8164	0.7994	24-Aug-21	2.00	0.8776	0.8576				
Date of distribution	Distribution per unit (sen)	NAV per unit Cum-Distribution (RM)	NAV per unit Ex-Distribution (RM)														
22-Feb-21	1.70	0.8164	0.7994														
24-Aug-21	2.00	0.8776	0.8576														
State of Affairs	<p>There has been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unitholders during the financial year under review.</p>																
Rebates and Soft Commission	<p>During the year, the management company received soft commissions by virtue of transactions conducted for the Fund, in the form of research services or quotation services that assist in investment decision making process which are of demonstrable benefit to unitholders of the Fund.</p>																



<b>Market Review</b>	<p>Global equity markets ended 2020 on a solid note, rallying for a third consecutive quarter since the initial COVID-19 outbreak. Vaccine rollouts and another fiscal stimulus package in the United States (US) helped soothe concerns of rising new infection rates in the US and European Union (EU). Markets overlooked worries of new COVID-19 strains and more stringent lockdown measures to price in a strong 2021 recovery, even if it may be a bumpy one initially.</p> <p>Positive investor sentiment followed through 1Q2021; optimism was fueled by expectations of smooth economic reopening following COVID-19 vaccine roll-out, better than expected 4Q2020 earnings releases, as well as anticipation of additional fiscal stimulus by the Biden administration. Concerns of potential monetary policy tightening abated when the Federal Reserve and European Central Bank (ECB) maintained their loose monetary stances respectively.</p> <p>It was not long before COVID-19 cases flared up again in 2Q2021, which was a cause for concern on economic reopening and recovery with ASEAN countries as well as Australia reimplementing restriction measures.</p> <p>In 3Q2021, the noise on the likelihood of the Federal Reserve grew louder which exacerbated volatility. The Jackson Hole at end-August saw Powell reassuring that an interest rate hike was not imminent despite the intention to taper this year which provided somewhat of a reprieve in equities. Separately, China embarked on regulatory clampdown across various sectors including Education and Internet which triggered a sell-off, rippling across global equities.</p> <p>By the end of September, supply chain disruptions sharpened, putting pressure on cost-push inflation from energy to shipping and commodities. The added worry of Evergrande being unable to meet its bond coupon repayments wreaked havoc in markets.</p>
<b>Market Outlook</b>	<p>We maintain our constructive view on equities. Given the macro uncertainties, we balance this with caution, as reflected in our barbell strategy. We balance cyclical/growth names geared towards the recovery theme with defensive, good quality dividend-paying names.</p>
<b>Additional Information</b>	<p>The following information was updated:</p> <ol style="list-style-type: none"> <li>1) The Sixth Supplementary Master Prospectus dated 28 July 2021 has been registered with the Securities Commission Malaysia, to include the changes of but not limited to: <ul style="list-style-type: none"> <li>• the insertion on the definition of “Refinitiv”;</li> <li>• the update on the board of directors and the investment committee; and</li> <li>• the revision made to the section on Related Party Transactions / Conflict of Interest</li> </ul> <p>Notice of the changes for the Sixth Supplementary Master Prospectus dated 28 July 2021 has been published on our website at <a href="http://www.aminvest.com">www.aminvest.com</a> and sent to the Unit Holders.</p> </li> <li>2) Sum Leng Kuang resigned as an Independent Non-Executive Director and a Chairperson of the Investment Committee of the funds of AmFunds Management Berhad with effect from 1<sup>st</sup> July 2021.</li> <li>3) Jas Bir Kaur A/P Lol Singh was appointed as an Independent Non-Executive Director and a Chairperson of the Investment Committee of the funds of AmFunds Management Berhad with effect from 1<sup>st</sup> July 2021.</li> </ol>

	<p>4) Ng Chih Kaye was appointed as an Independent Non-Executive Director of AmFunds Management Berhad with effect from 1<sup>st</sup> July 2021.</p> <p>5) Izad Shahadi bin Mohd Sallehuddin was appointed as a member of the Investment Committee of the funds of AmFunds Management Berhad with effect from 1<sup>st</sup> July 2021.</p> <p>6) Tai Terk Lin and Zainal Abidin Mohd Kassim resigned as members of the Investment Committee of the funds of AmFunds Management Berhad with effect from 1<sup>st</sup> September 2021.</p>
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Kuala Lumpur, Malaysia  
AmFunds Management Berhad

18 October 2021

## **Independent auditors' report to the unit holders of AmAsia Pacific REITs**

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

#### *Opinion*

We have audited the financial statements of AmAsia Pacific REITs ("the Fund"), which comprise the statement of financial position as at 31 August 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 12 to 46.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 August 2021, and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

#### *Basis for opinion*

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and other ethical responsibilities*

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

#### *Information other than the financial statements and auditors' report thereon*

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

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

**Independent auditors' report to the unit holders of  
AmAsia Pacific REITs (cont'd.)**

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

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

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

*Responsibilities of the Manager and the Trustees for the financial statements*

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

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

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

*Auditor's responsibilities for the audit of the financial statements*

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

**Independent auditors' report to the unit holders of  
AmAsia Pacific REITs (cont'd.)**

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

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

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

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

**Independent auditors' report to the unit holders of  
AmAsia Pacific REITs (cont'd.)**

**Other matters**

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

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

Lee Pei Yin  
No. 03189/05/2023 J  
Chartered Accountant

Kuala Lumpur, Malaysia  
18 October 2021

# AmAsia Pacific REITs

## STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2021

	Note	2021 RM	2020 RM
<b>ASSETS</b>			
Investments	4	244,808,225	323,146,754
Amount due from Manager	5(a)	1,355,205	120,310
Distributions receivable		2,337,864	2,493,564
Amount due from brokers	6	-	852,481
Capital repayments receivable	7	286,925	502,219
Deposit with financial institution	8	36,684,759	52,753,457
Cash at banks		1,752,509	5,789,478
<b>TOTAL ASSETS</b>		<b>287,225,487</b>	<b>385,658,263</b>
<b>LIABILITIES</b>			
Amount due to Manager	5(b)	392,574	668,787
Amount due to Trustee	9	14,747	18,155
Distribution payable		35,870	32,762
Sundry payables and accruals		19,935	16,201
<b>TOTAL LIABILITIES</b>		<b>463,126</b>	<b>735,905</b>
<b>NET ASSET VALUE ("NAV") OF THE FUND</b>		<b>286,762,361</b>	<b>384,922,358</b>
<b>EQUITY</b>			
Unit holders' capital	11(a)	193,390,991	316,821,665
Retained earnings	11(b)(c)	93,371,370	68,100,693
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>	11	<b>286,762,361</b>	<b>384,922,358</b>
<b>UNITS IN CIRCULATION</b>			
- Class B (MYR)	11(a)	<b>335,587,916</b>	<b>486,344,697</b>
<b>NAV PER UNIT (RM)</b>			
- Class B (MYR)		<b>0.8545</b>	<b>0.7915</b>

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

## AmAsia Pacific REITs

### STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

	Note	2021 RM	2020 RM
<b>INVESTMENT INCOME/(LOSS)</b>			
Distribution income		11,917,976	13,042,177
Interest income		700,394	1,870,588
Net gain/(loss) from investments:			
– Financial assets at fair value through profit or loss (“FVTPL”)	10	33,106,535	(21,840,103)
Other unrealised foreign exchange loss		(28,578)	(12,892)
		<u>45,696,327</u>	<u>(6,940,230)</u>
<b>EXPENDITURE</b>			
Manager’s fee	5	(4,917,787)	(5,954,508)
Trustee’s fee	9	(196,711)	(237,536)
Audit fee		(11,000)	(10,000)
Tax agent’s fee		(5,200)	(5,200)
Brokerage and other transaction fees		(729,339)	(1,191,689)
Custodian’s fee		(174,756)	(345,526)
Other expenses		(9,940)	(19,079)
		<u>(6,044,733)</u>	<u>(7,763,538)</u>
<b>Net income/(loss) before taxation</b>		39,651,594	(14,703,768)
<b>Taxation</b>	13	(1,064,076)	(1,021,141)
<b>Net income/(loss) after taxation, representing total comprehensive income/(loss) for the financial year</b>		<u>38,587,518</u>	<u>(15,724,909)</u>
Total comprehensive income/(loss) comprises the following:			
Realised income		26,297,932	22,560,152
Unrealised gain/(loss)		12,289,586	(38,285,061)
		<u>38,587,518</u>	<u>(15,724,909)</u>
<b>Distributions for the financial year</b>			
Net distributions	14	<u>13,316,841</u>	<u>16,485,428</u>
Gross/net distributions per unit (sen)	14	<u>3.70</u>	<u>3.40</u>

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



## AmAsia Pacific REITs

### STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

	Note	Unit holders' capital RM	Retained earnings RM	Total equity RM
At 1 September 2019		291,450,257	100,311,030	391,761,287
Total comprehensive loss for the financial year		-	(15,724,909)	(15,724,909)
Creation of units	11(a)	143,711,101	-	143,711,101
Reinvestment of distributions	11(a), 14	16,426,537	-	16,426,537
Cancellation of units	11(a)	(134,766,230)	-	(134,766,230)
Distributions	14	-	(16,485,428)	(16,485,428)
Balance at 31 August 2020		<u>316,821,665</u>	<u>68,100,693</u>	<u>384,922,358</u>
At 1 September 2020		316,821,665	68,100,693	384,922,358
Total comprehensive income for the financial year		-	38,587,518	38,587,518
Creation of units	11(a)	18,939,887	-	18,939,887
Reinvestment of distributions	11(a), 14	13,251,607	-	13,251,607
Cancellation of units	11(a)	(155,622,168)	-	(155,622,168)
Distributions	14	-	(13,316,841)	(13,316,841)
Balance at 31 August 2021		<u>193,390,991</u>	<u>93,371,370</u>	<u>286,762,361</u>

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

## AmAsia Pacific REITs

### STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

	Note	2021 RM	2020 RM
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>			
Proceeds from sale of investments		206,352,784	163,875,610
Capital repayment received		1,424,970	1,820,408
Distribution received		10,991,287	10,461,644
Interest received		700,394	1,870,588
Manager's fee paid		(5,010,894)	(6,034,778)
Trustee's fee paid		(200,119)	(238,357)
Tax agent's fee paid		(5,200)	(5,200)
Custodian's fee paid		(174,756)	(345,526)
Payments for other expenses		(746,545)	(1,220,361)
Purchase of investments		<u>(95,275,180)</u>	<u>(225,642,630)</u>
Net cash generated from/(used in) operating and investing activities		<u>118,056,741</u>	<u>(55,458,602)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from creation of units		17,704,992	145,949,996
Payments for cancellation of units		(155,805,274)	(134,583,124)
Distributions paid		<u>(62,126)</u>	<u>(31,785)</u>
Net cash (used in)/generated from financing activities		<u>(138,162,408)</u>	<u>11,335,087</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(20,105,667)</b>	<b>(44,123,515)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>		<b><u>58,542,935</u></b>	<b><u>102,666,450</u></b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>		<b><u>38,437,268</u></b>	<b><u>58,542,935</u></b>
Cash and cash equivalents comprise:			
Deposit with financial institution	8	36,684,759	52,753,457
Cash at banks		<u>1,752,509</u>	<u>5,789,478</u>
		<u>38,437,268</u>	<u>58,542,935</u>

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

## AmAsia Pacific REITs

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

#### 1. GENERAL INFORMATION

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

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

The financial statements were authorised for issue by the Manager on 18 October 2021.

#### 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Fund have been prepared on a historical cost basis, except as otherwise stated in the accounting policies and comply with Malaysian Financial Reporting Standards ("MFRS") as issued by the Malaysian Accounting Standards Board ("MASB"), International Financial Reporting Standards ("IFRS"), and the Securities Commission Malaysia's Guidelines on Unit Trust Funds in Malaysia.

##### Standards effective during the financial year

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

##### Standards issued but not yet effective

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

	<b>Effective for financial periods beginning on or after</b>
Amendments to MFRSs contained in the document entitled "Annual Improvements to MFRS Standards 2018-2020"	1 January 2022
Reference to the Conceptual Framework (Amendments to MFRS 3 <i>Business Combinations</i> )*	1 January 2022
Property, Plant and Equipment – Proceeds before Intended Use (Amendments to MFRS 116 <i>Property, Plant and Equipment</i> )*	1 January 2022

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

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

Standards issued but not yet effective (cont'd.)

	<b>Effective for financial periods beginning on or after</b>
Onerous Contracts - Cost of Fulfilling a Contract (Amendments to MFRS 137 <i>Provisions, Contingent Liabilities and Contingent Assets</i> )	1 January 2022
Amendments to MFRS 101: <i>Presentation of Financial Statements Classification of Liabilities as Current or Non-Current</i>	1 January 2023
Amendments to MFRS 101: <i>Disclosure of Accounting Policies</i>	1 January 2023
MFRS 17 <i>Insurance Contracts</i> and Amendments to MFRS 17*	1 January 2023
Amendments to MFRS 108: <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*</i>	Deferred

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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**3.1 Income recognition**

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

(i) Distribution income

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

(ii) Interest income

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

(iii) Gain or loss on disposal of investments

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

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

**3.2 Income tax**

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

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

**3.3 Functional and presentation currency**

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

**3.4 Foreign currency transactions**

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

**3.5 Statement of cash flows**

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

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

**3.6 Distribution**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

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

**3.7 Capital repayment received**

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

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

**3.8 Unit holders' capital**

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

**3.9 Financial assets - initial recognition and measurement**

(i) Initial recognition

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

(ii) Initial measurement

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

(iii) "Day 1" profit or loss

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

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

**3.10 Financial assets - classification and subsequent measurement**

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

**3.11 Financial assets under MFRS 9**

(i) Classification and measurement

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

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

Financial assets at amortised cost

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

Financial assets at FVOCI

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

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

**3.11 Financial assets under MFRS 9 (cont'd.)**

(i) Classification and measurement (cont'd.)

Financial assets at FVTPL

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

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

**3.12 Financial liabilities – classification and subsequent measurement**

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

**3.13 Derecognition of financial instruments**

(i) Derecognition of financial asset

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

- the rights to receive cash flows from the asset have expired, or
- the Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either:



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

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

**3.13 Derecognition of financial instruments (cont'd.)**

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

- the Fund has transferred substantially all the risks and rewards of the asset, or
- the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

(ii) Derecognition of financial liability

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

**3.14 Financial instruments – expected credit losses (“ECL”)**

The Fund assesses on a forward-looking basis the ECL associated with its financial assets at amortised cost. The Fund recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The ECL in respect of financial assets at amortised cost, if any, is recognised in profit or loss.

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

**3.15 Determination of fair value**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

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

**3.16 Classification of realised and unrealised gains and losses**

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

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

**3.17 Significant accounting estimates and judgments**

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

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

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

**4. INVESTMENTS**

	<b>Note</b>	<b>2021 RM</b>	<b>2020 RM</b>
<b>Financial assets at FVTPL</b>			
Quoted CIS - local	(a)	15,764,413	16,343,425
Quoted CIS - foreign	(b)	229,043,812	306,803,329
		<u>244,808,225</u>	<u>323,146,754</u>

## AmAsia Pacific REITs

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 31 August 2021 are as follows:

Name of trust	Number of units	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
<b>(a) Quoted CIS - local</b>				
<b>REITs</b>				
Axis Real Estate Investment Trust	4,072,500	8,104,275	7,503,435	2.83
IGB Real Estate Investment Trust	1,552,500	2,639,250	2,636,515	0.92
Pavilion Real Estate Investment Trust	3,612,150	5,020,888	5,753,373	1.75
	<u>9,237,150</u>	<u>15,764,413</u>	<u>15,893,323</u>	<u>5.50</u>
<b>Total quoted CIS - local</b>	<u>9,237,150</u>	<u>15,764,413</u>	<u>15,893,323</u>	<u>5.50</u>
<b>(b) Quoted CIS - foreign</b>				
<b>Australia</b>				
<b>REITs</b>				
Arena REIT	233,987	2,959,084	1,730,768	1.03
Aventus Group	149,641	1,497,594	1,453,935	0.52
BWP Trust	254,245	3,122,748	3,259,364	1.09
Centuria Industrial REIT	144,931	1,736,152	1,696,560	0.61
Charter Hall Group	109,323	5,788,756	3,160,379	2.02
Charter Hall Long WALE REIT	359,203	5,653,752	5,329,233	1.97
Charter Hall Retail REIT	489,594	5,657,056	5,230,326	1.97
Charter Hall Social Infrastructure REIT	514,649	5,759,263	4,644,296	2.01
DEXUS Property Group	220,127	7,002,905	6,723,166	2.44
Goodman Group	164,593	11,286,034	6,199,843	3.94
Mirvac Group	310,703	2,930,457	2,332,102	1.02
National Storage REIT	169,194	1,185,295	1,107,196	0.41
The GPT Group	394,565	5,767,599	5,887,433	2.01
<b>Total in Australia</b>	<u>3,514,755</u>	<u>60,346,695</u>	<u>48,754,601</u>	<u>21.04</u>

## AmAsia Pacific REITs

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 31 August 2021 are as follows: (cont'd.)

Name of trust	Number of units	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
<b>(b) Quoted CIS - foreign (cont'd.)</b>				
<b>Hong Kong</b>				
<b>REITs</b>				
Link Real Estate Investment Trust	78,239	3,006,942	1,908,481	1.05
Prosperity Real Estate Investment Trust	2,146,000	3,507,697	2,755,942	1.22
<b>Total in Hong Kong</b>	<b>2,224,239</b>	<b>6,514,639</b>	<b>4,664,423</b>	<b>2.27</b>
<b>Japan</b>				
<b>REITs</b>				
CRE Logistics REIT, Inc.	143	1,232,562	1,187,196	0.43
GLP J-REIT	744	5,613,985	3,683,688	1.96
Hoshino Resorts REIT, Inc.	53	1,442,601	1,345,723	0.50
Industrial & Infrastructure Fund Investment Corporation	206	1,729,631	1,629,575	0.60
Invesco Office J-REIT, Inc.	2,171	1,860,583	1,294,526	0.65
Japan Prime Realty Investment Corporation	118	1,882,488	1,752,459	0.66
Kenedix Residential Next Investment Corporation	560	5,059,687	3,882,540	1.76
LaSalle Logiport REIT	757	5,563,267	3,894,539	1.94
Mitsubishi Estate Logistics REIT Investment Corporation	104	2,040,509	1,980,796	0.71
Mitsui Fudosan Logistics Park Inc.	124	3,056,378	2,689,590	1.07
Mori Hills REIT Investment Corporation	338	2,082,773	1,885,999	0.73
Nippon Accommodations Fund Inc.	222	5,622,967	4,434,631	1.96
Nippon Building Fund Inc.	69	1,901,579	1,728,703	0.66

## AmAsia Pacific REITs

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 31 August 2021 are as follows: (cont'd.)

Name of trust	Number of units	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
<b>(b) Quoted CIS - foreign (cont'd.)</b>				
<b>Japan (cont'd.)</b>				
<b>REITs (cont'd.)</b>				
Nippon Prologis REIT, Inc.	385	5,792,707	4,158,602	2.02
<b>Total in Japan</b>	<b>5,994</b>	<b>44,881,717</b>	<b>35,548,567</b>	<b>15.65</b>
<b>Singapore</b>				
<b>REITs</b>				
Ascendas Real Estate Investment Trust	620,144	5,923,688	5,228,501	2.07
Ascott Residence Trust	1,166,800	3,679,067	3,672,222	1.28
CapitaLand Retail China Trust	1,453,516	5,841,230	6,076,358	2.04
CapitaLand Integrated Commercial Trust	1,504,978	9,676,864	11,123,785	3.37
CDL Hospitality Trusts	1,428,600	5,122,828	5,484,029	1.79
Cromwell European Real Estate Investment Trust	233,800	2,853,816	2,797,305	1.00
Far East Hospitality Trust	1,820,100	3,319,620	3,299,866	1.16
Frasers Centrepont Trust	944,530	6,832,392	6,908,423	2.38
Frasers Logistics & Commercial Trust (f.k.a. Frasers Logistics & Industrial Trust)	1,213,474	5,701,843	4,001,897	1.99
Keppel DC REIT	718,581	5,597,801	4,317,628	1.95
Keppel Pacific Oak US REIT (f.k.a. Keppel-KBS US REIT)	2,658,015	8,338,260	7,739,546	2.91
Keppel REIT	1,523,300	5,085,696	5,286,546	1.77
Lendlease Global Commercial REIT	2,138,500	5,883,563	5,342,051	2.05
Manulife US REIT	1,817,445	5,474,826	5,817,995	1.91
Mapletree Commercial Trust	876,565	5,636,229	5,623,097	1.97

## AmAsia Pacific REITs

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 31 August 2021 are as follows: (cont'd.)

Name of trust	Number of units	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
<b>(b) Quoted CIS - foreign (cont'd.)</b>				
<b>Singapore (cont'd.)</b>				
<b>REITs (cont'd.)</b>				
Mapletree Industrial Trust	662,905	6,024,760	5,579,723	2.10
Mapletree Logistics Trust	876,700	5,555,793	4,692,548	1.94
Parkway Life REIT	377,100	5,712,073	3,376,295	1.99
Prime US REIT	2,664,000	9,297,893	9,304,609	3.24
Suntec Real Estate Investment Trust	1,263,700	5,742,519	6,314,874	2.00
<b>Total in Singapore</b>	<b>25,962,753</b>	<b>117,300,761</b>	<b>111,987,298</b>	<b>40.91</b>
<b>Total quoted CIS - foreign</b>	<b>31,707,741</b>	<b>229,043,812</b>	<b>200,954,889</b>	<b>79.87</b>
<b>Total financial assets at FVTPL</b>	<b>40,944,891</b>	<b>244,808,225</b>	<b>216,848,212</b>	<b>85.37</b>
<b>Excess of fair value over purchased cost</b>		<b>27,960,013</b>		

Details of investments as at 31 August 2020 are as follows:

#### (a) Quoted CIS - local

<b>REITs</b>				
Axis Real Estate Investment Trust	3,239,600	7,029,932	5,712,375	1.83
IGB Real Estate Investment Trust	2,037,500	3,769,375	3,473,854	0.98
Pavilion Real Estate Investment Trust	3,576,850	5,544,118	5,884,999	1.45
	<b>8,853,950</b>	<b>16,343,425</b>	<b>15,071,228</b>	<b>4.26</b>
<b>Total quoted CIS - local</b>	<b>8,853,950</b>	<b>16,343,425</b>	<b>15,071,228</b>	<b>4.26</b>

## AmAsia Pacific REITs

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 31 August 2020 are as follows: (cont'd.)

Name of trust	Number of units	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
<b>(b) Quoted CIS - foreign</b>				
<b>Australia</b>				
<b>REITs</b>				
Arena REIT	1,016,248	7,861,675	7,020,725	2.04
Charter Hall Group	242,079	9,245,160	5,321,395	2.40
Charter Hall Long WALE REIT	622,376	9,381,983	9,214,472	2.44
Charter Hall Retail REIT	689,584	7,084,698	7,161,800	1.84
DEXUS Property Group	364,791	9,715,321	10,983,305	2.52
Charter Hall Social Infrastructure REIT (f.k.a. Charter Hall Education Trust)	1,147,133	9,330,186	10,050,737	2.42
Goodman Group	273,527	15,380,725	8,963,999	4.00
Mirvac Group	1,070,993	6,844,280	7,845,754	1.78
The GPT Group	660,100	7,488,219	9,862,895	1.95
<b>Total in Australia</b>	<b>6,086,831</b>	<b>82,332,247</b>	<b>76,425,082</b>	<b>21.39</b>
<b>Hong Kong</b>				
<b>REITs</b>				
Link Real Estate Investment Trust	86,439	2,856,508	2,039,323	0.74
Prosperity Real Estate Investment Trust	3,385,000	4,277,897	4,297,537	1.12
Sunlight Real Estate Investment Trust	468,300	941,889	859,904	0.24
<b>Total in Hong Kong</b>	<b>3,939,739</b>	<b>8,076,294</b>	<b>7,196,764</b>	<b>2.10</b>
<b>Japan</b>				
<b>REITs</b>				
GLP J-REIT	1,102	7,304,803	5,043,287	1.90
Invesco Office J-REIT, Inc.	12,241	6,972,279	7,322,152	1.81

## AmAsia Pacific REITs

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 31 August 2020 are as follows: (cont'd.)

Name of trust	Number of units	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
<b>(b) Quoted CIS - foreign (cont'd.)</b>				
<b>Japan (cont'd.)</b>				
<b>REITs (cont'd.)</b>				
Japan Prime Realty Investment Corporation	482	6,058,540	7,142,312	1.57
Kenedix Residential Next Investment Corporation	976	7,167,858	6,464,064	1.86
LaSalle Logiport REIT	1,021	7,340,950	4,764,442	1.91
Mori Hills REIT Investment Corporation	1,120	5,936,639	6,324,903	1.54
Nippon Accommodations Fund Inc.	280	7,193,914	5,308,471	1.87
Nippon Building Fund Inc.	206	5,251,952	5,326,517	1.36
Nippon Prologis REIT, Inc.	540	7,620,015	5,307,549	1.98
Sekisui House Reit, Inc.	2,594	7,556,685	7,918,943	1.96
<b>Total in Japan</b>	<b>20,562</b>	<b>68,403,635</b>	<b>60,922,640</b>	<b>17.76</b>
<b>Singapore</b>				
<b>REITs</b>				
ARA US Hospitality Trust	568,400	840,018	2,032,029	0.22
Ascendas India Trust	471,200	1,905,013	1,364,801	0.49
Ascendas Real Estate Investment Trust	736,608	7,467,635	6,050,032	1.94
CapitaLand Commercial Trust	1,561,220	7,841,996	8,655,073	2.04
CapitaLand Mall Trust	1,270,100	7,391,118	9,105,864	1.92
CapitaLand Retail China Trust	2,102,494	7,405,446	9,176,934	1.92
Frasers Centrepoint Trust	1,173,372	8,876,695	8,709,080	2.31
Frasers Logistics & Commercial Trust (f.k.a. Frasers Logistics & Industrial Trust)	3,277,774	13,552,874	10,921,027	3.52



## AmAsia Pacific REITs

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

#### 4. INVESTMENTS (CONT'D.)

Details of investments as at 31 August 2020 are as follows: (cont'd.)

Name of trust	Number of units	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
<b>(b) Quoted CIS - foreign (cont'd.)</b>				
<b>Singapore (cont'd.)</b>				
<b>REITs (cont'd.)</b>				
Keppel DC REIT	843,581	7,466,950	3,845,006	1.94
Keppel Pacific Oak US REIT (f.k.a. Keppel-KBS US REIT)	4,055,015	12,154,340	12,235,545	3.16
Keppel REIT	2,193,100	7,052,878	7,627,737	1.83
Lendlease Global Commercial REIT	4,664,300	9,142,924	11,835,178	2.38
Mapletree Commercial Trust	1,316,965	7,784,849	8,519,661	2.02
Mapletree Industrial Trust	808,100	7,524,148	6,576,845	1.95
Mapletree Logistics Trust	1,200,600	7,575,027	6,229,382	1.97
Manulife US REIT	2,528,345	7,788,870	8,200,467	2.02
Parkway Life REIT	672,900	7,728,593	5,360,850	2.01
Prime US REIT	3,738,700	12,140,082	13,467,965	3.15
Suntec Real Estate Investment Trust	1,209,400	5,148,769	6,275,006	1.34
<b>Total in Singapore</b>	<b>34,392,174</b>	<b>146,788,225</b>	<b>146,188,482</b>	<b>38.13</b>
<b>Thailand</b>				
<b>REITs</b>				
CPN Retail Growth Leasehold REIT	374,800	1,202,928	1,700,709	0.31
<b>Total in Thailand</b>	<b>374,800</b>	<b>1,202,928</b>	<b>1,700,709</b>	<b>0.31</b>
<b>Total quoted CIS - foreign</b>	<b>44,814,106</b>	<b>306,803,329</b>	<b>292,433,677</b>	<b>79.69</b>
<b>Total financial assets at FVTPL</b>	<b>53,668,056</b>	<b>323,146,754</b>	<b>307,504,905</b>	<b>83.95</b>
<b>Excess of fair value over purchased cost</b>		<b>15,641,849</b>		

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

**5. AMOUNT DUE FROM/TO MANAGER**

	Note	2021 RM	2020 RM
<b>(a) Due from Manager</b>			
Creation of units	(i)	<u>1,355,205</u>	<u>120,310</u>
<b>(b) Due to Manager</b>			
Redemption of units	(ii)	-	183,106
Manager's fee payable	(iii)	<u>392,574</u>	<u>485,681</u>
		<u>392,574</u>	<u>668,787</u>

(i) The amount represents amount receivable from the Manager for units created.

(ii) The amount represents amount payable to the Manager for units redeemed.

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

(iii) Manager's fee is at a rate of 1.50% (2020: 1.50%) per annum for Class B (MYR) on the NAV of the Fund, calculated on a daily basis.

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

**6. AMOUNT DUE FROM BROKERS**

Amount due from brokers relates to the amount receivable from brokers arising from the sale of investments. The settlement period is within two business days from the deal date.

**7. CAPITAL REPAYMENTS RECEIVABLE**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

**8. DEPOSIT WITH FINANCIAL INSTITUTION**

	<b>2021 RM</b>	<b>2020 RM</b>
At nominal value:		
Short-term deposit with a licensed bank	<u>36,683,000</u>	<u>52,751,000</u>
At carrying value:		
Short-term deposit with a licensed bank	<u>36,684,759</u>	<u>52,753,457</u>

Details of deposit with financial institution are as follows:

<b>Maturity date</b>	<b>Bank</b>	<b>Nominal value RM</b>	<b>Carrying value RM</b>	<b>Carrying value as a percentage of NAV %</b>
<b>2021</b>				
<b>Short-term deposit with a licensed bank</b>				
01.09.2021	Public Bank Berhad	<u>36,683,000</u>	<u>36,684,759</u>	<u>12.79</u>
<b>2020</b>				
<b>Short-term deposit with a licensed bank</b>				
01.09.2020	Malayan Banking Berhad	<u>52,751,000</u>	<u>52,753,457</u>	<u>13.70</u>

The weighted average effective interest rate and weighted average remaining maturity of short-term deposit is as follows:

	<b>Weighted average effective interest rate</b>		<b>Weighted average remaining maturity</b>	
	<b>2021 %</b>	<b>2020 %</b>	<b>2021 Day</b>	<b>2020 Day</b>
Short-term deposit with a licensed bank	<u>1.75</u>	<u>1.70</u>	<u>1</u>	<u>1</u>

**9. AMOUNT DUE TO TRUSTEE**

Trustee's fee is at a rate of 0.06% (2020: 0.06%) per annum on the NAV of the Fund, calculated on a daily basis, subject to a minimum fee of RM10,000 per annum.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

**10. NET GAIN/(LOSS) FROM INVESTMENTS**

	<b>2021</b>	<b>2020</b>
	<b>RM</b>	<b>RM</b>
Net gain/(loss) on financial assets at FVTPL comprised:		
– Net realised gain on sale of investments	21,662,950	14,443,466
– Net realised (loss)/gain on foreign currency exchange	(874,579)	1,988,600
– Net unrealised gain/(loss) on changes in fair value of investments	18,416,815	(42,459,093)
– Net unrealised (loss)/gain on foreign currency fluctuation of investments denominated in foreign currency	(6,098,651)	4,186,924
	<u>33,106,535</u>	<u>(21,840,103)</u>

**11. TOTAL EQUITY**

Total equity is represented by:

	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>RM</b>	<b>RM</b>
Unit holders' capital	(a)	193,390,991	316,821,665
Retained earnings			
– Realised income	(b)	65,440,909	52,459,818
– Unrealised gain	(c)	27,930,461	15,640,875
		<u>286,762,361</u>	<u>384,922,358</u>

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

	<b>2021</b>		<b>2020</b>	
	<b>Number of</b>	<b>RM</b>	<b>Number of</b>	<b>RM</b>
	<b>units</b>		<b>units</b>	
At beginning of the financial year	486,344,697	316,821,665	459,452,185	291,450,257
Creation during the financial year	22,659,605	18,939,887	172,554,180	143,711,101
Distributions reinvested (Note 14)	16,025,752	13,251,607	19,868,042	16,426,537
Cancellation during the financial year	(189,442,138)	(155,622,168)	(165,529,710)	(134,766,230)
At end of the financial year	<u>335,587,916</u>	<u>193,390,991</u>	<u>486,344,697</u>	<u>316,821,665</u>

## AmAsia Pacific REITs

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

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

##### (b) Realised – distributable

	2021 RM	2020 RM
At beginning of the financial year	52,459,818	46,385,094
Net realised income for the financial year	26,297,932	22,560,152
Distributions out of realised income (Note 14)	(13,316,841)	(16,485,428)
At end of the financial year	<u>65,440,909</u>	<u>52,459,818</u>

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

	2021 RM	2020 RM
At beginning of the financial year	15,640,875	53,925,936
Net unrealised gain/(loss) for the financial year	<u>12,289,586</u>	<u>(38,285,061)</u>
At end of the financial year	<u>27,930,461</u>	<u>15,640,875</u>

#### 12. UNITS HELD BY THE MANAGER AND RELATED PARTIES

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

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

There were no units held by the Manager or any related party as at 31 August 2021 and 31 August 2020.

#### 13. TAXATION

	2021 RM	2020 RM
Current financial year – local taxation	56,422	90,264
Current financial year – foreign taxation	<u>1,007,654</u>	<u>930,877</u>
	<u>1,064,076</u>	<u>1,021,141</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

**13. TAXATION (CONT'D.)**

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

The taxation charge for the financial year is on taxable dividend income derived from countries including Australia, Hong Kong, Japan, Malaysia, Singapore and Thailand calculated at the rates prevailing in these countries. In accordance with Schedule 6 of the Income Tax Act 1967, interest income and dividend income earned by the Fund is exempted from Malaysian tax.

Pursuant to Schedule 6 of the Income Tax Act 1967, provided that the exemption shall not apply to the interest paid or credited to a unit trust that is a wholesale fund which is a money market fund. Interest income earned by Funds other than wholesale money market fund is exempted from tax.

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

	<b>2021 RM</b>	<b>2020 RM</b>
Net income/(loss) before taxation	39,651,594	(14,703,768)
Taxation at Malaysian statutory rate of 24% (2020: 24%)	9,516,383	(3,528,904)
Tax effects of:		
Income not subject to tax	(11,612,207)	(6,482,144)
Effect of different tax rate in other countries	(878,369)	(1,024,336)
Loss not allowed for tax deduction	2,587,533	10,193,276
Restriction on tax deductible expenses for unit trust fund	1,065,266	1,290,120
Non-permitted expenses for tax purposes	267,107	429,782
Permitted expenses not used and not available for future financial years	118,363	143,347
Tax expense for the financial year	1,064,076	1,021,141

**14. DISTRIBUTIONS**

Distributions to unit holders declared for Class B (MYR) declared on 22 February 2021 and 24 August 2021 (declared on 21 February 2020 and 24 August 2020 for the previous financial year) are from the following sources:

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

**14. DISTRIBUTIONS (CONT'D.)**

	<b>2021</b>	<b>2020</b>
	<b>RM</b>	<b>RM</b>
Distribution income	6,395,866	10,514,563
Interest income	375,871	1,508,063
Net realised gain on sale of investments	13,653,913	13,247,481
	<u>20,425,650</u>	<u>25,270,107</u>
Less: Expenses	(6,044,733)	(7,763,538)
Taxation	(1,064,076)	(1,021,141)
Total amount of distributions	<u>13,316,841</u>	<u>16,485,428</u>
 Gross/net distributions per unit (sen)	 <u>3.70</u>	 <u>3.40</u>
 Distributions made out of:		
– Realised income [Note 11(b)]	<u>13,316,841</u>	<u>16,485,428</u>
 Comprising:		
Distributions reinvested [Note 11(a)]	13,251,607	16,426,537
Distribution payable	35,870	32,762
Cash distributions	29,364	26,129
	<u>13,316,841</u>	<u>16,485,428</u>

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

**15. MANAGEMENT EXPENSE RATIO (“MER”)**

The Fund’s MER is as follows:

	<b>2021</b>	<b>2020</b>
	<b>% p.a.</b>	<b>% p.a.</b>
Manager’s fee	1.50	1.50
Trustee’s fee	0.06	0.06
Fund’s other expenses	0.07	0.09
Total MER	<u>1.63</u>	<u>1.65</u>

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

## AmAsia Pacific REITs

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

#### 16. PORTFOLIO TURNOVER RATIO ("PTR")

The PTR of the Fund, which is the ratio of average total acquisitions and disposals of investments to the average NAV of the Fund calculated on a daily basis, is 0.47 times (2020: 0.49 times).

#### 17. SEGMENTAL REPORTING

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

#### 18. TRANSACTIONS WITH BROKERS AND FINANCIAL INSTITUTIONS

Details of transactions with brokers and financial institutions for the financial year ended 31 August 2021 are as follows:

Brokers/Financial institutions	Transaction value		Brokerage fee, stamp duty and clearing fee	
	RM	%	RM	%
CGS - CIMB Securities (Hong Kong) Limited	75,448,735	25.05	170,696	23.39
CLSA Singapore Pte Ltd.	55,137,179	18.31	128,423	17.60
Macquarie Securities (Australia) Limited	31,644,953	10.51	94,117	12.90
Macquarie Bank Limited (Australia)	25,028,548	8.31	75,086	10.29
CLSA Australia Pty Ltd	24,200,728	8.04	48,401	6.63
Merrill Lynch International Limited	18,316,702	6.08	43,309	5.93
State Street Bank and Trust Company	10,737,476	3.57	6,329	0.87
DBS Vickers Securities (Singapore) Pte. Ltd.	9,640,010	3.20	32,982	4.52
Credit Suisse (Hong Kong) Limited	7,906,227	2.63	18,828	2.58
Merrill Lynch Int Ltd (London)	7,124,056	2.36	14,248	1.95
Other brokers and financial institutions#	35,962,292	11.94	97,341	13.34
Total	301,146,906	100.00	729,760	100.00

# Included in the other brokers and financial institutions, there were transactions amounting to RM4,817,247 with a related party, AmInvestment Bank Berhad.

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

The above transactions were in respect of listed CIS.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

**19. FINANCIAL INSTRUMENTS**

**(a) Classification of financial instruments**

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

	<b>Financial assets at FVTPL RM</b>	<b>Financial assets at amortised cost RM</b>	<b>Financial liabilities at amortised cost RM</b>	<b>Total RM</b>
<b>2021</b>				
<b>Assets</b>				
Investments	244,808,225	-	-	244,808,225
Amount due from Manager	-	1,355,205	-	1,355,205
Distributions receivable	-	2,337,864	-	2,337,864
Capital repayments receivable	-	286,925	-	286,925
Deposit with financial institution	-	36,684,759	-	36,684,759
Cash at banks	-	1,752,509	-	1,752,509
Total financial assets	<u>244,808,225</u>	<u>42,417,262</u>	<u>-</u>	<u>287,225,487</u>
<b>Liabilities</b>				
Amount due to Manager	-	-	392,574	392,574
Amount due to Trustee	-	-	14,747	14,747
Distribution payable	-	-	35,870	35,870
Total financial liabilities	<u>-</u>	<u>-</u>	<u>443,191</u>	<u>443,191</u>
<b>2020</b>				
<b>Assets</b>				
Investments	323,146,754	-	-	323,146,754
Amount due from Manager	-	120,310	-	120,310
Distributions receivable	-	2,493,564	-	2,493,564
Amount due from brokers	-	852,481	-	852,481
Capital repayments receivable	-	502,219	-	502,219

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

**19. FINANCIAL INSTRUMENTS (CONT'D.)**

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

	<b>Financial assets at FVTPL RM</b>	<b>Financial assets at amortised cost RM</b>	<b>Financial liabilities at amortised cost RM</b>	<b>Total RM</b>
<b>2020 (cont'd.)</b>				
<b>Assets (cont'd.)</b>				
Deposit with financial institution	-	52,753,457	-	52,753,457
Cash at banks	-	5,789,478	-	5,789,478
Total financial assets	<u>323,146,754</u>	<u>62,511,509</u>	<u>-</u>	<u>385,658,263</u>
<b>Liabilities</b>				
Amount due to Manager	-	-	668,787	668,787
Amount due to Trustee	-	-	18,155	18,155
Distribution payable	-	-	32,762	32,762
Total financial liabilities	<u>-</u>	<u>-</u>	<u>719,704</u>	<u>719,704</u>
			<b>Income, expenses, gains and losses</b>	
			<b>2021</b>	<b>2020</b>
			<b>RM</b>	<b>RM</b>
Net gain/(loss) from financial assets at FVTPL			33,106,535	(21,840,103)
Income, of which derived from:				
– Distribution income from financial assets at FVTPL			11,917,976	13,042,177
– Interest income from financial assets at amortised cost			700,394	1,870,588
– Other unrealised foreign exchange loss			<u>(28,578)</u>	<u>(12,892)</u>

**(b) Financial instruments that are carried at fair value**

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

**19. FINANCIAL INSTRUMENTS (CONT'D.)**

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

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique: (cont'd.)

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

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

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

	<b>Level 1 RM [Note 4(a)(b)]</b>	<b>Level 2 RM</b>	<b>Level 3 RM</b>	<b>Total RM</b>
<b>2021</b>				
Financial assets at FVTPL	244,808,225	-	-	244,808,225
<b>2020</b>				
Financial assets at FVTPL	323,146,754	-	-	323,146,754

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

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

- Amount due from/to Manager
- Distributions receivable
- Amount due from brokers
- Capital repayments receivable
- Deposit with financial institution
- Cash at banks
- Amount due to Trustee
- Distribution payable

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

**20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

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

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

**(a) Market risk**

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

Financial markets have experienced and may continue to experience significant volatility resulting from the spread of a novel coronavirus known as Covid-19. The outbreak of Covid-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The outcomes of global and local financial markets are highly uncertain and cannot be predicted at this point in time. Due to this, the Manager of the Fund is unable to reliably estimate the quantitative impact of Covid-19 towards the Fund's performance for the next twelve months. The Manager of the Fund will continue to actively monitor the developments in the market to minimise any potential impact to the Fund.

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

**(i) Price risk**

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

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

Percentage movements in price by:	Sensitivity of the Fund's NAV	
	2021 RM	2020 RM
-5.00%	(12,240,411)	(16,157,338)
+5.00%	12,240,411	16,157,338

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

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

**(a) Market risk (cont'd.)**

**(ii) Interest rate risk (cont'd.)**

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

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

The result below summarised the interest rate sensitivity of the Fund's NAV, or theoretical value due to the parallel movement assumption of the yield curve by +100bps and -100bps respectively:

Parallel shift in yield curve by:	Sensitivity of the Fund's NAV, or theoretical value	
	2021 RM	2020 RM
+100bps	(1,966)	(5,657)
-100bps	1,985	5,713

**(iii) Currency risk**

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

The result below summarised the currency risk sensitivity of the Fund's NAV due to appreciation/depreciation of the Fund's functional currency against currencies other than the Fund's functional currency:

Percentage movements in currencies other than the Fund's functional currency:	Sensitivity of the Fund's NAV	
	2021 RM	2020 RM
-5.00%	(11,639,986)	(15,771,859)
+5.00%	11,639,986	15,771,859

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

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

**(a) Market risk (cont'd.)**

**(iii) Currency risk (cont'd.)**

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

	2021		2020	
Assets denominated in	RM equivalent	% of NAV	RM equivalent	% of NAV
Australian Dollar				
Investments	60,346,695	21.04	82,332,247	21.39
Amount due from brokers	-	-	852,481	0.22
Distributions receivable	394,320	0.14	233,364	0.06
Cash at bank	97,587	0.03	632,965	0.16
	60,838,602	21.22	84,051,057	21.83
European Dollar				
Investments	2,853,816	1.00	-	-
Distributions receivable	64,205	0.02	-	-
	2,918,021	1.02	-	-
Hong Kong Dollar				
Investments	6,514,639	2.27	8,076,294	2.10
Distributions receivable	103,282	0.04	163,652	0.04
Cash at bank	48	~*	48	~*
	6,617,970	2.31	8,239,994	2.14
Japanese Yen				
Investments	44,881,717	15.65	68,403,635	17.76
Capital repayments receivable	25,680	0.01	25,650	0.01
Distributions receivable	450,022	0.16	656,513	0.17
Cash at bank	642,293	0.22	671,567	0.18
	45,999,712	16.04	69,757,365	18.12

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

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

**(a) Market risk (cont'd.)**

**(iii) Currency risk (cont'd.)**

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

Assets denominated in	2021	% of NAV	2020	% of NAV
	RM equivalent		RM equivalent	
Singapore Dollar				
Investments	91,335,966	31.85	113,864,915	29.58
Capital repayments receivable	39,550	0.01	100,138	0.03
Distributions receivable	873,806	0.30	574,047	0.15
Cash at bank	191,737	0.07	1,961,296	0.51
	92,441,059	32.24	116,500,396	30.27
Thai Baht				
Investments	-	-	1,202,928	0.31
United States Dollar				
Investments	23,110,978	8.06	32,923,311	8.55
Capital repayments receivable	221,696	0.08	376,431	0.10
Distributions receivable	392,085	0.14	860,672	0.22
Cash at bank	259,600	0.09	1,525,029	0.40
	23,984,359	8.36	35,685,443	9.27

\* represents less than 0.01%

**(b) Credit risk**

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

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

**(c) Liquidity risk**

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

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

**(d) Single issuer risk**

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

**(e) Regulatory risk**

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

**(f) Country risk**

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

**(g) Management risk**

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

**(h) Non-compliance risk**

This is the risk of the Manager, the Trustee or the Fund not complying with internal policies, the Deed of the Fund, securities law or guidelines issued by the regulators. Non-compliance risk may adversely affect the investments of the Fund when the Fund is forced to rectify the non-compliance.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

**21. CAPITAL MANAGEMENT**

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

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

No changes were made in the objective, policies or processes during the financial years ended 31 August 2021 and 31 August 2020.

## **AmAsia Pacific REITs**

### **STATEMENT BY THE MANAGER**

I, Goh Wee Peng, being the Director of and on behalf of the Board of Directors of AmFunds Management Berhad (the “Manager”), do hereby state that in the opinion of the Manager, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of AmAsia Pacific REITs (the “Fund”) as at 31 August 2021 and the comprehensive income, the changes in equity and cash flows for the financial year then ended.

For and on behalf of the Manager

**GOH WEE PENG**

Executive Director

Kuala Lumpur, Malaysia  
18 October 2021

## **TRUSTEE'S REPORT**

### **TO THE UNIT HOLDERS OF AMASIA PACIFIC REITS**

We have acted as Trustee for AmAsia Pacific REITs (the "Fund") for the financial year ended 31 August 2021. To the best of our knowledge, for the financial year under review, AmFunds Management Berhad (the "Manager") has operated and managed the Fund in accordance with the following:-

- (a) limitations imposed on the investment powers of the Manager under the Deed(s), the Securities Commission's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 and other applicable laws;
- (b) valuation and pricing for the Fund is carried out in accordance with the Deed(s) of the Fund and any regulatory requirements; and
- (c) creation and cancellation of units for the Fund are carried out in accordance with the Deed(s) of the Fund and any regulatory requirements.

We are of the view that the distributions made during the financial year ended 31 August 2021 by the Manager are not inconsistent with the objectives of the Fund.

For Deutsche Trustees Malaysia Berhad

**Soon Lai Ching**  
Senior Manager, Trustee Operations

**Gerard Ang**  
Chief Executive Officer

Kuala Lumpur  
18 October 2021

## DIRECTORY

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

