

Annual Report for

Pan European Property Equities

31 May 2025



AmInvest

Growing Your Investments in a Changing World

TRUST DIRECTORY

Manager

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

Trustee

AmanahRaya Trustees Berhad

Auditors and Reporting Accountants

Ernst & Young PLT

Taxation Adviser

Deloitte Tax Services Sdn Bhd

CONTENTS

1	Manager's Report
8	Independent Auditors' Report to the Unit Holders
12	Statement of Financial Position
13	Statement of Comprehensive Income
14	Statement of Changes in Equity
15	Statement of Cash Flows
16	Notes to the Financial Statements
36	Statement by the Manager
37	Trustee's Report
38	Directory

MANAGER'S REPORT

Dear Unitholders,

We are pleased to present you the Manager's report and the audited accounts of Pan European Property Equities ("Fund") for the financial year ended 31 May 2025.

Salient Information of the Fund

Name	Pan European Property Equities ("Fund")
Category/ Type	Feeder (European Property Equity) / Capital growth and income
Name of Target Fund	Janus Henderson Horizon Pan European Property Equities Fund
Fund Objective	<p>To seek long-term capital appreciation by investing its assets in quoted equity securities of companies or REITs (or its equivalent) having their registered office in the EEA (European Economic Area) or United Kingdom if it's not part of the EEA and listed or traded on a regulated market which derive the main part of their revenue from the ownership, management and/or development of real estate in Europe. The Fund is denominated in RM.</p> <p><i>Note: Any material change to the investment objective of the Fund would require Unit Holder's approval.</i></p>
Duration	The Fund was established on 6 March 2007 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 circumstances, the unitholders can resolve at a meeting to terminate the Fund.
Performance Benchmark	<p>FTSE EPRA/NAREIT Developed Europe Capped Index Net TRI. (Available at www.aminvest.com)</p> <p><i>Note: The Fund adheres to the benchmark of the Target Fund. The risk profile of the performance benchmark is not the same as the risk profile of the Fund.</i></p> <p><i>Source: London Stock Exchange Group plc and its group undertakings, including FTSE International Limited (collectively, the "LSE Group"), European Public Real Estate Association ("EPRA"), and the National Association of Real Estate Investments Trusts ("Nareit") (and together the "Licensor Parties"). © LSE Group 2025. FTSE Russell is a trading name of certain LSE Group companies. "FTSE®" and "Russell®" are a trade mark(s) of the relevant LSE Group companies and are used by any other LSE Group company under license. "Nareit®" is a trade mark of Nareit, "EPRA®" is a trade mark of EPRA and all are used by the LSE Group under license. All rights in the FTSE EPRA Nareit Global Real Estate Index Series index(es) or data vest in the Licensor Parties. The Licensor Parties do not accept any liability for any errors or omissions in the indexes or data and no party may rely on any indexes or data contained in this communication. No further distribution of data from the LSE Group is permitted without the relevant LSE Group company's express written consent. The Licensor Parties do not promote, sponsor or endorse the content of this communication.</i></p>
Income Distribution Policy	<p>Subject to the availability of income, distribution will be made at least once every year.</p> <p>At the Manager's discretion, the Fund may distribute from its gain, income and</p>

capital. The rationale for distribution out of capital is to allow the Fund the ability to (i) distribute income on a regular basis in accordance with the distribution policy of the Fund or (ii) increase the amount of distributable income to the Unit Holders, after taking into consideration the risk of distributing out of capital.

Distribution out of the Fund's capital has the effect of lowering the NAV of the Fund, may reduce part of the Unit Holders' original investment and may also result in reduced future returns to Unit Holders. When a substantial amount of the original investment is being returned to the Unit Holders, it has a risk of eroding the capital of the Fund and may, over time, cause the NAV of the Fund to fall. The greater the risk of capital erosion that exists, the greater the likelihood that, due to capital erosion, the value of future returns would also be diminished.

Fund Performance Data

Portfolio Composition

Details of portfolio composition of the Fund as at 31 May are as follows:

	As at 31 May		
	2025 %	2024 %	2023 %
Foreign Collective Investment Scheme	91.95	90.21	96.00
Money market deposits and cash equivalents	8.05	9.79	4.00
Total	100.00	100.00	100.00

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

Performance Details

Performance details of the Fund for the financial years ended 31 May are as follows:

	FYE 2025	FYE 2024	FYE 2023
Net asset value (RM)	20,195,185	23,627,237	21,244,823
Units in circulation	18,527,681	20,121,173	23,418,260
Net asset value per unit (RM)	1.0900	1.1742	0.9072
Highest net asset value per unit (RM)	1.2032	1.1896	1.2258
Lowest net asset value per unit (RM)	0.9345	0.8662	0.7807
Benchmark performance (%)	-4.52	26.30	-30.74
Total return (%) ⁽¹⁾	-5.61	29.43	-26.80
- Capital growth (%)	-7.25	29.43	-26.80
- Income distribution (%)	1.64	-	-
Gross distribution (RM sen per unit)	2.9423	-	-
Net distribution (RM sen per unit)	1.9305	-	-
Total expense ratio (%) ⁽²⁾	0.43	0.34	0.32
Portfolio turnover ratio (times) ⁽³⁾	0.11	0.13	0.08

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. Total return is calculated based on the published NAV/unit (last business day).

(2) Total expense ratio ("TER") is calculated based on the total fees and expenses incurred by the Fund divided by the average fund size calculated on a daily basis. The TER increased by 0.09% as compared to 0.34% per annum for the financial year ended 31 May 2024 mainly due to increase 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 decrease in the PTR for 2025 and increase in 2024 were due mainly to investing activities.

Average Total Return (as at 31 May 2025)

	Pan European Property Equities^(a) %	Benchmark^(b) %
One year	-5.61	-4.52
Three years	-3.66	-5.82
Five years	1.58	-1.93
Ten years	5.50	-0.59

Annual Total Return

Financial Years Ended (31 May)	Pan European Property Equities^(a) %	Benchmark^(b) %
2025	-5.61	-4.52
2024	29.43	26.30
2023	-26.80	-30.74
2022	-10.51	-15.03
2021	35.15	27.81

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

(b) FTSE EPRA/NAREIT Developed Europe Capped Index Net TRI
(Available at www.aminvest.com)

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

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

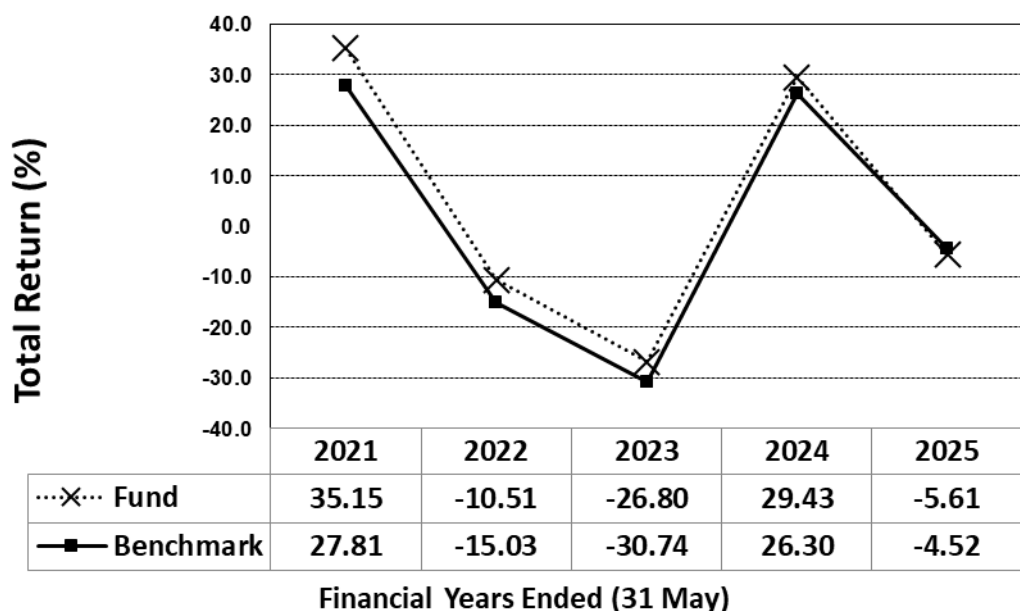
**Fund
Performance**

For the financial year under review, the Fund registered a negative return of 5.61% comprising of negative 7.25% capital and 1.64% income distribution.

Thus, the Fund's negative return of 5.61% has underperformed the benchmark's negative return of 4.52% by 1.09%.

As compared with the financial year ended 31 May 2024, the net asset value ("NAV") per unit of the Fund decreased by 7.17% from RM1.1742 to RM1.0900, while units in circulation decreased by 7.92% from 20,121,173 units to 18,527,681 units.

The following line chart shows comparison between the annual performances of Pan European Property Equities and its benchmark for the financial years ended 31 May.



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

Performance of the Target Fund

Fund Performance Review of the Target Fund – Janus Henderson Horizon Pan European Property Equities Fund (the “Target Fund”)

The Target Fund outperformed its index. At an individual stock level, German residential landlords TAG Immobilien and LEG Immobilien were key contributors due to the defensive nature of their businesses. Retail landlord Hammerson was also a strong contributor, after it reported upbeat earnings forecasts following capital allocation progress in buying out JV partners. German housebuilder Instone also helped returns.

Conversely, Swedish hotel company Pandox AB was a key detractor given concerns of a weaker economic environment impacting demand. European tower company Cellnex and UK industrial landlord Segro also detracted. An underweight to Switzerland was also detrimental, given the heightened macroeconomic volatility and perceived safe haven status.

Source: Janus Henderson Investors, as at 31 May 2025

Strategies and Policies Employed

Strategies and Policies employed by Target Fund

We grew our position in Aedifica following an approach for peer Cofinimmo in an all-share deal to create a global healthcare champion in Europe. We believe the deal could be a step change for the business with immediate earnings accretion and upside to guided synergies, while also creating one of the largest healthcare REITs globally, strengthening its cost of capital to fund future growth. We opened a new position in UK housebuilder Bellway Homes, where we see scope for a re-rating as volumes recover from cyclical lows supported by near-term rate cuts and continued solid demand dynamics. Elsewhere, topped up Safestore on growing confidence that fundamentals are troughing. In the UK, we trimmed Segro on tempered expectations following a meeting with management.

In the retail space, we also established a new position in French grocery-anchored shopping centre owner Mercialis, given an attractive valuation and reflective of our positive stance on the sector. We exited our Workspace position ahead of a profit warning, given a more challenged backdrop for SMEs and near-term occupancy. We exited retail landlord Wereldhave following outperformance and used the proceeds to

	increase some existing high-conviction positions.			
	Source: Janus Henderson Investors, as at 31 May 2025			
	Strategies and Policies of the Fund			
	For the financial year under review, the Fund invested a minimum of 85% of its NAV in the Janus Henderson Horizon Pan European Property Equities Fund (“Target Fund”).			
Target Fund’s Top 10 Holdings	<u>As at 31 May 2024</u>			
	Asset Reporting Name	Weight %	Reporting Market Value In Fund Base Ccy	
	Vonovia	9.46	60,555,900.00	
	Segro	8.52	54,573,990.31	
	LEG Immobilien	5.67	36,334,489.86	
	Merlin Properties Socimi	4.86	31,118,877.37	
	British Land	4.05	25,934,200.98	
	PSP Swiss Property	4.01	25,676,747.96	
	Unibail-Rodamco-Westfield	3.97	25,404,750.00	
	Tritax Big Box REIT	3.71	23,756,890.38	
	Hammerson	3.17	20,294,365.76	
	Safestore	3.14	20,103,033.83	
	<u>As at 31 May 2025</u>			
	Asset Reporting Name	Weight %	Reporting Market Value In Fund Base Ccy	
	Vonovia	9.00	51,075,106	
Unibail-Rodamco-Westfield	7.57	43,002,500		
Segro	6.49	36,833,928		
PSP Swiss Property	4.97	28,209,398		
Merlin Properties Socimi	4.79	27,200,000		
Tritax Big Box REIT	4.61	26,178,240		
British Land	4.49	25,500,055		
Fastighets AB Balder	4.43	25,160,118		
UNITE Group	3.53	20,029,920		
LEG Immobilien	3.52	20,011,650		
	Source: Janus Henderson Investors, as at 31 May 2025			
Portfolio Structure	The table below is the asset allocation of the Fund as at 31 May 2025 and 31 May 2024.			
		As at 31.05.2025 %	As at 31.05.2024 %	Changes %
	Foreign Collective Investment Scheme	91.95	90.21	1.74
	Money market deposits and cash equivalents	8.05	9.79	-1.74
	Total	100.00	100.00	
	For the financial year under review, the Fund has invested 91.95% of its NAV in the foreign Collective Investment Scheme while the remaining 8.05% of its NAV in money market deposits and cash equivalents.			

Securities Lending / Repurchase Transactions	The Fund has not undertaken any securities lending or repurchase transactions (collectively referred to as “securities financing transactions”).											
Cross Trades	There were no cross trades undertaken during the financial year under review.											
Distribution/ Unit splits	During the financial year under review, the Fund declared income distribution, detailed as follows: <table><tr><th>Date of distribution</th><th>Distribution per unit (RM) sen</th><th>NAV per unit Cum-Distribution (RM)</th><th>NAV per unit Ex-Distribution (RM)</th></tr><tr><td>16-Jul-24</td><td>1.9305</td><td>1.1710</td><td>1.1517</td></tr></table> <p>There is no unit split declared for the financial year under review.</p>				Date of distribution	Distribution per unit (RM) sen	NAV per unit Cum-Distribution (RM)	NAV per unit Ex-Distribution (RM)	16-Jul-24	1.9305	1.1710	1.1517
Date of distribution	Distribution per unit (RM) sen	NAV per unit Cum-Distribution (RM)	NAV per unit Ex-Distribution (RM)									
16-Jul-24	1.9305	1.1710	1.1517									
State of Affairs	There has been neither significant changes 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.											
Rebates and Soft Commission	During the year, the management company did not receive soft commissions by virtue of transactions conducted for the Fund.											
Market Review	<p>European equity markets rose during the second quarter, as reduced trade and geopolitical tensions allowed markets to recover from early April’s slump. Nevertheless, anxiety about the lack of a trade deal with the US, ahead of the deadline in July, dampened sentiment. The European Central Bank announced two 25bps rate cuts, lowering its key deposit rate to 2.0%, although its president, Christine Lagarde, said in June the monetary policy easing cycle was near its end. The euro benefited from its appeal as a perceived ‘safe haven’ amid the tariff uncertainty.</p> <p>It was a strong quarter for European real estate, which outperformed the wider market. The pro-risk and cyclical backdrop was reflected in lodging and office outperformance, while tightening yields helped leveraged names in Scandanavia and German residential. UK REITs also delivered positive returns. European REITs also saw a further wave of M&A in healthcare, industrial and student accommodation, reflecting REIT discounts versus underlying asset values.</p> <p>Source: Janus Henderson Investors, as at 31 May 2025</p>											
Market Outlook	<p>While the macro-economic outlook remains uncertain, property fundamentals remain healthy across most real estate sectors. Demand for high quality space remains resilient, which, combined with falling new supply is translating into stronger pricing power for many of the landlords in which we invest. Asset prices have reset in recent years and falling interest rates should be supportive for values from here.</p> <p>We expect public REITs to continue to lead the recovery in real estate markets, boosted by more exposure to winning real estate sectors, lower leverage, and a cost and access to capital advantage providing a pathway for growth. Importantly, public REITs have continued to offer reliable and growing income streams, a characteristic which should continue to reward investors.</p> <p>Source: Janus Henderson Investors, as at 31 May 2025</p>											

Additional Information	<p>The following information was updated:</p> <ol style="list-style-type: none"> 1) The Twelfth Supplementary Master Prospectus dated 27 March 2025 has been registered with the Securities Commission Malaysia. The issuance is to update the distribution policy of the Fund and the disclosure on the delegate of AmanahRaya Trustees Berhad. Notice of issuance for the Twelfth Supplementary Master Prospectus dated 27 March 2025 was published on our website at www.aminvest.com and sent to unit holders on 7 April 2025. 2) The Thirteenth Supplementary Master Prospectus dated 2 May 2025 has been registered with the Securities Commission Malaysia. Notice of issuance for the Thirteenth Supplementary Master Prospectus dated 2 May 2025 was published on our website at www.aminvest.com and sent to unit holders on 16 May 2025. 3) The Fourteenth Supplementary Master Prospectus dated 25 June 2025 has been registered with the Securities Commission Malaysia. Notice of issuance for the Fourteenth Supplementary Master Prospectus dated 25 June 2025 was published on our website at www.aminvest.com and sent to unit holders on 4 July 2025.
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Kuala Lumpur, Malaysia
AmFunds Management Berhad

21 July 2025

Independent auditors' report to the unit holders of Pan European Property Equities

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Pan European Property Equities (the "Fund"), which comprise the statement of financial position as at 31 May 2025, and statement of comprehensive income, statement of changes in equity and statement of cash flows of the Fund for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 12 to 35.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 May 2025, and of its financial performance and cash flows for the financial year then ended in accordance with MFRS Accounting Standards and IFRS Accounting 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 *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 audit 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 of the Fund (the "Manager") is responsible for the other information. The other information comprises the information included 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 Pan European Property Equities (cont'd.)

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

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

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

Responsibilities of the Manager and the Trustee 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 MFRS Accounting Standards and IFRS Accounting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

As part of an audit in accordance with the approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the 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 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.
- 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
Pan European Property Equities (cont'd.)**

Other matters

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

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

Ng Sue Ean
No. 03276/07/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
21 July 2025

Pan European Property Equities

STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2025

	Note	2025 RM	2024 RM
ASSETS			
Investment	4	18,568,792	21,315,168
Tax recoverable		74,269	-
Cash at banks		1,605,032	2,469,203
TOTAL ASSETS		20,248,093	23,784,371
LIABILITIES			
Amount due to Manager	5	36,140	125,340
Amount due to Trustee	6	1,168	1,395
Tax payable		-	19,208
Sundry payables and accruals		15,600	11,191
TOTAL LIABILITIES		52,908	157,134
NET ASSET VALUE ("NAV") OF THE FUND		20,195,185	23,627,237
EQUITY			
Unit holders' capital	8(a)	220,450,458	222,182,224
Accumulated losses	8(b)(c)	(200,255,273)	(198,554,987)
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	8	20,195,185	23,627,237
UNITS IN CIRCULATION	8(a)	18,527,681	20,121,173
NAV PER UNIT (RM)		1.0900	1.1742

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

Pan European Property Equities

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	Note	2025 RM	2024 RM
INVESTMENT (LOSS)/INCOME			
Distribution income		647,168	854,022
Interest income		9,199	2,337
Net (loss)/gain from investment:			
– Financial assets at fair value through profit or loss (“FVTPL”)	7	(1,831,895)	5,375,540
Other net realised losses on foreign currency exchange		(46,979)	(20,749)
		<u>(1,222,507)</u>	<u>6,211,150</u>
EXPENDITURE			
Manager’s fee	5	(51,442)	(36,762)
Trustee’s fee	6	(14,635)	(16,074)
Audit fee		(8,000)	(8,000)
Tax agent’s fee		(3,800)	(3,800)
Custodian’s fee		(3,208)	(1,510)
Other expenses		(7,768)	(12,716)
		<u>(88,853)</u>	<u>(78,862)</u>
Net (loss)/income before taxation		(1,311,360)	6,132,288
Taxation	10	-	(202,157)
Net (loss)/income after taxation, representing total comprehensive (loss)/income for the financial year		<u>(1,311,360)</u>	<u>5,930,131</u>
Total comprehensive (loss)/income comprises the following:			
Realised income		275,361	386,010
Unrealised (loss)/gain		(1,586,721)	5,544,121
		<u>(1,311,360)</u>	<u>5,930,131</u>
Distribution for the financial year			
Net distribution	11	<u>388,926</u>	<u>-</u>
Gross distribution per unit (RM)	11	<u>2.9423</u>	<u>-</u>
Net distribution per unit (RM)	11	<u>1.9305</u>	<u>-</u>

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

Pan European Property Equities

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	Note	Unit holders' capital RM	Accumulated losses RM	Total equity RM
At 1 June 2024		222,182,224	(198,554,987)	23,627,237
Total comprehensive loss for the financial year		-	(1,311,360)	(1,311,360)
Creation of units	8(a)	2,477,445	-	2,477,445
Reinvestments of distribution	8(a)	388,926	-	388,926
Cancellation of units	8(a)	(4,598,137)	-	(4,598,137)
Distribution	11	-	(388,926)	(388,926)
Balance at 31 May 2025		<u>220,450,458</u>	<u>(200,255,273)</u>	<u>20,195,185</u>
At 1 June 2023		225,729,941	(204,485,118)	21,244,823
Total comprehensive income for the financial year		-	5,930,131	5,930,131
Creation of units	8(a)	2,065,509	-	2,065,509
Cancellation of units	8(a)	(5,613,226)	-	(5,613,226)
Balance at 31 May 2024		<u>222,182,224</u>	<u>(198,554,987)</u>	<u>23,627,237</u>

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

Pan European Property Equities

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	2025 RM	2024 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of investment	2,688,847	5,264,290
Purchases of investment	(1,174,177)	(830,492)
Distributions received	-	854,022
Interest received	9,199	2,337
Manager's fee paid	(51,998)	(35,632)
Trustee's fee paid	(14,862)	(15,978)
Tax agent's fee paid	-	(3,800)
Tax paid	(93,477)	(208,661)
Custodian's fee paid	(3,208)	(1,510)
Payments for other expenses	(15,158)	(21,325)
Net cash generated from operating and investing activities	<u>1,345,166</u>	<u>5,003,251</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	2,477,445	2,068,292
Payments for cancellation of units	(4,686,782)	(5,499,941)
Net cash used in financing activities	<u>(2,209,337)</u>	<u>(3,431,649)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(864,171)	1,571,602
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	<u>2,469,203</u>	<u>897,601</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u>1,605,032</u>	<u>2,469,203</u>
Cash and cash equivalents comprise:		
Cash at banks	<u>1,605,032</u>	<u>2,469,203</u>

Pan European Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

1. GENERAL INFORMATION

Pan European Property Equities (the “Fund”) was established pursuant to a Deed dated 29 January 2007 as amended by Deeds supplemental thereto (the “Deeds”), between AmFunds Management Berhad as the Manager, AmanahRaya Trustees Berhad as the Trustee and all unit holders.

The Fund was set up with the objective of providing investors with long term capital appreciation by investing in the Luxembourg-based Janus Henderson Horizon Pan European Property Equities Fund (“Target Fund”) which invests primarily in quoted equity securities of companies or Real Estate Investment Trusts (“REITs”) having their registered office in the European Economic Area listed or traded on a regulated market which derive the main part of their revenue from the ownership, management and/or development of real estate in Europe. Being a feeder fund, a minimum of 85% of the Fund’s NAV will be invested in the Target Fund, which is a separate unit trust fund managed by Henderson Management S.A. (“Target Fund Manager”). As provided in the Deeds, the financial year shall end on 31 May and the units in the Fund were first offered for sale on 6 March 2007.

The financial statements were authorised for issue by the Manager on 21 July 2025.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Fund have been prepared on a historical cost basis, except as otherwise stated in the accounting policies and comply with Malaysian Financial Reporting Standards (“MFRS”) as issued by the Malaysian Accounting Standards Board (“MASB”) and International Financial Reporting Standards (“IFRS”).

Standards effective during the financial year

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

Description	Effective for financial periods beginning on or after
Amendments to MFRS 16 <i>Leases: Lease Liability in a Sale and Leaseback*</i>	1 January 2024
Amendments to MFRS 101 <i>Presentation of Financial Statements: Non-Current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 <i>Statement of Cash Flows</i> and MFRS 7 <i>Financial Instruments: Disclosures: Supplier Finance Arrangements</i>	1 January 2024

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2025**

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

Standards issued but not yet effective

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

Description	Effective for financial periods beginning on or after
Amendments to MFRS 121 <i>The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 <i>Financial Instruments</i> and MFRS 7 <i>Financial Instruments: Disclosures: Amendments to the Classifications and Measurement of Financial Instruments</i>	1 January 2026
Amendments that are part of Annual Improvements - Volume 11: Amendments to MFRS 1 <i>First-time Adoption of Malaysian Financial Reporting Standards</i>	1 January 2026
Amendments to MFRS 7 <i>Financial Instruments: Disclosures</i>	
Amendments to MFRS 9 <i>Financial Instruments</i>	
Amendments to MFRS 10 <i>Consolidated Financial Statements</i> *	
Amendments to MFRS 107 <i>Statement of Cash Flows</i>	
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i> *	1 January 2027
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 ACCOUNTING POLICIES

3.1 Income recognition

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

(i) Distribution income

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2025**

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

3.1 Income recognition (cont'd.)

(ii) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

(iii) Gain or loss on disposal of investment

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

3.2 Income tax

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

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

3.3 Functional and presentation currency

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

3.4 Foreign currency transactions

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

3.5 Statement of cash flows

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2025**

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

3.6 Distribution

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

3.7 Unit holders' capital

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

3.8 Financial instruments – 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 MAY 2025**

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

3.9 Financial assets

Classification and measurement

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

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

Financial assets at amortised cost

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

Financial assets at FVOCI

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

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

Financial assets at FVTPL

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2025**

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

3.9 Financial assets (cont'd.)

Classification and measurement (cont'd.)

The Fund may classify its financial assets under the following categories: (cont'd.)

Financial assets at FVTPL (cont'd.)

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

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

3.10 Financial liabilities – classification and subsequent measurement

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

3.11 Derecognition of financial instruments

(i) Derecognition of financial asset

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

- the rights to receive cash flows from the asset have expired, or
- the Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either:
 - the Fund has transferred substantially all the risks and rewards of the asset, or
 - the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2025**

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

3.11 Derecognition of financial instruments (cont'd.)

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

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

(ii) Derecognition of financial liability

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

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

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

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

3.13 Determination of fair value

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

3.14 Classification of realised and unrealised gains and losses

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2025**

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

3.14 Classification of realised and unrealised gains and losses (cont'd.)

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

3.15 Significant accounting estimates and judgments

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

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

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

4. INVESTMENT

	2025	2024
	RM	RM
Financial asset at FVTPL		
At cost:		
Foreign CIS	<u>19,516,973</u>	<u>20,676,628</u>
At fair value:		
Foreign CIS	<u>18,568,792</u>	<u>21,315,168</u>

Pan European Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

4. INVESTMENT (CONT'D.)

Foreign CIS	Number of units	Fair value RM	Purchased cost RM	Fair value as a percentage of NAV %
2025				
Janus Henderson Horizon Pan European Property Equities Fund ("Target Fund")	104,493	18,568,792	19,516,973	91.95
Shortfall of fair value over purchased cost		(948,181)		

5. AMOUNT DUE TO MANAGER

	Note	2025 RM	2024 RM
Due to Manager			
Cancellation of units	(i)	31,970	120,615
Manager's fee payable	(ii)	4,170	4,725
		36,140	125,340

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

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

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

	2025 % p.a.	2024 % p.a.
Manager's fee charged by the Target Fund Manager, on the NAV of the Target Fund	1.70	1.70
Manager's fee charged by the Manager, on the NAV of investment in the Target Fund (Note a)	0.10	0.10
Manager's fee charged by the Manager, on the remaining NAV of the Fund (Note a)	1.80	1.80

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

Pan European Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

5. AMOUNT DUE TO MANAGER (CONT'D.)

- (ii) As the Fund is investing in the Target Fund, the Manager's fee was charged as follows: (cont'd.)

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

6. AMOUNT DUE TO TRUSTEE

Trustee's fee is at a rate of 0.07% (2024: 0.07%) per annum on the NAV of the Fund, calculated on a daily basis.

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

7. NET (LOSS)/GAIN FROM INVESTMENT

	2025 RM	2024 RM
Net (loss)/gain on financial assets at FVTPL comprised:		
– Net realised losses on sale of investment	(284,253)	(517,054)
– Net realised gains on foreign currency exchange	39,079	348,473
– Net unrealised (loss)/gain on changes in fair value of investment	(291,740)	4,898,537
– Net unrealised (loss)/gain on foreign currency fluctuation of investment denominated in foreign currency	(1,294,981)	645,584
	<u>(1,831,895)</u>	<u>5,375,540</u>

8. TOTAL EQUITY

Total equity is represented by:

	Note	2025 RM	2024 RM
Unit holders' capital	(a)	220,450,458	222,182,224
Accumulated losses			
– Realised losses	(b)	(199,307,092)	(199,193,527)
– Unrealised (loss)/gain	(c)	(948,181)	638,540
		<u>20,195,185</u>	<u>23,627,237</u>

Pan European Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

8. TOTAL EQUITY (CONT'D.)

(a) Unit holders' capital/Units in circulation

	2025		2024	
	Number of units	RM	Number of units	RM
At beginning of the financial year	20,121,173	222,182,224	23,418,260	225,729,941
Creation during the financial year	2,343,565	2,477,445	1,960,834	2,065,509
Reinvestment of distribution	337,697	388,926	-	-
Cancellation during the financial year	(4,274,754)	(4,598,137)	(5,257,921)	(5,613,226)
At end of the financial year	<u>18,527,681</u>	<u>220,450,458</u>	<u>20,121,173</u>	<u>222,182,224</u>

(b) Realised

	2025 RM	2024 RM
At beginning of the financial year	(199,193,527)	(199,579,537)
Net realised income for the financial year	275,361	386,010
Distribution out of realised income (Note 11)	(388,926)	-
At end of the financial year	<u>(199,307,092)</u>	<u>(199,193,527)</u>

(c) Unrealised

	2025 RM	2024 RM
At beginning of the financial year	638,540	(4,905,581)
Net unrealised (loss)/gain for the financial year	(1,586,721)	5,544,121
At end of the financial year	<u>(948,181)</u>	<u>638,540</u>

9. SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES

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

Related parties

AmFunds Management Berhad
AmInvestment Bank Berhad
AMMB Holdings Berhad ("AMMB")
Subsidiaries and associates of AMMB
as disclosed in its financial statements

Relationships

The Manager
Holdings company of the Manager
Ultimate holding company of the Manager
Subsidiaries and associate companies of the
ultimate holding company of the Manager

Pan European Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

9. SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES (CONT'D.)

There are no units held by the Manager or any other related party as at 31 May 2025 and 31 May 2024.

10. TAXATION

	2025 RM	2024 RM
Local tax		
- current tax	-	201,659
- under provision in previous year	-	498
	<u>-</u>	<u>202,157</u>

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

Pursuant to the Finance Act 2021, income derived by a resident person from sources outside Malaysia and received in Malaysia from 1 January 2022 will no longer be exempted from tax. Foreign-sourced income ("FSI") received in Malaysia will be taxed at the prevailing tax rate(s) of the taxpayer and based on applicable tax rules. Bilateral or unilateral tax credits may be allowed if the same income has suffered foreign tax, and where relevant conditions are met.

Based on the Income Tax (Unit Trust in relation to Income received in Malaysia from Outside Malaysia) (Exemption) Order 2024, a qualifying unit trust is exempted from the payment of income tax in respect of the gross income from all sources of income under section 4 of the Act which is received in Malaysia from outside Malaysia between 1 January 2024 to 31 December 2026.

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

	2025 RM	2024 RM
Net (loss)/income before taxation	<u>(1,311,360)</u>	<u>6,132,288</u>
Taxation at Malaysian statutory rate of 24% (2024: 24%)	(314,726)	1,471,749
Tax effects of:		
Income not subject to tax	(166,907)	(1,417,011)
Losses not allowed for tax deduction	460,309	129,073
Restriction on tax deductible expenses	13,017	9,712
Non-permitted expenses for tax purposes	6,861	8,136
Permitted expenses not used and not available for future financial year	1,446	-
Under provision in prior year	-	498
Tax expense for the financial year	<u>-</u>	<u>202,157</u>

Pan European Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

11. DISTRIBUTION

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

Financial year ended 31 May 2025

Distribution Ex-date	Gross distribution per unit RM (sen)	Net distribution per unit RM (sen)	Total distribution RM
16 July 2024	2.9423	1.9305	388,926

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

The distribution declared for the financial year ended 31 May 2025 was proposed before taking into account the net unrealised loss of RM1,586,721 arising during the financial year which is carried forward to the next financial year.

The distribution during the current financial year was sourced from realised income. There was no distribution out of capital.

12. TOTAL EXPENSE RATIO ("TER")

The Fund's TER is as follows:

	2025 % p.a.	2024 % p.a.
Manager's fee	0.25	0.16
Trustee's fee	0.07	0.07
Fund's other expenses	0.11	0.11
Total TER	0.43	0.34

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

13. PORTFOLIO TURNOVER RATIO ("PTR")

The PTR of the Fund, which is the ratio of average total acquisitions and disposals of investment to the average NAV of the Fund calculated on a daily basis, is 0.11 times (2024: 0.13 times).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2025**

14. SEGMENTAL REPORTING

As stated in Note 1, the Fund is a feeder fund whereby a minimum of 85% of the Fund's NAV will be invested in the Target Fund.

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

15. TRANSACTIONS WITH THE TARGET FUND MANAGER

Details of transactions with the Target Fund Manager for the financial year ended 31 May 2025 are as follows:

Target Fund Manager	Transactions value	
	RM	%
Henderson Management S.A.	4,557,171	100.00

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

16. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

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

	Financial asset at FVTPL RM	Financial asset at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
2025				
Financial assets				
Investment	18,568,792	-	-	18,568,792
Cash at banks	-	1,605,032	-	1,605,032
Total financial assets	18,568,792	1,605,032	-	20,173,824
Financial liabilities				
Amount due to Manager	-	-	36,140	36,140
Amount due to Trustee	-	-	1,168	1,168
Total financial liabilities	-	-	37,308	37,308

Pan European Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

16. FINANCIAL INSTRUMENTS (CONT'D.)

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

	Financial asset at FVTPL RM	Financial asset at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
2024				
Financial assets				
Investment	21,315,168	-	-	21,315,168
Cash at banks	-	2,469,203	-	2,469,203
Total financial assets	21,315,168	2,469,203	-	23,784,371
Financial liabilities				
Amount due to Manager	-	-	125,340	125,340
Amount due to Trustee	-	-	1,395	1,395
Total financial liabilities	-	-	126,735	126,735

	Income, expenses, gains and losses	
	2025 RM	2024 RM
Income, of which derived from:		
– Distribution income from financial assets at FVTPL	647,168	854,022
– Interest income from financial assets at amortised cost	9,199	2,337
Net (loss)/gain from financial assets at FVTPL	(1,831,895)	5,375,540
Other net realised losses on foreign currency exchange	(46,979)	(20,749)

(b) Financial instruments that are carried at fair value

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

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

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2025**

16. FINANCIAL INSTRUMENTS (CONT'D.)

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

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

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2025				
Financial assets at FVTPL	-	18,568,792	-	18,568,792
2024				
Financial assets at FVTPL	-	21,315,168	-	21,315,168

(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:

- Cash at banks
- Amount due to Manager
- Amount due to Trustee

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

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2025**

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

(a) Market risk (cont'd.)

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

(i) Price risk

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

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

Percentage movements in price by:	Sensitivity of the Fund's NAV	
	2025 RM	2024 RM
-5.00%	(928,440)	(1,065,758)
+5.00%	928,440	1,065,758

(ii) Interest rate risk

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

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

(iii) Currency risk

Currency risk is associated with the Fund's financial assets and financial 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.

Pan European Property Equities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

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

(a) Market risk (cont'd.)

(iii) Currency risk (cont'd.)

Percentage movements in currencies other than the Fund's functional currency:	Sensitivity of the Fund's NAV	
	2025 RM	2024 RM
-5.00%	(932,747)	(1,065,886)
+5.00%	932,747	1,065,886

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

Financial assets denominated in Euro	2025	% of NAV	2024	% of NAV
	RM equivalent		RM equivalent	
Investment	18,568,792	91.95	21,315,168	90.21
Cash at bank	86,149	0.43	2,553	0.01
	<u>18,654,941</u>	<u>92.38</u>	<u>21,317,721</u>	<u>90.22</u>

(b) Credit risk

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2025**

17. 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 assets. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its financial liabilities or redeem its units earlier than expected. This is also the risk of the Fund experiencing large redemptions, when the Investment Manager could be forced to sell large volumes of its holdings at unfavorable prices to meet redemption requirements.

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

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

(d) Single issuer risk

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

(e) Regulatory risk

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

(f) Country risk

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

(g) Management risk

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2025**

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

(h) Non-compliance risk

This is the risk of the Manager or the Trustee not complying with the respective internal policies, the Deeds, securities laws or guidelines issued by the regulators relevant to each party, which may adversely affect the performance of the Fund.

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

18. CAPITAL MANAGEMENT

The capital of the Fund can vary depending on the demand for creation and cancellation of units to the Fund.

The Fund's objectives for managing capital are:

- (a) To invest in investments meeting the description, risk exposure and expected return indicated in its Prospectus;
- (b) To maintain sufficient liquidity to meet the expenses of the Fund, and to meet cancellation requests as they arise; and
- (c) To maintain sufficient fund size to make the operations of the Fund cost-efficient.

No changes were made to the capital management objectives, policies or processes during the current and previous financial years.

Pan European Property Equities

STATEMENT BY THE MANAGER

I, Wong Weng Tuck, 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 MFRS Accounting Standards and IFRS Accounting Standards so as to give a true and fair view of the financial position of Pan European Property Equities (the “Fund”) as at 31 May 2025 and of the comprehensive income, the changes in equity and cash flows for the financial year then ended.

For and on behalf of the Manager

WONG WENG TUCK

Executive Director

Kuala Lumpur, Malaysia

21 July 2025

TRUSTEE'S REPORT

To the unit holders of **PAN EUROPEAN PROPERTY EQUITIES** ("Fund"),

We have acted as Trustee of the Fund for the financial year ended 31 May 2025 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AMFUND MANAGEMENT BERHAD has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirements.

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

For **AMANAHRAYA TRUSTEES BERHAD**

ZAINUDIN BIN SUHAIMI

Chief Executive Officer

Date: 15 July 2025

DIRECTORY

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

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

