

Principal PRS Plus Asia Pacific Ex Japan Equity

Interim Report

For The Six Months Financial Period Ended 31 July 2021

PRINCIPAL PRS PLUS ASIA PACIFIC EX JAPAN EQUITY

INTERIM REPORT

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021

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MEMBERS' LETTER

Dear Valued Member,

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

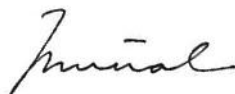
We are pleased to bring you a copy of the Interim Fund Report of the Principal PRS Plus Asia Pacific Ex Japan Equity for the financial period ended 31 July 2021. You may also download this report from our website at www.principal.com.my.

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, 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

PRS PROVIDER’S REPORT

FUND OBJECTIVE AND POLICY

What is the investment objective of the Fund?

The Fund seeks to provide capital growth over the long-term by investing in a target fund with investments in the Asia Pacific ex Japan region.

Has the Fund achieved its objective?

For the period under review, the Fund underperformed its benchmark. However, it is still in line with its long-term objective as stated in the investment objective section.

What are the Fund investment policy and principal investment strategy?

Before 1 June 2020

The Fund will invest at least 95% of its Net Asset Value (“NAV”) in the Principal Asia Pacific Dynamic Income Fund (“Target Fund”), a Malaysian-domiciled fund established on 25 April 2011, which invests in the Asia Pacific ex Japan region. The Fund may also maintain up to 5% of its NAV in liquid assets.

The asset allocation strategy for this Fund is as follows:

- At least 95% of the Fund’s NAV will be invested in the Target Fund; and
- Up to 5% of the Fund’s NAV may be invested in liquid assets for liquidity purpose

With effect from 1 June 2020

The Fund will invest at least 85% of its NAV in the Target Fund, a Malaysian-domiciled fund established on 25 April 2011, which invests in the Asia Pacific ex Japan region. The Fund may also maintain up to 15% of its NAV in liquid assets.

The asset allocation strategy for this Fund is as follows:

- At least 85% of the Fund’s NAV will be invested in the Target Fund; and
- Up to 15% of the Fund’s NAV may be invested in liquid assets for liquidity purpose

Information on the Target Fund

Target Fund	Principal Asia Pacific Dynamic Income Fund
Target Fund Manager	Principal Asset Management Berhad
Target Fund Sub-Manager	Principal Asset Management (S) Pte Ltd
Regulatory Authority	Securities Commission Malaysia (“SC”)
Country of domicile	Malaysia

Fund category/type

Feeder Fund - Equity

When was the Fund launched?

12 November 2012

What was the size of the Fund as at 31 July 2021?

RM415.75 million (324.65 million units)

What is the Fund’s benchmark?

The Fund has a target return of 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 period but targets to achieve this growth over the long-term.

Note: The risk profile of the Fund is not the same as the risk profile of the benchmark.

FUND OBJECTIVE AND POLICY (CONTINUED)

What is the Fund distribution policy?

The Fund is not expected to pay any distribution. All income earned by members will automatically be reinvested into the Fund.

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

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

PERFORMANCE DATA

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

	31.07.2021	31.07.2020	31.07.2019
	%	%	%
Collective investment scheme	99.41	100.08	99.53
Cash and other assets	0.68	0.76	0.89
Liabilities	(0.09)	(0.84)	(0.42)
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

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

	31.07.2021	31.07.2020	31.07.2019
NAV (RM Million)			
- Class A	283.21	219.44	192.01
- Class C	93.80	69.92	55.96
- Class X	38.74	27.16	20.75
Units in circulation (Million)			
- Class A	221.15	199.42	187.97
- Class C	73.25	63.54	54.78
- Class X	30.25	24.68	20.31
NAV per unit (RM)			
- Class A	1.2806	1.1003	1.0215
- Class C	1.2806	1.1004	1.0215
- Class X	1.2806	1.1004	1.0215
	01.02.2021	01.02.2020	01.02.2019
	to 31.07.2021	to 31.07.2020	to 31.07.2019
Highest NAV per unit (RM)			
- Class A	1.3516	1.1033	1.0550
- Class C	1.3517	1.1004	1.0551
- Class X	1.3517	1.1004	1.0551
Lowest NAV per unit (RM)			
- Class A	1.2557	0.8128	0.9604
- Class C	1.2557	0.8129	0.9604
- Class X	1.2557	0.8129	0.9604
Total return (%)			
- Class A	1.79	5.82	5.70
- Class C	1.79	5.83	5.69
- Class X	1.78	5.82	5.69

PERFORMANCE DATA (CONTINUED)

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

	01.02.2021 to 31.07.2021	01.02.2020 to 31.07.2020	01.02.2019 to 31.07.2019
Capital growth (%)			
- Class A	1.79	5.82	5.70
- Class C	1.79	5.83	5.69
- Class X	1.78	5.82	5.69
Income distribution (%)			
- Class A	-	-	-
- Class C	-	-	-
- Class X	-	-	-
	01.02.2021 to 31.07.2021	01.02.2020 to 31.07.2020	01.02.2019 to 31.07.2019
Management Expense Ratio ("MER") (%)	0.04	0.04	0.04
Portfolio Turnover Ratio ("PTR") (times) #	0.02	0.04	0.05

For the financial period under review, the Fund's PTR decreased from 0.04 times to 0.02 times as there were lesser trading activities.

	31.07.2021 %	31.07.2020 %	31.07.2019 %	31.07.2018 %	31.07.2017 %
Annual total return					
- Class A	23.49	7.71	0.47	2.41	25.86
- Class C	23.48	7.72	0.46	2.42	25.86
- Class X	23.48	7.72	0.46	2.41	25.87

(Launch date: 12 November 2012)

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 FEBRUARY 2021 TO 31 JULY 2021)

The MSCI All Country Asia ex-Japan Index ("MXASJ") decreased by 2.21%, closing at 3,462.8 points in Malaysian Ringgit ("MYR") terms over the financial period under review. In United States Dollar ("USD") terms, the Index fell 6.38%.

The MXASJ advanced by 1.3% in USD terms in February 2021 led by India and Taiwan while China and Malaysia lagged. The best performing sectors were Energy and Materials. During the month, there was sharp increase in commodities prices, where Brent oil increased by 18% month-on-month ("m-o-m") and copper climbed to a 10-year high, surging by 16% month-on-month. Rising inflation expectations in the US led to a rapid increase in US bond yield and triggered a sell-off in the equities markets towards the end of the month.

In March 2021, the MXASJ declined by 2.3% in USD terms led by Singapore and India while China and Indonesia lagged. The best performing sectors were Industrials and Utilities. Oil price rose above USD68 per barrel after Organization of the Petroleum Exporting Countries ("OPEC") agreed to keep production unchanged for April 2021 before closing the month at USD63.54 per barrel. The USD appreciated 2.59% over the month buoyed by expectations of a stronger US economy and faster pace of vaccination versus Europe. The MXASJ gained 2.8% in USD terms in April 2021. This was led by Taiwan and Australia while India lagged.

Asian equities regained some ground after falling in the previous month. The USD Index along with bond yields retraced after rising sharply in the preceding months.

MARKET REVIEW (1 FEBRUARY 2021 TO 31 JULY 2021) (CONTINUED)

The US Federal Reserve remain steadfast in its assessment that any inflation pressure is likely to be transitory in nature. Hence, accommodative policies from policymakers are expected to prevail which lends support towards risky assets.

May 2021 saw the MXASJ gaining 1.2% in USD terms. This was led by India and the Philippines while Malaysia and Taiwan lagged, as the number of new COVID-19 cases peaked in India but surged in Malaysia and Taiwan. Commodities prices surged in the first half of May 2021 before China attempted to cool commodities prices. Crude oil advanced another 3.1% during the month as demand improved. Hence, energy was the best performing sector for May 2021 and information technology underperformed on the back of rising regulatory risks.

The MXASJ fell 0.6% in USD terms in June 2021, driven by poor performances in Indonesia, Malaysia and Thailand. These were also the countries that have seen rising COVID-19 cases and implemented stricter lockdowns. USD strengthened by 2.9%, led by the Fed's "dot plot" forecasts that signalled 2 potential rate hikes in 2023, a year ahead of expectations.

In July 2021, the MXASJ fell 6.8% in USD terms, triggered by the regulatory clampdown in China in internet and kindergarden through to the 12th grade education sectors in particular. Brent oil price rose 1.6% despite OPEC reaching a compromise to raise oil production. The US 10-year bond yield fell 24 basis points ("bps") to 1.23%.

FUND PERFORMANCE

	6 months to 31.07.2021			1 year to 31.07.2021		
	Class A	Class C	Class X	Class A	Class C	Class X
	%	%	%	%	%	%
Income Distribution	-	-	-	6.10	6.10	6.10
Capital Growth	1.79	1.79	1.78	16.39	16.38	16.38
Total Return	1.79	1.79	1.78	23.49	23.48	23.48
Benchmark	3.92	3.92	3.92	8.00	8.00	8.00
MXASJ #	(2.21)	(2.21)	(2.21)	16.54	16.54	16.54
Average Total Return	3.64	3.64	3.62	23.49	23.48	23.48

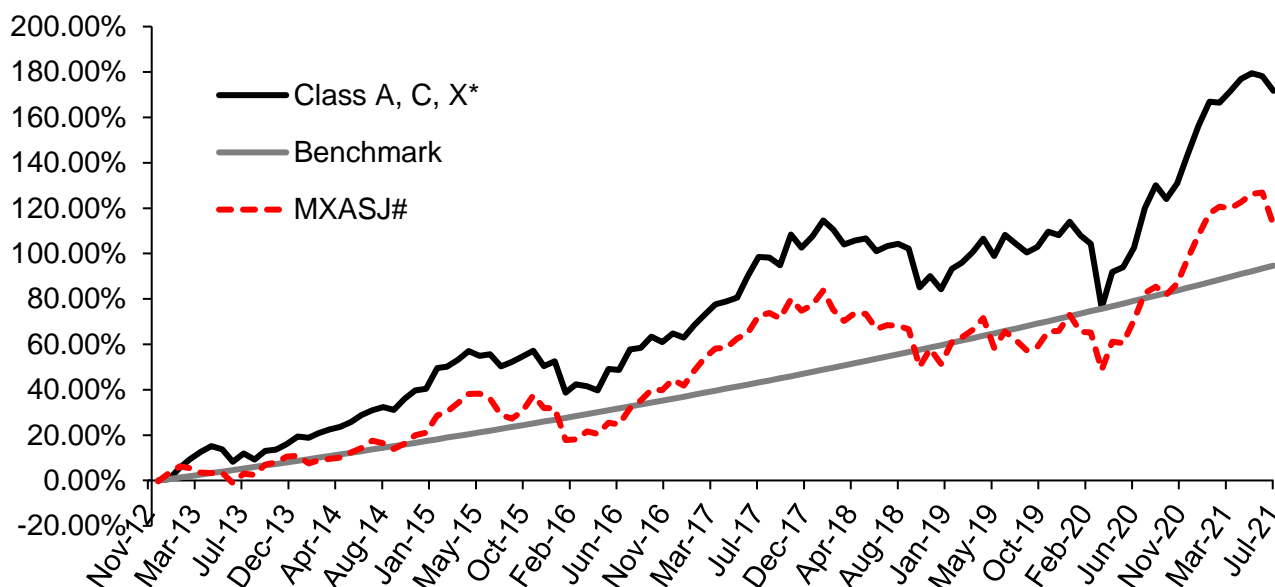
	3 years to 31.07.2021			5 years to 31.07.2021		
	Class A	Class C	Class X	Class A	Class C	Class X
	%	%	%	%	%	%
Income Distribution	6.10	6.10	6.10	6.10	6.10	6.10
Capital Growth	25.96	25.94	25.94	62.34	62.34	62.34
Total Return	33.64	33.63	33.63	72.25	72.25	72.25
Benchmark	25.97	25.97	25.97	46.93	46.93	46.93
MXASJ #	26.93	26.93	26.93	62.52	62.52	62.52
Average Total Return	10.15	10.15	10.15	11.49	11.49	11.49

	Since inception to 31.07.2021		
	Class A	Class C	Class X
	%	%	%
Income Distribution	6.10	6.10	6.10
Capital Growth	156.12	156.12	156.12
Total Return	171.75	171.75	171.75
Benchmark	96.09	96.09	96.09
MXASJ #	118.56	118.56	118.56
Average Total Return	12.14	12.14	12.14

The use of MXASJ is purely to act as a point reference representing Asian Pacific market.

FUND PERFORMANCE (CONTINUED)

For the period under review, all classes recorded positive returns as Class A, Class C and Class X increased by 1.79%, 1.79%, and 1.78% respectively. However, the benchmark for all 3 classes recorded a 3.92% increase in return during the same period under review. The underperformance of the Fund relative to its benchmark was mostly driven by stock selection within the Target Fund (Principal Asia Pacific Dynamic Income Fund).



* Performance of Class A, Class C and Class X are almost the same. Slight variation was due to different timing of units created for each of the class.

The use of MXASJ is purely to act as a point reference representing Asia ex-Japan market.

Changes in NAV

CLASS A	31.07.2021	31.01.2021	Changes
		Audited	%
NAV (RM Million)	283.21	274.91	3.02
NAV/Unit (RM)	1.2806	1.2581	1.79
CLASS C	31.07.2021	31.01.2021	Changes
		Audited	%
NAV (RM Million)	93.80	88.10	6.47
NAV/ Unit (RM)	1.2806	1.2581	1.79
CLASS X	31.07.2021	31.01.2021	Changes
		Audited	%
NAV (RM Million)	38.74	35.54	9.00
NAV/ Unit (RM)	1.2806	1.2582	1.78

For the financial period under review, the Fund's NAV for Class A, Class C and Class X increased by 3.02%, 6.47% and 9.00% respectively due to inflows from net creations.

In addition, the Fund's NAV per unit for Class A and Class C increased by 1.79% whilst Class X increased by 1.78%. This was due to positive investment performance as described in the Market Review section.

Changes in NAV (continued)

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)	31.07.2021	31.01.2021 Audited
Collective investment scheme	99.41	99.47
Cash and other assets	0.68	0.61
Liabilities	(0.09)	(0.08)
Total	100.00	100.00

The Fund was fully invested during the financial period under review. A minimal level of liquid assets was maintained primarily for redemption purposes.

MARKET OUTLOOK*

Asian economic recovery met a roadblock as number of COVID-19 cases has been rising and more lockdowns were instituted. Encouragingly, the rate of vaccination has also increased significantly across Asia. Moreover, the manufacturing Purchasing Managers' Index ("PMIs") of developed markets are still pointing to economic expansion in July. Hence, we believe that the global economic trajectory should improve as we enter 2022.

The focus is also on quality companies which are long term winners, or benefit from structural changes in their respective industries through market share gain or exhibit stronger earnings growth prospects.

* 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

As this is a Feeder Fund under the Private Retirement Schemes ("PRS"), the Fund will continue to remain fully invested in the Target Fund with minimal cash kept for liquidity purposes.

MEMBERS STATISTICS AS AT 31 JULY 2021

CLASS A

Size of unit holdings (units)	No. of members	No. of units held (million)	% of units held
5,000 and below	16,626	35.85	16.21
5,001-10,000	4,762	34.23	15.48
10,001-50,000	5,184	92.27	41.72
50,001-500,000	404	48.41	21.89
500,001 and above	11	10.39	4.70
Total	26,987	221.15	100.00

MEMBERS STATISTICS AS AT 31 JULY 2021 (CONTINUED)

CLASS C

Size of unit holdings (units)	No. of members	No. of units held (million)	% of units held
5,000 and below	4,662	10.31	14.08
5,001-10,000	1,451	10.38	14.17
10,001-50,000	1,553	26.66	36.40
50,001-500,000	141	19.30	26.35
500,001 and above	9	6.60	9.00
Total	7,816	73.25	100.00

CLASS X

Size of unit holdings (units)	No. of members	No. of units held (million)	% of units held
5,000 and below	1,888	2.53	8.36
5,001-10,000	533	3.82	12.63
10,001-50,000	718	14.38	47.54
50,001-500,000	84	7.99	26.41
500,001 and above	2	1.53	5.06
Total	3,225	30.25	100.00

SOFT COMMISSIONS AND REBATES

Principal Asset Management Berhad (the “PRS Provider”) 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 PRS Provider and Trustee did not receive any rebates from the brokers or dealers but the PRS Provider 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 THE PRS PROVIDER TO THE MEMBERS OF
PRINCIPAL PRS PLUS ASIA PACIFIC EX JAPAN EQUITY**

We, being the Directors of Principal Asset Management Berhad (the “PRS Provider”), do hereby state that, in the opinion of the PRS Provider, the accompanying unaudited financial statements set out on pages 11 to 28 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 July 2021 and of its financial performance, changes in net assets attributable to members and cash flows for the financial period then ended in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 - Interim Financial Reporting and International Accounting Standards (“IAS”) 34 - Interim Financial Reporting.

For and on behalf of the PRS Provider

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

MUNIRAH KHAIRUDDIN
Chief Executive Officer/Executive Director

JUAN IGNACIO EYZAGUIRRE BARAONA
Director

Kuala Lumpur
23 September 2021

**TRUSTEE REPORT TO THE MEMBERS OF
PRINCIPAL PRS PLUS ASIA PACIFIC EX JAPAN EQUITY**

We have acted as the Trustee for Principal PRS Plus Asia Pacific Ex Japan Equity (the “Fund”) for the financial period ended 31 July 2021. To the best of our knowledge, for the financial period under review, Principal Asset Management Berhad (the “PRS Provider”) has operated and managed the Fund in accordance with the following:-

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

For Deutsche Trustees Malaysia Berhad

SOON LAI CHING
Senior Manager, Trustee Operations

GERARD ANG
Chief Executive Officer

Kuala Lumpur
10 September 2021

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

	Note	01.02.2021 to 31.07.2021 RM	01.02.2020 to 31.07.2020 RM
INCOME			
Dividend income		6,791,914	3,157,647
Net gain on financial assets at fair value through profit or loss	7	410,724	14,391,145
		<u>7,202,638</u>	<u>17,548,792</u>
EXPENSES			
Private Pension Administrator administration fee	4	82,907	56,935
Trustee fee	5	82,907	56,935
Audit fee		4,050	6,150
Tax agent's fee		2,200	2,900
Other expenses		7,955	1,409
		<u>180,019</u>	<u>124,329</u>
PROFIT BEFORE TAXATION		7,022,619	17,424,463
Taxation	6	-	-
PROFIT AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD		<u>7,022,619</u>	<u>17,424,463</u>
Profit after taxation is made up as follows:			
Realised amount		6,936,013	(742,389)
Unrealised amount		86,606	18,166,852
		<u>7,022,619</u>	<u>17,424,463</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 JULY 2021

		31.07.2021	31.01.2021
	Note	RM	Audited RM
ASSETS			
Cash and cash equivalents	8	2,127,857	1,618,195
Financial assets at fair value through profit or loss	7	413,313,168	396,440,530
Amount due from the PRS Provider			
- creation of units		679,494	794,260
TOTAL ASSETS		<u>416,120,519</u>	<u>398,852,985</u>
LIABILITIES			
Amount due to the PRS Provider			
- cancellation of units		70,340	264,332
- purchase of collective investment scheme		250,000	-
Amount due to Private Pension Administrator		14,268	13,827
Amount due to Trustee		14,268	13,827
Other payables and accruals		18,749	17,100
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO MEMBERS)		<u>367,625</u>	<u>309,086</u>
NET ASSET VALUE OF THE FUND		<u>415,752,894</u>	<u>398,543,899</u>
NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>415,752,894</u>	<u>398,543,899</u>
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS			
- CLASS A		283,211,223	274,910,940
- CLASS C		93,799,612	88,095,712
- CLASS X		38,742,059	35,537,247
		<u>415,752,894</u>	<u>398,543,899</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)			
- CLASS A		221,153,934	218,501,136
- CLASS C		73,244,841	70,017,648
- CLASS X		30,251,777	28,244,119
	10	<u>324,650,552</u>	<u>316,762,903</u>
NET ASSET VALUE PER UNIT (RM)			
- CLASS A		1.2806	1.2581
- CLASS C		1.2806	1.2581
- CLASS X		<u>1.2806</u>	<u>1.2582</u>

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 MEMBERS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021**

	01.02.2021 to 31.07.2021	01.02.2020 to 31.07.2020
	RM	RM
NET ASSETS ATTRIBUTABLE TO MEMBERS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>398,543,899</u>	<u>299,017,400</u>
Movement due to units created and cancelled during the financial period:		
Creation of units from applications		
- Class A	10,610,980	8,588,746
- Class C	5,354,145	4,892,203
- Class X	<u>3,331,358</u>	<u>3,151,485</u>
	<u>19,296,483</u>	<u>16,632,434</u>
Cancellation of units		
- Class A	(7,219,117)	(9,375,159)
- Class C	(1,154,794)	(6,195,723)
- Class X	<u>(736,196)</u>	<u>(982,937)</u>
	<u>(9,110,107)</u>	<u>(16,553,819)</u>
Total comprehensive income for the financial period	<u>7,022,619</u>	<u>17,424,463</u>
NET ASSETS ATTRIBUTABLE TO MEMBERS AT THE END OF THE FINANCIAL PERIOD	<u><u>415,752,894</u></u>	<u><u>316,520,478</u></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 JULY 2021**

	Note	01.02.2021 to 31.07.2021 RM	01.02.2020 to 31.07.2020 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from disposal of collective investment scheme		1,200,000	8,000,000
Purchase of collective investment scheme		(17,411,914)	(9,950,000)
Dividend income		6,791,914	-
Private Pension Administrator administration fee paid		(82,466)	(56,885)
Trustee fee paid		(82,466)	(56,885)
Payment for other fees and expenses		(12,556)	(10,109)
Net cash used in from operating activities		<u>(9,597,488)</u>	<u>(2,073,879)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		19,411,249	16,366,146
Payments for cancellation of units		(9,304,099)	(14,490,124)
Net cash generated from from financing activities		<u>10,107,150</u>	<u>1,876,022</u>
Net increase/(decrease) in cash and cash equivalents		509,662	(197,857)
Cash and cash equivalents at the beginning of the financial period		<u>1,618,195</u>	<u>2,108,302</u>
Cash and cash equivalents at the end of the financial period	8	<u><u>2,127,857</u></u>	<u><u>1,910,445</u></u>
<u>Cash and cash equivalents comprised of:</u>			
Bank balances		<u>2,127,857</u>	<u>1,910,445</u>
Cash and cash equivalents at the end of the financial period	8	<u><u>2,127,857</u></u>	<u><u>1,910,445</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 JULY 2021**

1. THE FUND, THE PRS PROVIDER AND ITS PRINCIPAL ACTIVITIES

Principal PRS Plus Asia Pacific Ex Japan Equity ((the “Fund”) is governed by a Deed dated 8 November 2012, a First Supplemental Deed dated 2 January 2014, Second Supplemental Deed dated 25 November 2014 and a Third Supplemental Deed dated 3 February 2020 (collectively referred to as the “Deeds”) made between Principal Asset Management Berhad (the “PRS Provider”) and Deutsche Trustees Malaysia Berhad (the “Trustee”).

The Fund offers three classes of units known respectively as Class A, Class C and Class X. In accordance with the Disclosure Document, subject to the PRS Provider’s absolute discretion, Class A and Class C are for an individual who has attained the age 18 years as of the date of opening a private pension account while Class X is for Member who participates via his/her employer. Class A and Class C have different Sales Charge and Management Fee while Class X has no Sales Charge.

Before 1 June 2020

The Fund will invest at least 95% of its NAV in the Target Fund, a Malaysian-domiciled fund established on 25 April 2011, which invests in the Asia Pacific ex Japan region. The Fund may also maintain up to 5% of its NAV in liquid assets.

The asset allocation strategy for this Fund is as follows:

- At least 95% of the Fund’s NAV will be invested in the Target Fund; and
- Up to 5% of the Fund’s NAV may be invested in liquid assets for liquidity purpose

With effect from 1 June 2020

The Fund will invest at least 85% of its NAV in the Target Fund, a Malaysian-domiciled fund established on 25 April 2011, which invests in the Asia Pacific ex Japan region. The Fund may also maintain up to 15% of its NAV in liquid assets.

The asset allocation strategy for this Fund is as follows:

- At least 85% of the Fund’s NAV will be invested in the Target Fund; and
- Up to 15% of the Fund’s NAV may be invested in liquid assets for liquidity purpose

Information on the Target Fund

Target Fund	Principal Asia Pacific Dynamic Income Fund
Target Fund Manager	Principal Asset Management Berhad
Target Fund Sub-Manager	Principal Asset Management (S) Pte Ltd
Regulatory Authority	Securities Commission Malaysia (“SC”)
Country of domicile	Malaysia

All investments are subjected to the SC Guidelines on PRS, 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 PRS Provider, 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 PRS Provider 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 PRS Provider to exercise their judgment in the process of applying the Fund’s accounting policies. Although these estimates and judgment are based on the PRS Provider’s best knowledge of current events and actions, actual results may differ.

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

There are no other standards, amendments to standards or interpretations that are effective for financial periods beginning on 1 February 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 August 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”).

Investment in collective investment scheme is debt instrument with contractual cash flow that do not represent solely payment of principal and interest (“SPPI”) and therefore is classified as fair value through profit or loss.

The Fund classifies cash and cash equivalents and amount due from PRS Provider – creation of units at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

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

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.

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.

Collective investment scheme is valued based on the most recent published NAV per unit or share of such collective investment scheme or, if unavailable, on the last published price of such unit or share (excluding any sales charge included in such selling price).

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 loss ("ECL") using probability of default, exposure at default and loss given default. PRS Provider consider both historical analysis and forward looking information in determining any ECL. PRS Provider consider 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 PRS Provider 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(b) Financial assets and financial liabilities (continued)**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 collective investment scheme is accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on a weighted average cost basis.

(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 MYR, which is the Fund's functional and presentation currency.

(e) Members' contributions

The members' 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 A, Class C and Class X, which are cancelled at the member's option and do not have identical features subject to restrictions as stipulated in the Disclosure Document and SC Guidelines on PRS. 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 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 member's 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 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 period.

(h) 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 PRS.

(i) Critical accounting estimates and judgments 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 Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgment are continually evaluated by the PRS Provider 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 PRS Provider 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 PRS.

However, the PRS Provider is of the opinion that there are no accounting policies which require significant judgement to be exercised.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES

The investment objective of the Fund is to provide capital growth over the long-term by investing in a target fund with investments in the Asia Pacific ex Japan region.

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

Financial risk management is carried out through internal control process adopted by the PRS Provider and adherence to the investment restrictions as stipulated in the Deeds and SC Guidelines on PRS.

(a) Market risk

(i) Price risk

This is the risk that the fair value of an investment in collective investment scheme will fluctuate because of changes in market prices. The value of investment 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.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risk (continued)

(i) Price risk (continued)

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

(b) Credit risk

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

The credit risk arising from cash and cash equivalents is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions.

For the amount due from the PRS Provider, the settlement terms of the proceeds from the creation of units receivable from the PRS Provider are governed by the SC Guidelines on PRS Funds.

(c) Liquidity risk

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

The PRS Provider manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by members. Liquid assets comprise bank balances, which are capable of being converted into cash within 7 business days. The Fund's investments in collective investment scheme are realisable which are capable of being converted into cash within 10 business days. This is expected to reduce the risk for the entire portfolio without limiting to the Fund's growth potential.

(d) Capital risk management

The capital of the Fund is represented by net assets attributable to members. The amount of net assets attributable to members can change significantly on a daily basis as the Fund is subjected to daily subscriptions and redemptions at the discretion of members. 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 members 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 values 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 PRS Provider will determine the point within the bid-ask spread that is most representative of the fair value.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

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 judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment 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 RM	Level 2 RM	Level 3 RM	Total RM
31.07.2021				
Financial assets at fair value through profit or loss:				
- Collective investment scheme	413,313,168	-	-	413,313,168

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
31.01.2021				
Audited				
Financial assets at fair value through profit or loss:				
- Collective investment scheme	396,440,530	-	-	396,440,530

Investments which values are based on quoted market prices in active markets, and are therefore classified within Level 1, include collective investments scheme. 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 the PRS Provider – creation of units and all current liabilities are a reasonable approximation of their fair values due to their short term nature.

4. MANAGEMENT FEE AND PRIVATE PENSION ADMINISTRATOR ADMINISTRATION FEE

In accordance with the Deeds, the PRS Provider 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 six months financial period ended 31 July 2021 and 31 July 2020, the management fee for the respective classes was recognised at the following rates:

Class A	Class C	Class X
1.40%	1.50%	1.40%

Nonetheless, no management fee is charged on the Fund for the financial period as the management fee has been waived by the PRS Provider.

The Private Pension Administrator administration fee was recognised at a rate of 0.04% per annum (31.07.2020: 0.04% per annum) for each unit class, calculated daily based on the NAV of the Fund.

There was no further liability in respect of management fee and Private Pension Administrator administration fee other than the amount recognised above.

5. TRUSTEE FEE

In accordance with the Deeds, the Trustee is entitled to a maximum fee of 0.04% per annum for each unit class, calculated daily based on the NAV of the Fund. The Trustee fee includes local custodian fees and charges but excluding foreign sub-custodian fees and charges.

For the six months financial period ended 31 July 2021, the Trustee fee was recognised at a rate of 0.04% per annum (31.07.2020: 0.04% per annum) for each unit class.

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

6. TAXATION

	01.02.2021 to 31.07.2021 RM	01.02.2020 to 31.07.2020 RM
Tax charged for the financial period:		
- Current taxation	-	-

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

	01.02.2021 to 31.07.2021 RM	01.02.2020 to 31.07.2020 RM
Profit before taxation	7,022,619	17,424,463
Taxation at Malaysian statutory rate of 24% (31.07.2020: 24%)	1,685,428	4,181,871
Tax effects of:		
- Income not subject to tax	(1,728,633)	(4,211,709)
- Expenses not deductible for tax purposes	40,562	28,258
- Restriction on tax deductible expenses for PRS Funds	2,643	1,580
Taxation	-	-

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31.07.2021 RM	31.01.2021 Audited RM
At fair value through profit or loss:		
- Collective investment scheme	413,313,168	396,440,530

	01.02.2021 to 31.07.2021 RM	01.02.2020 to 31.07.2020 RM
Net gain on financial assets at fair value through profit or loss:		
- Realised gain/(loss) on disposals	324,118	(179,431)
- Unrealised fair value gain	86,606	14,570,576
	410,724	14,391,145

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
31.07.2021 COLLECTIVE INVESTMENT SCHEME				
Principal Asia Pacific Dynamic Income Fund	1,589,666,031	311,540,353	413,313,168	99.41

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
31.07.2021 (CONTINUED) COLLECTIVE INVESTMENT SCHEME (CONTINUED)				
TOTAL COLLECTIVE INVESTMENT SCHEME	<u>1,589,666,031</u>	311,540,353	<u>413,313,168</u>	<u>99.41</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>101,772,815</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>413,313,168</u>		
31.01.2021 Audited COLLECTIVE INVESTMENT SCHEME				
Principal Asia Pacific Dynamic Income Fund	<u>1,527,709,172</u>	<u>294,754,321</u>	<u>396,440,530</u>	<u>99.47</u>
TOTAL COLLECTIVE INVESTMENT SCHEME	<u>1,527,709,172</u>	294,754,321	<u>396,440,530</u>	<u>99.47</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>101,686,209</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>396,440,530</u>		

8. CASH AND CASH EQUIVALENTS

	31.07.2021	31.01.2021 Audited
	RM	RM
Bank balances	2,127,857	1,618,195

9. NUMBER OF UNITS IN CIRCULATION (UNITS)

	01.02.2021 to 31.07.2021	01.02.2020 to 31.01.2021 Audited
	No. of units	No. of units
Class A (i)	221,153,934	218,501,136
Class C (ii)	73,244,841	70,017,648
Class X (iii)	30,251,777	28,244,119
	<u>324,650,552</u>	<u>316,762,903</u>

(i) Class A

	01.02.2021 to 31.07.2021	01.02.2020 to 31.01.2021 Audited
	No. of units	No. of units
At the beginning of the financial period/year	218,501,136	200,079,342
Add: Creation of units from applications	8,168,511	27,039,169
Add: Creation of units from distribution	-	12,368,166
Less: Cancellation of units	(5,515,713)	(20,985,541)
At the end of the financial period/year	<u>221,153,934</u>	<u>218,501,136</u>

(ii) Class C

	01.02.2021 to 31.07.2021	01.02.2020 to 31.01.2021 Audited
	No. of units	No. of units
At the beginning of the financial period/year	70,017,648	64,951,023
Add: Creation of units from applications	4,111,171	14,629,056
Add: Creation of units from distribution	-	3,952,632
Less: Cancellation of units	(883,978)	(13,515,063)
At the end of the financial period/year	<u>73,244,841</u>	<u>70,017,648</u>

(iii) Class X

	01.02.2021 to 31.07.2021	01.02.2020 to 31.01.2021 Audited
	No. of units	No. of units
At the beginning of the financial period/year	28,244,119	22,525,223
Add: Creation of units from applications	2,569,594	5,694,698
Add: Creation of units from distribution	-	1,589,989
Less: Cancellation of units	(561,936)	(1,565,791)
At the end of the financial period/year	<u>30,251,777</u>	<u>28,244,119</u>

10. MANAGEMENT EXPENSE RATIO (“MER”)

	01.02.2021 to 31.07.2021	01.02.2020 to 31.07.2020
	%	%
MER	<u>0.04</u>	<u>0.04</u>

MER is derived from the following calculation:

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

A	=	Private Pension Administrator administration fee
B	=	Trustee fee
C	=	Audit fee
D	=	Tax agent's fee
E	=	Other expenses
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 RM418,311,473 (31.07.2020: RM285,087,570)

11. PORTFOLIO TURNOVER RATIO (“PTR”)

	01.02.2021 to 31.07.2021	01.02.2020 to 31.07.2020
PTR (times)	<u>0.02</u>	<u>0.04</u>

PTR is 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	=	RM17,661,914 (31.07.2020: RM12,907,647)
total disposal for the financial period	=	RM1,200,000 (31.07.2020: RM8,000,000)

12. UNITS HELD BY THE PRS PROVIDER AND PARTIES RELATED TO THE PRS PROVIDER, AND SIGNIFICANT RELATED PARTIES 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 PRS Provider
Principal Financial Group, Inc.	Ultimate holding company of shareholder of the PRS Provider
Principal International (Asia) Ltd	Shareholder of the PRS Provider
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 PRS Provider
CIMB Group Holdings Bhd	Ultimate holding company of shareholder of the PRS Provider

12. UNITS HELD BY THE PRS PROVIDER AND PARTIES RELATED TO THE PRS PROVIDER, AND SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES (CONTINUED)

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

<u>Related parties</u>	<u>Relationship</u>
CIMB Group Sdn Bhd	Shareholder of the PRS Provider
Subsidiaries and associates of CIMB Group Holdings Berhad, other than above, as disclosed in its financial statements	Fellow subsidiary and associated companies of the ultimate holding company of the shareholder of the PRS Provider
CIMB Islamic Bank Bhd	Fellow related party to the PRS Provider
CIMB Investment Bank Bhd	Fellow related party to the PRS Provider

Units held by the PRS Provider and parties related to the PRS Provider

	31.07.2021		31.01.2021	
	No. of units	RM	No. of units	RM
Directors of the PRS Provider				
- Class X	<u>266,287</u>	<u>341,007</u>	<u>234,977</u>	<u>295,647</u>

There were no units held by the PRS Provider or parties related to the PRS Provider as at the end of each financial period/year.

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The PRS Provider 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.

	01.02.2021 to 31.07.2021	01.02.2020 to 31.07.2020
	RM	RM
<u>Significant related party transactions</u>		
Dividend income from collective investment scheme managed by the PRS Provider	<u>6,791,914</u>	<u>3,157,647</u>
Purchase of collective investment scheme:		
- Principal Asset Management Berhad	<u>17,661,914</u>	<u>12,907,647</u>
Disposal of collective investment scheme:		
- Principal Asset Management Berhad	<u>1,200,000</u>	<u>8,000,000</u>
	31.07.2021	31.01.2021
	RM	Audited RM
<u>Significant related party balances</u>		
Collective investment scheme managed by the PRS Provider:		
- Principal Asia Pacific Dynamic Income Fund	<u>413,313,168</u>	<u>396,440,530</u>

13. TRANSACTIONS WITH BROKERS/DEALERS

Details of transactions with the brokers/dealers for the six months financial period ended 31 July 2021 were as follows:

Brokers/Dealers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
Principal Asset Management Berhad #	18,861,914	100.00	-*	-

Details of transactions with the brokers/dealers for the six months financial period ended 31 July 2020 were as follows:

Brokers/Dealers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
Principal Asset Management Berhad #	20,907,647	100.00	-*	-

* No brokerage fee is charged for collective investment scheme transaction

Included in the transactions are trades conducted with Principal Asset Management Berhad, the PRS Provider, amounting to RM18,861,914 (31.07.2020: RM20,907,647). The PRS Provider is of the opinion that all transactions have been entered into in the normal course of business at agreed terms between the related parties.

14. SIGNIFICANT EVENT DURING THE 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 PRS Provider 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.

DIRECTORY

Head Office of the PRS Provider

Principal Asset Management Berhad (Company No.: 199401018399 (304078-K))
10th Floor, Bangunan CIMB,
Jalan Semantan,
Damansara Heights,
50490 Kuala Lumpur, MALAYSIA.
Tel: (03) 2084 8888

Website

www.principal.com.my

E-mail address

service@principal.com.my

Customer Care Centre

(03) 7718 3000

Trustee for the Principal PRS Plus Asia Pacific Ex Japan Equity

Deutsche Trustees Malaysia Berhad (Company No.: 200701005591 (763590-H))
Level 20 Menara IMC,
8 Jalan Sultan Ismail,
50250 Kuala Lumpur, MALAYSIA.
Tel: (03) 2053 7522
Fax: (03) 2053 7526

Principal Asset Management Berhad
199401018399 (304078-K)

Enquiries:

Customer Care Centre
(603)7718 3000

Email
service@principal.com.my

Website
www.principal.com.my