



**ASIA PACIFIC  
INTERNET  
DEVELOPMENT  
TRUST**

# APIDT ANNUAL REPORT 2024

May 2025

# Annual Report 2024

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# 1 Introduction

The APIDT Annual Report 2024 provides a comprehensive overview of the funding activities, revenue, and expenses for APIDTT Pty Ltd (ACN 638 389 072) ATF for Asia Pacific Internet Development Trust, including its subsidiaries, APIDT Infrastructure Pty Ltd (ACN 644 451 150) and ARENA-PAC Research incorporated in Japan. This report covers the calendar year from January to December 2024.

**Funding Activities:** The report highlights significant investments to support and enhance ARENA-PAC, a regional Internet infrastructure project undertaken by APIDT Infrastructure; as well as grant funding for other regional Internet development projects managed by the APNIC Foundation<sup>1</sup>.

**Income:** The majority of the income reported is generated by APIDT's investment portfolio, including distributions, dividends and increases in the market value of the funds invested. The investment portfolio is managed in line with [APIDT's Investment Policy Statement](#), with advice from the APIDT Investment Advisory Committee (IAC).

**Expenses:** The report details all expenses related to the operations of APIDT and its controlled entities.

The **APIDT Annual Report 2024** aims to provide stakeholders with a clear and detailed understanding of the financial performance and strategic initiatives undertaken by APIDT during the year.

## 2 Funding Activities

### 2.1 ARENA-PAC

The Arterial Research and Educational Network in the Asia Pacific (ARENA-PAC<sup>2</sup>) is a backbone network providing capacity and redundancy in support of RENs (research and education networks) in the region. ARENA-PAC is operated by APIDT Infrastructure, a subsidiary company of APIDT.

ARENA-PAC comprises several international submarine cable circuits (mostly 100Gbps) meeting at the GOREX<sup>3</sup> Internet Exchange Point in Guam and connecting with RENs in various economies (detailed below). ARENA-PAC is also a signatory to the MoU which establishes APONET<sup>4</sup>, the Asia Pacific Oceania NETWORK, a trans-Pacific collaboration to improve high-speed REN services in the Asia Pacific Oceania region.

#### 2.1.1 Guam – Tokyo

A 15-year Indefeasible Rights of Use (IRU) agreement was signed with IPS in January 2021 for a 100Gb circuit between GOREX and the NTT Otemachi (Honkan) site in Tokyo. The outlays for this

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<sup>1</sup> <https://apnic.foundation>

<sup>2</sup> <https://arena-pac.net>

<sup>3</sup> <https://gorex.uog.edu>

<sup>4</sup> <https://www.aponet.global>

link include a one-time IRU Fee (amortised over the life of the agreement), and ongoing operations, administration, and maintenance (OA&M) charges over 15 years. The circuit became active from April 2022.

In October 2022, the Tokyo end of this link was relocated from NTT Otemachi to Equinix TY4, also in Otemachi.

### 2.1.2 Guam – Singapore

In December 2021, ARENA-PAC joined a consortium with Internet2, Indiana University, AARNet, SingAREN and University of Hawaii, for a shared connection between Guam and Singapore. A 15-year IRU agreement was signed to provide connectivity between GOREX and SingAREN.

The outlays for this link include an IRU Fee (one-time, amortised over 15 years), and ongoing OA&M charges over 15 years; with APIDT contributing a 25% share of these fees. This link went live in January 2022.

### 2.1.3 Guam – Indonesia

A 15-year IRU agreement was signed with Telin Indonesia in August 2022, to provide connectivity between GOREX and IDREN in Malang, Indonesia. The link became active in February 2023.

### 2.1.4 Guam – Philippines

A 15-year IRU agreement was signed in January 2023 to provide connectivity between GOREX and Quezon City in the Philippines. The outlays for this link include an IRU Fee (one-time, amortised), and ongoing OA&M charges over 15 years. The link became active in April 2023.

Total ARENA-PAC Funding activities in 2024 are provided in Table 1 below.

## 2.2 APNIC Foundation

The APNIC Foundation (ACN 646 643 156) shares a common vision with APNIC of “a global, open, stable, and secure Internet that serves the entire Asia Pacific community”. Under this vision, the Foundation’s mission is to increase investment in Internet development in the region, through education and training, human capacity building, community development, research, and related projects and activities.

In 2024, APIDT allocated funding to the APNIC Foundation for 12 major projects, with a total approved grant amount of USD \$10,615,878. The unspent funds of USD 308,368 from the 2023 grant-funded projects was returned to APIDT following the final reconciliation. Consequently, the net funding to the APNIC Foundation in 2024 amounts to USD \$10,307,510.

The approved funding for the APNIC Foundation Grant program in 2024 comprised the following projects. Individual project costs are provided in Table 1 below.

- APNIC Academy Platform and Curriculum Development
- Training delivery and Community Trainers
- Curriculum development for non-technical audiences
- Cybersecurity: Honeynet and threat sharing
- M-Root deployment

- Research and Internet Measurement
- ISIF Asia (Incl. IPv6)
- Foundation Community Assistance
- SWITCH!
- Digital Leap South Asia
- Trust Discretionary Fund
- AI3 and SOI Asia

## 2.3 APIDT Property

In early 2022, APIDT entered into an agreement to purchase a commercial property. A significant project was initiated to demolish the existing building and design a purpose built commercial office that would meet the needs of APIDT, APNIC, and the APNIC Foundation as tenants. However, prior to tendering, a costing review revealed substantial cost increases. Additionally, changes in the short-to-medium term requirements for the anchor tenants led the APIDT board to re-evaluate the project. As a result, the building project has been deferred indefinitely, and contracts with consultants have been terminated as of 2024.

## 3 Income

During 2024, the value of the APIDT investment portfolio recorded a significant positive return. Markets finished the year on a strong note as global bonds and equities rallied with the expectation of cooling inflation and forecast interest rate cuts in the United States.

The IAC was established in 2021 to provide expert advice to the APIDT Board in relation to the strategy and management of the investment portfolio, and during 2024 the IAC helped develop an Investment Policy Statement to guide future investment decisions. This policy was approved by the APIDT Board in September 2022 and the funds are now invested into two portfolios: a liquidity portfolio to meet shorter term expenditure, and an endowment portfolio with a longer-term investment horizon.

At the end of December 2024, the Investment Fund was valued at USD \$369,998,172.

## 4 Expenses

### 4.1 Funding Expenses

APIDT funding expenses are detailed in Table 2 below:

#### 4.1.1 Grants - APNIC Foundation

Grant funding was provided for 12 projects undertaken by the APNIC Foundation during 2024.

## 4.1.2 APIDT Infrastructure

### 4.1.2.1 IRU Operating & Management Fees

Fees incurred for the ongoing operations and management pursuant to the long term IRU agreements.

### 4.1.2.2 IRU Amortisation of Investments

Upfront investments relating to IRU agreements are treated as investments in APIDT Infrastructure and are amortised over the life of each agreement (generally 15 years).

## 4.1.3 ARENA-PAC Research Japan

Funding for the new service company incorporated in Tokyo to undertake ARENA-PAC Research activities during 2024 on a cost recovery basis.

## 4.1.4 Depreciation Expenses ARENA-PAC Equipment

Equipment installed in Tokyo, Guam, Indonesia, and Philippines is depreciated over a five-year useful life.

## 4.2 Operating Expenses

APIDT operating expenses are included in Table 2 below:

### 4.2.1 Accounting Fees

APIDT has engaged Ernst & Young Australia to provide a full range of accounting and payroll services. KPMG have been appointed as APIDT auditors.

APIDT's financial accounts for the period 1 January to 31 December 2024, were audited by KPMG (please see attached).

### 4.2.2 Insurance Expenses

APIDT insurance expenses include Property, Management Liability, Public Liability, and Travel Insurances for all entities. Equipment insurance is in place to cover the assets as they are installed to support the ARENA-PAC network.

### 4.2.3 Legal Fees

APIDT maintains the services of a Legal Counsel on a retainer basis and engages specialist legal advisors as required to support its operations and initiatives.

### 4.2.4 Staffing & Professional Fees

Staffing expenses include provisions for the CFO role and contracted support provided by the Financial Controller, and the new Internet Development Project Lead role which commenced from November 2023. The increase in resources reflects the growth of APIDT's operational activities and the need for redundancy for key operational roles. Other professional fees include the professional advice to support the ARENA-PAC initiatives and APIDT Operations.

#### 4.2.5 Travel Expenses

Travel expenses include travel for APIDT Directors, Staff and Consultants travelling on behalf of APIDT to meetings and conferences as required.

#### 4.2.6 Building and Other Operating Expenses

During 2024, some building holding costs including Rates & Taxes, Security and several maintenance expenses were incurred.

#### 4.2.7 Investment Management Fees

Commencing at the end of April 2021, APIDT engaged the services of investment managers to manage its investment portfolio.

## 5 Appendices

### 5.1 Table 1. Funding Activities 2024

Funding Activities		2024 USD	Budget 2024 USD	2024 Var to Budget	% Variance
<b>APIDT Infrastructure</b>					
ARENA-PAC IRU Agreements	Upfront	-	2,000,000	(2,000,000)	(100%)
	Ongoing	544,433	660,463	(116,030)	(18%)
	<b>Total</b>	<b>544,433</b>	<b>2,660,463</b>	<b>(2,116,030)</b>	<b>(80%)</b>
<b>ARENA-PAC Research Japan</b>					
ARENA-PAC Research Japan Operations and Equipment	Upfront	-	566,667	(566,667)	(100%)
	ARENA-PAC Research Japan Operating Expenses	321,619	340,933	(19,315)	(6%)
	<b>Total</b>	<b>321,619</b>	<b>907,600</b>	<b>(585,981)</b>	<b>(65%)</b>
Total ARENA-PAC Funding	One-Time charges	-	2,566,667	(2,566,667)	(100%)
	Ongoing fees	866,051	1,001,396	(135,345)	(14%)
	<b>Total</b>	<b>866,051</b>	<b>3,568,063</b>	<b>(2,702,012)</b>	<b>(76%)</b>
* Upfront costs of IRU to be amortised over the life of the agreement					
<b>APNIC FOUNDATION GRANTS</b>					
	APNIC Academy Platform and Curriculum Development	913,607	979,468	(65,861)	
	Training Delivery & Community Trainers	1,280,416	1,106,167	174,249	
	Cybersecurity: Honeynet and threat sharing	49,717	46,900	2,817	
	M-Root Deployment	130,376	504,227	(373,851)	
	Research and Internet Measurement	70,292	174,401	(104,109)	
	ISIF Asia	2,293,120	2,396,641	(103,521)	
	Foundation Community Assistance	296,912	302,308	(5,396)	
	SWITCH!	751,111	1,010,704	(259,593)	
	Digital Leap South Asia	263,059	263,780	(721)	
	Trust Discretionary Fund	548,210	250,000	298,210	
	AI3 & SOI Asia	2,320,142	2,482,505	(162,363)	
	Overhead	1,344,457	1,434,783	(90,325)	
<b>Total Foundation Grants</b>		<b>10,307,510</b>	<b>11,000,000</b>	<b>(692,490)</b>	<b>(6%)</b>
<b>Total Funding Activities</b>		<b>11,173,561</b>	<b>14,568,063</b>	<b>(3,394,502)</b>	<b>(23%)</b>

- The specific purpose for which the special purpose financial information has been prepared is to provide information relating to the performance and financial position of the Trust that satisfies the information needs of the Board.
- No audit or review has been performed and accordingly no assurance is expressed. The financial information was prepared exclusively for the Trustees.
- For a better understanding of APIDT's financial position and performance, as represented by the results of its operations for the financial year ended 31 December 2024, the performance and financial position, should be read in conjunction with the audit report contained therein.



## 5.2 Table 2. Income Statement 2024

Income		2024 USD	Budget 2024 USD	2024 Var to Budget	% Variance
Investment Income	Interest Income	4,666,783	1,747,215	2,919,568	167%
	Investment Dividend Income	2,189,967	1,070,777	1,119,190	105%
	Gain/ (Loss) from Market Value Adjustments	18,245,513	13,726,322	4,519,191	33%
	Unrealised Foreign Currency Gains/ (Loss)	(1,557,130)	-	(1,557,130)	n/a
	Realised Foreign Currency Gains	(87,579)	-	(87,579)	n/a
	Less: Investment Management Fees	(827,943)	(867,055)	39,112	(5%)
	Less: Interest paid	(18,064)	-	(18,064)	n/a
Total Investment Income after fees		22,611,547	15,677,259	6,934,288	44%
Expenses		2024 USD	Budget 2024 USD	2024 Var to Budget	% Variance
Funding Expenses	Grants - APNIC Foundation	10,307,510	11,000,000	(692,490)	(6%)
	APIDT Infrastructure - IRU Operating & Management Fees	509,275	660,463	(151,188)	(23%)
	APIDT Infrastructure - IRU Amortisation of Investments	412,320	523,433	(111,113)	(21%)
	ARENA-PAC Research Japan Operating Expenses	321,619	340,933	(19,315)	(6%)
	Depreciation Expenses - ARENA-PAC Equipment	197,763	874,637	(676,874)	(77%)
Total Funding Expenses		11,748,487	13,399,466	(1,650,980)	(12%)
Operating Expenses	Accounting Fees	134,681	144,367	(9,686)	(7%)
	Building Operating Expenses	196,131	194,567	1,565	1%
	Insurance Expenses	32,918	53,492	(20,574)	(38%)
	Legal Fees	121,381	174,527	(53,146)	(30%)
	Staffing & Professional Fees	531,589	580,622	(49,032)	(8%)
	Travel Expenses	154,382	175,000	(20,618)	(12%)
	Other Operating Expenses	46,106	30,000	16,106	54%
Total Operating Expenses		1,217,190	1,352,575	(135,385)	(10%)
Total Funding and Operating Expenses		12,965,676	14,752,041	(1,786,365)	(12%)
Surplus/(Deficit)		9,645,870	925,217	8,720,653	943%

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