

# Principal Asia Pacific Dynamic Growth Fund

Interim Report

For The Six Months Financial Period Ended 31 August 2021

**PRINCIPAL ASIA PACIFIC DYNAMIC GROWTH FUND**

**INTERIM REPORT**

**FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 AUGUST 2021**

<b>CONTENTS</b>	<b>PAGE(S)</b>
INVESTORS' LETTER	1
MANAGER'S REPORT	2 - 12
Fund Objective and Policy	
Performance Data	
Market Review	
Fund Performance	
Portfolio Structure	
Market Outlook	
Investment Strategy	
Unit Holdings Statistics	
Soft Commissions and Rebates	
STATEMENT BY MANAGER	13
TRUSTEE'S REPORT	14
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME	15
UNAUDITED STATEMENT OF FINANCIAL POSITION	16 - 17
UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	18
UNAUDITED STATEMENT OF CASH FLOWS	19
NOTES TO THE FINANCIAL STATEMENTS	20 - 45
DIRECTORY	46

**INVESTORS' LETTER**

Dear Valued Member,

Greetings from Principal Asset Management Berhad and thank you for investing with us!

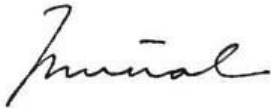
We are pleased to bring you a copy of the Interim Fund Report of the Principal Asia Pacific Dynamic Growth Fund for the six months financial period ended 31 August 2021. You may also download this report from our website at [www.principal.com.my](http://www.principal.com.my).

We are happy to share that we recently won the Most Innovative New Money Market Fund – Principal e-Cash Fund at the Global Business Outlook Awards 2020.

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) and follow us on our Instagram account (@principalassetmanagement\_my) 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 achieve capital appreciation over the medium to long term.

#### Has the Fund achieved its objective?

Yes, the Fund has achieved its objective of capital growth over the medium to long term.

#### What are the Fund investment policy and principal investment strategy?

The Fund will be managed with the aim of achieving a stable and positive investment return regardless of market conditions. As the Fund is an equity fund, under general market conditions, the Fund will invest in equities of companies which the Sub-Manager\* believes will exhibit good growth potential when compared against its peers or the overall market. The Fund may also invest up to 38% of its assets in debt securities, money market instruments and/or deposits to be in line with the Fund's investment objective. The Fund may also opt to access into the equities and/or debt securities market via the investment in units of other collective investment schemes, subject to the requirements of the Securities Commission Malaysia ("SC") Guidelines and the Standards of Qualifying collective investment schemes. The Manager or the Sub-Manager may also utilise derivative instruments such as futures contracts to hedge the portfolio. The use of derivatives is subject to the prevailing SC Guidelines and Standards of Qualifying collective investment schemes.

The Fund will invest primarily in the Asia Pacific ex Japan region, i.e. companies that are domiciled in, listed in, and/or have operations or businesses that focus in the Asia Pacific ex Japan region. With effect from 14 May 2021, the Fund may also invest up to 20% of its NAV in companies that are listed globally with some operations or businesses within the Asia Pacific ex Japan region to capture growth opportunities. The Fund will only invest in markets where the regulatory authority is an ordinary or associate member of the International Organisation of Securities Commission ("IOSCO"). If the investment is a listed security, the investment must be traded in an exchange that is a member of World Federation of Exchanges ("WFE"). Where necessary, the Manager will obtain the licenses/permits for investments in countries that require such licenses/permits. If the Manager is unable to obtain the necessary licenses/permits, or the licenses/permits are revoked or not renewed (as the case may be), the Manager or the Sub-Manager will seek to invest in other accessible markets.

The asset allocation strategy for this Fund is as follows:

- between 60% to 98% (both inclusive) of the Fund's Net Asset Value ("NAV") will be invested in equities;
- up to 38% of the Fund's NAV may be invested in debt securities, money market instruments and/or deposits;
- up to 20% of the Fund's NAV may be invested in units of other collective investment schemes; and
- at least 2% of the Fund's NAV in liquid assets.

\* Principal Asset Management (S) Pte. Ltd ("Principal Singapore") was appointed as the Sub-Manager for the Fund on 25 April 2016. As the Sub-Manager, Principal Singapore is responsible for the investment management function of the Fund, and has the discretion to manage, realize, invest, reinvest or howsoever deal with the Fund in accordance with the investment objective of the Fund. The Sub-Manager's discretionary authority over the investments of the Fund is subject to the SC Guidelines, Standards of Qualifying collective investment schemes and its internal policies and procedures. Principal Singapore shall be responsible for the review, monitoring and oversight of Principal Singapore in the performance of the latter's duties and obligations in respect of the Fund.

#### Base Currency

US Dollar ("USD")

#### Fund category/type

Equity/Growth

**FUND OBJECTIVE AND POLICY (CONTINUED)**

**When was the Fund launched?**

Name of Class	Launch Date
Class AUD	25 April 2016
Class MYR	25 April 2016
Class SGD	25 April 2016
Class USD	25 April 2016

**What was the size of the Fund as at 31 August 2021?**

USD219.53 million (606.94 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 nine percent (9%) 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 distribution policy?**

Given the Fund's investment objective, the Class of the Fund is not expected to pay any distribution. Distributions, if any, are at the Manager's discretion and will vary from period to period depending on the availability of realised income for distribution and performance of the Fund.

**What was the net income distribution for the six months financial period ended 31 August 2021?**

There was no distribution made for the six months financial period ended 31 August 2021.

**PERFORMANCE DATA**

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

	31.08.2021	31.08.2020	31.08.2019
	%	%	%
Quoted securities			
- Communication Services	11.55	12.57	8.16
- Consumer Discretionary	14.37	23.61	11.84
- Consumer Staples	-	-	2.54
- Energy	4.85	5.82	2.24
- Financials	11.27	6.43	10.62
- Health Care	6.58	4.75	2.83
- Industrials	13.39	15.32	16.35
- Information Technology	21.67	12.63	9.57
- Materials	11.62	12.34	2.97
- Real Estate	-	2.80	20.02
Cash and other assets	5.16	9.51	13.32
Liabilities	(0.46)	(5.78)	(0.46)
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

Note: The Fund had applied the Global Industry Classification Standard ("GICS") sectors classification.

**PERFORMANCE DATA (CONTINUED)**

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

	<b>31.08.2021</b>	<b>31.08.2020</b>	<b>31.08.2019</b>
NAV (USD Million)			
- Class AUD	24.09	13.41	19.89
- Class MYR	168.34	59.34	85.44
- Class SGD	8.35	4.74	7.39
- Class USD	18.75	8.13	9.46
Units in circulation (Million)			
- Class AUD	26.45	11.25	21.48
- Class MYR	555.66	149.57	277.40
- Class SGD	9.35	4.05	8.14
- Class USD	15.48	5.12	7.68
NAV per unit (USD)			
- Class AUD	0.9106	1.1925	0.9258
- Class MYR	0.3029	0.3967	0.3080
- Class SGD	0.8935	1.1702	0.9084
- Class USD	1.2107	1.5857	1.2310
	<b>01.03.2021</b>	<b>01.03.2020</b>	<b>01.03.2019</b>
	<b>to 31.08.2021</b>	<b>to 31.08.2020</b>	<b>to 31.08.2019</b>
Highest NAV per unit (USD)			
- Class AUD	0.9351	1.2061	0.9861
- Class MYR	0.3111	0.4012	0.3280
- Class SGD	0.9176	1.1835	0.9676
- Class USD	1.2433	1.6037	1.3111
Lowest NAV per unit (USD)			
- Class AUD	0.8595	0.7321	0.9075
- Class MYR	0.2859	0.2435	0.3019
- Class SGD	0.8434	0.7184	0.8905
- Class USD	1.1429	0.9735	1.2067
Total return (%)			
- Class AUD	8.65	11.63	(0.44)
- Class MYR	3.70	23.59	(0.91)
- Class SGD	2.44	21.86	(0.83)
- Class USD	1.07	25.11	(0.94)
Capital growth (%)			
- Class AUD	8.65	11.63	(0.44)
- Class MYR	3.70	23.59	(0.91)
- Class SGD	2.44	21.86	(0.83)
- Class USD	1.07	25.11	(0.94)
Income distribution (%)			
- Class AUD	-	-	-
- Class MYR	-	-	-
- Class SGD	-	-	-
- Class USD	-	-	-

**PERFORMANCE DATA (CONTINUED)**

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

	<b>01.03.2021 to 31.08.2021</b>	<b>01.03.2020 to 31.08.2020</b>	<b>01.03.2019 to 31.08.2019</b>
Management Expense Ratio ("MER") (%) ^	0.97	0.86	0.97
Portfolio Turnover Ratio ("PTR") (times) #	0.33	0.62	0.43

^ The Fund's MER increased from 0.86% to 0.97% due to increased expenses during the financial period under review.

# The Fund's PTR declined to 0.33 times which was lower than the 0.62 times last year. The stock markets were comparatively stable which led to a lower turnover in the Fund.

	<b>31.08.2021</b>	<b>31.08.2020</b>	<b>31.08.2019</b>	<b>31.08.2018</b>	<b>31.08.2017</b>
	%	%	%	%	%
Annual total return					
- Class AUD	20.33	19.65	2.14	14.30	12.71
- Class MYR	19.47	28.91	(3.47)	0.76	25.20
- Class SGD	18.53	27.69	(4.37)	5.46	18.29
- Class USD	19.75	30.20	(5.69)	4.76	18.72

(Launch date: 25 April 2016)

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 period have been extracted from Lipper.

**MARKET REVIEW (1 MARCH 2021 TO 31 AUGUST 2021)**

For the financial period under review, the Asia Pacific Ex-Japan stock markets declined, led by China, Hong Kong Special Administrative Region ("SAR") markets. The MSCI Asia ex-Japan Index declined 4.1% in USD terms. In the first few months, investors were concerned that the rising inflation rates would be more sustained than expected and that this would lead to an earlier than expected tapering of the US Federal Reserve (the "Fed") bond buying program and also rising interest rates. 10-year US Treasury ("UST") bond yields spiked up rising to a high of more than 1.7% in March 2021. It initially caused the stock markets to correct but eventually investors shrugged off this concern as most expect inflation rate to eventually settle at a lower level as the inflation spike was likely caused by transitory factors. These factors included shutdowns in certain countries due to COVID-19 infection surges which affected supply chains, re-opening of the economies in the West and port congestions. Certain components faced shortages and rising material prices added to inflationary concerns.

In China, regulatory scrutiny intensified in second quarter of 2021 not only on the internet companies but also other sectors like education and property. All these new regulations caused much uncertainty and consternation among investors as they grappled to understand the impact of these new regulations. Chinese and Hong Kong SAR stocks corrected sharply in the past few months as a result.



FUND PERFORMANCE

	6 months to 31.08.2021				1 year to 31.08.2021			
	Class	Class	Class	Class	Class	Class	Class	Class
	AUD	MYR	SGD	USD	AUD	MYR	SGD	USD
	%	%	%	%	%	%	%	%
Income Distribution	-	-	-	-	-	-	-	-
Capital Growth	8.65	3.70	2.44	1.07	20.33	19.47	18.53	19.75
Total Return	8.65	3.70	2.44	1.07	20.33	19.47	18.53	19.75
Benchmark	4.40	4.40	4.40	4.40	9.00	9.00	9.00	9.00
Average Total Return	17.89	7.47	4.90	2.13	20.33	19.47	18.53	19.75

	3 years to 31.08.2021				5 years to 31.08.2021			
	Class	Class	Class	Class	Class	Class	Class	Class
	AUD	MYR	SGD	USD	AUD	MYR	SGD	USD
	%	%	%	%	%	%	%	%
Income Distribution	-	-	-	-	-	-	-	-
Capital Growth	47.05	48.65	44.75	47.05	89.44	87.53	80.57	82.90
Total Return	47.05	48.65	44.75	47.05	89.44	87.53	80.57	82.90
Benchmark	29.50	29.50	29.50	29.50	53.86	53.86	53.86	53.86
Average Total Return	13.72	14.13	13.12	13.72	13.63	13.40	12.55	12.84

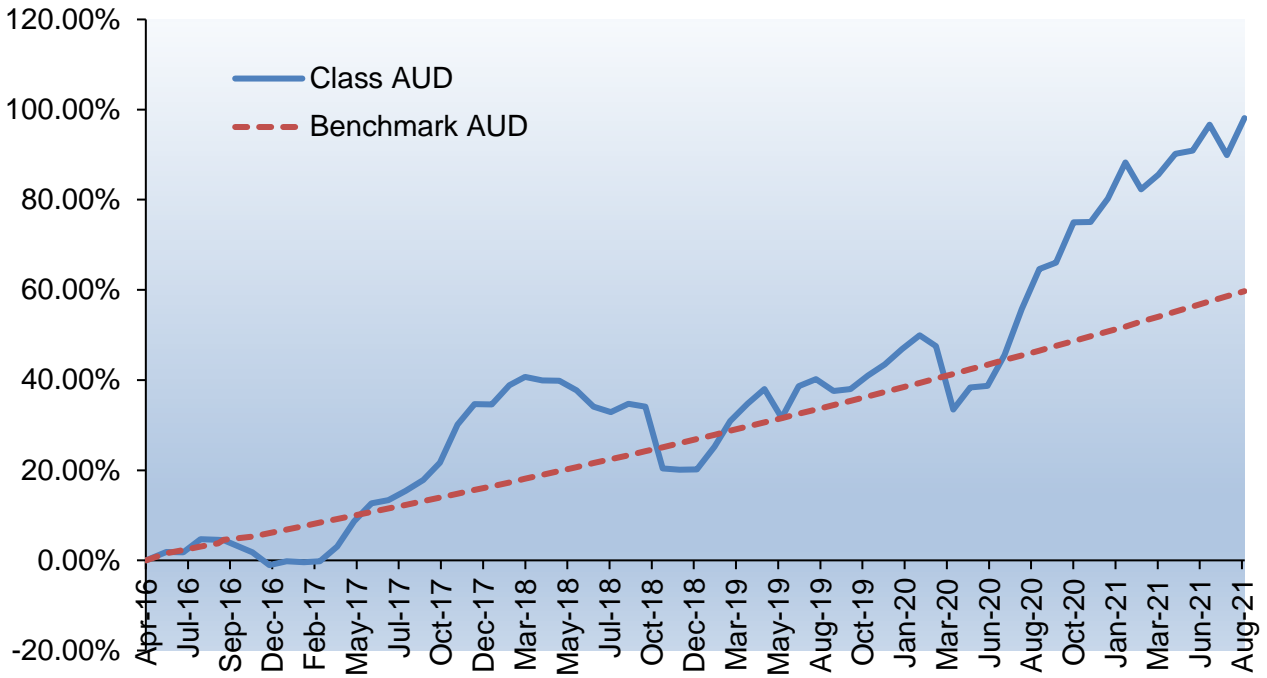
  

	Since inception to 31.08.2021			
	Class	Class	Class	Class
	AUD	MYR	SGD	USD
	%	%	%	%
Income Distribution	-	-	-	-
Capital Growth	98.11	99.57	90.59	92.05
Total Return	98.11	99.57	90.59	92.05
Benchmark	59.71	59.71	59.71	59.71
Average Total Return	13.61	13.77	12.80	12.96

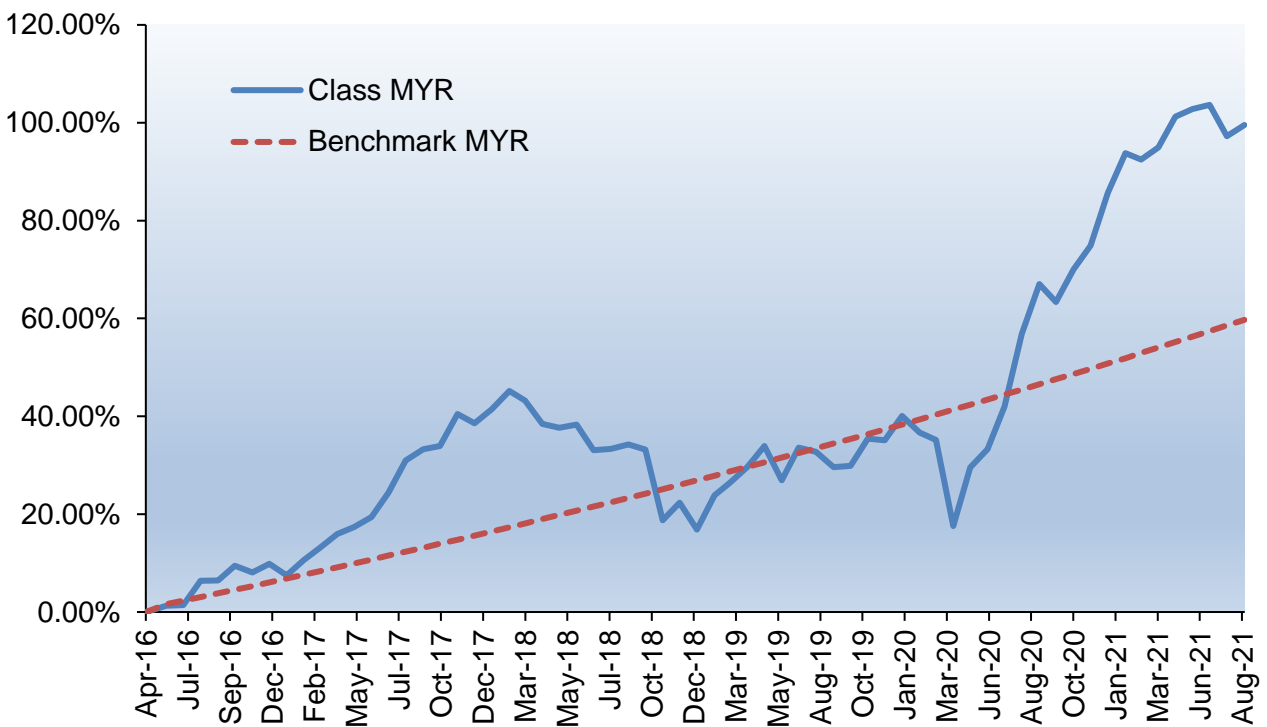
For the financial period under review, the Fund recorded a total return of 8.65%, 3.70%, 2.44% and 1.07% for the AUD, MYR, SGD and USD classes respectively. The Fund was able to record a positive return as the exposure in other North Asia markets, India, Australia offset the weakness in China and Hong Kong SAR.

FUND PERFORMANCE (CONTINUED)

Class AUD

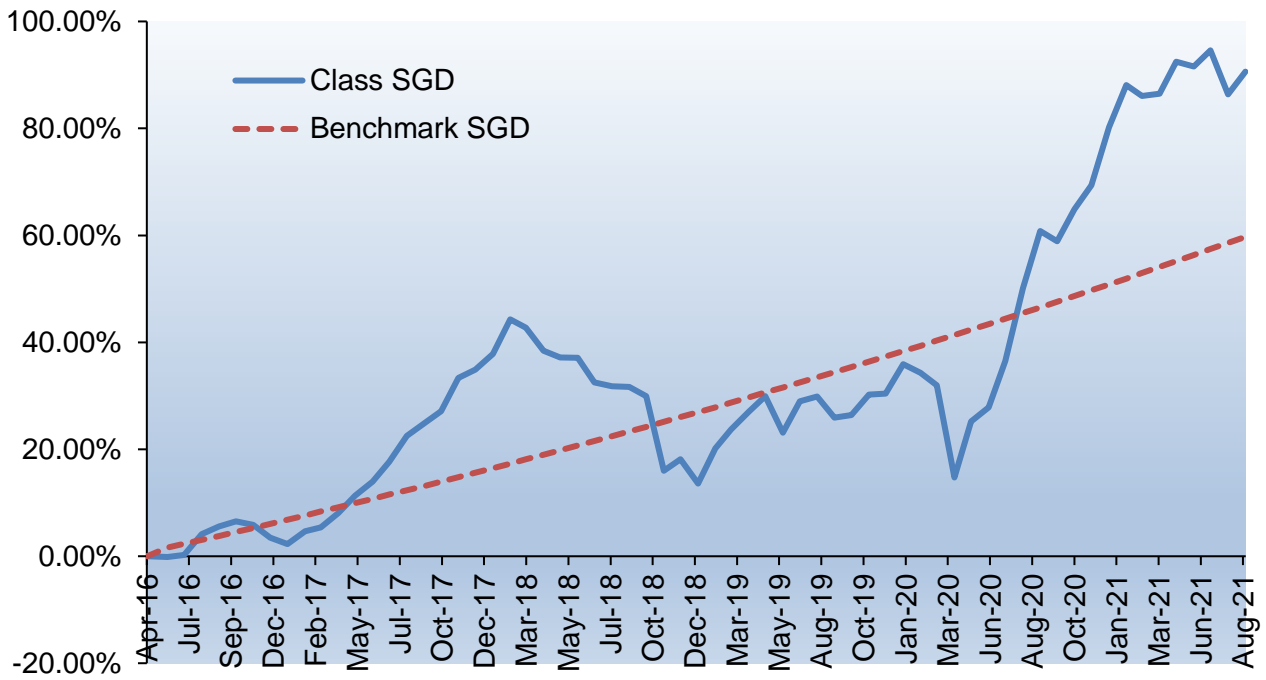


Class MYR

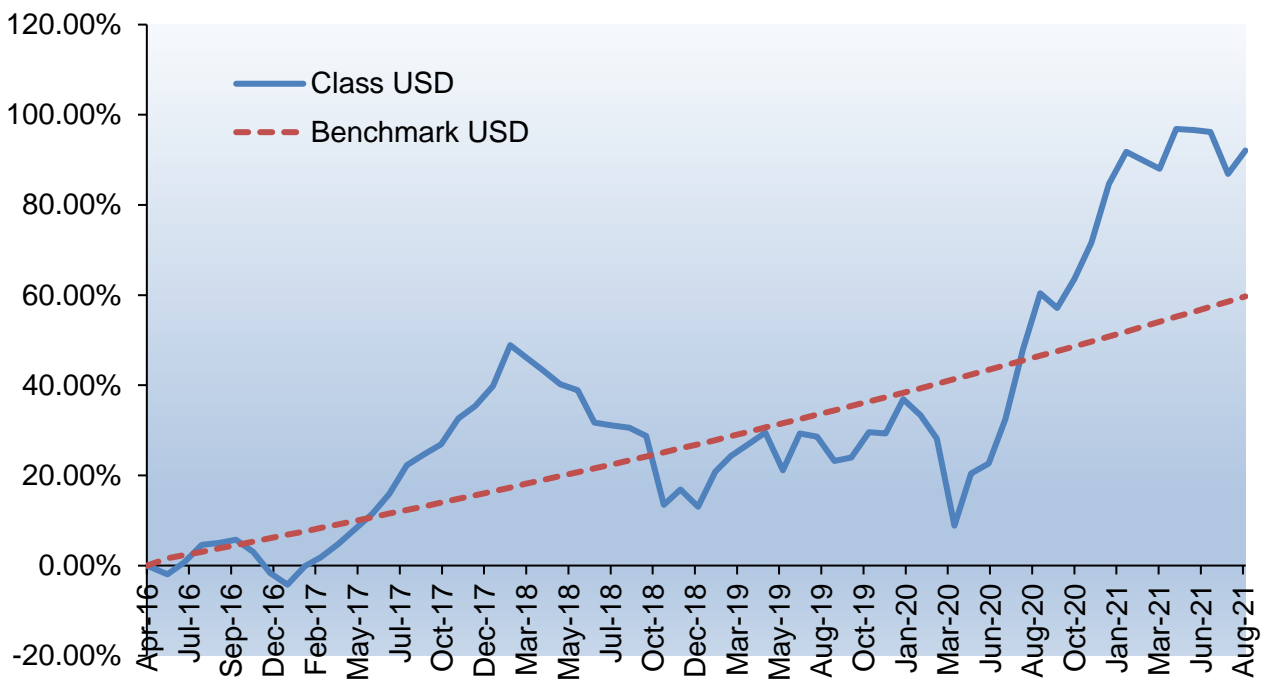


FUND PERFORMANCE (CONTINUED)

Class SGD



Class USD



**FUND PERFORMANCE (CONTINUED)**

**Changes in NAV**

**CLASS AUD**

	<b>31.08.2021</b>	<b>28.02.2021</b>	<b>Changes</b>
		<b>Audited</b>	<b>%</b>
NAV (USD Million)	24.09	22.93	5.06
NAV/Unit (USD)	0.9106	0.8932	1.95

**CLASS MYR**

	<b>31.08.2021</b>	<b>28.02.2021</b>	<b>Changes</b>
		<b>Audited</b>	<b>%</b>
NAV (USD Million)	168.34	156.10	7.84
NAV/Unit (USD)	0.3029	0.2971	1.95

**CLASS SGD**

	<b>31.08.2021</b>	<b>28.02.2021</b>	<b>Changes</b>
		<b>Audited</b>	<b>%</b>
NAV (USD Million)	8.35	7.05	18.44
NAV/Unit (USD)	0.8935	0.8765	1.94

**CLASS USD**

	<b>31.08.2021</b>	<b>28.02.2021</b>	<b>Changes</b>
		<b>Audited</b>	<b>%</b>
NAV (USD Million)	18.75	17.20	9.01
NAV/Unit (USD)	1.2107	1.1877	1.94

The NAV of the Fund increased by 5.06%, 7.84%, 18.44% and 9.01% for the AUD, MYR, SGD and USD classes respectively. The NAV per unit increased by 1.95% in USD terms for AUD and MYR classes respectively; and 1.94% in USD terms for SGD and USD classes respectively. The increase in NAV per unit was due to increase in value of underlying assets while the increase in NAV was due also to subscriptions.

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 period have been extracted from Lipper.

## PORTFOLIO STRUCTURE

### Asset allocation

(% of NAV)	31.08.2021	29.02.2021 Audited
Quoted securities	95.30	88.38
Cash and other assets	5.16	13.68
Liabilities	(0.46)	(2.06)
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>

As at 31 August 2021, the Fund held 95.30% in quoted securities, with the rest in cash and other assets. The cash level is lower than the level at the end of August 2021.

### MARKET OUTLOOK\*

In the next 12-months, the outlook for the Asia Pacific ex-Japan equity markets remains positive. The investment environment for equities remains favorable with the backdrop of a global economic recovery, the accelerating rollout of vaccines, and continued monetary and fiscal support. The pace of the roll-out of COVID-19 vaccines and improving employment rate remain the key objectives of all governments globally. While inflation is relatively high, it is expected to be transitory and the elevated levels should start to ease in the coming months. As the economies re-open, supply chain disruption which was a major factor in the rise of inflation should be less pronounced going forward. As such, we do not expect the Central Banks to raise interest rates in the near term. We expect liquidity to be ample and funds flow to Asia. Asia is under-owned by investors and earnings growth for Asian corporates are expected to be robust in 2021 and into 2022. In addition, policy makers are likely to err on the side of caution and will unlikely pull back abruptly from their accommodative policy stance prematurely. The near-term risks are a deteriorating US-China relationship and the rise in COVID-19 variant strains which may result in more waves of infections. For China, we expect the recent slew of regulatory tightening to eventually ease by end of 2021. Coupled with the likely easing in monetary and fiscal policies, we should expect equities to performed better.

\*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

We have a positive view on Asian equities on a 12-month basis. Our expectation is a global economic recovery with further re-opening as vaccination rates for COVID-19 rises. This will allow supply chain to be less disrupted which will ease bottlenecks of many economic activities being experienced currently. In the near term, the portfolio is diversified across geographies and sectors. The focus is also on quality growth companies which are long term winners with strong entry to barriers or market share gainers. We are positioned to benefit from strong trends in the renewables, electric vehicle penetration, fifth generation ("5G") handsets and the proliferation of digitalization of the society.

**UNIT HOLDINGS STATISTICS**

Breakdown of unit holdings by size as at 31 August 2021 were as follows:

**CLASS AUD**

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	1	0.00*	0.00
5,001-10,000	-	-	-
10,001-50,000	1	0.02	0.08
50,001-500,000	3	0.55	2.08
500,001 and above	6	25.88	97.84
<b>Total</b>	<b>11</b>	<b>26.45</b>	<b>100.00</b>

**CLASS MYR**

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	426	1.07	0.19
5,001-10,000	285	2.06	0.37
10,001-50,000	755	17.18	3.09
50,001-500,000	326	36.79	6.62
500,001 and above	24	498.56	89.73
<b>Total</b>	<b>1,816</b>	<b>555.66</b>	<b>100.00</b>

**CLASS SGD**

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	1	0.00*	0.00
5,001-10,000	-	-	-
10,001-50,000	1	0.05	0.53
50,001-500,000	4	0.76	8.13
500,001 and above	4	8.54	91.34
<b>Total</b>	<b>10</b>	<b>9.35</b>	<b>100.00</b>

**CLASS USD**

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	1	0.00*	0.00
5,001-10,000	3	0.02	0.13
10,001-50,000	1	0.04	0.26
50,001-500,000	4	1.11	7.17
500,001 and above	4	14.31	92.44
<b>Total</b>	<b>13</b>	<b>15.48</b>	<b>100.00</b>

Note: 0.00\* denotes unit count less than 0.01 million.

**SOFT COMMISSIONS AND REBATES**

Principal Asset Management Berhad (the “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 financial wire services and stock quotations system incidental to investment management of the Funds. All dealings with brokers are executed on best available terms.

During the financial period under review, the Manager and 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.

**STATEMENT BY MANAGER TO THE UNITHOLDERS OF  
PRINCIPAL ASIA PACIFIC DYNAMIC GROWTH FUND**

We, being the Directors of Principal Asset Management Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying unaudited financial statements set out on pages 15 to 45 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 August 2021 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial period then ended in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134 - Interim Financial Reporting and International Accounting Standards (“IAS”) 34 - Interim Financial Reporting.

For and on behalf of the Manager

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

**MUNIRAH KHAIRUDDIN**  
Chief Executive Officer/Executive Director

**JUAN IGNACIO EYZAGUIRRE BARAONA**  
Director

Kuala Lumpur  
11 October 2021



**TRUSTEE'S REPORT**

**TO THE UNITHOLDERS OF  
PRINCIPAL ASIA PACIFIC DYNAMIC GROWTH FUND**

We have acted as Trustee of Principal Asia Pacific Dynamic Growth Fund (the "Fund") for the financial period ended 31 August 2021. To the best of our knowledge, Principal Asset Management Berhad ("the Manager"), has operated and managed the Fund in accordance with the following:

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

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat  
Manager, Investment Compliance Monitoring

Kuala Lumpur  
11 October 2021

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 AUGUST 2021**

	Note	01.03.2021 to 31.08.2021 USD	01.03.2020 to 31.08.2020 USD
<b>INCOME</b>			
Dividend income		2,180,888	1,114,218
Interest income		117	1,142
Net gain on financial assets at fair value through profit or loss	7	5,279,132	19,545,890
Net foreign exchange loss		<u>(590,544)</u>	<u>(93,964)</u>
		<u>6,869,593</u>	<u>20,567,286</u>
<b>EXPENSES</b>			
Management fee	4	1,962,679	809,515
Trustee and custodian fees	5	54,519	55,384
Audit fee		1,312	1,405
Tax agent's fee		8,472	5,820
Transaction costs		333,657	335,216
Other expenses		<u>253,679</u>	<u>103,216</u>
		<u>2,614,318</u>	<u>1,310,556</u>
<b>PROFIT BEFORE TAXATION</b>		4,255,275	19,256,730
Taxation	6	<u>65,358</u>	<u>-</u>
<b>PROFIT AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD</b>		<u>4,189,917</u>	<u>19,253,730</u>
Profit after taxation is made up as follows:			
Realised amount		1,312,067	3,850,035
Unrealised amount		<u>2,877,850</u>	<u>15,406,695</u>
		<u>4,189,917</u>	<u>19,256,730</u>

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

UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 31 AUGUST 2021

		31.08.2021	28.02.2021
	Note	USD	Audited USD
<b>ASSETS</b>			
Cash and cash equivalents	8	7,967,111	8,166,987
Financial assets at fair value through profit or loss	7	209,208,495	179,668,779
Amount due from stockbrokers		-	1,039,537
Amount due from Manager		3,138,900	18,423,959
Dividends receivable		229,655	165,151
<b>TOTAL ASSETS</b>		<u>220,544,161</u>	<u>207,464,413</u>
<b>LIABILITIES</b>			
Amount due to stockbrokers		-	2,078,037
Amount due to Manager		678,362	1,811,492
Accrued management fee		325,960	277,437
Amount due to Trustee		9,054	7,707
Other payables and accruals		2,902	7,132
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)</b>		<u>1,016,278</u>	<u>4,181,805</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>219,527,883</u>	<u>203,282,608</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>219,527,883</u>	<u>203,282,608</u>
<b>REPRESENTED BY:</b>			
<b>FAIR VALUE OF OUTSTANDING UNITS (USD)</b>			
- Class AUD		24,086,155	22,931,059
- Class MYR		168,341,974	156,104,664
- Class SGD		8,354,703	7,047,015
- Class USD		18,745,051	17,199,870
		<u>219,527,883</u>	<u>203,282,608</u>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>			
- Class AUD		26,450,301	25,670,069
- Class MYR		555,661,914	525,259,260
- Class SGD		9,349,669	8,039,121
- Class USD		15,481,839	14,481,027
	9	<u>606,943,723</u>	<u>573,449,477</u>

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

**UNAUDITED STATEMENT OF FINANCIAL POSITION (CONTINUED)  
AS AT 31 AUGUST 2021 (CONTINUED)**

	<b>31.08.2021</b>	<b>28.02.2021</b>
	<b>USD</b>	<b>Audited USD</b>
<b>NET ASSET VALUE PER UNIT (USD)</b>		
- Class AUD	0.9106	0.8932
- Class MYR	0.3029	0.2971
- Class SGD	0.8935	0.8765
- Class USD	1.2107	1.1877
 <b>NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES</b>		
- Class AUD	AUD1.2428	AUD1.1396
- Class MYR	RM1.2579	RM1.2025
- Class SGD	SGD1.2021	SGD1.1628
- Class USD	USD1.2107	USD1.1877

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

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 AUGUST 2021**

	<b>01.03.2021 to 31.08.2021</b>	<b>01.03.2020 to 31.08.2020</b>
	<b>USD</b>	<b>USD</b>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	<u>203,282,608</u>	<u>97,610,485</u>
Movement due to units created and cancelled during the financial period:		
Creation of units from applications		
- Class AUD	4,976,980	6,096,854
- Class MYR	59,490,092	18,070,673
- Class SGD	2,615,701	928,011
- Class USD	<u>5,350,293</u>	<u>3,049,322</u>
	<u>72,433,066</u>	<u>28,144,860</u>
Cancellation of units		
- Class AUD	(4,289,308)	(9,815,206)
- Class MYR	(50,441,438)	(42,803,712)
- Class SGD	(1,456,363)	(2,792,800)
- Class USD	<u>(4,190,599)</u>	<u>(3,981,652)</u>
	<u>(60,377,708)</u>	<u>(59,393,570)</u>
Total comprehensive income for the financial period	<u>4,189,917</u>	<u>19,256,730</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL PERIOD</b>	<u>219,527,883</u>	<u>85,618,505</u>

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

**UNAUDITED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 AUGUST 2021**

	<b>01.03.2021 to 31.08.2021</b>	<b>01.03.2020 to 31.08.2020</b>
	<b>USD</b>	<b>USD</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from disposal of quoted securities	59,304,850	82,307,931
Purchase of quoted securities	(84,883,999)	(49,948,042)
Dividend income received	1,929,704	1,090,823
Interest income received from current account	117	1,142
Management fee paid	(1,914,156)	(828,659)
Trustee and custodian fees paid	(53,172)	(55,916)
Payments for other fees and expenses	(77,688)	(21,530)
Net realised foreign exchange loss	(253,277)	(251,367)
Capital gains tax paid	(65,358)	-
<b>Net cash (used in)/generated from operating activities</b>	<u>(26,012,979)</u>	<u>32,294,382</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash proceeds from units created	87,519,523	26,200,072
Payments for cancellation of units	(61,423,796)	(55,988,129)
<b>Net cash generated from/(used in) financing activities</b>	<u>26,095,727</u>	<u>(29,788,057)</u>
Net increase in cash and cash equivalents	82,748	2,506,325
Effects of foreign exchange differences	(282,624)	(113,839)
Cash and cash equivalents at the beginning of the financial period	<u>8,166,987</u>	<u>2,876,608</u>
Cash and cash equivalents at the end of the financial period	<u><u>7,967,111</u></u>	<u><u>5,269,094</u></u>
<u>Cash and cash equivalents comprised of:</u>		
Bank balances	<u>7,967,111</u>	<u>5,269,094</u>
Cash and cash equivalents at the end of the financial period	<u><u>7,967,111</u></u>	<u><u>5,269,094</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 AUGUST 2021**

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

Principal Asia Pacific Dynamic Growth Fund (the “Fund”) is governed by Principal Deed dated 23 November 2015 and First Supplement Deed dated 7 November 2019 (collectively referred to as the “Deeds”), made 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 return regardless of market conditions. As the Fund is an equity fund, under general market conditions, the Fund will invest in equities of companies which the Sub-Manager\* believes will exhibit good growth potential when compared against its peers or the overall market. The Fund may also invest up to 38% of its assets in debt securities, money market instruments and/or deposits to be in line with the Fund’s investment objective. The Fund may also opt to access into the equities and/or debt securities market via the investment in units of other collective investment schemes, subject to the requirements of the SC Guidelines and the Standards of Qualifying collective investment schemes. The Manager or the Sub-Manager may also utilise derivative instruments such as futures contracts to hedge the portfolio. The use of derivatives is subject to the prevailing SC Guidelines and Standards of Qualifying collective investment schemes.

The Fund will invest primarily in the Asia Pacific ex Japan region, i.e. companies that are domiciled in, listed in, and/or have operations or businesses that focus in the Asia Pacific ex Japan region. With effect from 14 May 2021, the Fund may also invest up to 20% of its NAV in companies that are listed globally with some operations or businesses within the Asia Pacific ex Japan region to capture growth opportunities. The Fund will only invest in markets where the regulatory authority is an ordinary or associate member of the IOSCO. If the investment is a listed security, the investment must be traded in an exchange that is a member of WFE. Where necessary, the Manager will obtain the licenses/permits for investments in countries that require such licenses/permits. If the Manager is unable to obtain the necessary licenses/permits, or the licenses/permits are revoked or not renewed (as the case may be), the Manager or the Sub-Manager will seek to invest in other accessible markets.

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 38% of the Fund’s NAV may be invested in debt securities, money market instruments and/or deposits;
- up to 20% of the Fund’s NAV may be invested in units of other collective investment schemes; and
- at least 2% of the Fund’s NAV in liquid assets.

\* Principal Asset Management (S) Pte. Ltd (“Principal Singapore”) was appointed as the Sub-Manager for the Fund on 25 April 2016. As the Sub-Manager, Principal Singapore is responsible for the investment management function of the Fund, and has the discretion to manage, realize, invest, reinvest or howsoever deal with the Fund in accordance with the investment objective of the Fund. The Sub-Manager’s discretionary authority over the investments of the Fund is subject to the SC Guidelines, Standards of Qualifying collective investment schemes and its internal policies and procedures. Principal Singapore shall be responsible for the review, monitoring and oversight of Principal Singapore in the performance of the latter’s duties and obligations in respect of the Fund.

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

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 International Financial Reporting Standards (“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 period.

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(k).

There are no other standards, amendments to standards or interpretations that are effective for financial periods beginning on 1 March 2021 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 period beginning on/after 1 September 2021 are applicable to the Fund.

### (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.

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”).



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets and financial liabilities (continued)

Classification (continued)

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 period 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 traded market price quoted on Bursa Malaysia Securities Bhd ("Bursa Securities") at the date of the statement of financial position.

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

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 quoted securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the quoted securities are valued as determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation.

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

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 cost

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 period.

**(c) Income recognition**

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

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(d) Functional and presentation currency**

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). The financial statements are presented in USD, which is the Fund’s functional and presentation 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 USD primarily due to the following factors:

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

**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 period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income.

**(e) Unit holder’s 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 four classes of units, known respectively as the Class AUD, Class MYR, Class SGD and Class USD, which are cancelled at the unit holder’s option. 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 unit holders of respective classes with the total number of outstanding units of respective classes.

**(f) Cash and cash equivalents**

For the purpose of statement of cash flow, cash and cash equivalent comprise bank balances with known amounts of cash and which are subject to an insignificant risk of changes in value.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(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 period.

Tax on dividend 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 the 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, advisors, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

**(i) 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. The amount due from stockbrokers balance is held for collection.

**(j) 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 SC Guidelines on Unit Trust Funds.

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

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 SC Guidelines on Unit Trust Funds.

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

### 3. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund 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 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 SC Guidelines on Unit Trust Funds.

#### (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 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.

##### (ii) 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.

#### (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 Manager, the settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC Guidelines on Unit Trust Funds.

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.

**3. 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, 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.

**(d) Capital risk management**

The capital of the Fund is represented by net assets attributable to unit holders. 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**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

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 period 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.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

(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.

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>31.08.2021</b>				
Financial assets at fair value through profit or loss:				
- Quoted securities	<u>209,208,495</u>	<u>-</u>	<u>-</u>	<u>209,208,495</u>
<b>28.02.2021</b>				
<b>Audited</b>				
Financial assets at fair value through profit or loss:				
- Quoted securities	<u>179,668,779</u>	<u>-</u>	<u>-</u>	<u>179,668,779</u>

**3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**

**(e) Fair value estimation (continued)**

**(i) Fair value hierarchy (continued)**

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 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 class, calculated daily based on the NAV of the Fund.

For the six months financial period ended 31 August 2021 and 31 August 2020, the management fee for the respective classes was recognised at the following rates:

<b>Class AUD</b>	<b>Class MYR</b>	<b>Class SGD</b>	<b>Class USD</b>
1.80%	1.80%	1.80%	1.80%

There was no further liability to the Manager in respect of management fee other than amounts 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 fees and charges but excludes foreign sub-custodian fees and charges.

For the six months financial period ended 31 August 2021, the Trustee fee was recognised at a rate of 0.05% per annum (31.08.2020: 0.05% per annum) for each unit class.

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

**6. TAXATION**

	<b>01.03.2021 to 31.08.2021</b>	<b>01.03.2020 to 31.08.2020</b>
	<b>USD</b>	<b>USD</b>
Tax charged for the financial period:		
- Capital gains tax paid	<u>(65,358)</u>	<u>-</u>



6. TAXATION (CONTINUED)

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

	01.03.2021 to 31.08.2021 USD	01.03.2020 to 31.08.2020 USD
Profit before taxation	<u>4,255,275</u>	<u>19,256,730</u>
Taxation at Malaysian statutory rate of 24% (31.08.2020: 24%)	1,021,266	4,621,615
Tax effects of:		
- Income not subject to tax	(1,648,702)	(4,936,149)
- Expenses not deductible for tax purposes	155,083	119,121
- Restriction on tax deductible expenses for Unit Trust Funds	472,353	195,413
Capital gains tax paid	<u>(65,358)</u>	<u>-</u>
	<u>(65,358)</u>	<u>-</u>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31.08.2021 USD	28.02.2021 Audited USD
At fair value through profit or loss:		
- Quoted securities	<u>209,208,495</u>	<u>179,668,779</u>
	01.03.2021 to 31.08.2021 USD	01.03.2020 to 31.08.2020 USD
Net gain on financial assets at fair value through profit or loss:		
- Realised gain on disposals	1,544,395	4,023,485
- Unrealised fair value gain	<u>3,734,737</u>	<u>15,522,405</u>
	<u>5,279,132</u>	<u>19,545,890</u>

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>31.08.2021</b>				
<b>QUOTED SECURITIES</b>				
<b>AUSTRALIA</b>				
<b>Consumer Discretionary</b>				
Aristocrat Leisure Ltd	<u>126,127</u>	<u>2,699,214</u>	<u>4,220,370</u>	<u>1.92</u>
<b>Health Care</b>				
Ramsay Health Care Ltd	<u>64,815</u>	<u>3,229,274</u>	<u>3,271,947</u>	<u>1.49</u>

7. 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>31.08.2021 (CONTINUED)</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>AUSTRALIA (CONTINUED)</b>				
<b>Industrials</b>				
ALS Ltd	400,319	2,632,810	3,742,556	1.70
Seven Group Holdings Ltd	204,837	3,245,986	3,189,178	1.45
	<u>605,156</u>	<u>5,878,796</u>	<u>6,931,734</u>	<u>3.15</u>
<b>Materials</b>				
BHP Group Ltd	93,411	2,754,892	3,121,545	1.42
BlueScope Steel Ltd	126,677	2,224,563	2,338,890	1.07
James Hardie Industries SE	150,090	3,520,373	5,832,661	2.66
OZ Minerals Ltd	176,004	3,146,146	3,039,440	1.38
	<u>546,182</u>	<u>11,645,974</u>	<u>14,332,536</u>	<u>6.53</u>
<b>TOTAL AUSTRALIA</b>	<b><u>1,342,280</u></b>	<b><u>23,453,258</u></b>	<b><u>28,756,587</u></b>	<b><u>13.09</u></b>
<b>CAYMAN ISLANDS</b>				
<b>Consumer Discretionary</b>				
Alibaba Group Holding Ltd	239,100	7,210,472	5,082,398	2.33
<b>TOTAL CAYMAN ISLANDS</b>	<b><u>239,100</u></b>	<b><u>7,210,472</u></b>	<b><u>5,082,398</u></b>	<b><u>2.33</u></b>
<b>CHINA</b>				
<b>Consumer Discretionary</b>				
China Tourism Group Duty Free Corp Ltd - A <sup>1</sup>	65,303	1,961,849	2,309,720	1.05
<b>Health Care</b>				
WuXi AppTec Co Ltd	163,520	2,414,107	3,255,320	1.48
<b>Industrials</b>				
Centre Testing International Group Co Ltd - A <sup>1</sup>	560,190	1,405,319	2,289,547	1.04

7. 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>31.08.2021 (CONTINUED)</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>CHINA (CONTINUED)</b>				
<b>Information Technology</b>				
LONGi Green Energy Technology Co Ltd - A <sup>1</sup>	166,990	2,182,050	2,314,508	1.05
<b>TOTAL CHINA</b>	<b>956,003</b>	<b>7,963,325</b>	<b>10,169,095</b>	<b>4.62</b>
<b>GERMANY</b>				
<b>Consumer Discretionary</b>				
Volkswagen AG	13,210	3,713,404	4,414,159	2.01
<b>TOTAL GERMANY</b>	<b>13,210</b>	<b>3,713,404</b>	<b>4,414,159</b>	<b>2.01</b>
<b>HONG KONG, CHINA</b>				
<b>Communication Services</b>				
Tencent Holdings Ltd	169,700	11,809,883	10,488,142	4.78
<b>Consumer Discretionary</b>				
Galaxy Entertainment Grp Ltd	296,000	2,642,475	1,895,169	0.86
Li Ning Co Ltd	574,500	3,263,964	7,710,764	3.51
Meituan	87,300	3,381,719	2,791,931	1.27
Xinyi Glass Holdings Ltd	742,000	3,097,930	3,116,325	1.42
	1,699,800	12,386,088	15,514,189	7.06
<b>Energy</b>				
CNOOC Ltd	1,884,000	2,205,867	1,880,152	0.86
<b>Financials</b>				
AIA Group Ltd	386,600	4,387,885	4,615,325	2.10
Hong Kong Exchanges & Clearing Ltd	87,800	4,595,974	5,534,650	2.52
	474,400	8,983,859	10,149,975	4.62
<b>Health Care</b>				
Wuxi Biologics Cayman Inc	180,626	1,491,595	2,793,173	1.27

## 7. 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>31.08.2021 (CONTINUED)</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>HONG KONG, CHINA (CONTINUED)</b>				
<b>Industrials</b>				
Techtronic Industries Co Ltd	534,000	5,956,260	11,831,000	5.39
<b>Information Technology</b>				
Kingboard Laminates Holdings Ltd	2,751,500	4,115,165	5,406,946	2.46
<b>TOTAL HONG KONG, CHINA</b>	<b>7,694,026</b>	<b>46,948,717</b>	<b>58,063,577</b>	<b>26.44</b>
<b>INDIA</b>				
<b>Energy</b>				
Reliance Industries Ltd	273,558	6,317,322	8,463,550	3.86
Reliance Industries Ltd - Partly Paid 1st Call	12,413	120,190	275,054	0.13
	285,971	6,437,512	8,738,604	3.99
<b>Health Care</b>				
Apollo Hospitals Enterprises Ltd	75,544	2,535,307	5,143,602	2.34
<b>Industrials</b>				
Container Corp of India Ltd	382,495	3,126,354	3,561,209	1.62
<b>Information Technology</b>				
Tata Consultancy Services Ltd	73,127	2,848,948	3,793,677	1.73
<b>TOTAL INDIA</b>	<b>817,137</b>	<b>14,948,121</b>	<b>21,237,092</b>	<b>9.68</b>
<b>INDONESIA</b>				
<b>Financials</b>				
PT Bank Jago Tbk	3,578,800	3,261,563	3,784,450	1.72
PT Bank Central Asia Tbk	741,400	1,681,570	1,692,000	0.77
	4,320,200	4,943,133	5,476,450	2.49
<b>TOTAL INDONESIA</b>	<b>4,320,200</b>	<b>4,943,133</b>	<b>5,476,450</b>	<b>2.49</b>

7. 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>31.08.2021 (CONTINUED)</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>NETHERLANDS</b>				
<b>Information Technology</b>				
ASML Holding N.V.	3,500	2,254,013	2,915,640	1.33
<b>TOTAL NETHERLANDS</b>	<b>3,500</b>	<b>2,254,013</b>	<b>2,915,640</b>	<b>1.33</b>
<b>SINGAPORE</b>				
<b>Financials</b>				
United Overseas Bank Ltd	225,600	4,134,053	4,289,298	1.95
<b>Industrials</b>				
Singapore Technologies Engineering Ltd	663,500	1,987,687	1,864,143	0.85
<b>TOTAL SINGAPORE</b>	<b>889,100</b>	<b>6,121,740</b>	<b>6,153,441</b>	<b>2.80</b>
<b>SOUTH KOREA</b>				
<b>Information Technology</b>				
Samsung Electronics Co Ltd	127,722	7,392,066	8,406,211	3.83
<b>Materials</b>				
LG Chem Ltd	11,986	7,085,759	7,796,195	3.55
Posco	11,672	3,203,667	3,375,316	1.54
	23,658	10,289,426	11,171,511	5.09
<b>TOTAL SOUTH KOREA</b>	<b>151,380</b>	<b>17,681,492</b>	<b>19,577,722</b>	<b>8.92</b>
<b>TAIWAN</b>				
<b>Industrials</b>				
AirTac International Group	97,000	2,931,125	2,950,582	1.34

7. 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>31.08.2021 (CONTINUED)</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>TAIWAN (CONTINUED)</b>				
<b>Information Technology</b>				
Hon Hai Precision Industry Co Ltd	884,000	3,683,491	3,532,275	1.61
MediaTek Inc	95,000	2,188,184	3,081,255	1.40
Taiwan Semiconductor Manufacturing Co Ltd	624,000	9,927,647	13,792,158	6.28
	<u>1,603,000</u>	<u>15,799,322</u>	<u>20,405,688</u>	<u>9.29</u>
<b>TOTAL TAIWAN</b>	<b><u>1,700,000</u></b>	<b><u>18,730,447</u></b>	<b><u>23,356,270</u></b>	<b><u>10.63</u></b>
<b>UNITED STATES</b>				
<b>Communication Services</b>				
Alphabet, Inc Class A	1,568	4,241,232	4,537,714	2.07
SEA Ltd - ADR <sup>3</sup>	30,515	4,589,997	10,323,835	4.70
	<u>32,083</u>	<u>8,831,229</u>	<u>14,861,549</u>	<u>6.77</u>
<b>Financials</b>				
HDFC Bank Ltd	<u>61,640</u>	<u>3,880,175</u>	<u>4,827,028</u>	<u>2.21</u>
<b>Information Technology</b>				
PayPal Holdings Inc	<u>14,957</u>	<u>4,123,177</u>	<u>4,317,487</u>	<u>1.98</u>
<b>TOTAL UNITED STATES</b>	<b><u>108,680</u></b>	<b><u>16,834,581</u></b>	<b><u>24,006,064</u></b>	<b><u>10.96</u></b>
<b>TOTAL QUOTED SECURITIES</b>	<b><u>18,234,616</u></b>	<b><u>170,802,703</u></b>	<b><u>209,208,495</u></b>	<b><u>95.30</u></b>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>				
		<u>38,405,792</u>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>				
		<u>209,208,495</u>		

7. 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>28.02.2021</b>				
<b>Audited</b>				
<b>QUOTED SECURITIES</b>				
<b>AUSTRALIA</b>				
<b>Consumer Discretionary</b>				
Aristocrat Leisure Ltd	115,017	2,433,074	2,736,938	1.35
<b>Energy</b>				
Beach Energy Ltd	2,366,260	3,159,695	3,060,184	1.51
<b>Industrials</b>				
ALS Ltd	375,732	2,447,129	2,909,620	1.43
Seven Group Holdings Ltd	241,982	3,817,922	4,113,805	2.02
	617,714	6,265,051	7,023,425	3.45
<b>Materials</b>				
BHP Group Ltd	108,227	3,076,171	4,167,575	2.05
James Hardie Industries SE	132,726	3,008,049	3,798,122	1.87
Northern Star Resources Ltd	177,202	1,912,227	1,418,063	0.70
	418,155	7,996,447	9,383,760	4.62
<b>TOTAL AUSTRALIA</b>	<b>3,517,146</b>	<b>19,854,267</b>	<b>22,204,307</b>	<b>10.93</b>
<b>CAYMAN ISLANDS</b>				
<b>Consumer Discretionary</b>				
Alibaba Group Holding Ltd	209,300	6,339,638	6,271,996	3.09
<b>TOTAL CAYMAN ISLANDS</b>	<b>209,300</b>	<b>6,339,638</b>	<b>6,271,996</b>	<b>3.09</b>
<b>CHINA</b>				
<b>Consumer Discretionary</b>				
China Tourism Group Duty Free Corp Ltd - A <sup>1</sup>	77,803	2,122,754	3,703,508	1.82
<b>Financials</b>				
Ping An Insurance Group Co Ltd - H <sup>2</sup>	213,500	2,561,336	2,623,561	1.29
<b>Health Care</b>				
WuXi AppTec Co Ltd - H <sup>2</sup>	182,300	3,183,660	3,800,994	1.87

## 7. 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>28.02.2021 (CONTINUED)</b>				
<b>Audited (Continued)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>CHINA (CONTINUED)</b>				
<b>Industrials</b>				
Centre Testing International Group Co Ltd - A <sup>1</sup>	560,190	1,405,319	2,115,690	1.04
Sany Heavy Industry Co Ltd - A <sup>1</sup>	658,422	2,697,253	4,184,514	2.06
Weichai Power Co Ltd - H <sup>1</sup>	647,000	2,003,947	1,893,785	0.93
	<u>1,865,612</u>	<u>6,106,519</u>	<u>8,193,989</u>	<u>4.03</u>
<b>TOTAL CHINA</b>	<b><u>2,339,215</u></b>	<b><u>13,974,269</u></b>	<b><u>18,322,052</u></b>	<b><u>9.01</u></b>
<b>HONG KONG, CHINA</b>				
<b>Communication Services</b>				
Tencent Holdings Ltd	<u>116,200</u>	<u>7,484,368</u>	<u>9,926,416</u>	<u>4.88</u>
<b>Consumer Discretionary</b>				
Li Ning Co. Ltd	740,500	3,308,597	4,163,054	2.05
Meituan	89,500	2,575,836	3,923,760	1.93
New Oriental Education & Technology Group Inc	6,350	1,047,980	1,119,290	0.55
	<u>836,350</u>	<u>6,932,413</u>	<u>9,206,104</u>	<u>4.53</u>
<b>Consumer Staples</b>				
Budweiser Brewing Company APAC Ltd	<u>816,200</u>	<u>2,720,132</u>	<u>2,494,281</u>	<u>1.23</u>
<b>Financials</b>				
AIA Group Ltd	370,800	4,165,449	4,640,189	2.28
Hong Kong Exchanges & Clearing Ltd	79,600	4,076,455	4,856,890	2.39
	<u>450,400</u>	<u>8,241,904</u>	<u>9,497,079</u>	<u>4.67</u>
<b>Health Care</b>				
Alibaba Health Info Tech	854,000	2,638,024	2,863,068	1.41
Wuxi Biologics Cayman Inc	378,626	3,126,663	4,689,302	2.31
	<u>1,232,626</u>	<u>5,764,687</u>	<u>7,552,370</u>	<u>3.72</u>
<b>Industrials</b>				
Techtronic Industries Co Ltd	<u>485,500</u>	<u>5,133,482</u>	<u>7,412,102</u>	<u>3.65</u>



## 7. 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>28.02.2021 (CONTINUED)</b>				
<b>Audited (Continued)</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>HONG KONG, CHINA (CONTINUED)</b>				
<b>Information Technology</b>				
Kingboard Laminates Holdings Ltd	3,346,500	4,804,513	5,713,198	2.81
<b>TOTAL HONG KONG, CHINA</b>	<b>7,283,776</b>	<b>41,081,499</b>	<b>51,801,550</b>	<b>25.49</b>
<b>INDIA</b>				
<b>Energy</b>				
Reliance Industries Ltd	214,611	4,561,283	6,093,817	3.00
Reliance Industries Ltd- Partially Paid	12,413	64,651	204,595	0.10
	227,024	4,625,934	6,298,412	3.10
<b>Health Care</b>				
Apollo Hospitals Enterprise Ltd	92,140	3,034,699	3,836,567	1.89
<b>Information Technology</b>				
Tata Consultancy Services Ltd	70,870	2,759,136	2,792,356	1.37
<b>TOTAL INDIA</b>	<b>390,034</b>	<b>10,419,769</b>	<b>12,927,335</b>	<b>6.36</b>
<b>INDONESIA</b>				
<b>Consumer Discretionary</b>				
PT Astra International Tbk	6,349,600	2,687,122	2,402,478	1.18
<b>Financials</b>				
PT Bank Central Asia Tbk	1,411,800	3,187,825	3,318,830	1.63
<b>Real Estate</b>				
PT Summarecon Agung Tbk	24,069,500	1,470,227	1,391,363	0.68
<b>TOTAL INDONESIA</b>	<b>31,830,900</b>	<b>7,345,174</b>	<b>7,112,671</b>	<b>3.49</b>
<b>SINGAPORE</b>				
<b>Financials</b>				
United Overseas Bank Ltd	209,500	3,760,489	3,897,486	1.92
<b>TOTAL SINGAPORE</b>	<b>209,500</b>	<b>3,760,489</b>	<b>3,897,486</b>	<b>1.92</b>

7. 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>28.02.2021 (CONTINUED)</b>				
<b>Audited (Continued)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>SOUTH KOREA</b>				
<b>Communication Services</b>				
NCSOFT Corporation	2,833	1,846,954	2,360,084	1.16
<b>Information Technology</b>				
Samsung Electro-Mechanics Co Ltd	17,483	2,615,750	2,948,753	1.45
Samsung Electronics Co Ltd	135,544	7,534,295	9,952,664	4.90
	<u>153,027</u>	<u>10,150,045</u>	<u>12,901,417</u>	<u>6.35</u>
<b>Materials</b>				
LG Chem Ltd	11,683	6,623,066	8,640,930	4.25
<b>TOTAL SOUTH KOREA</b>	<b><u>167,543</u></b>	<b><u>18,620,065</u></b>	<b><u>23,902,431</u></b>	<b><u>11.76</u></b>
<b>TAIWAN</b>				
<b>Industrials</b>				
AirTac International Group	160,000	4,750,876	5,567,644	2.74
<b>Information Technology</b>				
Mediatek Inc	89,000	1,989,818	2,860,736	1.41
Taiwan Semiconductor Manufacturing Company Ltd Co Ltd	579,000	8,743,679	12,587,253	6.19
	<u>668,000</u>	<u>10,733,497</u>	<u>15,447,989</u>	<u>7.60</u>
<b>TOTAL TAIWAN</b>	<b><u>828,000</u></b>	<b><u>15,484,373</u></b>	<b><u>21,015,633</u></b>	<b><u>10.34</u></b>
<b>UNITED STATES</b>				
<b>Communication Services</b>				
SEA Ltd - ADR <sup>3</sup>	29,530	4,099,802	6,959,926	3.42
<b>Financials</b>				
HDFC Bank Ltd	66,381	4,018,379	5,253,392	2.58
<b>TOTAL UNITED STATES</b>	<b><u>95,911</u></b>	<b><u>8,118,181</u></b>	<b><u>12,213,318</u></b>	<b><u>6.00</u></b>

7. 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>28.02.2021 (CONTINUED)</b>				
<b>Audited (Continued)</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>TOTAL QUOTED SECURITIES</b>	<b><u>46,871,325</u></b>	<b><u>144,997,724</u></b>	<b><u>179,668,779</u></b>	<b><u>88.39</u></b>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>34,671,055</u></b>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>179,668,779</u></b>		

<sup>1</sup> 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.

<sup>2</sup> 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 Hong Kong dollars and trade the same as other equities on the Hong Kong Stock Exchange.

<sup>3</sup> ADR, or American depositary receipt, is a negotiable certificate issued by a U.S. bank representing a specified number of shares (or one share) in a foreign stock that is traded on a U.S. exchange. ADRs are denominated in U.S. dollars, with the underlying security held by a U.S. financial institution overseas. ADRs help to reduce administration and duty costs that would otherwise be levied on each transaction.

8. CASH AND CASH EQUIVALENTS

	<b>31.08.2021</b>	<b>28.02.2021</b>
	<b>USD</b>	<b>Audited USD</b>
Bank balances	<b><u>7,967,111</u></b>	<b><u>8,166,987</u></b>

9. NUMBER OF UNITS IN CIRCULATION (UNITS)

	01.03.2021 to 31.08.2021	01.03.2020 to 28.02.2021 <b>Audited</b>
	<b>No. of units</b>	<b>No. of units</b>
Class AUD (i)	26,450,301	25,670,069
Class MYR (ii)	555,661,914	525,259,260
Class SGD (iii)	9,349,669	8,039,121
Class USD (iv)	15,481,839	14,481,027
	<u>606,943,723</u>	<u>573,449,477</u>

(i) Class AUD

	01.03.2021 to 31.08.2021	01.03.2020 to 28.02.2021 <b>Audited</b>
	<b>No. of units</b>	<b>No. of units</b>
At the beginning of the financial period/year	25,670,069	14,636,870
Add: Creation of units from applications	5,513,174	29,878,687
Less: Cancellation of units	(4,732,942)	(18,845,488)
At the end of the financial period/year	<u>26,450,301</u>	<u>25,670,069</u>

(ii) Class MYR

	01.03.2021 to 31.08.2021	01.03.2020 to 28.02.2021 <b>Audited</b>
	<b>No. of units</b>	<b>No. of units</b>
At the beginning of the financial period/year	525,259,260	220,129,200
Add: Creation of units from applications	197,843,552	744,692,444
Less: Cancellation of units	(167,440,898)	(439,562,384)
At the end of the financial period/year	<u>555,661,914</u>	<u>525,259,260</u>

(iii) Class SGD

	01.03.2021 to 31.08.2021	01.03.2020 to 28.02.2021 <b>Audited</b>
	<b>No. of units</b>	<b>No. of units</b>
At the beginning of the financial period/year	8,039,121	5,771,376
Add: Creation of units from applications	2,946,699	9,872,425
Less: Cancellation of units	(1,636,151)	(7,604,679)
At the end of the financial period/year	<u>9,349,669</u>	<u>8,039,121</u>

9. NUMBER OF UNITS IN CIRCULATION (UNITS) (CONTINUED)

(iv) Class USD

	01.03.2021 to 31.08.2021	01.03.2020 to 28.02.2021 <b>Audited</b>
	<b>No. of units</b>	<b>No. of units</b>
At the beginning of the financial period/year	14,481,027	5,855,362
Add: Creation of units from applications	4,460,304	21,844,851
Less: Cancellation of units	<u>(3,459,492)</u>	<u>(13,219,186)</u>
At the end of the financial period/year	<u>15,481,839</u>	<u>14,481,027</u>

10. MANAGEMENT EXPENSE RATIO ("MER")

	01.03.2021 to 31.08.2021	01.03.2020 to 31.08.2020
	%	%
MER	<u>0.97</u>	<u>0.86</u>

MER was derived from the following calculation:

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

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") fee
F	=	Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis was USD216,544,821 (31.08.2020: USD103,571,780).

11. PORTFOLIO TURNOVER RATIO ("PTR")

	01.03.2021 to 31.08.2021	01.03.2020 to 31.08.2020
PTR (times)	<u>0.33</u>	<u>0.62</u>

PTR was derived based on the following calculation:

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

where:

total acquisition for the financial period	=	USD82,735,809 (31.08.2020: USD49,884,287)
total disposal for the financial period	=	USD58,475,226 (31.08.2020: USD77,877,972)

12. **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
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
CGS-CIMB Securities (Singapore) Pte Ltd	Fellow related party to the Manager

Units held by the Manager and parties related to the Manager

	<b>31.08.2021</b>		<b>28.02.2021</b>	
	<b>No. of units</b>	<b>USD</b>	<b>No. of units</b>	<b>Audited USD</b>
<b>Manager</b>				
Principal Asset Management Berhad				
- Class AUD	176	160	175	156
- Class MYR	93,251	28,246	49,160	14,605
- Class SGD	2,169	1,938	2,168	1,900
- Class USD	409	495	408	485

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.

There are no significant related party balances for the financial period/year under review, apart from those mentioned elsewhere in the financial statements.

13. TRANSACTIONS WITH BROKERS

Details of transactions with the top 10 brokers for the six months financial period ended 31 August 2021 were as follows:

<b>Brokers/Dealers</b>	<b>Values of trades USD</b>	<b>Percentage of total trades %</b>	<b>Brokerage fees USD</b>	<b>Percentage of total brokerage fees %</b>
Credit Suisse (HK) Ltd	22,631,010	16.05	43,307	19.03
Citigroup Global Markets Ltd	18,953,443	13.44	13,946	6.13
CGS-CIMB Securities (Singapore) Pte Ltd #	14,348,644	10.17	15,798	6.94
Morgan Stanley	10,335,436	7.33	25,839	11.35
DBS Vickers Securities (Singapore) Pte Ltd	10,287,243	7.29	19,459	8.55
JP Morgan Securities (Asia Pacific) Ltd	9,912,841	7.03	27,946	12.28
J.P. Morgan Securities LLC	9,310,886	6.60	2,793	1.23
CLSA Securities (M) Sdn Bhd	6,796,913	4.82	2,249	0.99
Instinet Pacific Services Ltd	6,542,126	4.64	10,472	4.60
Macquarie Securities (Australia) Ltd	5,767,177	4.09	15,944	7.00
Others	26,138,480	18.54	49,876	21.90
	<u>141,024,199</u>	<u>100.00</u>	<u>227,629</u>	<u>100.00</u>

**13. TRANSACTIONS WITH BROKERS (CONTINUED)**

Details of transactions with the top 10 brokers for the six months financial period ended 31 August 2020 were as follows:

<b>Brokers/Dealers</b>	<b>Values 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	16,864,000	13.21	11,107	5.20
Credit Suisse (HK) Ltd	16,407,653	12.85	26,922	12.60
Instinet Pacific Services Ltd	14,235,493	11.15	29,004	13.57
Sanford C. Bernstein & Co., LLC	9,732,912	7.62	25,291	11.83
J.P. Morgan Securities LLC	9,315,612	7.30	2,795	1.31
Macquarie Capital Securities (Malaysia) Sdn Bhd	9,195,041	7.20	26,280	12.30
CLSA Ltd	8,734,156	6.84	11,058	5.17
DBS Vickers Securities (Singapore) Pte Ltd	7,619,885	5.97	11,430	5.35
JP Morgan Securities (Asia Pacific) Ltd	6,231,080	4.88	17,544	8.21
Shenwan Hongyuan (SG) Pte Ltd	5,981,012	4.69	8,972	4.20
Others #	23,342,573	18.29	43,333	20.26
	<u>127,659,417</u>	<u>100.00</u>	<u>213,736</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 USD14,348,644 (31.08.2020: USD2,922,401). 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.

**14. SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD**

The COVID-19 pandemic and related lockdowns and movement restrictions have had, and will continue to have, a significant impact on global economic conditions and the environment in 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.



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