

# Principal Asia Pacific Dynamic Income Fund

Annual Report

For The Financial Year Ended 31 March 2023

**PRINCIPAL ASIA PACIFIC DYNAMIC INCOME FUND**  
**ANNUAL REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

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## INVESTORS' LETTER

Dear Valued Investor,

Greetings from Principal Asset Management Berhad ("Principal Malaysia") and thank you for investing with us!

We are pleased to share that we continue to win accolades – the most recent recognition coming from the Refinitiv Lipper Fund Awards 2023 with five awards where Principal Asia Titans Fund won Best Equity Asia Pacific ex-Japan (Provident) in the 10-year category, while Principal Islamic Asia Pacific Dynamic Equity won the same award in the Islamic universe in the three-, five- and 10-year categories. Principal Global Titans MYR won the Best Equity Global (Malaysia) award in the five-year category.

Digital innovation is central to our strategy, as we use data and technology to develop the right solutions for you. We will continue to advance our digital capabilities to provide easy access to your investment portfolio and enable you to carry out transactions seamlessly. Please continue to check out our website ([www.principal.com.my](http://www.principal.com.my)), like our Facebook page (@PrincipalAssetMY), follow us on our Instagram account (@principalassetmanagement\_my), and LinkedIn page (Principal Asset Management Berhad) for the latest updates, market insights and investment articles.

We appreciate your continuous support and the trust you place in us.

Yours faithfully,  
for **Principal Asset Management Berhad**

**Munirah Khairuddin**  
Chief Executive Officer

**MANAGER'S REPORT****FUND OBJECTIVE AND POLICY****What is the investment objective of the Fund?**

The Fund aims to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long term.

**Has the Fund achieved its objective?**

For the financial year under review, the Fund did not achieve its investment objective. However, over the medium to long term, the Fund has achieved its objective of capital appreciation and providing regular income by investing in Asia Pacific ex-Japan region.

**What are the Fund's investment policy and principal investment strategy?**

The Fund will be managed with the aim of achieving a stable and positive investment returns over the medium to long term through investments in Asia Pacific ex Japan, i.e. companies that are domiciled in, listed in, and/or have significant operations in the Asia Pacific ex Japan region. For listed securities, the investment must be traded in an exchange that is a member of World Federation of Exchanges ("WFE"). 'Significant operations' means major businesses of the company. For example, the Fund can invest in a company with significant business/operations in Thailand but listed on the New York Stock Exchange ("NYSE"). The threshold for 'significant operations' would be if more than 25% of total group revenue is derived from countries in the Asia Pacific ex Japan region. The calculation would be based on the most recent financial reports released by the companies (e.g. interim and annual reports). The term "medium to long term" refers to a period of three (3) years and more. With effect from 31 March 2021, the Fund may also invest up to 20% of its NAV in companies that are listed globally with some business/operations within the Asia Pacific ex Japan region to capture growth opportunities.

Under general market conditions, the Fund's investment will focus on high dividend yielding equities of companies, which the Sub-Manager believes will offer attractive yields\*, sustainable dividend payments and/or will exhibit above average growth potential when compared to its industry or the overall market at the point of purchase. In addition, the Fund may also invest in companies with good growth potential^, which the Sub-Manager foresees may adopt a strong dividend payout# policy. The Fund may also invest up to 20% of the Fund's Net Asset Value ("NAV") in debt securities to be in line with the Fund's objective. The Fund's investments in debt securities will generally be restricted to debt securities with a minimum credit rating of "BBB" by an international rating agency as prescribed under the Standard of Qualifying collective investment scheme or its equivalent rating by other international rating agencies. The Fund may also opt to access into the equities and/or debt securities market via the investment in units of other collective investment scheme that is in line with the Fund's objectives, subject to the requirements of the Guidelines on Unit Trust Funds ("GUTF") issued by the SC and the Standards of Qualifying collective investment scheme.

The asset allocation strategy for this Fund is as follows:

- between 60% to 98% (both inclusive) of the Fund's NAV will be invested in equities;
- up to 20% of the Fund's NAV may be invested in debt securities;
- up to 20% of the Fund's NAV may be invested in units of other CIS that is in line with the Fund's objectives; and
- at least 2% of its NAV will be invested in liquid assets for liquidity purpose.

\* Higher than the average equity yields in the respective country.

^ Companies that have a better growth than the gross domestic products ("GDP") of the respective country and reasonably priced based on our estimate. Reasonably priced means when the intrinsic value is higher than the current market price.

# Higher than the average dividend yields of companies in the respective country.

**Base Currency**

US Dollar ("USD")

**Fund category/type**

Equity/Income & Growth

## FUND OBJECTIVE AND POLICY (CONTINUED)

### When was the Fund launched?

Name of Class	Launch Date
Class MYR	25 April 2011
Class SGD	9 September 2015
Class USD	9 September 2015
Class D	28 April 2023

### What was the size of the Fund as at 31 March 2023?

USD1,057.41 million (19,251.38 million units)

### What is the Fund's benchmark?

The performance of this Fund cannot be compared directly with any specific publicly available benchmark. However, the Fund has a target return of eight percent (8%) per annum.

This is not a guaranteed return and is only a measurement of the Fund's performance. The Fund may not achieve the target return in any particular financial year but targets to achieve this growth over the medium to long term.

### What is the Fund's distribution policy?

Depending on the level of income (if any) the respective Class generates, the Class aims to distribute part or all of its distributable income on a quarterly basis.

### What was the net income distribution for the financial year ended 31 March 2023?

The Fund distributed a total net income of USD33.92 million to unit holders for the financial year ended 31 March 2023.

The Fund's NAV per unit before and after distributions were as follows:

Date	NAV per unit (before distribution) USD	NAV per unit (after distribution) USD
Distribution on 26 April 2022		
Class MYR	0.0533	0.0529
Class SGD	0.5706	0.5661
Class USD	0.8174	0.8109
Distribution on 25 July 2022		
Class MYR	0.0500	0.0496
Class SGD	0.5352	0.5312
Class USD	0.7667	0.7609
Distribution on 19 October 2022		
Class MYR	0.0437	0.0433
Class SGD	0.4691	0.4653
Class USD	0.6718	0.6664
Distribution on 19 January 2023		
Class MYR	0.0509	0.0505
Class SGD	0.5467	0.5428
Class USD	0.7831	0.7776

Breakdown of distribution were as follows:

	USD	%
Income	33,920,707	100.00
Capital	-	-
Total	33,920,707	100.00

## PERFORMANCE DATA

Details of portfolio composition of the Fund for the last three financial years were as follows:

	31.03.2023	31.03.2022	31.03.2021
	%	%	%
Quoted securities			
- Communication Services	9.39	10.25	5.30
- Consumer Discretionary	14.74	8.40	8.63
- Consumer Staples	4.71	-	1.04
- Energy	8.96	9.77	4.78
- Financials	14.97	15.11	15.60
- Health Care	4.34	6.41	4.75
- Industrials	9.17	9.75	13.05
- Information Technology	16.45	24.12	26.55
- Materials	5.94	6.05	10.77
- Real Estate	5.76	3.22	1.21
- Utilities	0.59	1.01	3.36
Cash and other assets	5.77	7.47	5.92
Liabilities	(0.79)	(1.56)	(0.96)
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

Performance details of the Fund for the last three financial years were as follows:

	31.03.2023	31.03.2022	31.03.2021
NAV (USD Million)			
- Class MYR	928.05	1,063.74	1,060.29
- Class SGD	46.99	55.46	59.86
- Class USD	82.37	112.43	119.00
Units in circulation (Million)			
- Class MYR	19,051.71	18,545.73	16,622.59
- Class SGD	89.79	90.42	88.00
- Class USD	109.88	127.97	122.12
NAV per unit (USD)			
- Class MYR	0.0487	0.0573	0.0637
- Class SGD	0.5233	0.6133	0.6802
- Class USD	0.7496	0.8785	0.9744
Highest NAV per unit (USD)			
- Class MYR	0.0580	0.0659	0.1075
- Class SGD	0.6201	0.7044	1.1467
- Class USD	0.8883	1.0090	1.6428
Lowest NAV per unit (USD)			
- Class MYR	0.0419	0.0520	0.0599
- Class SGD	0.4495	0.5560	0.6394
- Class USD	0.6438	0.7965	0.9160
Total return (%)			
- Class MYR	(7.89)	(6.29)	55.21
- Class SGD	(13.55)	(6.67)	52.66
- Class USD	(12.01)	(7.32)	62.21
Capital growth (%)			
- Class MYR	(10.83)	(8.71)	50.92
- Class SGD	(16.17)	(9.19)	48.45
- Class USD	(14.67)	(9.83)	57.76

**PERFORMANCE DATA (CONTINUED)**

Performance details of the Fund for the last three financial years were as follows: (continued)

	31.03.2023	31.03.2022	31.03.2021
Income distribution (%)			
- Class MYR	3.29	2.65	2.84
- Class SGD	3.12	2.77	2.84
- Class USD	3.12	2.78	2.83
Total Expense Ratio ("TER") (%)	1.86	1.86	1.85
Portfolio Turnover Ratio ("PTR") (times) #	0.59	0.56	0.99

# The Fund's PTR increased from 0.56 times to 0.59 times due to more trading activities during the financial year under review.

	31.03.2023	31.03.2022	31.03.2021
<b>Gross/Net distribution per unit (cent)</b>			
Distribution on 26 April 2022			
- Class MYR	0.04	-	-
- Class SGD	0.45	-	-
- Class USD	0.65	-	-
Distribution on 25 July 2022		-	-
- Class MYR	0.04	-	-
- Class SGD	0.40	-	-
- Class USD	0.58	-	-
Distribution on 19 October 2022		-	-
- Class MYR	0.04	-	-
- Class SGD	0.38	-	-
- Class USD	0.54	-	-
Distribution on 19 January 2023		-	-
- Class MYR	0.04	-	-
- Class SGD	0.39	-	-
- Class USD	0.55	-	-
Distribution on 21 April 2021			
- Class MYR	-	0.05	-
- Class SGD	-	0.51	-
- Class USD	-	0.74	-
Distribution on 23 July 2021			
- Class MYR	-	0.05	-
- Class SGD	-	0.58	-
- Class USD	-	0.83	-
Distribution on 21 October 2021			
- Class MYR	-	0.02	-
- Class SGD	-	0.26	-
- Class USD	-	0.38	-
Distribution on 21 January 2022			
- Class MYR	-	0.04	-
- Class SGD	-	0.48	-
- Class USD	-	0.68	-



**PERFORMANCE DATA (CONTINUED)**

	31.03.2023	31.03.2022	31.03.2021
<b>Gross/Net distribution per unit (cent)</b>			
Distribution on 15 April 2020			
- Class MYR	-	-	0.04
- Class SGD	-	-	0.45
- Class USD	-	-	0.64
Distribution on 7 July 2020			
- Class MYR	-	-	0.05
- Class SGD	-	-	0.54
- Class USD	-	-	0.77
Distribution on 7 October 2020			
- Class MYR	-	-	0.09
- Class SGD	-	-	0.91
- Class USD	-	-	1.30
Distribution on 26 January 2021			
- Class MYR	-	-	0.05
- Class SGD	-	-	0.54
- Class USD	-	-	0.78

	31.03.2023	31.03.2022	31.03.2021	31.03.2020	31.03.2019
	%	%	%	%	%
Annual total return					
- Class MYR	(7.89)	(6.29)	55.21	(12.23)	(1.58)

(Launch date: 25 April 2011)

	31.03.2023	31.03.2022	31.03.2021	31.03.2020	31.03.2019
	%	%	%	%	%
Annual total return					
- Class SGD	(13.55)	(6.67)	52.66	(12.30)	(3.34)
- Class USD	(12.01)	(7.32)	62.21	(16.79)	(6.58)

(Launch date: 9 September 2015)

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up. All performance figures for the financial year have been extracted from Lipper.

**MARKET REVIEW (1 APRIL 2022 TO 31 MARCH 2023)**

During the financial year under review, the MSCI Asia Pac ex Japan Index declined 11.4% in USD terms and 7.2% in Malaysia Ringgit ("MYR" or "RM") terms. Topical issues were: a) Sustained high inflation leading to accelerated pace in tightening of monetary policy, b) Russia-Ukraine war erupting complicating the inflation situation, c) zero-Coronavirus Disease 2019 ("COVID-19") policy in China leading to severe lockdowns in China and negatively impacting economic growth, d) recession fears in the US & Europe and e) concerns over US financial stability after the fallout of Silicon Valley Bank.

Since the start of the year, Asian equities found a renewed concern with tighter monetary policy and Russia-Ukraine conflict. This led to escalating bond yields, stronger USD and oil prices, which went above USD120 per barrel. The selloff in Asian equities escalated in June, led by Korea and Taiwan as the US Federal Reserve (the "Fed") tightened the policy rate by 75% points, its third in the year and bringing cumulative hikes thus far to 1.5%. Recessionary concerns took hold in August 2022 during a more resolute tone by the Fed Chair to combat inflation during the Jackson Hole meeting and with crude oil prices declining sharply. Central Banks continued to push ahead to raise rates in response to high inflation with US 10-year Treasury yields hit a high of 4.2% on October 2024 while the USD strengthened.

## MARKET REVIEW (1 APRIL 2022 TO 31 MARCH 2023) (CONTINUED)

November 2022 marked an important turnaround for the Asian equity markets. The MSCI AC Asia Pacific ex Japan Index surged 17.4% in USD terms in Nov 2022 with North Asia being the best performing markets. They rallied on the back of easing of zero covid policy from China, announcement of measures to support the property market after the China National Congress and the meeting between President Xi and President Biden in Bali eased concerns about US-China tension. The move by China to implement more pragmatic policies paved the way for Chinese economy to recover from the economic impact of the lockdowns and weakness in property market. Moreover, headline Consumer Price Index ("CPI") in the US rose less than expected, at 7.7% in October 2022 and annual core CPI rose 6.3% year-on-year ("YoY"), at a slower pace than the previous month. This led to some hopes that the Fed will slow its pace of tightening or pause rate hikes earlier. Markets continued to post a recovery in December 2022 and January 2023 as investors positioned for China's pivot to growth, moderating inflation rates and a soft landing in developed markets.

However, in February 2023, the markets were spooked by the monthly headline inflation in the US which was up 0.5% month-on-month ("MoM:"), reversing the two months of slowdowns experienced earlier. This ran contrary to the disinflation narrative. Consequently, the "peak" Fed Funds policy rate has been revised upwards to between 50-75bps rate hikes this year. The fallout of Silicon Valley Bank and run on US regional banks raised concerns over US financial stability in March. The Fed had reacted quickly with its Bank Term Funding Program to alleviate any potential liquidity concerns, but the markets are still jittery about the health of the US regional banks. Hence, the market view on the Fed Funds policy rate reversed and a much dovish the Fed is expected from hereon, with futures implying rate cuts by second half of 2023. This has led to the rebound in Asian equities in March 2023.

## FUND PERFORMANCE

### Class MYR

	1 year to 31.03.2023	3 years to 31.03.2023	5 years to 31.03.2023	Since inception to 31.03.2023
	%	%	%	%
Income Distribution	3.29	9.04	15.39	42.99
Capital Growth	(10.83)	22.86	0.29	110.60
Total Return	(7.89)	33.97	15.73	201.14
Benchmark	8.00	25.95	46.93	150.49
Average Total Return	(7.89)	10.24	2.96	9.67

### Class SGD

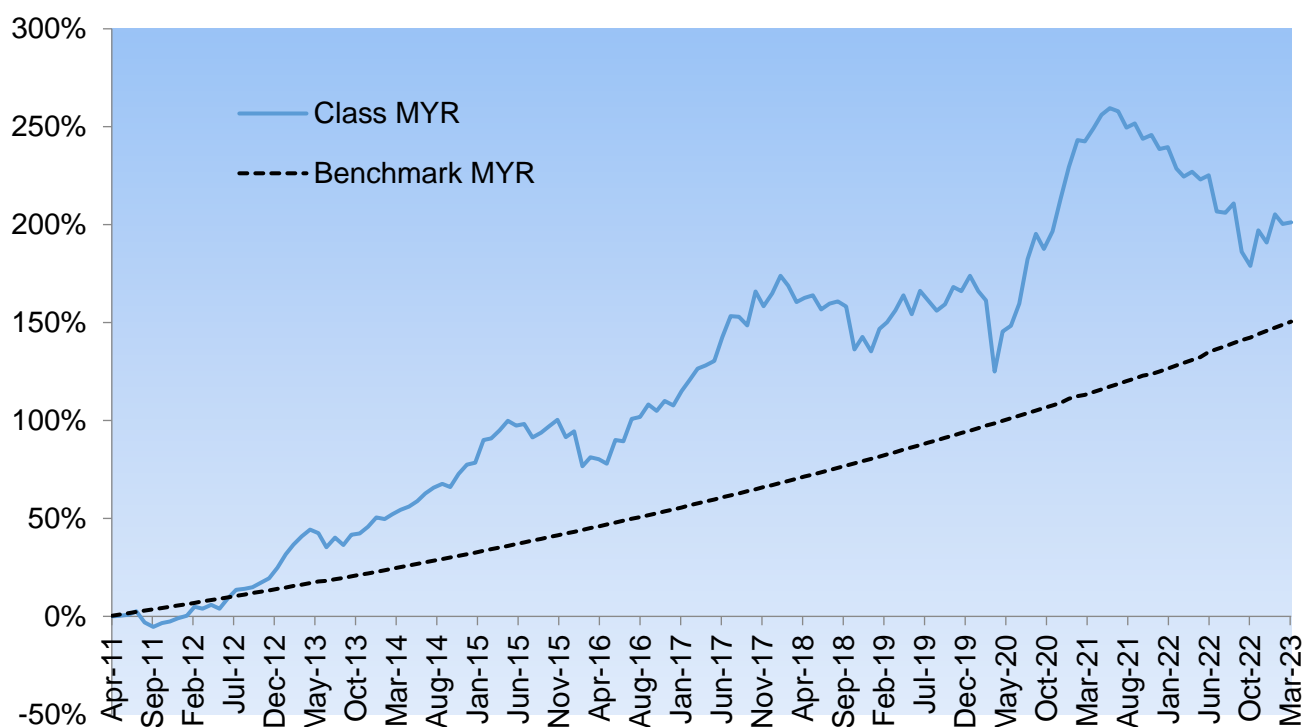
	1 year to 31.03.2023	3 years to 31.03.2023	5 years to 31.03.2023	Since inception to 31.03.2023
	%	%	%	%
Income Distribution	3.12	8.98	15.45	19.82
Capital Growth	(16.17)	13.01	(9.56)	21.78
Total Return	(13.55)	23.17	4.41	45.92
Total Return (inclusive application fee)*	(13.55)	23.17	(2.38)	36.44
Benchmark	8.00	25.95	46.93	150.49
Average Total Return	(13.55)	7.19	0.87	5.16

**FUND PERFORMANCE (CONTINUED)**
**Class USD**

	<b>1 year to 31.03.2023</b>	<b>3 years to 31.03.2023</b>	<b>5 years to 31.03.2023</b>	<b>Since inception to 31.03.2023</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Income Distribution	3.12	8.99	15.22	19.58
Capital Growth	(14.67)	21.36	(10.76)	31.18
Total Return	(12.01)	32.27	2.82	56.86
Total Return (inclusive application fee)*	(12.01)	32.27	(3.86)	46.67
Benchmark	8.00	25.95	46.93	78.88
Average Total Return	(12.01)	9.77	0.56	6.18

During the financial year under review, the Fund has provided a return of -7.89%, -13.55% and -12.01% in Class MYR, Class SGD and Class USD respectively, which have fallen short of target. This is due to the difficult market conditions where market declined on a confluence of factors such as Russia-Ukraine conflict, concerns over global inflation, effects of accelerated pace in monetary policy tightening in the US and impact of zero covid policy on economic growth in China.

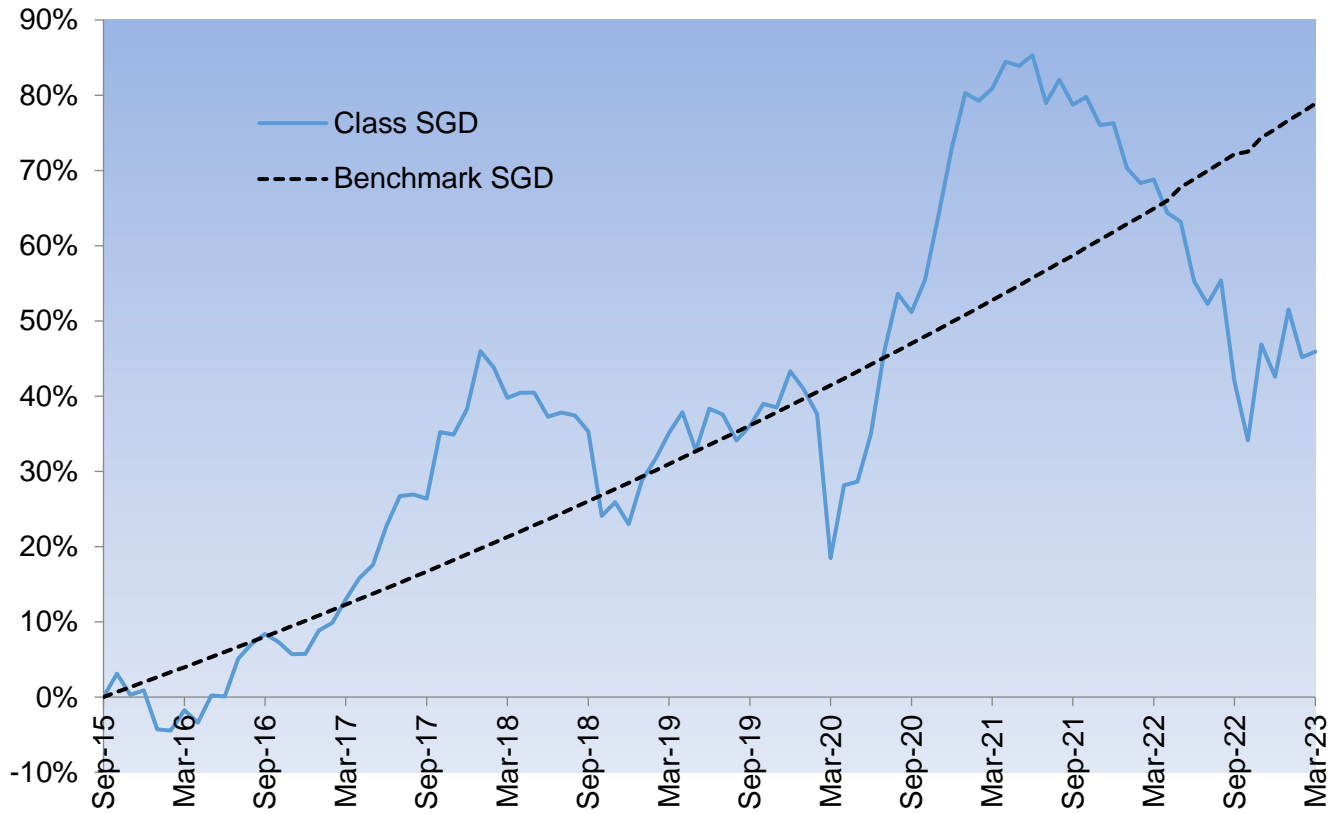
\*The performance of the Class SGD and Class USD is computed on a single pricing basis (NAV-NAV) (taking into account the maximum Application Fee of up to 5% and Withdrawal Fee / Redemption Fee (if any)) and with dividends and distributions (if any) reinvested. Note that a lower Application Fee may be charged when subscribing for Units.

**Since Inception**
**Class MYR**


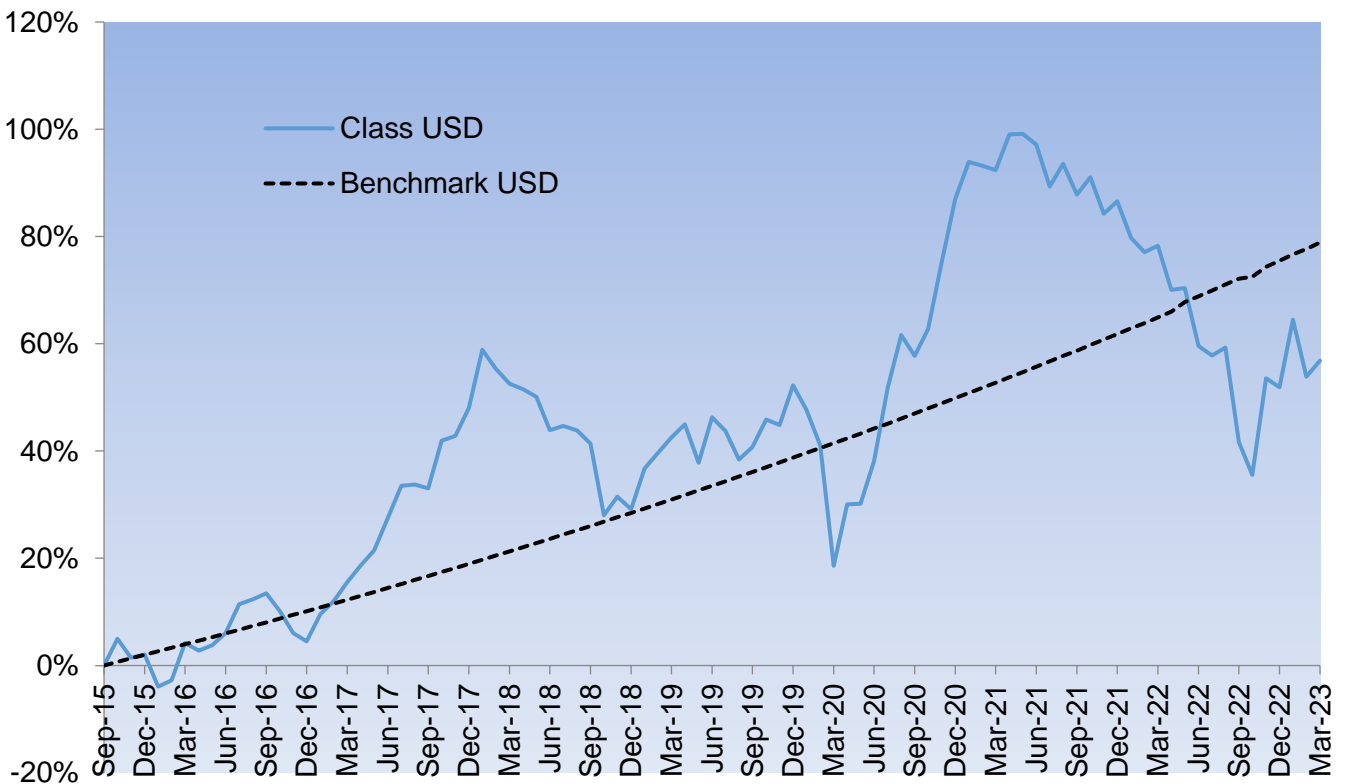
## FUND PERFORMANCE (CONTINUED)

Since Inception

### Class SGD



### Class USD



**FUND PERFORMANCE (CONTINUED)**
**Changes in NAV**

	<b>31.03.2023</b>	<b>31.03.2022</b>	<b>Changes %</b>
<b>CLASS MYR</b>			
NAV (USD Million)	928.05	1,063.74	(12.76)
NAV/Unit (USD)	0.0487	0.0573	(15.01)
<b>CLASS SGD</b>			
NAV (USD Million)	46.99	55.46	(15.27)
NAV/Unit (USD)	0.5233	0.6133	(14.67)
<b>CLASS USD</b>			
NAV (USD Million)	82.37	112.43	(26.74)
NAV/Unit (USD)	0.7496	0.8785	(14.67)

The NAV fell by 12.76%, 15.27% and 26.74% for MYR, SGD and USD classes respectively. The NAV per unit declined by 15.01%, 14.67% and 14.67% in MYR, SGD and USD class respectively. The decline in NAV, as well as NAV per unit, for MYR and SGD classes is a result of the fall in value of the underlying assets. The sharp decline in NAV for USD class is due to the decline in number of units under circulation.

Performance data represents the combined income and capital return as a result of holding units in the Fund for the specified length of time, based on NAV to NAV price. The performance data assumes that all earnings from the Fund are reinvested and are net of management and trustee fees. Past performance is not reflective of future performance and income distributions are not guaranteed. Unit prices and income distributions, if any, may fall and rise. All performance figures for the financial year have been extracted from Lipper.

**PORTFOLIO STRUCTURE**
**Asset allocation**

<b>(% of NAV)</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Quoted securities	95.02	94.09
Cash and other assets	5.77	7.47
Liabilities	(0.79)	(1.56)
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>

As at 31 March 2023, the Fund held 95.02% in quoted securities while the rest is in cash and other assets. The cash level is lower than the level at the end of March 2022.

**MARKET OUTLOOK\***

Key issues for the market going forward are (1) will inflation remain elevated, hence requiring the Fed to tighten more than expected; (2) can China's growth sustain beyond 2023's release of pent-up demand.

We are positive on Asian equities in the next 12 months for a few reasons. Firstly, China's Covid, macroeconomic and regulatory policies are coordinated in favour of growth for the first time in 3 years. China made important policy shifts in November and December, when it abandoned its dynamic zero-COVID-19 policy and reversed its stance towards the property sector by launching a series of policies and injecting credit to support and stimulate real estate activities. Secondly, we expect Earnings per share ("EPS") growth in Asia to be better than developed markets in 2023 given the gradual reopening of the Asian economies and possible easing of inflation.

**MARKET OUTLOOK\* (CONTINUED)**

We are also of the opinion that bulk of the heavy lifting by Fed is done, and inflation is likely to ease in first half of 2023, as global economy slows in response to the monetary tightening by central banks. Hence it is likely the USD may stabilize from here. Broadly, monetary tightening by major central banks is also at a tail end due to peaking of inflation. Lastly, we believe that Asia is under-owned and valuation looks attractive. The near-term risks are a deteriorating US-China relationship, inflation being more entrenched than expected, leading to tighter monetary policy for longer and slower than expected recovery in China.

\* This market outlook does not constitute an offer, invitation, commitment, advice or recommendation to make a purchase of any investment. The information given in this article represents the views of Principal Asset Management Berhad ("Principal Malaysia") or based on data obtained from sources believed to be reliable by Principal Malaysia. Whilst every care has been taken in preparing this Principal Malaysia makes no guarantee, representation or warranty and is under no circumstances liable for any loss or damage caused by reliance on, any opinion, advice or statement made in this market outlook.

**INVESTMENT STRATEGY**

Amidst the heightened volatility and risks, we have adopt risk aware stance and seek a more balanced portfolio. Companies with earnings resilience, growth visibility, quality and reasonable valuations are favored. Our core focus for the portfolio continues to be (1) quality companies that have strong business moat and long-term winners, or market share gainers; (2) quality growth companies with robust balance sheet, especially those with pricing power and (3) companies with structural growth drivers such as green policies, e-commerce, cloud computing, internet of things, etc.

**SOFT COMMISSIONS AND REBATES**

Principal Asset Management Berhad (the "Manager"), the sub-manager and the Trustee will not retain any form of rebate or soft commission from, or otherwise share in any commission with, any broker in consideration for directing dealings in the investments of the Principal Malaysia Funds ("Funds") unless the soft commission received is retained in the form of goods and services such as research and advisory services that assist in the decision making process relating to the Fund's investments. All dealings with brokers are executed on most favourable terms available for the Fund.

During the financial year under review, the Manager, the sub-manager and the trustee did not receive any rebates from the brokers or dealers but the Manager has retained soft commission in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Funds and there was no churning of trades.

**SECURITIES FINANCING TRANSACTIONS**

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

**STATE OF AFFAIR OF THE FUND**

There were no significant changes in the state of affairs of the Fund during the financial year and up to the date of Manager's report, not otherwise disclosed in the financial statements.

**CIRCUMSTANCES THAT MATERIALLY AFFECT ANY INTEREST OF UNIT HOLDERS**

There were no circumstances that had materially affected the interest of the unit holders during the financial year under review.

**CROSS TRADE**

No cross-trade transactions have been carried out during the financial year under review.

**UNIT SPLIT**

No unit split exercise has been carried out during the financial year under review.

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF  
PRINCIPAL ASIA PACIFIC DYNAMIC INCOME FUND**

We, being the Directors of Principal Asset Management Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying audited financial statements set out on pages 7 to 43 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 March 2023 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial year then ended in accordance with the provisions of the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

For and on behalf of the Manager

**Principal Asset Management Berhad (Company No.: 199401018399 (304078-K))**

**MUNIRAH KHAIRUDDIN**

Chief Executive Officer/Executive Director

**UDAY JAYARAM**

Director

Kuala Lumpur  
17 May 2023



**TRUSTEE'S REPORT**

**TO THE UNIT HOLDERS OF  
PRINCIPAL ASIA PACIFIC DYNAMIC INCOME FUND ("Fund")**

We have acted as Trustee of the Fund for the financial year ended 31 March 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Principal Asset Management Berhad has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

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

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

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat  
Manager, Investment Compliance Monitoring

Kuala Lumpur  
17 May 2023

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF  
PRINCIPAL ASIA PACIFIC DYNAMIC INCOME FUND**

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

*Opinion*

We have audited the financial statements of Principal Asia Pacific Dynamic Income Fund (the "Fund"), which comprise the statement of financial position of the Fund as at 31 March 2023, and statement of comprehensive income, statement of changes in net assets attributable to unit holders and statement of cash flows of the Fund for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 7 to 43.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 March 2023, 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 *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.

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF  
PRINCIPAL ASIA PACIFIC DYNAMIC INCOME FUND (cont'd.)**

**Report on the audit of the financial statements (cont'd.)**

*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.

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

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

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

The Manager is responsible for the preparation of 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 have 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.

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF  
PRINCIPAL ASIA PACIFIC DYNAMIC INCOME FUND (cont'd.)****Report on the audit of the financial statements (cont'd.)***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.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional 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  
PRINCIPAL ASIA PACIFIC DYNAMIC INCOME FUND (cont'd.)**

**Report on the audit of the financial statements (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

Yeo Beng Yean  
No. 03013/10/2024 J  
Chartered Accountant

Kuala Lumpur, Malaysia  
17 May 2023

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

	Note	2023 USD	2022 USD
<b>LOSS</b>			
Dividend income		31,684,714	22,735,429
Interest income from deposits with licensed financial institutions at amortised cost		247,295	1,595
Net loss on financial assets at fair value through profit or loss	8	(155,714,053)	(90,213,881)
Net foreign exchange gain/(loss)		4,443,348	(3,573,262)
		<u>(119,338,696)</u>	<u>(71,050,119)</u>
<b>EXPENSES</b>			
Management fee	4	18,780,754	22,819,814
Trustee and custodian fees	5	1,064,073	1,301,858
Audit fee		2,470	2,595
Tax agent's fee		7,580	12,388
Transaction costs		2,954,149	2,350,835
Other expenses		2,733,964	1,708,689
		<u>25,542,990</u>	<u>28,196,179</u>
<b>LOSS BEFORE DISTRIBUTION AND TAXATION</b>		(144,881,686)	(99,246,298)
Distribution:			
- Class MYR		29,715,529	29,239,820
- Class SGD		1,459,005	1,653,565
- Class USD		2,746,173	3,318,004
	7	<u>33,920,707</u>	<u>34,211,389</u>
<b>LOSS BEFORE TAXATION</b>		(178,802,393)	(133,457,687)
Taxation	6	<u>(8,021,721)</u>	<u>(4,150,411)</u>
<b>LOSS AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL YEAR</b>		<u>(186,824,114)</u>	<u>(137,608,098)</u>
Loss after taxation is made up as follows:			
Realised amount		(70,859,412)	45,059,687
Unrealised amount		(115,964,702)	(182,667,785)
		<u>(186,824,114)</u>	<u>(137,608,098)</u>

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

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2023**

	Note	2023 USD	2022 USD
<b>ASSETS</b>			
Cash and cash equivalents	9	57,395,546	84,517,195
Financial assets at fair value through profit or loss	8	1,004,714,977	1,158,798,013
Amount due from stockbrokers		-	1,847,386
Amount due from Manager		2,660,737	4,316,321
Dividends receivable		908,624	1,276,097
<b>TOTAL ASSETS</b>		<u>1,065,679,884</u>	<u>1,250,755,012</u>
<b>LIABILITIES</b>			
Amount due to stockbrokers		4,307,204	15,380,080
Amount due to Manager		1,779,489	1,907,548
Accrued management fee		1,549,852	1,782,056
Amount due to Trustee		43,948	50,647
Tax payable		585,700	-
Other payables and accruals		5,325	4,973
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)</b>		<u>8,271,518</u>	<u>19,125,304</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>1,057,408,366</u>	<u>1,231,629,708</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>1,057,408,366</u>	<u>1,231,629,708</u>
<b>REPRESENTED BY:</b>			
<b>FAIR VALUE OF OUTSTANDING UNITS (USD)</b>			
- Class MYR		928,045,141	1,063,740,871
- Class SGD		46,988,759	55,458,062
- Class USD		82,374,466	112,430,775
		<u>1,057,408,366</u>	<u>1,231,629,708</u>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>			
- Class MYR		19,051,714,414	18,545,730,621
- Class SGD		89,786,850	90,421,324
- Class USD		109,879,598	127,970,166
	10	<u>19,251,380,862</u>	<u>18,764,122,111</u>
<b>NET ASSET VALUE PER UNIT (USD) (EX-DISTRIBUTION)</b>			
- Class MYR		0.0487	0.0573
- Class SGD		0.5233	0.6133
- Class USD		<u>0.7496</u>	<u>0.8785</u>
<b>NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES (EX-DISTRIBUTION)</b>			
- Class MYR		RM0.2149	RM0.2408
- Class SGD		SGD0.6959	SGD0.8301
- Class USD		<u>USD0.7496</u>	<u>USD0.8785</u>

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

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

	<b>2023 USD</b>	<b>2022 USD</b>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	<u>1,231,629,708</u>	<u>1,239,147,194</u>
Movement due to units created and cancelled during the financial year:		
Creation of units from applications and unit split		
- Class MYR	103,387,680	311,673,367
- Class SGD	4,625,078	14,116,441
- Class USD	<u>9,057,035</u>	<u>29,839,386</u>
	<u>117,069,793</u>	<u>355,629,194</u>
Creation of units of distributions		
- Class MYR	29,447,768	28,986,369
- Class SGD	1,443,849	1,631,944
- Class USD	<u>1,218,558</u>	<u>1,367,345</u>
	<u>32,110,175</u>	<u>31,985,658</u>
Cancellation of units		
- Class MYR	(106,630,530)	(218,082,087)
- Class SGD	(6,330,174)	(14,102,346)
- Class USD	<u>(23,616,492)</u>	<u>(25,339,807)</u>
	<u>(136,577,196)</u>	<u>(257,524,240)</u>
Total comprehensive loss for the financial year	<u>(186,824,114)</u>	<u>(137,608,098)</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL YEAR</b>	<u><u>1,057,408,366</u></u>	<u><u>1,231,629,708</u></u>

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



**STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

	Note	2023 USD	2022 USD
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Proceeds from disposal of quoted securities		627,966,442	690,891,927
Purchase of quoted securities		(634,192,503)	(756,738,567)
Dividend income received		28,679,705	20,619,862
Interest income received from deposits with licensed financial institutions		247,295	1,595
Management fee paid		(19,012,958)	(22,853,746)
Trustee and custodian fees paid		(1,070,772)	(1,302,902)
Payments for other fees and expenses		(34,511)	(38,909)
Net realised foreign currency exchange loss		(1,432,285)	(2,123,914)
Tax paid		(7,436,021)	(4,150,411)
<b>Net cash used in operating activities</b>		<u>(6,285,608)</u>	<u>(75,695,065)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash proceeds from units created		118,511,940	367,299,059
Payments for cancellation of units		(136,640,814)	(259,413,412)
Distributions paid		<u>(1,809,720)</u>	<u>(2,225,991)</u>
<b>Net cash(used in)/ generated from financing activities</b>		<u>(19,938,594)</u>	<u>105,659,656</u>
Net (decrease)/increase in cash and cash equivalents		(26,224,202)	29,964,591
Effect of foreign exchange differences		(897,447)	(558,071)
Cash and cash equivalents at the beginning of the financial year		<u>84,517,195</u>	<u>55,110,675</u>
Cash and cash equivalents at the end of the financial year	<b>9</b>	<u><u>57,395,546</u></u>	<u><u>84,517,195</u></u>
<u>Cash and cash equivalents comprised:</u>			
Bank balances		<u>57,395,546</u>	<u>84,517,195</u>
Cash and cash equivalents at the end of the financial year	<b>9</b>	<u><u>57,395,546</u></u>	<u><u>84,517,195</u></u>

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

### 1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES

Principal Asia Pacific Dynamic Income Fund (the “Fund”) was governed by a Principal Master Deed dated 10 April 2015, a First Supplemental Deed dated 17 February 2016 and a Second Supplemental Deed dated 28 August 2019 (collectively referred to as the “Deeds”), between Principal Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”).

The Fund will be managed with the aim of achieving a stable and positive investment returns over the medium to long term through investments in Asia Pacific ex Japan, i.e. companies that are domiciled in, listed in, and/or have significant operations in the Asia Pacific ex Japan region. For listed securities, the investment must be traded in an exchange that is a member of WFE. ‘Significant operations’ means major businesses of the company. For example, the Fund can invest in a company with significant business/operations in Thailand but listed on the NYSE. The threshold for ‘significant operations’ would be if more than 25% of total group revenue is derived from countries in the Asia Pacific ex Japan region. The calculation would be based on the most recent financial reports released by the companies (e.g. interim and annual reports). The term “medium to long term” refers to a period of three (3) years and more. With effect from 31 March 2021, the Fund may also invest up to 20% of its NAV in companies that are listed globally with some business/operations within the Asia Pacific ex Japan region to capture growth opportunities.

Under general market conditions, the Fund’s investment will focus on high dividend yielding equities of companies, which the Sub-Manager believes will offer attractive yields\*, sustainable dividend payments and/or will exhibit above average growth potential when compared to its industry or the overall market at the point of purchase. In addition, the Fund may also invest in companies with good growth potential^, which the Sub-Manager foresees may adopt a strong dividend payout# policy. The Fund may also invest up to 20% of the Fund’s NAV in debt securities to be in line with the Fund’s objective. The Fund’s investments in debt securities will generally be restricted to debt securities with a minimum credit rating of “BBB” by an international rating agency as prescribed under the Standard of Qualifying collective investment scheme or its equivalent rating by other international rating agencies. The Fund may also opt to access into the equities and/or debt securities market via the investment in units of other collective investment scheme that is in line with the Fund’s objectives, subject to the requirements of the GUTF and the Standards of Qualifying collective investment scheme.

The asset allocation strategy for this Fund is as follows:

- between 60% to 98% (both inclusive) of the Fund’s NAV will be invested in equities;
- up to 20% of the Fund’s NAV may be invested in debt securities;
- up to 20% of the Fund’s NAV may be invested in units of other CIS that is in line with the Fund’s objectives; and
- at least 2% of its NAV will be invested in liquid assets for liquidity purpose.

\* Higher than the average equity yields in the respective country.

^ Companies that have a better growth than the GDP of the respective country and reasonably priced based on our estimate. Reasonably priced means when the intrinsic value is higher than the current market price.

# Higher than the average dividend yields of companies in the respective country.

All investments are subjected to the GUTF, SC requirements, the Deeds, except where exemptions or variations have been approved by the SC, internal policies and procedures and the Fund’s objective.

## 1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES (CONTINUED)

The Manager, is a joint venture between Principal Financial Group®, a member of the FORTUNE 500® and a Nasdaq-listed global financial services and CIMB Group Holdings Berhad, one of Southeast Asia's leading universal banking groups. The principal activities of the Manager are the establishment and management of unit trust funds and fund management activities.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

### (a) Basis of preparation

The financial statements have been prepared in accordance with the provisions of the MFRS as issued by the Malaysian Accounting Standards Board ("MASB") and IFRS as issued by the International Accounting Standards Board ("IASB").

The financial statements have been prepared under the historical cost convention, as modified by financial assets at fair value through profit or loss.

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported year.

It also requires the Manager to exercise their judgement in the process of applying the Fund's accounting policies. Although these estimates and assumptions are based on the Manager's best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(l).

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 April 2022 that have a material effect on the financial statements of the Fund.

None of the standards, amendments to standards or interpretations that are effective for the financial year beginning on/after 1 April 2023 are applicable to the Fund.

Certain information as presented in the notes 7, 8, 11 and 12 are prepared in accordance with the GUTF and the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore ("MAS").

### (b) Financial assets and financial liabilities

#### Classification

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

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

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (b) Financial assets and financial liabilities (continued)

#### Classification (continued)

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

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

All of the Fund's financial liabilities are measured at amortised cost.

#### Recognition and measurement

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

Financial instruments are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

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

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

Unrealised gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss are presented in the statement of comprehensive income within net gain or loss on financial assets at fair value through profit or loss in the financial year which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income when the Fund's right to receive payments is established.

Quoted securities in Malaysia are valued at the last done market price quoted on Bursa Malaysia Securities Bhd ("Bursa Securities") at the date of the statement of financial position.

Foreign quoted securities are valued at the last traded market price quoted on the respective stock exchanges at the close of the business day of the respective foreign stock exchanges.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(b) Financial assets and financial liabilities (continued)**Recognition and measurement (continued)

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

Deposits with licensed financial institutions are stated at cost plus accrued interest calculated on the effective interest method over the period from the date of placement to the date of maturity of the respective deposits.

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

Impairment for assets carried at amortised costs

The Fund measures credit risk and expected credit losses ("ECL") using probability of default, exposure at default and loss given default. The Manager considers both historical analysis and forward looking information in determining any ECL. The Manager considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12 month ECL as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial year.

**(c) Income recognition**

Dividend income is recognised on the ex-dividend date when the right to receive payment is established.

Interest income from deposits with licensed financial institutions is recognised on a time proportionate basis using the effective interest rate method on an accrual basis.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (c) Income recognition (continued)

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

Realised gain or loss on disposal of quoted securities are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on a weighted average cost basis.

### (d) Foreign currency

#### Functional and presentation currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”).

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in United States Dollar (“USD”) primarily due to the following factors:

- (i) Significant portion of the Fund’s expenses are denominated in USD, and
- (ii) Significant portion of the cash is denominated in USD for the purpose of making settlement of foreign trades.

#### Transactions and balances

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

### (e) Unit holders’ contributions

The unit holders’ contributions to the Fund meet the definition of puttable instruments classified as financial liability under MFRS 132 “*Financial Instruments: Presentation*”.

The Fund issues cancellable units, in three classes of units, known respectively as the Class MYR, Class SGD and Class USD, which are cancelled at the unit holder’s option and do not have identical features subject to restrictions as stipulated in the Prospectus and GUTF. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund’s NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the member exercises the right to put back the unit to the Fund.

Units are created and cancelled at the unit holders’ option at prices based on the Fund’s NAV per unit of respective classes at the close of business on the relevant dealing day. The Fund’s NAV per unit of respective classes is calculated by dividing the net assets attributable to members of respective classes with the total number of outstanding units of respective classes.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (f) Cash and cash equivalents

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

### (g) Taxation

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

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

Withholding taxes on investment income from investment are based on tax regime of the respective countries that the Fund invests in. They are presented within other expenses line in the statement of comprehensive income.

### (h) Transaction costs

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

### (i) Distribution

A proposed distribution to the Fund's unit holders is recognised as a finance cost in the statement of comprehensive income and is recognised as a liability in the financial year in which it is approved by the Trustee.

### (j) Amount due from/to stockbrokers

Amounts due from and to stockbrokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

### (k) Realised and unrealised portions of profit or loss after taxation

The analysis of realised and unrealised portions of profit or loss after taxation as presented on the statement of comprehensive income is prepared in accordance with GUTF.

### (l) Critical accounting estimates and judgements in applying accounting policies

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

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

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (I) Critical accounting estimates and judgements in applying accounting policies (continued)

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the GUTF.

However, the Manager is of the opinion that in applying this accounting policy, no significant judgement was required.

## 3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments of the Fund are as follows:

	Financial assets at fair value through profit or loss USD	Financial assets at amortised cost USD	Total USD
<b>2023</b>			
Cash and cash equivalents (Note 9)	-	57,395,546	57,395,546
Quoted securities (Note 8)	1,004,714,977	-	1,004,714,977
Amount due from Manager	-	2,660,737	2,660,737
Dividends receivable	-	908,624	908,624
	<u>1,004,714,977</u>	<u>60,964,907</u>	<u>1,065,679,884</u>
<b>2022</b>			
Cash and cash equivalents (Note 9)	-	84,517,195	84,517,195
Quoted securities (Note 8)	1,158,798,013	-	1,158,798,013
Amount due from stockbrokers	-	1,847,386	1,847,386
Amount due from Manager	-	4,316,321	4,316,321
Dividends receivable	-	1,276,097	1,276,097
	<u>1,158,798,013</u>	<u>91,956,999</u>	<u>1,250,755,012</u>

All liabilities are financial liabilities which are carried at amortised cost.

The Fund aims to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long term.

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

Financial risk management is carried out through internal control process adopted by the Manager and adherence to the investment restrictions as stipulated in the Deeds and GUTF.



### 3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### (a) Market risk

##### (i) Price risk

This is the risk that the fair value of an investment in quoted securities will fluctuate because of changes in market prices (other than those arising from interest rate risk and currency risk). The value of quoted securities may fluctuate according to the activities of individual companies, sector and overall political and economic conditions. Such fluctuation may cause the Fund's NAV and prices of units to fall as well as rise, and income produced by the Fund may also fluctuate.

The price risk is managed through diversification and selection of quoted securities and other financial instruments within specified limits according to the Deeds.

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

	<b>2023</b>	<b>2022</b>
	<b>USD</b>	<b>USD</b>
Financial assets at fair value through profit or loss:		
- Quoted securities	<u>1,004,714,977</u>	<u>1,158,798,013</u>

The table below summarises the sensitivity of the Fund's profit or loss and NAV to movements in prices of quoted securities at the end of each reporting year. The analysis is based on the assumptions that the price of the quoted securities fluctuates by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities, having regard to the historical volatility of the prices.

% Change in price of quoted securities	Market value USD	Impact on profit or loss/NAV USD
<b>2023</b>		
-5%	954,479,228	(50,235,749)
0%	1,004,714,977	-
5%	<u>1,054,950,726</u>	<u>50,235,749</u>
<b>2022</b>		
-5%	1,100,858,112	(57,939,901)
0%	1,158,798,013	-
5%	<u>1,216,737,914</u>	<u>57,939,901</u>

##### (ii) Interest rate risk

Interest rate is a general economic indicator that will have an impact on the management of the Fund.

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

### 3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### (a) Market risk (continued)

##### (ii) Interest rate risk (continued)

The Fund's exposure to fair value interest rate risk arises from investment in money market instruments. The interest rate risk is expected to be minimal as the Fund's investments comprise mainly short term deposits with approved licensed financial institutions.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Fund is not exposed to cash flow interest rate risk as the Fund does not hold any financial instruments at variable interest rate.

As at the end of each financial year, the Fund is not exposed to a material level of interest rate risk.

##### (iii) Currency risk

Currency risk is associated with investments that are quoted and/or priced in foreign currency denomination. Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Manager will evaluate the likely directions of a foreign currency versus USD based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels, and technical chart considerations.

The following table sets out the foreign currency risk concentrations arising from the denomination of the Fund's financial instruments in foreign currencies:

Financial assets	Cash and cash equivalents USD	Financial assets at fair value through profit or loss USD	Amount due from Manager USD	Dividends receivable USD	Total USD
<b>2023</b>					
AUD	-	119,264,093	-	143,047	119,407,140
CNH	482,722	-	-	-	482,722
CNY	-	74,233,752	-	-	74,233,752
GBP	-	28,303,356	-	-	28,303,356
HKD	-	374,626,189	-	-	374,626,189
IDR	-	13,793,930	-	458,379	14,252,309
INR	657,092	58,140,374	-	-	58,797,466
KRW	-	89,620,180	-	-	89,620,180
MYR	25,134,189	9,237,639	2,199,536	10,305	36,581,669
SGD	1,167,891	57,328,104	62,844	-	58,558,839
THB	-	36,237,716	-	-	36,237,716
TWD	-	108,397,809	-	305,901	108,703,710
	<u>27,441,894</u>	<u>969,183,142</u>	<u>2,262,380</u>	<u>917,632</u>	<u>999,805,048</u>

### 3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### (a) Market risk (continued)

##### (iii) Currency risk (continued)

Financial assets	Cash and cash equivalents USD	Financial assets at fair value through profit or loss USD	Amount due from stock-brokers USD	Amount due from Manager USD	Dividends receivable USD	Total USD
<b>2022</b>						
AUD	-	168,581,145	-	-	66,284	168,647,429
CNH	-	29,748,690	-	-	-	29,748,690
CNY	522,890	-	-	-	-	522,890
HKD	-	328,755,029	-	-	119,714	328,874,743
IDR	-	47,803,506	-	-	318,551	48,122,057
INR	-	108,420,951	-	-	-	108,420,951
JPY	-	11,951,851	-	-	-	11,951,851
KRW	-	92,235,527	-	-	-	92,235,527
MYR	6,948,730	30,380,822	-	2,607,763	313,643	40,250,958
SGD	484,776	141,471,818	1,847,386	860,129	-	144,664,109
THB	-	24,072,556	-	-	130,315	24,202,871
TWD	-	152,316,745	-	-	327,783	152,644,528
	<u>7,956,396</u>	<u>1,135,738,640</u>	<u>1,847,386</u>	<u>3,467,892</u>	<u>1,276,290</u>	<u>1,150,286,604</u>

Financial liabilities	Amount due to stockbrokers USD	Amount due to Manager USD	Other payables and accruals USD	Net assets attributable to unit holders USD	Total USD
<b>2023</b>					
CNY	1,248,814	-	-	-	1,248,814
KRW	3,058,390	-	-	-	3,058,390
MYR	-	1,403,942	5,325	928,045,141	929,454,408
SGD	-	74,166	-	46,988,759	47,062,925
	<u>4,307,204</u>	<u>1,478,108</u>	<u>5,325</u>	<u>975,033,900</u>	<u>980,824,537</u>
<b>2022</b>					
HKD	15,380,080	-	-	-	15,380,080
MYR	-	1,477,239	4,973	1,063,740,871	1,065,223,083
SGD	-	430,258	-	55,458,062	55,888,320
	<u>15,380,080</u>	<u>1,907,497</u>	<u>4,973</u>	<u>1,119,198,933</u>	<u>1,136,491,483</u>

The table below summarises the sensitivity of the Fund's profit or loss and NAV to changes in foreign exchange movements at the end of each reporting year. The analysis is based on the assumption that the foreign exchange rate fluctuates by 5%, with all other variables remain constants. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risk (continued)

(iii) Currency risk (continued)

Net Balances in Foreign Currencies	Impact on profit or loss/NAV			
	2023		2022	
	USD +5%	USD -5%	USD +5%	USD -5%
AUD	5,970,357	(5,970,357)	8,432,371	(8,432,371)
CNH	24,136	(24,136)	1,487,434	(1,487,434)
CNY	3,649,247	(3,649,247)	26,145	(26,145)
HKD	1,415,168	(1,415,168)	15,674,733	(15,674,733)
IDR	18,731,309	(18,731,309)	2,406,103	(2,406,103)
INR	712,615	(712,615)	5,421,048	(5,421,048)
JPY	2,939,873	(2,939,873)	597,593	(597,593)
KRW	4,328,090	(4,328,090)	4,611,776	(4,611,776)
MYR	(44,643,637)	44,643,637	(51,248,606)	51,248,606
SGD	574,796	(574,796)	4,438,789	(4,438,789)
THB	1,811,886	(1,811,886)	1,210,144	(1,210,144)
TWD	5,435,185	(5,435,185)	7,632,226	(7,632,226)
	949,025	(949,025)	689,756	(689,756)

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligation resulting in financial loss to the Fund.

For amount due from stockbrokers, the settlement terms are governed by the relevant rules and regulations as prescribed by respective stock exchanges. The credit risk is minimal as all transactions in quoted securities are settled/paid upon delivery using approved stockbrokers.

For amount due from Manager, the settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the GUTF.

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

	Cash and cash equivalents USD	Amount due from stockbrokers USD	Amount due from Manager USD	Dividends receivable USD	Total USD
<b>2023</b>					
- AAA	57,395,546	-	-	-	57,395,546
- Not Rated	-	-	2,660,737	908,624	3,569,361
	57,395,546	-	2,660,737	908,624	60,964,907
<b>2022</b>					
- AAA	84,517,195	-	-	-	84,517,195
- Not Rated	-	1,847,386	4,316,321	1,276,097	7,439,804
	84,517,195	1,847,386	4,316,321	1,276,097	91,956,999

### 3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### (c) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations.

The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unit holders. Liquid assets comprise bank balances and other instruments, which are capable of being converted into cash within 7 business days. Generally, all investments are subject to a certain degree of liquidity risk depending on the nature of the investment instruments, market, sector and other factors. For the purpose of the Fund, the Manager will attempt to balance the entire portfolio by investing in a mix of assets with satisfactory trading volume and those that occasionally could encounter poor liquidity. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period as at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Less than 1 month USD	Between 1 month to 1 year USD	Total USD
<b>2023</b>			
Amount due to stockbrokers	4,307,204	-	4,307,204
Amount due to Manager	1,779,489	-	1,779,489
Accrued Management fee	1,549,852	-	1,549,852
Amount due to Trustee	43,948	-	43,948
Tax payable	585,700	-	585,700
Other payables and accruals	-	5,325	5,325
Net assets attributable to unit holders*	<u>1,057,408,366</u>	<u>-</u>	<u>1,057,408,366</u>
<b>Contractual undiscounted cash flows</b>	<u>1,065,674,559</u>	<u>5,325</u>	<u>1,065,679,884</u>
<b>2022</b>			
Amount due to stockbrokers	15,380,080	-	15,380,080
Amount due to Manager	1,907,548	-	1,907,548
Accrued Management fee	1,782,056	-	1,782,056
Amount due to Trustee	50,647	-	50,647
Other payables and accruals	-	4,973	4,973
Net assets attributable to unit holders*	<u>1,231,629,708</u>	<u>-</u>	<u>1,231,629,708</u>
<b>Contractual undiscounted cash flows</b>	<u>1,250,750,039</u>	<u>4,973</u>	<u>1,250,755,012</u>

\* Outstanding units are redeemed on demand at the unit holder's option. However, the Manager does not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

### 3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### (d) Capital risk management

The capital of the Fund is represented by net assets attributable to unit holders of USD 1,057,408,366 (2022: USD1,231,629,708). The amount of capital can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns to unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

#### (e) Fair value estimation

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

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

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

##### (i) Fair value hierarchy

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

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

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety.

If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

### 3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### (e) Fair value estimation (continued)

##### (i) Fair value hierarchy (continued)

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

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>2023</b>				
Financial assets at fair value through profit or loss:				
- Quoted securities	<u>1,004,714,977</u>	<u>-</u>	<u>-</u>	<u>1,004,714,977</u>
<b>2022</b>				
Financial assets at fair value through profit or loss:				
- Quoted securities	<u>1,158,798,013</u>	<u>-</u>	<u>-</u>	<u>1,158,798,013</u>

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equities. The Fund does not adjust the quoted prices for these instruments. The Fund's policies on valuation of these financial assets are stated in Note 2(b).

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

### 4. MANAGEMENT FEE

In accordance with the Deeds, the Manager is entitled to a maximum management fee of 3.00% per annum for each unit class, calculated daily based on the NAV of the Fund.

For the financial year ended 31 March 2023 and 31 March 2022, the management fee for the respective classes was recognised at the following rates:

Class MYR	Class SGD	Class USD
1.80%	1.50%	1.50%

There was no further liability to the Manager in respect of management fee other than the amount recognised above.

## 5. TRUSTEE AND CUSTODIAN FEES

In accordance with the Deeds, the Trustee is entitled to a maximum fee of 0.08% per annum, calculated daily based on the NAV of the Fund. The trustee fee includes local custodian fee but excludes the foreign sub-custodian fee (if any). The foreign sub-custodian fee is dependent on the country invested and is charged monthly in arrears. For the financial year ended 31 March 2023, the foreign sub-custodian fee amounted to USD530,877 (2022: USD652,931).

For the financial year ended 31 March 2023, the Trustee fee was recognised at the rate of 0.05% per annum (2022: 0.05% per annum).

There was no further liability to the Trustee and custodian in respect of Trustee and custodian fees other than the amount recognised above.

## 6. TAXATION

	2023 USD	2022 USD
Tax charged for the financial year:		
- Tax on foreign source income	5,749,695	-
- Capital gains tax	2,272,026	4,150,411
	<u>8,021,721</u>	<u>4,150,411</u>

A numerical reconciliation between the loss before taxation multiplied by the Malaysian statutory income tax rate and tax expense of the Fund was as follows:

	2023 USD	2022 USD
Loss before taxation	<u>(178,802,393)</u>	<u>(133,457,687)</u>
Taxation at Malaysian statutory rate of 24% (2022: 24%)	(42,912,574)	(32,029,845)
Tax effects of:		
- Loss not deductible for tax purpose	28,641,287	17,052,029
- Expenses not deductible for tax purposes	9,758,723	9,495,943
- Restriction on tax deductible expenses for Unit Trust Funds	4,512,564	5,481,873
Tax on foreign source income	5,759,695	-
Capital gains tax	2,272,026	4,150,411
Taxation	<u>8,021,721</u>	<u>4,150,411</u>

## 7. DISTRIBUTION

Distributions to unit holders were derived from the following sources (assessed up to distribution declaration date):

	2023 USD	2022 USD
Dividend income	30,131,201	8,992,146
Interest income	259,265	631
Net realised (loss)/gain from disposal of quoted securities	(16,963,447)	36,370,553
Prior financial year's realised income	<u>48,695,460</u>	<u>-</u>
	62,122,479	45,363,330
Less:		
Expenses	<u>28,201,772</u>	<u>11,151,941</u>
Net distribution amount	<u>33,920,707</u>	<u>34,211,389</u>



7. DISTRIBUTION (CONTINUED)

	2023 USD	2022 USD
<b>Gross/Net distribution per unit (cent)</b>		
Distribution on 26 April 2022		
- Class MYR	0.04	-
- Class SGD	0.45	-
- Class USD	0.65	-
Distribution on 25 July 2022		
- Class MYR	0.04	-
- Class SGD	0.40	-
- Class USD	0.58	-
Distribution on 19 October 2022		-
- Class MYR	0.04	-
- Class SGD	0.38	-
- Class USD	0.54	-
Distribution on 19 January 2023		-
- Class MYR	0.04	-
- Class SGD	0.39	-
- Class USD	0.55	-
Distribution on 21 April 2021	-	
- Class MYR	-	0.05
- Class SGD	-	0.51
- Class USD	-	0.74
Distribution on 23 July 2021	-	
- Class MYR	-	0.05
- Class SGD	-	0.58
- Class USD	-	0.83
Distribution on 21 October 2021	-	
- Class MYR	-	0.02
- Class SGD	-	0.26
- Class USD	-	0.38
Distribution on 21 January 2022		
- Class MYR	-	0.04
- Class SGD	-	0.48
- Class USD	-	0.68
<b>Total gross/net distribution per unit (cent)</b>		
- Class MYR	0.16	0.16
- Class SGD	1.62	1.83
- Class USD	2.32	2.63

Gross distribution is derived using total income less total expenses. Net distribution above is sourced from current financial year's realised income.

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

During the financial year ended 31 March 2023, the Fund records unrealised loss of USD115,964,702 (2022: USD182,667,785).

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2023 USD	2022 USD
Financial assets at fair value through profit or loss:		
- Quoted securities	<u>1,004,714,977</u>	<u>1,158,798,013</u>
Net loss on financial assets at fair value through profit or loss:		
- Realised (loss)/gain on disposals	(40,656,608)	91,958,042
- Unrealised fair value loss	<u>(115,057,445)</u>	<u>(182,171,923)</u>
	<u>(155,714,053)</u>	<u>(90,213,881)</u>

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>2023</b>				
<b>QUOTED SECURITIES</b>				
<b>AUSTRALIA</b>				
<b>Consumer Discretionary</b>				
Aristocrat Leisure Ltd	<u>455,574</u>	<u>9,953,994</u>	<u>11,346,239</u>	<u>1.07</u>
<b>Energy</b>				
Santos Ltd	<u>3,418,739</u>	<u>22,440,114</u>	<u>15,793,017</u>	<u>1.49</u>
<b>Financials</b>				
Macquarie Group Ltd	<u>139,762</u>	<u>18,878,097</u>	<u>16,436,602</u>	<u>1.55</u>
<b>Health Care</b>				
CSL Ltd	<u>190,574</u>	<u>37,830,881</u>	<u>36,783,950</u>	<u>3.48</u>
<b>Industrials</b>				
ALS Ltd	<u>1,884,097</u>	<u>9,898,549</u>	<u>15,590,922</u>	<u>1.47</u>
Seven Group Holdings Ltd	<u>874,488</u>	<u>12,895,347</u>	<u>13,524,334</u>	<u>1.28</u>
	<u>2,758,585</u>	<u>22,793,896</u>	<u>29,115,256</u>	<u>2.75</u>
<b>Real Estate</b>				
Goodman Group	<u>778,149</u>	<u>11,261,508</u>	<u>9,789,029</u>	<u>0.93</u>
<b>TOTAL AUSTRALIA</b>	<u><b>7,741,383</b></u>	<u><b>123,158,490</b></u>	<u><b>119,264,093</b></u>	<u><b>11.27</b></u>
<b>CAYMAN ISLANDS</b>				
<b>Consumer Discretionary</b>				
Alibaba Group Holding Ltd	<u>3,094,100</u>	<u>63,158,084</u>	<u>39,575,369</u>	<u>3.74</u>
<b>TOTAL CAYMAN ISLANDS</b>	<u><b>3,094,100</b></u>	<u><b>63,158,084</b></u>	<u><b>39,575,369</b></u>	<u><b>3.74</b></u>

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>2023 (CONTINUED) QUOTED SECURITIES (CONTINUED)</b>				
<b>CHINA</b>				
<b>Consumer Staples</b>				
Angel Yeast Co Ltd -A	1,256,184	7,421,979	7,629,522	0.72
Kweichow Moutai Co Ltd	91,031	21,709,085	24,101,733	2.28
	<u>1,347,215</u>	<u>29,131,064</u>	<u>31,731,255</u>	<u>3.00</u>
<b>Energy</b>				
China Petroleum & Chemical	<u>16,848,000</u>	<u>10,101,419</u>	<u>9,959,172</u>	<u>0.94</u>
<b>Financials</b>				
Ping An Insurance Group Co. -H	<u>2,872,500</u>	<u>20,165,770</u>	<u>18,699,838</u>	<u>1.77</u>
<b>Industrials</b>				
NARI Technology Development Co Ltd A	4,116,002	17,148,900	16,232,771	1.54
Shanghai Intl Airport A	2,280,064	18,650,701	18,485,179	1.75
Weichai Power Co. Ltd	<u>6,668,000</u>	<u>21,009,996</u>	<u>10,703,432</u>	<u>1.01</u>
	<u>13,064,066</u>	<u>56,809,597</u>	<u>45,421,382</u>	<u>4.30</u>
<b>Materials</b>				
Anhui Conch Cement Co. Ltd	2,703,500	10,847,862	9,368,115	0.89
Yunnan Energy New Material Co	<u>470,140</u>	<u>19,010,463</u>	<u>7,784,547</u>	<u>0.74</u>
	<u>3,173,640</u>	<u>29,858,325</u>	<u>17,152,662</u>	<u>1.63</u>
<b>Utilities</b>				
China Longyuan Power Group	<u>8,207,000</u>	<u>18,769,967</u>	<u>6,229,103</u>	<u>0.59</u>
<b>TOTAL CHINA</b>	<b><u>45,512,421</u></b>	<b><u>164,836,142</u></b>	<b><u>129,193,412</u></b>	<b><u>12.23</u></b>
<b>HONG KONG SAR, CHINA</b>				
<b>Communication Services</b>				
China Mobile Ltd	2,671,000	17,134,173	21,641,528	2.05
Tencent Holding Ltd	<u>1,136,500</u>	<u>58,803,632</u>	<u>55,858,411</u>	<u>5.28</u>
	<u>3,807,500</u>	<u>75,937,805</u>	<u>77,499,939</u>	<u>7.33</u>

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>2023 (CONTINUED)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>HONG KONG SAR, CHINA</b>				
<b>(CONTINUED)</b>				
<b>Consumer Discretionary</b>				
Chow Tai Fook Jewellery	7,585,600	16,465,586	15,056,163	1.42
Galaxy Entertainment Grp Ltd	4,372,000	31,981,216	29,213,431	2.76
Meituan	972,890	22,994,728	17,785,765	1.68
Yum China Holdings Inc	326,800	15,251,127	20,550,108	1.94
	13,257,290	86,692,657	82,605,467	7.80
<b>Consumer Staples</b>				
China Mengniu Dairy Co. Ltd	4,406,000	21,136,646	18,074,125	1.71
<b>Energy</b>				
CNOOC Ltd	20,934,000	23,829,240	31,096,226	2.94
<b>Financials</b>				
AIA Group Ltd	3,380,800	35,240,571	35,597,480	3.37
Hong Kong Exchanges & Clearing	238,000	11,503,959	10,557,538	1.00
	3,618,800	46,744,530	46,155,018	4.37
<b>Industrials</b>				
Techtronic Industries Co	1,072,500	8,825,318	11,593,273	1.10
<b>Real Estate</b>				
Link REIT	2,031,100	13,019,878	13,067,112	1.25
<b>TOTAL HONG KONG SAR, CHINA</b>	<b>49,127,190</b>	<b>276,186,074</b>	<b>280,091,160</b>	<b>26.50</b>
<b>INDIA</b>				
<b>Consumer Discretionary</b>				
Titan Co Ltd	156,697	5,212,527	4,795,366	0.45
<b>Energy</b>				
Reliance Industries Ltd	340,578	10,549,000	9,660,699	0.91
<b>Financials</b>				
HDFC Bank Ltd	1,763,713	29,013,885	34,544,010	3.27

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>2023 (CONTINUED) QUOTED SECURITIES (CONTINUED)</b>				
<b>INDIA (CONTINUED)</b>				
<b>Health Care</b>				
Sun Pharma Industries Ltd	764,051	9,344,287	9,140,299	0.86
<b>TOTAL INDIA</b>	<b>3,025,039</b>	<b>54,119,699</b>	<b>58,140,374</b>	<b>5.49</b>
<b>INDONESIA</b>				
<b>Financials</b>				
PT Bank Negara Indonersia	22,129,300	13,021,380	13,793,930	1.30
<b>TOTAL INDONESIA</b>	<b>22,129,300</b>	<b>13,021,380</b>	<b>13,793,930</b>	<b>1.30</b>
<b>MALAYSIA</b>				
<b>Financials</b>				
Principal Asia Pacific Renewable Fund -USD	353,472	337,000	315,933	0.03
<b>Information Technology</b>				
My Eg Services Bhd	53,288,500	13,217,693	9,237,639	0.87
<b>TOTAL MALAYSIA</b>	<b>53,641,972</b>	<b>13,554,693</b>	<b>9,553,572</b>	<b>0.90</b>
<b>SINGAPORE</b>				
<b>Industrials</b>				
Singapore Technologies Enginee	3,930,100	11,626,023	10,815,993	1.02
<b>Information Technology</b>				
Venture Corp Ltd	663,000	14,179,684	8,809,105	0.83
<b>Real Estate</b>				
CapitaLand Integrated Comm Tru	14,600,700	22,807,412	21,738,050	2.07
Capitaland Investment Ltd	5,769,500	12,990,977	15,964,956	1.51
	20,370,200	35,798,389	37,703,006	3.58
<b>TOTAL SINGAPORE</b>	<b>24,963,300</b>	<b>61,604,096</b>	<b>57,328,104</b>	<b>5.43</b>

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>2023 (CONTINUED) QUOTED SECURITIES (CONTINUED)</b>				
<b>SOUTH KOREA</b>				
<b>Consumer Discretionary</b>				
KIA Corporation	285,876	16,508,152	17,787,531	1.68
<b>Information Technology</b>				
Samsung Electro - Mechanics	43,869	5,215,588	5,145,762	0.49
Samsung Electronics Co. Ltd	862,901	43,752,940	42,422,270	4.01
	906,770	48,968,528	47,568,032	4.50
<b>Materials</b>				
LG Chem Ltd	44,365	18,840,994	24,264,617	2.29
<b>TOTAL SOUTH KOREA</b>	<b>1,237,011</b>	<b>84,317,674</b>	<b>89,620,180</b>	<b>8.47</b>
<b>TAIWAN</b>				
<b>Information Technology</b>				
E Ink Hldg Inc	2,660,000	8,385,132	16,092,096	1.52
MediaTek Inc.	656,000	16,897,468	16,928,293	1.60
Taiwan Semiconductor Manuf	4,313,000	77,064,847	75,377,420	7.13
	7,629,000	102,347,447	108,397,809	10.25
<b>TOTAL TAIWAN</b>	<b>7,629,000</b>	<b>102,347,447</b>	<b>108,397,809</b>	<b>10.25</b>
<b>THAILAND</b>				
<b>Communication Services</b>				
Advanced Info Service PCL - NVDR	3,042,000	18,003,992	18,866,767	1.78
<b>Financials</b>				
Bangkok Bank PCL - Foreign	3,919,300	21,088,313	17,370,949	1.64
<b>TOTAL THAILAND</b>	<b>6,961,300</b>	<b>39,092,305</b>	<b>36,237,716</b>	<b>3.42</b>

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>2023 (CONTINUED) QUOTED SECURITIES (CONTINUED)</b>				
<b>UNITED KINGDOM</b>				
<b>Energy</b>				
Shell PLC	991,235	28,169,628	28,303,356	2.68
<b>TOTAL UNITED KINGDOM</b>	<b>991,235</b>	<b>28,169,628</b>	<b>28,303,356</b>	<b>2.68</b>
<b>UNITED STATES</b>				
<b>Communication Services</b>				
Tencent Music Entertainment -ADR	359,579	7,247,342	2,977,314	0.28
<b>Financials</b>				
Global X Uranium ETF	544,048	14,606,765	10,842,877	1.03
<b>Materials</b>				
Linde PLC	60,195	20,277,472	21,395,711	2.03
<b>TOTAL UNITED STATES</b>	<b>963,822</b>	<b>42,131,579</b>	<b>35,215,902</b>	<b>3.34</b>
<b>TOTAL QUOTED SECURITIES</b>	<b>227,017,073</b>	<b>1,065,697,291</b>	<b>1,004,714,977</b>	<b>95.02</b>
<b>ACCUMULATED UNREALISED LOSS ON QUOTED SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b>(60,982,314)</b>		
<b>TOTAL QUOTED SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b>1,004,714,977</b>		

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>2022</b>				
<b>QUOTED SECURITIES</b>				
<b>AUSTRALIA</b>				
<b>Consumer Discretionary</b>				
Aristocrat Leisure Ltd (BB+)	671,106	12,866,769	18,434,245	1.50
<b>Energy</b>				
Santos Ltd <sup>3,4</sup>	5,925,096	38,891,484	34,324,523	2.79
<b>Financials</b>				
Macquarie Group Ltd (A+)	139,762	18,878,097	21,263,295	1.73
<b>Health Care</b>				
CSL Ltd <sup>3</sup>	91,896	19,711,983	18,443,467	1.50
Ramsay Health Care Ltd <sup>3</sup>	402,672	20,150,388	19,635,140	1.59
	494,568	39,862,371	38,078,607	3.09
<b>Industrials</b>				
ALS Ltd <sup>3</sup>	1,884,097	9,898,549	18,896,276	1.53
Seven Group Holdings Ltd <sup>3</sup>	1,081,776	15,952,051	17,173,000	1.39
	2,965,873	25,850,600	36,069,276	2.92
<b>Materials</b>				
OZ Minerals Ltd <sup>3</sup>	1,022,533	18,029,247	20,411,199	1.66
<b>TOTAL AUSTRALIA</b>	<b>11,218,938</b>	<b>154,378,568</b>	<b>168,581,145</b>	<b>13.69</b>
<b>CAYMAN ISLANDS</b>				
<b>Consumer Discretionary</b>				
Alibaba Group Holdings Ltd <sup>3,4</sup>	2,995,500	66,911,102	42,876,357	3.48
<b>TOTAL CAYMAN ISLANDS</b>	<b>2,995,500</b>	<b>66,911,102</b>	<b>42,876,357</b>	<b>3.48</b>
<b>CHINA</b>				
<b>Industrials</b>				
Weichai Power Co Ltd (BBB+) <sup>1</sup>	6,668,000	21,009,996	10,540,451	0.85
<b>Information Technology</b>				
LONGi Green Energy Technology <sup>2</sup>	1,691,447	22,452,852	19,262,606	1.56



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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>2022 (CONTINUED)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>CHINA (CONTINUED)</b>				
<b>Materials</b>				
Yunnan Energy New Materials Co Ltd <sup>3</sup>	302,142	12,879,260	10,486,084	0.84
<b>Utilities</b>				
China Longyuan Power Group <sup>3</sup>	5,451,000	12,454,892	12,416,923	1.01
<b>TOTAL CHINA</b>	<b>14,112,589</b>	<b>68,797,000</b>	<b>52,706,064</b>	<b>4.26</b>
<b>HONG KONG, CHINA</b>				
<b>Communication Services</b>				
China Mobile Ltd <sup>3</sup>	2,671,000	17,134,173	18,467,806	1.50
Tencent Holdings Ltd (A+) <sup>4</sup>	1,173,100	67,980,864	56,050,793	4.55
	3,844,100	85,115,037	74,518,599	6.05
<b>Consumer Discretionary</b>				
Galaxy Entertainment Group Ltd <sup>3</sup>	3,122,000	24,403,044	18,735,863	1.52
JD.Com INC <sup>3</sup>	55,862	2,026,865	1,669,073	0.14
Shenzhou International Group <sup>3</sup>	549,700	11,959,009	7,355,801	0.60
Xinyi Glass Holdings Co. Ltd <sup>3</sup>	2,584,000	10,779,387	6,268,867	0.50
	6,311,562	49,168,305	34,029,604	2.76
<b>Energy</b>				
CNOOC Ltd <sup>4</sup>	28,098,000	31,984,045	38,532,096	3.13
<b>Financials</b>				
AIA Group Ltd (AA1) <sup>4</sup>	3,380,800	35,240,571	35,592,057	2.89
Hong Kong Exchanges & Clearing Ltd (AA+)	547,500	26,463,939	25,963,843	2.11
	3,928,300	61,704,510	61,555,900	5.00
<b>Industrials</b>				
Techtronic Industries Ltd <sup>4</sup>	1,876,500	13,599,545	30,405,569	2.47
<b>Information Technology</b>				
Kingboard Laminates Holdings Ltd <sup>3</sup>	14,497,500	15,226,715	23,879,530	1.94
<b>TOTAL HONG KONG, CHINA</b>	<b>58,555,962</b>	<b>256,798,157</b>	<b>262,921,298</b>	<b>21.35</b>

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>2022 (CONTINUED) QUOTED SECURITIES (CONTINUED)</b>				
<b>INDIA</b>				
<b>Energy</b>				
Reliance Industries Ltd <sup>3, 4</sup>	<u>1,365,403</u>	<u>27,012,917</u>	<u>47,424,451</u>	<u>3.85</u>
<b>Financials</b>				
HDFC Bank Ltd (BBB-)	<u>1,269,559</u>	<u>19,996,953</u>	<u>24,607,963</u>	<u>2.00</u>
<b>Health Care</b>				
Apollo Hospitals Enterprises Ltd <sup>3</sup>	<u>182,405</u>	<u>6,071,880</u>	<u>10,859,313</u>	<u>0.88</u>
<b>Industrials</b>				
Container Corp of India Ltd <sup>3</sup>	<u>1,474,932</u>	<u>12,043,061</u>	<u>13,068,936</u>	<u>1.06</u>
<b>Information Technology</b>				
Tata Consultancy Services Ltd <sup>3</sup>	<u>252,732</u>	<u>8,282,574</u>	<u>12,460,288</u>	<u>1.01</u>
<b>TOTAL INDIA</b>	<b><u>4,545,031</u></b>	<b><u>73,407,385</u></b>	<b><u>108,420,951</u></b>	<b><u>8.80</u></b>
<b>INDONESIA</b>				
<b>Communication Services</b>				
Telekomunikasi TBK PT <sup>3</sup>	<u>67,062,900</u>	<u>16,491,945</u>	<u>21,377,945</u>	<u>1.74</u>
<b>Financials</b>				
PT Bank Central Asia Tbk (BBB-)	<u>47,607,500</u>	<u>20,395,172</u>	<u>26,425,561</u>	<u>2.15</u>
<b>TOTAL INDONESIA</b>	<b><u>114,670,400</u></b>	<b><u>36,887,117</u></b>	<b><u>47,803,506</u></b>	<b><u>3.89</u></b>
<b>JAPAN</b>				
<b>Health Care</b>				
Hoya Corporation <sup>3</sup>	<u>103,400</u>	<u>13,956,663</u>	<u>11,951,851</u>	<u>0.97</u>
<b>TOTAL JAPAN</b>	<b><u>103,400</u></b>	<b><u>13,956,663</u></b>	<b><u>11,951,851</u></b>	<b><u>0.97</u></b>

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>2022 (CONTINUED) QUOTED SECURITIES (CONTINUED)</b>				
<b>MALAYSIA</b>				
<b>Financials</b>				
CIMB Group Holdings Bhd (A3)	10,556,400	12,729,441	13,388,605	1.09
<b>Information Technology</b>				
My E.G. Services Bhd <sup>3</sup>	70,009,600	17,365,199	16,992,217	1.38
<b>TOTAL MALAYSIA</b>	<b>80,566,000</b>	<b>30,094,640</b>	<b>30,380,822</b>	<b>2.47</b>
<b>SINGAPORE</b>				
<b>Communication Services</b>				
Singapore Telecommunications <sup>3</sup>	13,897,700	25,344,252	27,107,331	2.20
<b>Consumer Discretionary</b>				
Jardine Cycle & Carriage Ltd <sup>3</sup>	439,900	7,186,095	8,134,947	0.66
<b>Financials</b>				
DBS Group Holdings Ltd (AA2)	999,800	18,480,497	26,466,703	2.15
<b>Industrials</b>				
Singapore Technologies Engineering Ltd <sup>3</sup>	9,917,100	29,336,769	30,187,129	2.45
<b>Information Technology</b>				
Venture Corporation Ltd <sup>3</sup>	765,000	16,361,174	9,930,545	0.80
<b>Real Estate</b>				
CapitaLand Integrated Commercial Trust <sup>3</sup>	10,213,000	15,966,494	16,977,578	1.38
Capitaland Investment Ltd <sup>3</sup>	7,689,400	17,313,947	22,667,585	1.84
	17,902,400	33,280,441	39,645,163	3.22
<b>TOTAL SINGAPORE</b>	<b>43,921,900</b>	<b>129,989,228</b>	<b>141,471,818</b>	<b>11.48</b>
<b>SOUTH KOREA</b>				
<b>Information Technology</b>				
Samsung Electronics Co Ltd (AA-) <sup>4</sup>	957,835	52,758,951	54,997,894	4.47

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>2022 (CONTINUED)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>SOUTH KOREA</b>				
<b>(CONTINUED)</b>				
<b>Materials</b>				
LG Chem Ltd (BBB)	40,622	16,757,521	17,828,674	1.45
Posco (BBB+)	80,295	22,897,694	19,408,959	1.58
	<u>120,917</u>	<u>39,655,215</u>	<u>37,237,633</u>	<u>3.03</u>
<b>TOTAL SOUTH KOREA</b>	<b><u>1,078,752</u></b>	<b><u>92,414,166</u></b>	<b><u>92,235,527</u></b>	<b><u>7.50</u></b>
<b>TAIWAN</b>				
<b>Information Technology</b>				
E Ink Holdings Inc <sup>4</sup>	4,885,000	15,399,011	31,568,550	2.56
Hon Hai Precision Industry Co Ltd (A-)	3,504,000	14,233,375	12,974,430	1.05
MediaTek Inc <sup>3</sup>	564,000	15,396,579	17,829,781	1.45
Taiwan Semiconductor Manufacturing Co Ltd (AA-) <sup>4</sup>	<u>4,313,000</u>	<u>77,064,847</u>	<u>89,943,984</u>	<u>7.30</u>
	<u>13,266,000</u>	<u>122,093,812</u>	<u>152,316,745</u>	<u>12.36</u>
<b>TOTAL TAIWAN</b>	<b><u>13,266,000</u></b>	<b><u>122,093,812</u></b>	<b><u>152,316,745</u></b>	<b><u>12.36</u></b>
<b>THAILAND</b>				
<b>Financials</b>				
Bangkok Bank PCL (BBB)	<u>1,463,200</u>	<u>9,827,330</u>	<u>6,022,290</u>	<u>0.49</u>
<b>Health Care</b>				
Bangkok Dusit Medical Service <sup>3</sup>	<u>24,032,900</u>	<u>17,615,861</u>	<u>18,050,266</u>	<u>1.47</u>
<b>TOTAL THAILAND</b>	<b><u>25,496,100</u></b>	<b><u>27,443,191</u></b>	<b><u>24,072,556</u></b>	<b><u>1.96</u></b>
<b>UNITED STATES</b>				
<b>Communication Services</b>				
Tencent Music Entertainment Group <sup>3</sup>	<u>646,664</u>	<u>13,033,562</u>	<u>3,149,254</u>	<u>0.26</u>
<b>Financials</b>				
Global X Uranium ETF <sup>3</sup>	<u>233,629</u>	<u>6,220,326</u>	<u>6,111,735</u>	<u>0.50</u>

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>2022 (CONTINUED)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>UNITED STATES</b>				
<b>(CONTINUED)</b>				
<b>Communication Services</b>				
<b>Information Technology</b>				
Nvidia Corporation <sup>3</sup>	<u>27,012</u>	<u>6,037,522</u>	<u>7,370,494</u>	<u>0.60</u>
<b>Materials</b>				
Linde PLC <sup>3</sup>	<u>20,123</u>	<u>6,260,443</u>	<u>6,427,890</u>	<u>0.52</u>
<b>TOTAL UNITED STATES</b>	<b><u>927,428</u></b>	<b><u>31,551,853</u></b>	<b><u>23,059,373</u></b>	<b><u>1.88</u></b>
<b>TOTAL QUOTED SECURITIES</b>	<b><u>371,458,000</u></b>	<b><u>1,104,722,882</u></b>	<b><u>1,158,798,013</u></b>	<b><u>94.09</u></b>
<b>ACCUMULATED UNREALISED GAIN ON QUOTED SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>54,075,131</u></b>		
<b>TOTAL QUOTED SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>1,158,798,013</u></b>		

1 H shares refer to the shares of companies incorporated in the Chinese mainland that are listed on the Hong Kong Stock Exchange or other foreign exchange. H shares are regulated by Chinese law, but they are denominated in HKD and trade the same as other equities on the Hong Kong Stock Exchange.

2 A-shares trade on the two Chinese stock exchanges, the Shanghai Stock Exchange and the Shenzhen Stock Exchange. A-shares are shares of mainland China-based companies and are available for purchase to select foreign institutions through the stock connect system.

3 The quoted securities is not rated.

4 The quoted securities is one of the top 10 holdings of the Fund.

9. CASH AND CASH EQUIVALENTS

	2023 USD	2022 USD
Bank balances	57,395,546	84,517,195

10. NUMBER OF UNITS IN CIRCULATION (UNITS)

	2023 No. of units	2022 No. of units
Class MYR (i)	19,051,714,414	18,545,730,621
Class SGD (ii)	89,786,850	90,421,324
Class USD (iii)	109,879,598	127,970,166
	19,251,380,862	18,764,122,111

(i) Class MYR

At the beginning of the financial year	18,545,730,621	16,622,585,807
Add: Creation of units from applications	2,087,633,372	4,973,450,785
Add: Creation of units from reinvestment of distributions	602,777,413	464,474,392
Less: Cancellation of units	(2,184,426,992)	(3,514,780,363)
At the end of the financial year	19,051,714,414	18,545,730,621

(ii) Class SGD

At the beginning of the financial year	90,421,324	88,003,694
Add: Creation of units from applications	8,558,958	21,162,739
Add: Creation of units from reinvestment of distributions	2,744,185	2,448,421
Less: Cancellation of units	(11,937,617)	(21,193,530)
At the end of the financial year	89,786,850	90,421,324

(iii) Class USD

At the beginning of the financial year	127,970,166	122,116,974
Add: Creation of units from applications	11,601,543	31,206,621
Add: Creation of units from reinvestment of distributions	1,618,047	1,431,616
Less: Cancellation of units	(31,310,158)	(26,785,045)
At the end of the financial year	109,879,598	127,970,166

11. TOTAL EXPENSE RATIO ("TER")

Pursuant to the SC Guidelines and to the MAS Guidelines

	2023 %	2022 %
TER	1.86	1.86

# 11. TOTAL EXPENSE RATIO (“TER”) (CONTINUED)

## **Pursuant to the SC Guidelines and to the MAS Guidelines (continued)**

TER can be calculated based on the ratio of the sum of fees and the recovered expenses of the unit trust fund to the average value of the unit trust fund calculated on a daily basis, i.e:

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

A	=	Management fee
B	=	Trustee and custodian fees
C	=	Audit fee
D	=	Tax Agent’s fee
E	=	Other expenses excluding withholding tax and Central Depository System (“CDS”) transfer fee
F	=	Average NAV of the Fund calculation on a daily basis

The average NAV of the Fund for the financial year calculated on a daily basis was USD1,067,519,245 (2022: USD1,299,153,698)

# 12. PORTFOLIO TURNOVER RATIO (“PTR”)

## **Pursuant to the SC Guidelines**

	2023	2022
PTR (times)	0.59	0.56

PTR is derived from the following calculation:

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

## **Pursuant to the MAS Guidelines**

	2023	2022
PTR (times)	0.59	0.53

PTR is derived from the following calculation:

$$\frac{\text{Lesser of total acquisition or total disposal for the financial year}}{\text{Average NAV of the Fund for the financial year calculated on a daily basis}}$$

where:

total acquisition for the financial year	= USD627,441,459 (2022: USD765,577,149)
total disposal for the financial year	= USD625,810,441 (2022: USD694,218,308)

**13. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER, AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES**

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

<u>Related parties</u>	<u>Relationship</u>
Principal Asset Management Berhad	The Manager
Principal Financial Group, Inc.	Ultimate holding company of shareholder of the Manager
Principal International (Asia) Ltd	Shareholder of the Manager
Subsidiaries and associates of Principal Financial Group Inc., other than above, as disclosed in its financial statements	Fellow subsidiary and associated companies of the ultimate holding company of shareholder of the Manager
CIMB Group Holdings Bhd	Ultimate holding company of shareholder of the Manager
CIMB Group Sdn Bhd	Shareholder of the Manager
PT Principal Asset Management	Subsidiary of the Manager
Subsidiaries and associates of CIMB Group Holdings Bhd, other than above, as disclosed in its financial statements	Fellow subsidiary and associated companies of the ultimate holding company of the shareholder of the Manager
CIMB Bank Bhd	Fellow related party to the Manager
CIMB Investment Bank Bhd	Fellow related party to the Manager
CGS-CIMB Securities (Singapore) Pte Ltd	Fellow related party to the Manager

Units held by the Manager and parties related to the Manager

		<b>2023</b>		<b>2022</b>
	<b>No. of units</b>	<b>USD</b>	<b>No. of units</b>	<b>USD</b>
<b>Manager</b>				
Principal Asset Management Bhd				
- Class MYR	172,092	8,381	909,105	52,092
- Class SGD	7,130	3,731	25,927	15,901
- Class USD	1,621	1,215	3,511	3,084

In the opinion of the Manager, the above units were transacted at the prevailing market price.

The units are held beneficially by the Manager for booking purposes. Other than the above, there were no units held by the Directors or parties related to the Manager.

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The Manager is of the opinion that all transactions with the related companies have been entered into in the normal course of business at agreed terms between the related parties.



**13. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER, AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)**

	<b>2023</b>	<b>2022</b>
	<b>USD</b>	<b>USD</b>
<u>Significant related party transactions</u>		
Dividend income;		
- CIMB Group Holdings Bhd	297,686	1,324,828
Financial assets at fair value through profit or loss:		
- CIMB Group Holdings Bhd	-	13,388,605
- Principal Asia Pacific Renewable Fund	315,933	-

There were no related party balances as at the end of the financial year, apart from those mentioned elsewhere in the financial statements.

**14. TRANSACTIONS WITH BROKERS**

Details of transactions with the top 10 brokers for the financial year ended 31 March 2023 were as follows:

<b>Brokers</b>	<b>Value of trades USD</b>	<b>Percentage of total trades %</b>	<b>Brokerage fees USD</b>	<b>Percentage of total brokerage fees %</b>
Citigroup Global Markets Ltd	275,028,280	21.95	328,334	17.93
Jefferies International Ltd	115,777,907	9.24	146,018	7.97
UBS Securities Asia Ltd	104,146,409	8.31	135,946	7.42
Macquarie Securities AU Ltd	88,611,824	7.07	141,161	7.71
J.P. Morgan Securities LLC	77,267,054	6.17	26,078	1.42
J.P. Morgan Securities (Asia Pacific Ltd	75,640,584	6.04	202,751	11.07
Credit Suisse (HK) Ltd	74,488,880	5.94	176,204	9.62
DBS Vickers Sec (SG) Pte Ltd	72,004,133	5.75	109,818	6.00
CLSA Ltd	68,252,625	5.45	200,082	10.92
CLSA Securities M Sdn Bhd	46,111,778	3.68	16,307	0.89
Others #	156,225,639	20.40	348,976	19.05
	<u>1,153,555,113</u>	<u>100.00</u>	<u>1,831,675</u>	<u>100.00</u>

#### 14. TRANSACTIONS WITH BROKERS (CONTINUED)

Details of transactions with the top 10 brokers for the financial year ended 31 March 2022 were as follows:

Brokers	Value of trades USD	Percentage of total trades %	Brokerage fees USD	Percentage of total brokerage fees %
Citigroup Global Markets Ltd	238,876,473	16.45	154,021	10.94
JP Morgan Securities LLC	216,608,377	14.91	71,052	5.04
Credit Suisse Securities (Hong Kong) Ltd	159,954,813	11.01	188,580	13.39
UBS Securities Asia Ltd	115,391,371	7.95	120,212	8.53
DBS Vickers Securities (Singapore) Pte Ltd	114,776,085	7.90	174,956	12.42
CLSA Securities (Malaysia) Sdn Bhd	78,590,599	5.41	26,184	1.86
Macquarie Securities Australia Ltd	58,179,264	4.01	111,138	7.89
Instinet Pacific Limited	55,369,810	3.81	53,286	3.78
Sanford C Bernstein & Co LLC	44,275,603	3.05	79,211	5.62
JP Morgan Securities Asia Pacific Ltd	42,845,569	2.95	103,861	7.38
Others #	327,473,216	22.55	325,980	23.15
	<u>1,452,341,180</u>	<u>100.00</u>	<u>1,408,481</u>	<u>100.00</u>

# Included in the transactions are trades conducted with CGS-CIMB Securities (Singapore) Pte Ltd, fellow related party to the Manager amounting to USD20,197,109 (2022:USD26,646,280). The Manager is of the opinion that all transactions with the related companies have been entered into in the normal course of business at agreed terms between the related parties.

#### 15. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The COVID-19 pandemic and related lockdowns and movement restrictions, together with geopolitical tensions and heightened inflationary environment globally have had, and will continue to have, a significant impact on global economic conditions and the environment which the Fund operates.

The Manager continues to closely monitor the macro-economic outlook as a result of COVID-19 pandemic and its impact to the Fund's performance and will be managing the risks to achieve the Fund's objective.

#### 16. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 17 May 2023.

## DIRECTORY

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