

Principal Asia Pacific Dynamic Income Fund

Annual Report

For The Financial Year Ended 31 March 2024

PRINCIPAL ASIA PACIFIC DYNAMIC INCOME FUND
ANNUAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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INVESTORS' LETTER

Dear Valued Investor,

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

We are pleased to bring you a copy of the Annual Fund Report of the Principal Asia Pacific Dynamic Income Fund for the financial year ended 31 March 2024. You may also download this report from our website at www.principal.com.my.

We are happy to share that Principal Malaysia won two honours at the Asia Asset Management 2024 Best of the Best Awards. The awards were for Best of the Best Performance Awards: China A-Share Equity (3 years) for the Principal China Direct Opportunities Fund (Class MYR) and Best of the Best Country Awards: Best Institutional House – Malaysia. We also won another two awards at the 2024 Global Banking & Finance Awards® for Asset Management CEO of the Year Malaysia 2024 - Munirah Khairuddin and Asset Management Company of the Year Malaysia 2024. The World Business Outlook magazine also awarded us with the Best Investment Management and Solutions Provider Malaysia 2024, Best Institutional House Malaysia 2024, and Asset Management CEO (Munirah Khairuddin) of the Year Malaysia 2024 awards at its 2024 Annual Awards. We also won three awards at iFast Awards 2024 and another 7 awards at the LSEG Lipper Fund Awards 2024.

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), like our Facebook page (@PrincipalAssetMY), follow us on our Instagram account (@principalassetmanagement_my), and LinkedIn page (Principal Asset Management Berhad) for the latest updates, market insights and investment articles.

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

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

Munirah Khairuddin
Country Head and Chief Executive Officer, Malaysia
Non-Independent Executive Director

MANAGER'S REPORT

FUND OBJECTIVE AND POLICY

What is the investment objective of the Fund?

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

Has the Fund achieved its objective?

For the financial year under review, the Fund has achieved its investment objective.

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

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

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

The asset allocation strategy for this Fund is as follows:

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

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

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

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

Base Currency

US Dollar ("USD")

Fund category/type

Equity/Income & Growth

FUND OBJECTIVE AND POLICY (CONTINUED)

When was the Fund launched?

Name of Class	Launch Date
Class AUD	7 July 2023
Class D	28 April 2023
Class MYR	25 April 2011
Class SGD	9 September 2015
Class USD	9 September 2015

What was the size of the Fund as at 31 March 2024?

USD1,032.70 million (17,967.10 million units)

What is the Fund's benchmark?

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

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

What is the Fund's distribution policy?

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

What was the net income distribution for the financial year ended 31 March 2024?

The Fund distributed a total net income of USD19.80 million to unit holders for the financial year ended 31 March 2024.

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

Date	NAV per unit	NAV per unit
	(before distribution)	(after distribution)
	USD	USD
Distribution on 13 April 2023		
Class MYR	0.0491	0.0487
Class SGD	0.5272	0.5230
Class USD	0.7552	0.7494
Distribution on 17 August 2023		
Class MYR	0.0461	0.0459
Class SGD	0.4954	0.4939
Class USD	0.7098	0.7076
Class D	1.0084	1.0053
Distribution on 22 March 2024		
Class MYR	0.0781	0.0775
Class SGD	0.8418	0.8359
Class USD	1.1094	1.1017
Class AUD	0.7855	0.7800

Breakdown of distribution were as follows:

Source of distribution	2024		2023	
	USD	%	USD	%
Distribution out of current year's income	19,804,944	100.00	33,920,707	100.00
Distribution out of prior year's income/capital	-	-	-	-
Total	19,804,944	100.00	33,920,707	100.00

PERFORMANCE DATA

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

	31.03.2024	31.03.2023	31.03.2022
	%	%	%
Collective investment scheme	0.03	0.03	-
Quoted securities			
- Communication Services	6.26	9.39	10.25
- Consumer Discretionary	11.46	14.74	8.40
- Consumer Staples	-	4.71	-
- Energy	9.78	8.96	9.77
- Financials	16.67	14.93	15.11
- Health Care	4.51	4.34	6.41
- Industrials	9.02	9.17	9.75
- Information Technology	23.16	16.45	24.12
- Materials	5.90	5.95	6.05
- Real Estate	7.03	5.76	3.22
- Utilities	1.56	0.59	1.01
Cash and other assets	5.65	5.77	7.47
Liabilities	(1.03)	(0.79)	(1.56)
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

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

	31.03.2024	31.03.2023	31.03.2022
NAV (USD Million)			
- Class AUD	0.35	-	-
- Class D	0.18	-	-
- Class MYR	905.38	928.05	1,063.74
- Class SGD	46.08	46.99	55.46
- Class USD	80.71	82.37	112.43
Units in circulation (Million)			
- Class AUD	0.48	-	-
- Class D	0.74	-	-
- Class MYR	17,779.59	19,051.71	18,545.73
- Class SGD	83.82	89.79	90.42
- Class USD	102.48	109.88	127.97
NAV per unit (USD)			
- Class AUD	0.7245	-	-
- Class D	0.2422	-	-
- Class MYR	0.0509	0.0487	0.0573
- Class SGD	0.5498	0.5233	0.6133
- Class USD	0.7876	0.7496	0.8785
Highest NAV per unit (USD)			
- Class AUD	0.7279	-	-
- Class D	0.2423	-	-
- Class MYR	0.0512	0.0580	0.0659
- Class SGD	0.5523	0.6201	0.7044
- Class USD	0.7913	0.8883	1.0090
Lowest NAV per unit (USD)			
- Class AUD	0.6081	-	-
- Class D	0.2018	-	-
- Class MYR	0.0429	0.0419	0.0520
- Class SGD	0.4614	0.4495	0.5560
- Class USD	0.6611	0.6438	0.7965

PERFORMANCE DATA (CONTINUED)

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

	31.03.2024	31.03.2023	31.03.2022
Total return (%)			
- Class AUD	12.02*	-	-
- Class D	14.76*	-	-
- Class MYR	14.15	(7.89)	(6.29)
- Class SGD	8.55	(13.55)	(6.67)
- Class USD	6.97	(12.01)	(7.32)
Capital growth (%)			
- Class AUD	11.24*	-	-
- Class D	14.40*	-	-
- Class MYR	11.96	(10.83)	(8.71)
- Class SGD	6.62	(16.17)	(9.19)
- Class USD	5.07	(14.67)	(9.83)
Income distribution (%)			
- Class AUD	0.70*	-	-
- Class D	0.31*	-	-
- Class MYR	1.95	3.29	2.65
- Class SGD	1.81	3.12	2.77
- Class USD	1.81	3.12	2.78
Total Expense Ratio ("TER") (%) ^	1.87	1.86	1.86
Portfolio Turnover Ratio ("PTR") (times) #	0.89	0.59	0.56

* Since inception.

^The Fund's TER increased from 1.86% to 1.87% mainly due to decreased in average NAV during the financial year under review.

The Fund's PTR has also risen slightly from 0.59 times to 0.89 times. It remains relatively stable.

	31.03.2024	31.03.2023	31.03.2022
Gross/Net distribution per unit (cent)			
Distribution on 13 April 2023			
- Class MYR	0.04	-	-
- Class SGD	0.41	-	-
- Class USD	0.58	-	-
Distribution on 17 August 2023			
- Class MYR	0.02	-	-
- Class SGD	0.16	-	-
- Class USD	0.22	-	-
- Class D	0.07	-	-
Distribution on 22 March 2024			
- Class MYR	0.04	-	-
- Class SGD	0.38	-	-
- Class AUD	0.50	-	-
- Class USD	0.55	-	-
Distribution on 26 April 2022			
- Class MYR	-	0.04	-
- Class SGD	-	0.45	-
- Class USD	-	0.65	-
Distribution on 25 July 2022			
- Class MYR	-	0.04	-
- Class SGD	-	0.40	-
- Class USD	-	0.58	-

PERFORMANCE DATA (CONTINUED)

	31.03.2024	31.03.2023	31.03.2022
Gross/Net distribution per unit (cent)			
Distribution on 19 October 2022	-	-	-
- Class MYR	-	0.04	-
- Class SGD	-	0.38	-
- Class USD	-	0.54	-
Distribution on 19 January 2023	-	-	-
- Class MYR	-	0.04	-
- Class SGD	-	0.39	-
- Class USD	-	0.55	-
Distribution on 21 April 2021	-	-	-
- Class MYR	-	-	0.05
- Class SGD	-	-	0.51
- Class USD	-	-	0.74
Distribution on 23 July 2021	-	-	-
- Class MYR	-	-	0.05
- Class SGD	-	-	0.58
- Class USD	-	-	0.83
Distribution on 21 October 2021	-	-	-
- Class MYR	-	-	0.02
- Class SGD	-	-	0.26
- Class USD	-	-	0.38
Distribution on 21 January 2022	-	-	-
- Class MYR	-	-	0.04
- Class SGD	-	-	0.48
- Class USD	-	-	0.68

	31.03.2024	31.03.2023	31.03.2022	31.03.2021	31.03.2020
	%	%	%	%	%
Annual total return					
- Class MYR	14.15	(7.89)	(6.29)	55.21	(12.23)

(Launch date: 25 April 2011)

	31.03.2024	31.03.2023	31.03.2022	31.03.2021	31.03.2020
	%	%	%	%	%
Annual total return					
- Class SGD	8.55	(13.55)	(6.67)	52.66	(12.30)
- Class USD	6.97	(12.01)	(7.32)	62.21	(16.79)

(Launch date: 9 September 2015)

	Since Inception to 31.03.2024
	%
Annual total return	
- Class AUD	12.02

(Launch date: 13 July 2023)

PERFORMANCE DATA (CONTINUED)

**Since Inception
to 31.03.2024
%**

Annual total return
- Class D 14.76

(Launch date: 28 April 2023)

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

MARKET REVIEW (1 APRIL 2023 TO 31 MARCH 2024)

For the financial year under review, the Asian stock markets, as measured by MSCI Asia Pacific ex-Japan Index, increased by 2.5% in US Dollar ("USD") terms. Topical issues were: a) Sustained high inflation leading to accelerated pace in tightening of monetary policy and a possible recession in the US, b) China's weak economic recovery.

The US Federal Reserve Board (the "Fed") embarked on the path to tightened monetary policy to combat inflation starting in early 2022. US headline inflation peaked at 9.1% in June 2022 and has since declined steadily. Nonetheless, the Fed remains steadfast in tightening monetary policy with the inflation still relatively sticky with the tight labour market. This tightening path is the most aggressive monetary tightening cycle since the early 1980s. By July 2023, the US Federal Open Market Committee ("FOMC") lifted its benchmark interest rate to a target range of 5.25% to 5.50%. This has acted as a headwind for risk assets. However, as the year progress, disinflation became more entrenched, and the US labour market cooled. This allowed the Fed to change its stance towards more tightening. While the Fed has not declared victory in its fight towards bringing inflation to its target range, investors are nonetheless expecting that the rate hike cycle has peaked. The stock markets in Asia excluding Hong Kong SAR and China, subsequently rebounded in the last two months of 2023. The rally for equities extended into the first quarter of 2024 with hopes of a rate cut in the second half of 2024 ("2H2024") and the end of cuts in earnings estimates.

On the other hand, China has been easing interest rates and loosening policies as the government grappled with the weak economy. Despite the re-opening, China's economy has not led to a self-sustaining growing momentum. The stimulus implemented by the government so far has been piecemeal and insufficient. Consumer and corporate confidence have suffered as a result. Along with the heightened geopolitical tensions with the US, weak property sector and the high youth unemployment, stock prices in China and Hong Kong SAR have consequently declined after a strong rally initially after re-opening late 2022. The decline extended into January 2024. The stock market in China and Hong Kong SAR has since rebounded as green shoots of a better economic outlook emerged. These includes better export growth and travel data.

Other notable performers in Asia in the past year included India where we are seeing strong public and increasingly private sector capex. The technology sector in Taiwan and Korea also recovered as the semiconductor cycle turned positive with the digestion of the bloated inventory led by the Artificial Intelligence ("AI") boom.

FUND PERFORMANCE

	1 year to 31.03.2024 %	3 years to 31.03.2024 %	5 years to 31.03.2024 %	Since inception to 31.03.2024 %
Income Distribution				
- Class AUD	-	-	-	0.70
- Class D	-	-	-	0.31
- Class MYR	1.95	8.10	14.02	45.78
- Class SGD	1.81	7.89	13.80	21.99
- Class USD	1.81	7.90	13.78	21.74

FUND PERFORMANCE (CONTINUED)

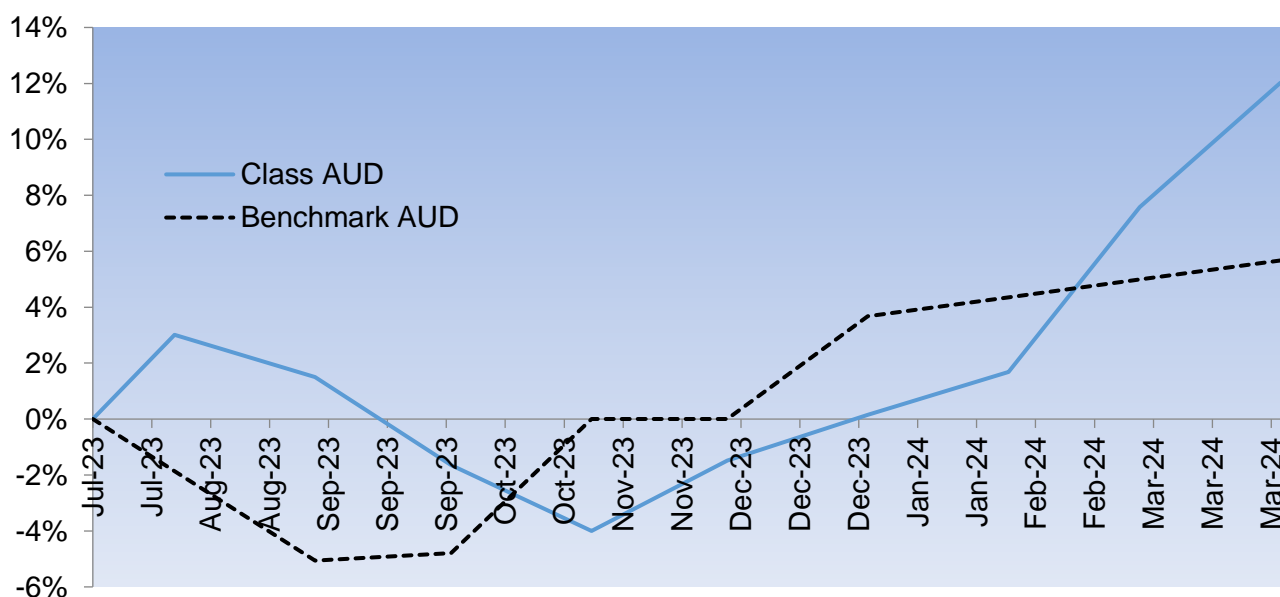
	1 year to 31.03.2024 %	3 years to 31.03.2024 %	5 years to 31.03.2024 %	Since inception to 31.03.2024 %
Capital Growth				
- Class AUD	-	-	-	11.24
- Class D	-	-	-	14.40
- Class MYR	11.96	(8.86)	17.71	135.79
- Class SGD	6.62	(18.83)	3.04	29.85
- Class USD	5.07	(19.16)	3.48	37.83
Total Return				
- Class AUD	-	-	-	12.02
- Class D	-	-	-	14.76
- Class MYR	14.15	(1.48)	34.21	243.74
- Class SGD	8.55	(12.42)	17.26	58.40
- Class USD	6.97	(12.78)	17.73	67.79
Benchmark				
- Class AUD	-	-	-	5.67
- Class D	-	-	-	7.38
- Class MYR	8.02	25.99	46.96	170.58
- Class SGD	8.02	25.99	46.96	93.22
- Class USD	8.02	25.99	46.96	93.22
Average Total Return				
- Class AUD	-	-	-	17.12
- Class D	-	-	-	16.03
- Class MYR	14.15	(0.49)	6.05	10.01
- Class SGD	8.55	(4.32)	3.23	5.52
- Class USD	6.97	(4.45)	3.32	6.23

For the financial year under review, the Fund made a return 14.15%, 8.55% & 6.97% for the MYR, SGD & USD classes respectively.

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

Since Inception

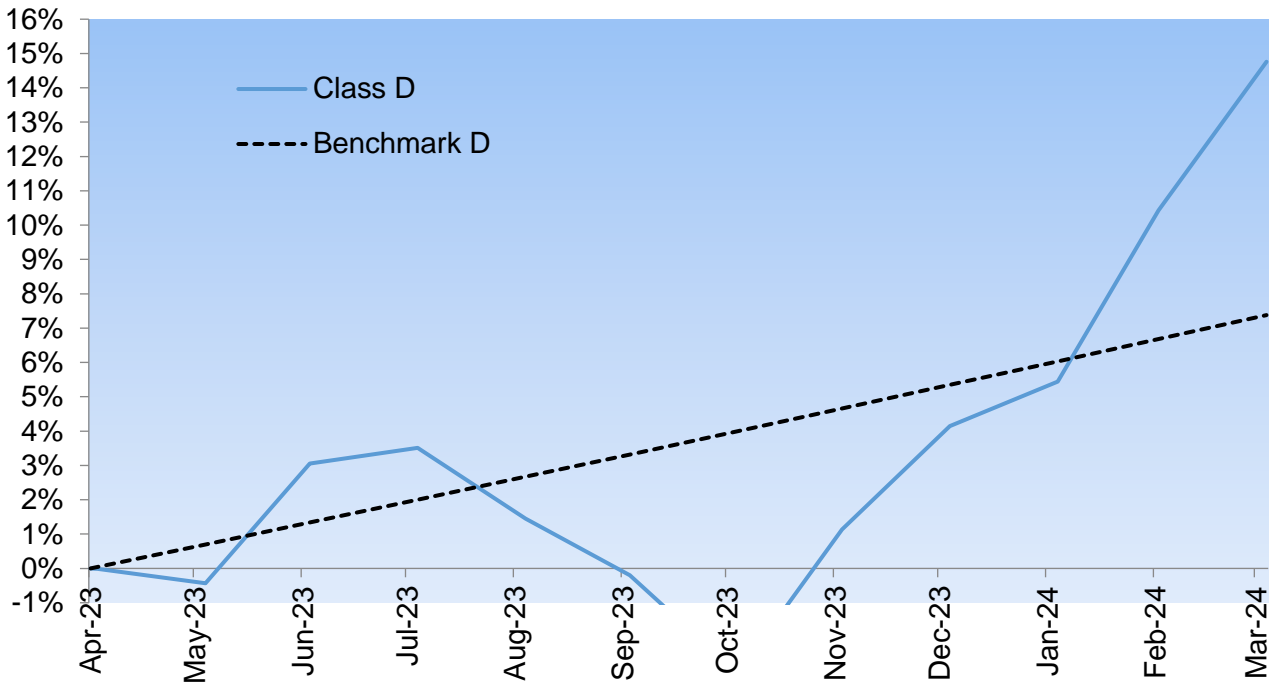
Class AUD



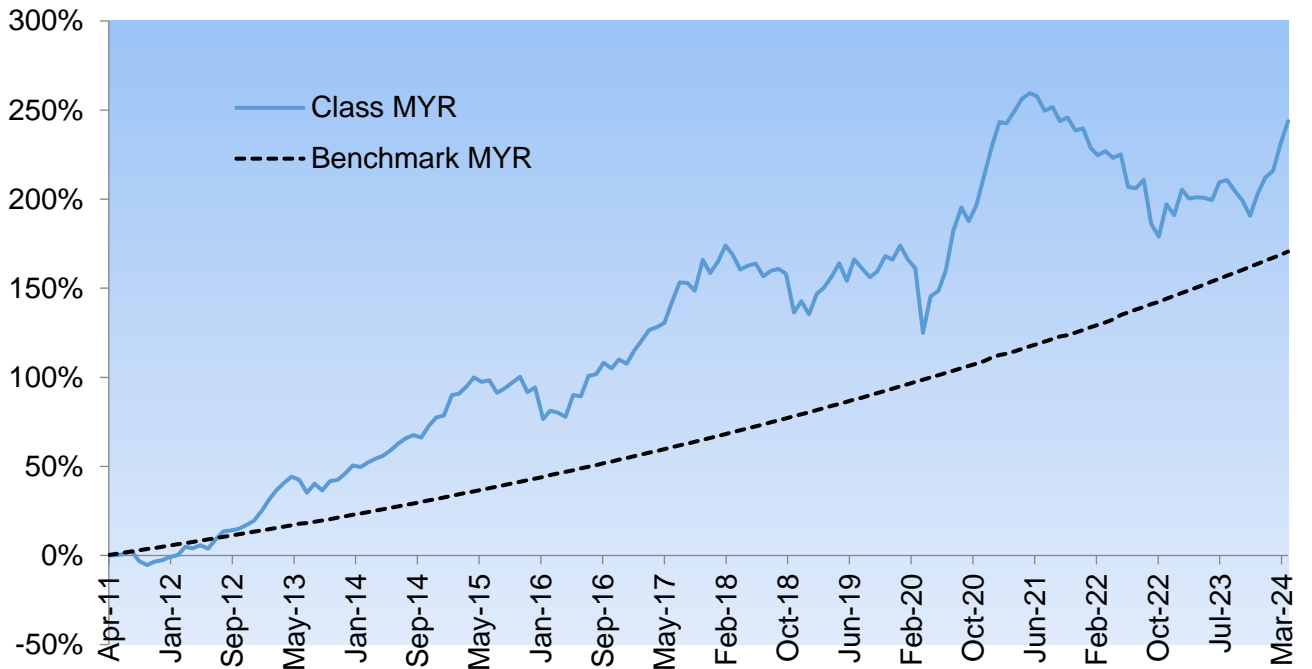
FUND PERFORMANCE (CONTINUED)

Since Inception

Class D



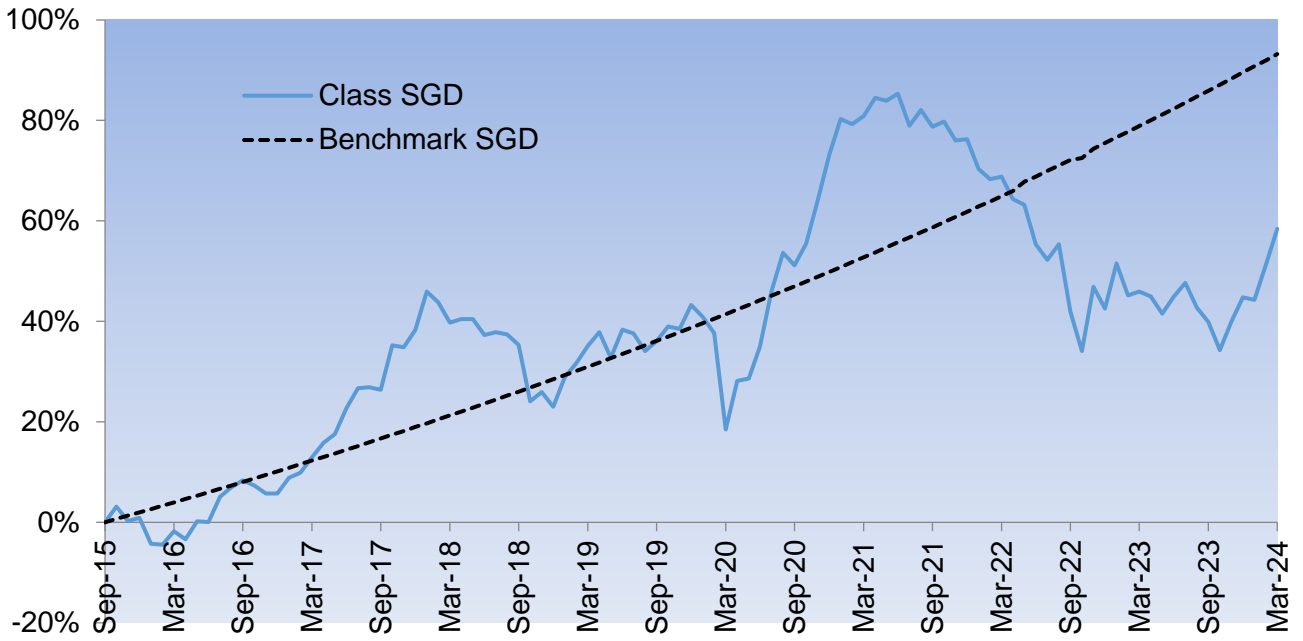
Class MYR



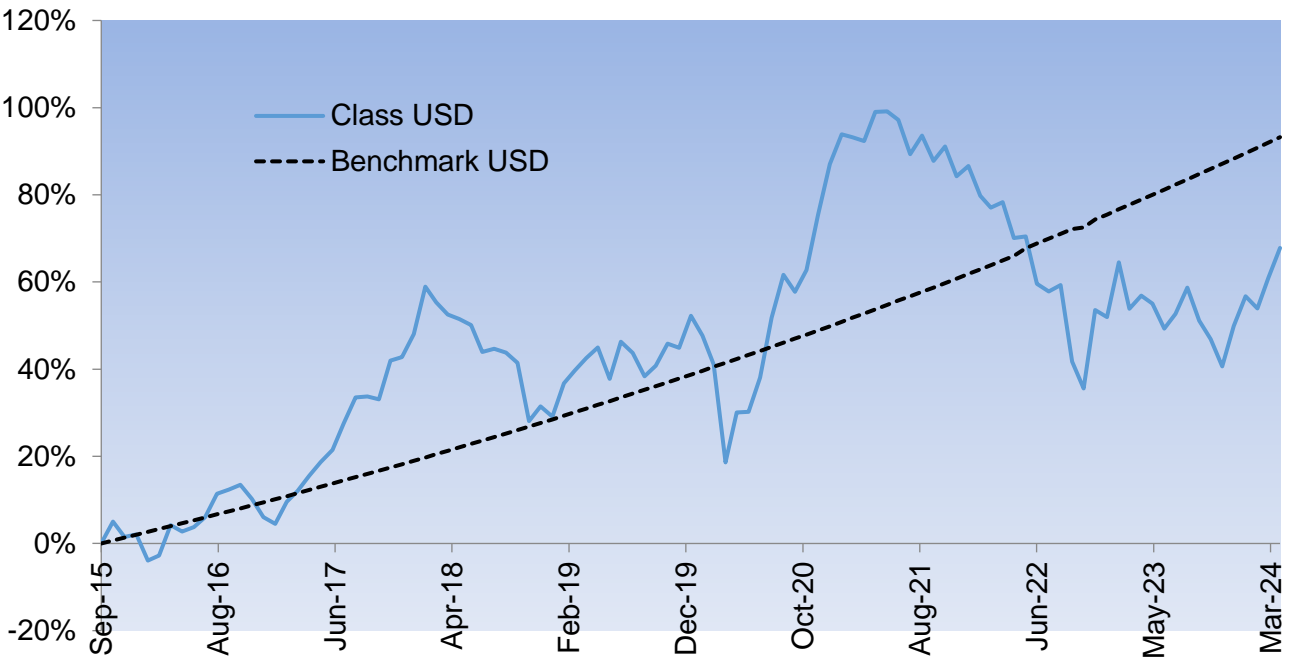
FUND PERFORMANCE (CONTINUED)

Since Inception

Class SGD



Class USD



FUND PERFORMANCE (CONTINUED)

Changes in NAV

CLASS AUD	31.03.2024	31.03.2023	Changes %
NAV (USD Million)	0.35	-	-
NAV/Unit (USD)	0.7245	-	-
CLASS D			
NAV (USD Million)	0.18	-	-
NAV/Unit (USD)	0.2422	-	-
CLASS MYR			
	31.03.2024	31.03.2023	Changes %
NAV (USD Million)	905.38	928.05	(2.44)
NAV/Unit (USD)	0.0509	0.0487	4.52
CLASS SGD			
	31.03.2024	31.03.2023	Changes %
NAV (USD Million)	46.08	46.99	(1.94)
NAV/Unit (USD)	0.5498	0.5233	5.06
CLASS USD			
	31.03.2024	31.03.2023	Changes %
NAV (USD Million)	80.71	82.37	(2.02)
NAV/Unit (USD)	0.7876	0.7496	5.07

The NAV decreased by -2.44%, -1.94% and -2.02% for the MYR, SGD and USD classes respectively. The NAV per unit increased by 4.52%, 5.06% and 5.07% for the MYR, SGD and USD classes respectively. The increase in NAV per unit is due to the increase in the underlying assets while the decrease in the NAV is due to redemptions.

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

PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	31.03.2024	31.03.2023
Collective investment scheme	0.03	0.03
Quoted securities	95.35	94.99
Cash and other assets	5.65	5.77
Liabilities	(1.03)	(0.79)
TOTAL	100.00	100.00

As of 31 March 2024, the Fund held 95.35% in quoted securities and 0.03% in collective investment scheme with the rest in cash and other assets. This is similar to the level as of end of March 2023.

MARKET OUTLOOK*

We are constructive on Asian equities for the next two years. While China's growth outlook remains challenging, with more supportive policies, some stabilization is expected towards the latter of 2024. As for the rest of Asia, it has stable domestic demand, continued Foreign Direct Investment ("FDI") inflows, easing inflation, and a bottoming of the semiconductor cycle. Asia's economic growth is expected to outgrow other regions. Valuations appear reasonable for Asia equities. Asia equities offer a compound 2 years Earning per Share ("EPS") growth of 8% p.a., 3% dividend yields and inexpensive valuations at 12 times PER for 2024.

* 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

In the short-term, our investment exposure is through several different investment themes. 1) We like select consumer discretionary stocks especially in countries where inflation is trending lower, with strong employment, and wage growth prospects. Consumer discretionary stocks are seeing strong earnings recovery for Financial Year 2023 to 2024 and this should support stock prices in the near term. 2) The Fund is increasingly exposed to the India Capex upcycle and post pandemic recovery. India is seeing a robust recovery on the back of more spending by the government and increasingly by private enterprises. In addition, India is increasingly seen as an attractive destination for an alternative manufacturing site for global companies with its large, rising middle class and improving infrastructure. We see a positive outlook for India to post strong economic growth over the next few years. 3) We also like selective Information Technology ("IT") companies exposed to the Artificial Intelligence ("AI") boom. Memory chip makers, wafer manufacturers and other chip designers are featured here.

We will continue to focus on quality companies which have good earnings visibility, robust balance sheet, long term winners, market share gainers and those with pricing power to overcome cost pressure.

SOFT COMMISSIONS AND REBATES

Principal Malaysia (the "Manager") and the Trustee will not retain any form of rebate from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Principal Malaysia Funds ("Funds"). Accordingly, any rebate or shared commission will be directed to the account of the Fund. The Manager may retain goods and services (soft commission) provided by any broker or dealer if the following conditions are met:

- (a) the soft commission brings direct benefit or advantage to the management of the Fund and may include research and advisory related services;
- (b) any dealings with the broker or dealer is executed on terms which are the most favourable for the Fund; and
- (c) the availability of soft commission is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and we and the fund the manager will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commission.

During the financial year 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 for the benefit of the fund such as financial wire services and stock quotations system incidental to investment management of the Funds and there was no churning of trades.

SECURITIES FINANCING TRANSACTIONS

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

STATE OF AFFAIR OF THE FUND

In relation to this Fund, the Fund had issued the First Supplemental Prospectus dated 13 July 2023.

We are of view that the changes above do not affect the existing unit holder to stay invested in the Fund and it is not a significant change. Unit holders may refer to Appendix 1 for the detailed list of changes.

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

CIRCUMSTANCES THAT MATERIALLY AFFECT ANY INTEREST OF UNIT HOLDERS

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

CROSS TRADE

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

UNIT SPLIT

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

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

We, being the Directors of Principal Asset Management Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying audited financial statements set out on pages 7 to 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 March 2024 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial year then ended in accordance with the provisions of the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

For and on behalf of the Manager

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

MUNIRAH KHAIRUDDIN

Country Head and Chief Executive Officer, Malaysia
Non-Independent Executive Director

UDAY JAYARAM

Executive Managing Director,
Head of Southeast Asia
Non-Independent Executive Director

Kuala Lumpur
20 May 2024

TRUSTEE'S REPORT

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

We have acted as Trustee of the Fund for the financial year ended 31 March 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Principal Asset Management Berhad has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

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

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

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
17 May 2024

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

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Principal Asia Pacific Dynamic Income Fund (the "Fund"), which comprise the statement of financial position of the Fund as at 31 March 2024, and statement of comprehensive income, statement of changes in net assets attributable to unit holders and statement of cash flows of the Fund for the financial year then ended, and notes to the financial statements, including material accounting policies information, as set out on pages 7 to 45.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 March 2024, and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

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

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

Information other than the financial statements and auditors' report thereon

The Manager of the Fund (the "Manager") is responsible for the other information. The other information comprises the information included in the annual report of the Fund, but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of the Manager and the Trustee for the financial statements

The Manager is responsible for the preparation of financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

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

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

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

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

Auditors' responsibilities for the audit of the financial statements

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

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other matters

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

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

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

Kuala Lumpur, Malaysia
20 May 2024

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	Note	2024 USD	2023 USD
INCOME/(LOSS)			
Dividend income		25,138,516	31,684,714
Interest income from deposits with licensed financial institutions at amortised cost		582,929	247,295
Net gain/(loss) on financial assets at fair value through profit or loss	8	69,522,617	(155,714,053)
Net foreign exchange (loss)/gain		<u>(3,627,025)</u>	<u>4,443,348</u>
		<u>91,617,037</u>	<u>(119,338,696)</u>
EXPENSES			
Management fee	4	17,750,265	18,780,754
Trustee and custodian fees	5	980,069	1,064,073
Audit fee		2,308	2,470
Tax agent's fee		21,066	7,580
Transaction costs		4,654,427	2,954,149
Other expenses		<u>3,008,657</u>	<u>2,733,964</u>
		<u>26,416,792</u>	<u>25,542,990</u>
PROFIT/(LOSS) BEFORE DISTRIBUTION AND TAXATION		65,200,245	(144,881,686)
Distribution:			
- Class AUD		1,071	-
- Class D		279	-
- Class MYR		17,541,708	29,715,529
- Class SGD		822,740	1,459,005
- Class USD		<u>1,439,146</u>	<u>2,746,173</u>
	6	<u>19,804,944</u>	<u>33,920,707</u>
PROFIT/(LOSS) BEFORE TAXATION		45,395,301	(178,802,393)
Taxation	7	<u>(3,108,948)</u>	<u>(8,021,721)</u>
PROFIT/(LOSS) AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL YEAR		<u>42,286,353</u>	<u>(186,824,114)</u>
Profit/(Loss) after taxation is made up as follows:			
Realised amount		(158,198,920)	(70,859,412)
Unrealised amount		<u>200,485,273</u>	<u>(115,964,702)</u>
		<u>42,286,353</u>	<u>(186,824,114)</u>

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

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024**

	Note	2024 USD	2023 USD
ASSETS			
Cash and cash equivalents	9	42,934,542	57,395,546
Financial assets at fair value through profit or loss	8	984,985,051	1,004,714,977
Amount due from stockbrokers		5,832,409	-
Amount due from Manager of collective investment scheme			
- management fee rebate		479	-
Amount due from Manager		3,921,862	2,660,737
Dividends receivable		2,072,479	908,624
Tax recoverable		3,599,085	-
TOTAL ASSETS		<u>1,043,345,907</u>	<u>1,065,679,884</u>
LIABILITIES			
Amount due to stockbrokers		2,713,512	4,307,204
Amount due to Manager		5,943,489	1,779,489
Accrued management fee		1,530,173	1,549,852
Amount due to Trustee		39,042	43,948
Distribution payable		411,188	-
Tax payable		-	585,700
Other payables and accruals		5,357	5,325
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)		<u>10,642,761</u>	<u>8,271,518</u>
NET ASSET VALUE OF THE FUND		<u>1,032,703,146</u>	<u>1,057,408,366</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>1,032,703,146</u>	<u>1,057,408,366</u>
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS (USD)			
- Class AUD		346,365	-
- Class D		178,111	-
- Class MYR		905,379,433	928,045,141
- Class SGD		46,086,496	46,988,759
- Class USD		80,712,741	82,374,466
		<u>1,032,703,146</u>	<u>1,057,408,366</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)			
- Class AUD		478,031	-
- Class D		735,286	-
- Class MYR		17,779,587,865	19,051,714,414
- Class SGD		83,823,003	89,786,850
- Class USD		102,475,013	109,879,598
	10	<u>17,967,099,198</u>	<u>19,251,380,862</u>

**STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2024 (CONTINUED)**

	Note	2024 USD	2023 USD
NET ASSET VALUE PER UNIT (USD) (EX-DISTRIBUTION)			
- Class AUD		0.7245	-
- Class D		0.2422	-
- Class MYR		0.0509	0.0487
- Class SGD		0.5498	0.5233
- Class USD		0.7876	0.7496
		<hr/>	<hr/>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES (EX-DISTRIBUTION)			
- Class AUD		AUD1.1123	-
- Class D		RM1.1437	-
- Class MYR		RM0.2403	RM0.2149
- Class SGD		SGD0.7420	SGD0.6959
- Class USD		USD0.7876	USD0.7496
		<hr/> <hr/>	<hr/> <hr/>

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

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	2024	2023
	USD	USD
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR	<u>1,057,408,366</u>	<u>1,231,629,708</u>
Movement due to units created and cancelled during the financial year:		
Creation of units from applications		
- Class AUD	360,394	-
- Class D	270,533	-
- Class MYR	104,125,199	103,387,680
- Class SGD	4,770,538	4,625,078
- Class USD	14,787,781	9,057,035
	<u>124,314,445</u>	<u>117,069,793</u>
Creation of units of distributions		
- Class AUD	1,071	-
- Class D	279	-
- Class MYR	17,371,498	29,447,768
- Class SGD	813,805	1,443,849
- Class USD	658,741	1,218,558
	<u>18,845,394</u>	<u>32,110,175</u>
Cancellation of units		
- Class AUD	(22,417)	-
- Class D	(106,820)	-
- Class MYR	(181,250,552)	(106,630,530)
- Class SGD	(8,590,836)	(6,330,174)
- Class USD	(20,180,787)	(23,616,492)
	<u>(210,151,412)</u>	<u>(136,577,196)</u>
Total comprehensive income/(loss) for the financial year	<u>42,286,353</u>	<u>(186,824,114)</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL YEAR	<u>1,032,703,146</u>	<u>1,057,408,366</u>

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

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	Note	2024 USD	2023 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from disposal of quoted securities		932,059,537	627,966,442
Purchase of quoted securities		(856,130,026)	(634,192,503)
Dividend income received		21,584,597	28,679,705
Interest income received from deposits with licensed financial institutions		582,929	247,295
Management fee paid		(17,764,609)	(19,012,958)
Trustee and custodian fees paid		(984,975)	(1,070,772)
Payments of other fees and expenses		(41,183)	(34,511)
Payments of other foreign currency exchange loss		(1,653,647)	(1,432,285)
Tax payment		(7,293,733)	(7,436,021)
Net cash generated from/(used in) operating activities		<u>70,358,890</u>	<u>(6,285,608)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		122,937,261	118,511,940
Payments for cancellation of units		(205,723,398)	(136,640,814)
Distributions paid		(548,361)	(1,809,720)
Net cash used in financing activities		<u>(83,334,498)</u>	<u>(19,938,594)</u>
Net decrease in cash and cash equivalents		(12,975,608)	(26,224,202)
Effect of foreign exchange differences		(1,485,396)	(897,447)
Cash and cash equivalents at the beginning of the financial year		<u>57,395,546</u>	<u>84,517,195</u>
Cash and cash equivalents at the end of the financial year	9	<u>42,934,542</u>	<u>57,395,546</u>
<u>Cash and cash equivalents comprised:</u>			
Bank balances		<u>42,934,542</u>	<u>57,395,546</u>
Cash and cash equivalents at the end of the financial year	9	<u>42,934,542</u>	<u>57,395,546</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024****1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES**

Principal Asia Pacific Dynamic Income Fund (the “Fund”) was governed by a Principal Master Deed dated 10 April 2015, a First Supplemental Deed dated 17 February 2016, a Second Supplemental Deed dated 28 August 2019, a Third Supplemental Deed dated 20 October 2022 and a Fourth Supplemental Deed dated 30 May 2023 (collectively referred to as the “Deeds”), between Principal Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”).

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

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

The asset allocation strategy for this Fund is as follows:

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

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

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

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

The Fund had issued the First Supplemental Prospectus dated 13 July 2023.

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

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

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

2. MATERIAL ACCOUNTING POLICIES

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

(a) Basis of preparation

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

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

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

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

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

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 April 2023 that have a material effect on the financial statements of the Fund.

None of the standards, amendments to standards or interpretations that are effective for the financial year beginning on/after 1 April 2024 are applicable to the Fund.

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

(b) Financial assets and financial liabilities

Classification

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

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

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

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

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

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

Recognition and measurement

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

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

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

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

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

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

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

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

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

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).

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

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

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

Impairment for assets carried at amortised costs

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

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Write-off

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

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)**(c) Income recognition**

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

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

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

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

(d) Foreign currency**Functional and presentation currency**

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

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

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

Transactions and balances

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

(e) Unit holders’ contributions

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

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

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)**(e) Unit holders' contributions (continued)**

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

(f) Cash and cash equivalents

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

(g) Taxation

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

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

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

Pursuant to Finance Act 2021, foreign-sourced income received in Malaysia will be taxed at prevailing tax rate(s) of the taxpayer and based on applicable tax rules. Bilateral or unilateral tax credits may be allowed if the same income has suffered foreign tax, and where relevant conditions are met.

Following the announcement by the Honorable Finance Minister II, tax on foreign-sourced income will be exempted for the period from 1 January 2024 until 31 December 2026.

(h) Transaction costs

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

(i) Distribution

Distributions to unit holders are recognised in the statement of comprehensive income as the unit holders' contribution are classified as financial liability. Distribution is reinvested into the Fund on the ex-date. Reinvestment of units is based on the NAV per unit on the ex-date, which is also the time of creation. Proposed distributions are recognised as a liability in the financial year in which it is approved by the Trustee.

(j) Amount due from/to stockbrokers

Amounts due from and amount due to stockbrokers represent receivables for quoted securities sold and payables for quoted securities purchased that have been contracted for but not yet settled or delivered on the reporting date, respectively.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Management fee rebate

Management fee rebate is derived from the Manager and the Manager of the collective investment schemes held by the Fund on an accrual basis to ensure no double charging of management fee. It is accrued daily based on the fair value of collective investment schemes held.

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

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

(m) Critical accounting estimates and judgements in applying accounting policies

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

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

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

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

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments of the Fund are as follows:

	Financial assets at fair value through profit or loss USD	Financial assets at amortised cost USD	Total USD
2024			
Cash and cash equivalents (Note 9)	-	42,934,542	42,934,542
Collective investment scheme (Note 8)	315,861	-	315,861
Quoted securities (Note 8)	984,669,190	-	984,669,190
Amount due from stockbrokers	-	5,832,409	5,832,409
Amount due from Manager	-	3,921,862	3,921,862
Amount due from Manager of collective investment schemes			
- management fee rebate	-	479	479
Dividends receivable	-	2,072,479	2,072,479
	<u>984,985,051</u>	<u>54,761,771</u>	<u>1,039,746,822</u>

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

	Financial assets at fair value through profit or loss USD	Financial assets at amortised cost USD	Total USD
2023			
Cash and cash equivalents (Note 9)	-	57,395,546	57,395,546
Collective investment scheme (Note 8)	315,933	-	315,933
Quoted securities (Note 8)	1,004,399,044	-	1,004,399,044
Amount due from Manager	-	2,660,737	2,660,737
Dividends receivable	-	908,624	908,624
	<u>1,004,714,977</u>	<u>60,964,907</u>	<u>1,065,679,884</u>

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

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

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

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

(a) **Market risk**

(i) **Price risk**

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

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

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

	2024 USD	2023 USD
Financial assets at fair value through profit or loss:		
- Collective investment scheme	315,861	315,933
- Quoted securities	984,669,190	1,004,399,044
	<u>984,985,051</u>	<u>1,004,714,977</u>

The table below summarises the sensitivity of the Fund's profit or loss and NAV to movements in prices of quoted securities and collective investment scheme at the end of each reporting year. The analysis is based on the assumptions that the price of the quoted securities and collective investment scheme fluctuates by 5% with all other variables held constant.

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

(a) Market risk (continued)

(i) Price risk (continued)

This represents management's best estimate of a reasonable possible shift in the quoted securities and collective investment scheme, having regard to the historical volatility of the prices.

% Change in price of quoted securities and collective investment scheme	Market value USD	Impact on profit or loss/NAV USD
2024		
-5%	935,735,798	(49,249,253)
0%	984,985,051	-
+5%	1,034,234,304	49,249,253
2023		
-5%	954,479,228	(50,235,749)
0%	1,004,714,977	-
+5%	1,054,950,726	50,235,749

(ii) Interest rate risk

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

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

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

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

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

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

(iii) Currency risk

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

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

(a) Market risk (continued)

(iii) Currency risk (continued)

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

Financial assets	Cash and cash equivalents USD	Financial assets at fair value through profit or loss USD	Amount due from stock-brokers USD	Amount due from Manager USD	Amount due from Manager of collective investment schemes - management fee rebate USD	Dividends receivable USD	Total USD
2024							
AUD	103,736	117,929,987	2,808,740	188,887	-	300,179	121,331,529
CHF	-	10,804,997	-	-	-	-	10,804,997
CNY	457,776	-	-	-	-	-	457,776
EUR	-	23,507,317	-	-	-	-	23,507,317
HKD	169	191,406,031	-	-	-	139,028	191,545,228
IDR	-	39,506,522	3,023,669	-	-	375,088	42,905,279
INR	655,764	166,840,066	-	-	-	-	167,495,830
JPY	-	57,742,423	-	-	-	-	57,742,423
KRW	-	99,291,875	-	-	-	903,091	100,194,966
MYR	603,408	-	-	3,028,983	479	-	3,632,870
SGD	389,836	69,795,708	-	34,056	-	-	70,219,600
THB	-	21,064,520	-	-	-	-	21,064,520
TWD	-	115,819,686	-	-	-	355,093	116,174,779
	<u>2,210,689</u>	<u>913,709,132</u>	<u>5,832,409</u>	<u>3,251,926</u>	<u>479</u>	<u>2,072,479</u>	<u>927,077,114</u>

Financial assets	Cash and cash equivalents USD	Financial assets at fair value through profit or loss USD	Amount due from Manager USD	Dividends receivable USD	Total USD
2023					
AUD	-	119,264,093	-	141,009	119,405,102
CNH	482,722	-	-	-	482,722
CNY	-	74,233,752	-	-	74,233,752
GBP	-	28,303,356	-	-	28,303,356
HKD	-	374,626,189	-	-	374,626,189
IDR	-	13,793,930	-	453,187	14,247,117
INR	657,092	58,140,374	-	-	58,797,466
KRW	-	89,620,180	-	-	89,620,180
MYR	25,134,189	9,237,639	2,199,536	9,844	36,581,208
SGD	1,167,891	57,328,104	62,844	-	58,558,839
THB	-	36,237,716	-	-	36,237,716
TWD	-	108,397,809	-	304,584	108,702,393
	<u>27,441,894</u>	<u>969,183,142</u>	<u>2,262,380</u>	<u>908,624</u>	<u>999,796,040</u>

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

(a) Market risk (continued)

(iii) Currency risk (continued)

Financial liabilities	Amount due to stockbrokers USD	Amount due to Manager USD	Amount due to Trustee USD	Other payables and accruals USD	Net assets attributable to unit holders USD	Total USD
2024						
AUD	-	-	-	-	346,365	346,365
MYR	-	5,159,373	39,042	5,357	905,557,544	910,761,316
SGD	-	122,009	-	-	46,086,496	46,208,505
	-	5,281,382	39,042	5,357	951,990,405	957,316,186
2023						
CNY	1,248,814	-	-	-	-	1,248,814
KRW	3,058,390	-	-	-	-	3,058,390
MYR	-	1,403,942	-	5,325	928,045,141	929,454,408
SGD	-	74,166	-	-	46,988,759	47,062,925
	4,307,204	1,478,108	-	5,325	975,033,900	980,824,537

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

	Change in foreign exchange rate	Impact on profit or loss/NAV	
		2024 USD	2023 USD
	%		
AUD	+/-5	+/-6,049,258	+/-5,970,255
CHF	+/-5	+/- 540,250	-
CNH	+/-5	-	+/-24,136
CNY	+/-5	+/- 22,889	+/-3,649,247
EUR	+/-5	+/- 1,175,366	-
HKD	+/-5	+/- 9,577,261	+/-1,415,168
IDR	+/-5	+/-2,145,264	+/-18,731,309
INR	+/-5	+/- 8,374,791	+/-712,356
JPY	+/-5	+/- 2,887,121	+/-2,939,873
KRW	+/-5	+/- 5,009,748	+/-4,328,090
MYR	+/-5	-/+45,356,422	-/+44,643,660
SGD	+/-5	+/-1,200,555	+/-574,796
THB	+/-5	+/- 1,053,226	+/-1,811,886
TWD	+/-5	+/- 5,808,739	+/-5,435,120
		+/- 1,511,954	+/-948,576

(b) Credit risk

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

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

(b) Credit risk (continued)

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

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

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

	Cash and cash equivalents USD	Amount due from stockbrokers USD	Amount due from Manager USD	Amount due from Manager of collective investment schemes – management fee rebate USD	Dividends receivable USD	Total USD
2024						
- AAA	42,934,542	-	-	-	-	42,934,542
- Not Rated	-	5,832,409	3,921,862	479	2,072,479	11,827,229
	<u>42,934,542</u>	<u>5,832,409</u>	<u>3,921,862</u>	<u>479</u>	<u>2,072,479</u>	<u>54,761,771</u>
2023						
- AAA	57,395,546	-	-	-	-	57,395,546
- Not Rated	-	-	2,660,737	-	908,624	3,569,361
	<u>57,395,546</u>	<u>-</u>	<u>2,660,737</u>	<u>-</u>	<u>908,624</u>	<u>60,964,907</u>

(c) Liquidity risk

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

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

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

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

(c) Liquidity risk (continued)

	Less than 1 month USD	Between 1 month to 1 year USD	Total USD
2024			
Amount due to stockbrokers	2,713,512	-	2,713,512
Amount due to Manager	5,943,489	-	5,943,489
Accrued Management fee	1,530,173	-	1,530,173
Amount due to Trustee	39,042	-	39,042
Other payables and accruals	-	5,357	5,357
Distribution payable	411,188	-	411,188
Net assets attributable to unit holders*	<u>1,032,703,146</u>	<u>-</u>	<u>1,032,703,146</u>
Contractual undiscounted cash flows	<u><u>1,043,340,550</u></u>	<u><u>5,357</u></u>	<u><u>1,043,345,907</u></u>
2023			
Amount due to stockbrokers	4,307,204	-	4,307,204
Amount due to Manager	1,779,489	-	1,779,489
Accrued Management fee	1,549,852	-	1,549,852
Amount due to Trustee	43,948	-	43,948
Other payables and accruals	-	5,325	5,325
Net assets attributable to unit holders*	<u>1,057,408,366</u>	<u>-</u>	<u>1,057,408,366</u>
Contractual undiscounted cash flows	<u><u>1,065,088,859</u></u>	<u><u>5,325</u></u>	<u><u>1,065,094,184</u></u>

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

(d) Capital risk management

The capital of the Fund is represented by net assets attributable to unit holders of USD1,032,703,146 (2023: USD 1,057,408,366). The amount of capital can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns to unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

(e) Fair value estimation

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

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

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

(e) Fair value estimation (continued)

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

(i) Fair value hierarchy

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

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

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

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

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

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
2024				
Financial assets at fair value through profit or loss:				
- Collective investment scheme	315,861	-	-	315,861
- Quoted securities	<u>984,669,190</u>	<u>-</u>	<u>-</u>	<u>984,669,190</u>
	<u>984,985,051</u>	<u>-</u>	<u>-</u>	<u>984,985,051</u>

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

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
2023				
Financial assets at fair value through profit or loss:				
- Collective investment scheme	315,933	-	-	315,933
- Quoted securities	1,004,399,044	-	-	1,004,399,044
	<u>1,004,714,977</u>	<u>-</u>	<u>-</u>	<u>1,004,714,977</u>

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

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

4. MANAGEMENT FEE

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

For the financial year ended 31 March 2024 and 31 March 2023, the management fee for the respective classes was recognised at the following rates:

Class MYR	Class SGD	Class USD	Class AUD	Class D
1.80%	1.50%	1.50%	1.50%	1.50%

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

5. TRUSTEE AND CUSTODIAN FEES

In accordance with the Deeds, the Trustee is entitled to a maximum fee of 0.08% per annum, calculated daily based on the NAV of the Fund. The trustee fee includes local custodian fee but excludes the foreign sub-custodian fee (if any). The foreign sub-custodian fee is dependent on the country invested and is charged monthly in arrears. For the financial year ended 31 March 2024, the foreign sub-custodian fee amounted to USD509,946 (2023: USD530,877).

For the financial year ended 31 March 2024, the Trustee fee was recognised at the rate of 0.045% per annum (2023: 0.05% per annum).

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

6. DISTRIBUTION

Breakdown of distribution were as follows:

Source of distribution	2024		2023	
	USD	%	USD	%
Distribution out of current year's income	19,804,944	100.00	33,920,707	100.00
Distribution out of prior year's income/capital	-	-	-	-
Total	19,804,944	100.00	33,920,707	100.00

Distributions to unit holders were derived from the following sources:

Gross/Net distribution per unit (cent)	2024	2023
Distribution on 13 April 2023		
- Class MYR	0.04	-
- Class SGD	0.41	-
- Class USD	0.58	-
Distribution on 17 August 2023		
- Class MYR	0.02	-
- Class SGD	0.16	-
- Class USD	0.22	-
- Class D	0.07	-
Distribution on 22 March 2024		
- Class MYR	0.04	-
- Class SGD	0.38	-
- Class AUD	0.50	-
- Class USD	0.55	-
Distribution on 26 April 2022		
- Class MYR	-	0.04
- Class SGD	-	0.45
- Class USD	-	0.65
Distribution on 25 July 2022		
- Class MYR	-	0.04
- Class SGD	-	0.40
- Class USD	-	0.58
Distribution on 19 October 2022		
- Class MYR	-	0.04
- Class SGD	-	0.38
- Class USD	-	0.54
Distribution on 19 January 2023		
- Class MYR	-	0.04
- Class SGD	-	0.39
- Class USD	-	0.55

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

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

During the financial year ended 31 March 2024, the Fund records Nil unrealised loss (2023: USD115,964,702).

7. TAXATION

	2024 USD	2023 USD
Tax charged for the financial year:		
- Tax on foreign source income	4,463,777	5,749,695
- Capital gains tax	1,153,048	2,272,026
- Over provision of tax in prior year	<u>(2,507,877)</u>	<u>-</u>
	<u>3,108,948</u>	<u>8,021,721</u>

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

	2024 USD	2023 USD
Profit/(Loss) before taxation	<u>45,395,301</u>	<u>(178,802,393)</u>
Taxation at Malaysian statutory rate of 24% (2023: 24%)	10,894,872	(42,912,574)
Tax effects of:		
- (Investment income not subject for tax purposes)/Loss not deductible for tax purpose	(21,988,089)	28,641,287
- Expenses not deductible for tax purposes	6,829,506	9,758,723
- Restriction on tax deductible expenses for Unit Trust Funds	4,263,711	4,512,564
Tax on foreign source income	4,463,777	5,749,695
Capital gains tax	1,153,048	2,272,026
Over provision of tax in prior year	<u>(2,507,877)</u>	<u>-</u>
Taxation	<u>3,108,948</u>	<u>8,021,721</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 USD	2023 USD
Financial assets at fair value through profit or loss:		
- Collective investment scheme	315,861	315,933
- Quoted securities	<u>984,669,190</u>	<u>1,004,399,044</u>
	<u>984,985,051</u>	<u>1,004,714,977</u>
Net gain/(loss) on financial assets at fair value through profit or loss:		
- Realised loss on disposals	(132,477,289)	(40,656,608)
- Unrealised fair value gain/(loss)	201,994,093	(115,057,445)
- Management fee rebate #	<u>5,813</u>	<u>-</u>
	<u>69,522,617</u>	<u>(155,714,053)</u>

Management fee rebate is derived from the collective investment schemes held by the Fund on an accrual basis to ensure no double charging of management fee. It is accrued daily based on the fair value of collective investment schemes held.

For the financial year ended 31 March 2024, other income is recognised at a rate of 1.80% per annum calculated and accrued daily based on the NAV of the collective investment scheme.

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2024				
COLLECTIVE INVESTMENT SCHEME				
MALAYSIA				
Principal Asia Pacific Renewable Fund	353,472	337,000	315,861	0.03
TOTAL MALAYSIA	353,472	337,000	315,861	0.03
TOTAL COLLECTIVE INVESTMENT SCHEME	353,472	337,000	315,861	0.03
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		(21,139)		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		315,861		
QUOTED SECURITIES				
AUSTRALIA				
Communication Services				
CAR Group Ltd	321,919	7,619,042	7,565,324	0.73
Consumer Discretionary				
Aristocrat Leisure Ltd	366,226	8,592,106	10,257,275	0.99
Financials				
Macquarie Group Ltd	81,605	9,717,707	10,614,736	1.03
Health Care				
CSL Ltd	75,618	14,448,461	14,181,148	1.37
Industrials				
Seven Group Holdings Ltd	1,001,836	15,089,557	26,604,292	2.58
Materials				
James Hardie Ltd	450,065	13,577,338	18,060,959	1.75

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2024 (CONTINUED) QUOTED SECURITIES (CONTINUED)				
AUSTRALIA (CONTINUED)				
Real Estate				
Goodman Group	1,391,611	20,048,567	30,646,253	2.97
TOTAL AUSTRALIA	3,688,880	89,092,778	117,929,987	11.42
CAYMAN ISLANDS				
Consumer Discretionary				
Alibaba Group Holding Ltd	1,413,300	28,848,880	12,685,688	1.23
TOTAL CAYMAN ISLANDS	1,413,300	28,848,880	12,685,688	1.23
FRANCE				
Industrials				
Airbus SE	127,751	18,665,000	23,507,317	2.28
TOTAL FRANCE	127,751	18,665,000	23,507,317	2.28
HONG KONG SAR, CHINA				
Communication Services				
China Mobile Ltd	2,671,000	17,134,173	22,831,442	2.21
Tencent Holdings Ltd	488,800	25,053,764	18,973,712	1.84
	3,159,800	42,187,937	41,805,154	4.05
Consumer Discretionary				
Galaxy Entertainment Group Ltd	3,627,000	23,428,931	18,212,663	1.76
Meituan	866,400	8,679,489	10,715,863	1.04
Samsonite International SA	3,506,400	12,489,036	13,261,312	1.28
Yum China Holdings Inc	130,750	5,664,314	5,148,820	0.50
	8,130,550	50,261,770	47,338,658	4.58
Energy				
CNOOC Ltd	20,934,000	23,829,240	48,466,734	4.69
Financials				
AIA Group Ltd	2,977,000	29,943,665	19,988,716	1.94

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2024 (CONTINUED)				
QUOTED SECURITIES				
(CONTINUED)				
HONG KONG SAR, CHINA				
(CONTINUED)				
Industrials				
Techtronic Industries Co Ltd	1,558,000	14,918,549	21,121,083	2.05
TOTAL HONG KONG SAR, CHINA	36,759,350	161,141,161	178,720,345	17.31
INDIA				
Consumer Discretionary				
Bajaj Auto Ltd	150,295	15,043,250	16,507,789	1.60
Titan Company Ltd	285,498	9,795,163	13,031,771	1.26
	435,793	24,838,413	29,539,560	2.86
Energy				
Reliance Industries Ltd	1,472,124	46,744,341	52,524,321	5.09
Financials				
Jio Financial Services Ltd	6,579,846	16,577,254	27,946,233	2.71
Health Care				
Sun Pharma Industries Ltd	1,110,370	14,015,669	21,604,352	2.09
Industrials				
Bharat Electronics Ltd	1,736,092	4,098,574	4,200,093	0.41
Materials				
UltraTech Cement Ltd	127,584	12,309,753	14,933,928	1.44
Utilities				
NTPC Ltd	3,991,231	14,754,720	16,091,579	1.56
TOTAL INDIA	15,453,040	133,338,724	166,840,066	16.16
INDONESIA				
Communication Services				
Telekomunikasi Tbk PT	23,296,500	6,040,413	5,097,684	0.49
Financials				
Bank Central Asia Tbk PT	32,682,000	19,943,718	20,763,779	2.01
Bank Mandiri	29,845,900	11,750,922	13,645,059	1.32
	62,527,900	31,694,640	34,408,838	3.33
TOTAL INDONESIA	85,824,400	37,735,053	39,506,522	3.82

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2024 (CONTINUED) QUOTED SECURITIES (CONTINUED)				
JAPAN				
Financials				
Next Funds Topix Banks Exchange Traded Fund	15,481,407	25,796,135	34,061,878	3.30
Information Technology				
Hitachi Ltd	257,600	19,135,358	23,680,545	2.29
TOTAL JAPAN	15,739,007	44,931,493	57,742,423	5.59
SINGAPORE				
Communication Services				
Singapore Telecommunications Ltd	5,455,200	10,181,650	10,227,107	0.99
Industrials				
Singapore Technologies Engineering Ltd	5,902,900	17,095,211	17,583,815	1.70
Real Estate				
CapitaLand Integrated Commercial Trust	18,380,600	28,499,187	26,967,861	2.61
CapitaLand Ascendas REIT	7,316,100	15,292,759	15,016,925	1.45
	25,696,700	43,791,946	41,984,786	4.06
TOTAL SINGAPORE	37,054,800	71,068,807	69,795,708	6.75
SOUTH KOREA				
Consumer Discretionary				
Hyundai Motor Co.	107,878	20,215,824	18,654,348	1.80
Information Technology				
Samsung Electronics Co Ltd	735,791	37,790,637	44,995,901	4.36
SK Hynix Inc	262,431	23,894,835	35,641,625	3.45
	998,222	61,685,472	80,637,526	7.81
TOTAL SOUTH KOREA	1,106,100	81,901,296	99,291,874	9.61
SWITZERLAND				
Health Care				
Lonza Group AG	18,043	10,593,065	10,804,997	1.05
TOTAL SWITZERLAND	18,043	10,593,065	10,804,997	1.05

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2024 (CONTINUED)				
QUOTED SECURITIES (CONTINUED)				
TAIWAN				
Information Technology				
E Ink Holding Inc	2,205,000	15,182,773	15,771,178	1.53
Taiwan Semiconductor Manufacturing Co Ltd	4,112,000	73,431,405	100,048,508	9.69
	<u>6,317,000</u>	<u>88,614,178</u>	<u>115,819,686</u>	<u>11.22</u>
TOTAL TAIWAN	<u>6,317,000</u>	<u>88,614,178</u>	<u>115,819,686</u>	<u>11.22</u>
UNITED STATES				
Financials				
Global X Copper Miners ETF	125,930	5,268,732	5,343,210	0.52
Global X Uranium ETF	646,792	16,900,367	18,647,013	1.80
	<u>772,722</u>	<u>22,169,099</u>	<u>23,990,223</u>	<u>2.32</u>
Information Technology				
Synopsys Inc	33,281	18,167,712	19,020,092	1.84
Materials				
Linde PLC	60,195	20,277,472	27,949,742	2.71
TOTAL UNITED STATES	<u>866,198</u>	<u>60,614,283</u>	<u>70,960,057</u>	<u>6.87</u>
VIETNAM				
Financials				
VFMVN Diamond ETF	16,654,712	17,091,554	21,064,520	2.04
TOTAL VIETNAM	<u>16,654,712</u>	<u>17,091,554</u>	<u>21,064,520</u>	<u>2.04</u>
TOTAL QUOTED SECURITIES	<u>221,022,581</u>	<u>843,636,272</u>	<u>984,669,190</u>	<u>95.35</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>141,032,918</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>984,669,190</u>		

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2023				
COLLECTIVE INVESTMENT SCHEME				
MALAYSIA				
Principal Asia Pacific Renewable Fund	353,472	337,000	315,933	0.03
TOTAL MALAYSIA	<u>353,472</u>	<u>337,000</u>	<u>315,933</u>	<u>0.03</u>
TOTAL COLLECTIVE INVESTMENT SCHEME	<u>353,472</u>	<u>337,000</u>	<u>315,933</u>	<u>0.03</u>
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>(21,067)</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u><u>315,933</u></u>		
QUOTED SECURITIES				
AUSTRALIA				
Consumer Discretionary				
Aristocrat Leisure Ltd	<u>455,574</u>	<u>9,953,994</u>	<u>11,346,239</u>	<u>1.07</u>
Energy				
Santos Ltd	<u>3,418,739</u>	<u>22,440,114</u>	<u>15,793,017</u>	<u>1.49</u>
Financials				
Macquarie Group Ltd	<u>139,762</u>	<u>18,878,097</u>	<u>16,436,602</u>	<u>1.55</u>
Health Care				
CSL Ltd	<u>190,574</u>	<u>37,830,881</u>	<u>36,783,950</u>	<u>3.48</u>
Industrials				
ALS Ltd	1,884,097	9,898,549	15,590,922	1.47
Seven Group Holdings Ltd	<u>874,488</u>	<u>12,895,347</u>	<u>13,524,334</u>	<u>1.28</u>
	<u>2,758,585</u>	<u>22,793,896</u>	<u>29,115,256</u>	<u>2.75</u>
Real Estate				
Goodman Group	<u>778,149</u>	<u>11,261,508</u>	<u>9,789,029</u>	<u>0.93</u>
TOTAL AUSTRALIA	<u>7,741,383</u>	<u>123,158,490</u>	<u>119,264,093</u>	<u>11.27</u>

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2023 (CONTINUED)				
QUOTED SECURITIES				
(CONTINUED)				
CAYMAN ISLANDS				
Consumer Discretionary				
Alibaba Group Holding Ltd	3,094,100	63,158,084	39,575,369	3.74
TOTAL CAYMAN ISLANDS	3,094,100	63,158,084	39,575,369	3.74
CHINA				
Consumer Staples				
Angel Yeast Co Ltd -A	1,256,184	7,421,979	7,629,522	0.72
Kweichow Moutai Co Ltd	91,031	21,709,085	24,101,733	2.28
	1,347,215	29,131,064	31,731,255	3.00
Energy				
China Petroleum & Chemical Corp	16,848,000	10,101,419	9,959,172	0.94
Financials				
Ping An Insurance Group Co of China Ltd - H	2,872,500	20,165,770	18,699,838	1.77
Industrials				
NARI Technology Development Co Ltd A	4,116,002	17,148,900	16,232,771	1.54
Shanghai International Airport Co Ltd	2,280,064	18,650,701	18,485,179	1.75
Weichai Power Co. Ltd	6,668,000	21,009,996	10,703,432	1.01
	13,064,066	56,809,597	45,421,382	4.30
Materials				
Anhui Conch Cement Co. Ltd	2,703,500	10,847,862	9,368,115	0.89
Yunnan Energy New Material Co Ltd	470,140	19,010,463	7,784,547	0.74
	3,173,640	29,858,325	17,152,662	1.63
Utilities				
China Longyuan Power Group Group Corp Ltd	8,207,000	18,769,967	6,229,103	0.59
TOTAL CHINA	45,512,421	164,836,142	129,193,412	12.23

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2023 (CONTINUED) QUOTED SECURITIES (CONTINUED)				
HONG KONG SAR, CHINA				
Communication Services				
China Mobile Ltd	2,671,000	17,134,173	21,641,528	2.05
Tencent Holding Ltd	1,136,500	58,803,632	55,858,411	5.28
	<u>3,807,500</u>	<u>75,937,805</u>	<u>77,499,939</u>	<u>7.33</u>
Consumer Discretionary				
Chow Tai Fook Jewellery Galaxy Entertainment Group Ltd	7,585,600	16,465,586	15,056,163	1.42
Meituan	4,372,000	31,981,216	29,213,431	2.76
Yum China Holdings Inc	972,890	22,994,728	17,785,765	1.68
	326,800	15,251,127	20,550,108	1.94
	<u>13,257,290</u>	<u>86,692,657</u>	<u>82,605,467</u>	<u>7.80</u>
Consumer Staples				
China Mengniu Dairy Co. Ltd	4,406,000	21,136,646	18,074,125	1.71
Energy				
CNOOC Ltd	20,934,000	23,829,240	31,096,226	2.94
Financials				
AIA Group Ltd	3,380,800	35,240,571	35,597,480	3.37
Hong Kong Exchanges and Clearing Ltd	238,000	11,503,959	10,557,538	1.00
	<u>3,618,800</u>	<u>46,744,530</u>	<u>46,155,018</u>	<u>4.37</u>
Industrials				
Techtronic Industries Co Ltd	1,072,500	8,825,318	11,593,273	1.10
Real Estate				
Link REIT	2,031,100	13,019,878	13,067,112	1.25
TOTAL HONG KONG SAR, CHINA	<u>49,127,190</u>	<u>276,186,074</u>	<u>280,091,160</u>	<u>26.50</u>
INDIA				
Consumer Discretionary				
Titan Company Ltd	156,697	5,212,527	4,795,366	0.45

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2023 (CONTINUED)				
QUOTED SECURITIES				
(CONTINUED)				
INDIA (CONTINUED)				
Energy				
Reliance Industries Ltd	<u>340,578</u>	<u>10,549,000</u>	<u>9,660,699</u>	<u>0.91</u>
Financials				
HDFC Bank Ltd	<u>1,763,713</u>	<u>29,013,885</u>	<u>34,544,010</u>	<u>3.27</u>
Health Care				
Sun Pharmaceutical Industries Ltd	<u>764,051</u>	<u>9,344,287</u>	<u>9,140,299</u>	<u>0.86</u>
TOTAL INDIA	<u>3,025,039</u>	<u>54,119,699</u>	<u>58,140,374</u>	<u>5.49</u>
INDONESIA				
Financials				
PT Bank Negara Indonesia	<u>22,129,300</u>	<u>13,021,380</u>	<u>13,793,930</u>	<u>1.30</u>
TOTAL INDONESIA	<u>22,129,300</u>	<u>13,021,380</u>	<u>13,793,930</u>	<u>1.30</u>
MALAYSIA				
Information Technology				
My E.G Services Bhd	<u>53,288,500</u>	<u>13,217,693</u>	<u>9,237,639</u>	<u>0.87</u>
TOTAL MALAYSIA	<u>53,288,500</u>	<u>13,217,693</u>	<u>9,237,639</u>	<u>0.87</u>
SINGAPORE				
Industrials				
Singapore Technologies Engineerring Ltd	<u>3,930,100</u>	<u>11,626,023</u>	<u>10,815,993</u>	<u>1.02</u>
Information Technology				
Venture Corporation Ltd	<u>663,000</u>	<u>14,179,684</u>	<u>8,809,105</u>	<u>0.83</u>
Real Estate				
CapitaLand Integrated Commercial Trust	<u>14,600,700</u>	<u>22,807,412</u>	<u>21,738,050</u>	<u>2.07</u>
Capitaland Investment Ltd	<u>5,769,500</u>	<u>12,990,977</u>	<u>15,964,956</u>	<u>1.51</u>
	<u>20,370,200</u>	<u>35,798,389</u>	<u>37,703,006</u>	<u>3.58</u>
TOTAL SINGAPORE	<u>24,963,300</u>	<u>61,604,096</u>	<u>57,328,104</u>	<u>5.43</u>

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2023 (CONTINUED) QUOTED SECURITIES (CONTINUED)				
SOUTH KOREA				
Consumer Discretionary				
KIA Corporation	<u>285,876</u>	<u>16,508,152</u>	<u>17,787,531</u>	<u>1.68</u>
Information Technology				
Samsung Electro - Mechanics	43,869	5,215,588	5,145,762	0.49
Samsung Electronics Co. Ltd	<u>862,901</u>	<u>43,752,940</u>	<u>42,422,270</u>	<u>4.01</u>
	<u>906,770</u>	<u>48,968,528</u>	<u>47,568,032</u>	<u>4.50</u>
Materials				
LG Chem Ltd	<u>44,365</u>	<u>18,840,994</u>	<u>24,264,617</u>	<u>2.29</u>
TOTAL SOUTH KOREA	<u>1,237,011</u>	<u>84,317,674</u>	<u>89,620,180</u>	<u>8.47</u>
TAIWAN				
Information Technology				
E Ink Holding Inc	2,660,000	8,385,132	16,092,096	1.52
MediaTek Inc.	656,000	16,897,468	16,928,293	1.60
Taiwan Semiconductor Manufacturing Co Ltd	<u>4,313,000</u>	<u>77,064,847</u>	<u>75,377,420</u>	<u>7.13</u>
	<u>7,629,000</u>	<u>102,347,447</u>	<u>108,397,809</u>	<u>10.25</u>
TOTAL TAIWAN	<u>7,629,000</u>	<u>102,347,447</u>	<u>108,397,809</u>	<u>10.25</u>
THAILAND				
Communication Services				
Advanced Info Service PCL - NVDR	<u>3,042,000</u>	<u>18,003,992</u>	<u>18,866,767</u>	<u>1.78</u>
Financials				
Bangkok Bank PCL - Foreign	<u>3,919,300</u>	<u>21,088,313</u>	<u>17,370,949</u>	<u>1.64</u>
TOTAL THAILAND	<u>6,961,300</u>	<u>39,092,305</u>	<u>36,237,716</u>	<u>3.42</u>
UNITED KINGDOM				
Energy				
Shell PLC	<u>991,235</u>	<u>28,169,628</u>	<u>28,303,356</u>	<u>2.68</u>
TOTAL UNITED KINGDOM	<u>991,235</u>	<u>28,169,628</u>	<u>28,303,356</u>	<u>2.68</u>

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2023 (CONTINUED) QUOTED SECURITIES (CONTINUED)				
UNITED STATES				
Communication Services				
Tencent Music Entertainment Group	<u>359,579</u>	<u>7,247,342</u>	<u>2,977,314</u>	<u>0.28</u>
Financials				
Global X Uranium ETF	<u>544,048</u>	<u>14,606,765</u>	<u>10,842,877</u>	<u>1.03</u>
Materials				
Linde PLC	<u>60,195</u>	<u>20,277,472</u>	<u>21,395,711</u>	<u>2.03</u>
TOTAL UNITED STATES	<u>963,822</u>	<u>42,131,579</u>	<u>35,215,902</u>	<u>3.34</u>
TOTAL QUOTED SECURITIES	<u>226,663,601</u>	<u>1,065,360,291</u>	<u>1,004,399,044</u>	<u>94.99</u>
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>(60,961,247)</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>1,004,399,044</u>		

9. CASH AND CASH EQUIVALENTS

	2024 USD	2023 USD
Bank balances	<u>42,934,542</u>	<u>57,395,546</u>

10. NUMBER OF UNITS IN CIRCULATION (UNITS)

	2024	2023
	No. of units	No. of units
Class MYR (i)	17,779,587,865	19,051,714,414
Class SGD (ii)	83,823,003	89,786,850
Class USD (iii)	102,475,013	109,879,598
Class AUD (iv)	478,031	-
Class D (v)	735,286	-
	<u>17,967,099,198</u>	<u>19,251,380,862</u>
 (i) Class MYR		
At the beginning of the financial year	19,051,714,414	18,545,730,621
Add: Creation of units from applications	2,199,562,903	2,087,633,372
Add: Creation of units from reinvestment of distributions	355,352,228	602,777,413
Less: Cancellation of units	<u>(3,827,041,680)</u>	<u>(2,184,426,992)</u>
At the end of the financial year	<u>17,779,587,865</u>	<u>19,051,714,414</u>
 (ii) Class SGD		
At the beginning of the financial year	89,786,850	90,421,324
Add: Creation of units from applications	9,297,840	8,558,958
Add: Creation of units from reinvestment of distributions	1,548,191	2,744,185
Less: Cancellation of units	<u>(16,809,878)</u>	<u>(11,937,617)</u>
At the end of the financial year	<u>83,823,003</u>	<u>89,786,850</u>
 (iii) Class USD		
At the beginning of the financial year	109,879,598	127,970,166
Add: Creation of units from applications	19,256,718	11,601,543
Add: Creation of units from reinvestment of distributions	876,234	1,618,047
Less: Cancellation of units	<u>(27,537,537)</u>	<u>(31,310,158)</u>
At the end of the financial year	<u>102,475,013</u>	<u>109,879,598</u>
 (iv) Class AUD		
At the beginning of the financial year	-	-
Add: Creation of units from applications	510,179	-
Add: Creation of units from reinvestment of distributions	1,492	-
Less: Cancellation of units	<u>(33,640)</u>	-
At the end of the financial year	<u>478,031</u>	-

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

	<u>2024</u>	<u>2023</u>
	No. of units	No. of units
(v) Class D		
At the beginning of the financial year	-	-
Add: Creation of units from applications	1,208,641	-
Add: Creation of units from reinvestment of distributions	1,290	-
Less: Cancellation of units	<u>(474,645)</u>	<u>-</u>
At the end of the financial year	<u>735,286</u>	<u>-</u>

11. TOTAL EXPENSE RATIO (“TER”)

Pursuant to the SC Guidelines and to the MAS Guidelines

	<u>2024</u>	<u>2023</u>
	%	%
TER	<u>1.87</u>	<u>1.86</u>

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

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

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

The average NAV of the Fund for the financial year calculated on a daily basis was USD1,003,650,042 (2023: USD1,067,519,245)

12. PORTFOLIO TURNOVER RATIO (“PTR”)

Pursuant to the SC Guidelines

	<u>2024</u>	<u>2023</u>
PTR (times)	<u>0.89</u>	<u>0.59</u>

PTR is derived from the following calculation:

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

12. PORTFOLIO TURNOVER RATIO (“PTR”) (CONTINUED)

Pursuant to the MAS Guidelines

	2024	2023
PTR (times)	0.85	0.59

PTR is derived from the following calculation:

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

where:

total acquisition for the financial year = USD852,375,408 (2023: USD627,441,459)
total disposal for the financial year = USD941,622,135 (2023: USD625,810,441)

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

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

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

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

Units held by the Manager and parties related to the Manager

	2024		2023	
	No. of units	USD	No. of units	USD
Manager				
Principal Asset Management Bhd				
- Class AUD	1,006	729	-	-
- Class MYR	440,055	22,399	172,092	8,381
- Class SGD	355	195	7,130	3,731
- Class USD	1	1	1,621	1,215

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

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

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

	2024 USD	2023 USD
<u>Significant related party transactions</u>		
Dividend income:		
- CIMB Group Holdings Bhd	-	297,686
<u>Significant related party balances</u>		
Amount due from Manager of collective investment scheme		
- Management fee rebate	479	-
Financial assets at fair value through profit or loss:		
Collective investment scheme managed by the Manager:		
- Principal Asia Pacific Renewable Fund	315,861	315,933

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

14. TRANSACTIONS WITH BROKERS

Details of transactions with the top 10 brokers for the financial year ended 31 March 2024 were as follows:

Brokers	Value of trades USD	Percentage of total trades %	Brokerage fees USD	Percentage of total brokerage fees %
Citigroup Global Markets Ltd Sanford C Bernstein Hong Kong Ltd	296,434,217	16.52	366,241	11.64
Jefferies International Ltd	197,439,180	11.01	360,619	11.46
CLSA Ltd	183,394,591	10.22	301,419	9.58
Macquarie Securities Australia Ltd	170,907,790	9.53	450,757	14.32
J.P. Morgan Securities (Asia Pacific) Ltd	153,368,597	8.55	313,007	9.94
UBS Securities Asia Ltd	144,576,734	8.06	386,023	12.26
J.P. Morgan Securities LLC	139,962,777	7.80	212,620	6.76
Morgan Stanley	134,320,010	7.49	40,296	1.28
Instinet Pacific Limited	99,571,943	5.55	248,930	7.91
Others #	74,176,975	4.13	178,869	5.68
	199,756,455	11.14	288,639	9.17
	<u>1,793,909,269</u>	<u>100.00</u>	<u>3,147,420</u>	<u>100.00</u>

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

Brokers	Value of trades USD	Percentage of total trades %	Brokerage fees USD	Percentage of total brokerage fees %
Citigroup Global Markets Ltd	275,028,280	23.84	328,334	17.93
Jefferies International Ltd	115,777,907	10.04	146,018	7.97
UBS Securities Asia Ltd	104,146,409	9.03	135,946	7.42
Macquarie Securities Australia Ltd	88,611,824	7.68	141,161	7.71
J.P. Morgan Securities LLC	77,267,054	6.70	26,078	1.42
J.P. Morgan Securities (Asia Pacific) Ltd	75,640,584	6.56	202,751	11.07
Credit Suisse (HK) Ltd	74,488,880	6.46	176,204	9.62
DBS Vickers Securities (Singapore) Pte Ltd	72,004,133	6.24	109,818	6.00
CLSA Ltd	68,252,625	5.92	200,082	10.92
CLSA Securities M Sdn Bhd	46,111,778	4.00	16,307	0.89
Others #	156,225,639	13.53	348,976	19.05
	<u>1,153,555,113</u>	<u>100.00</u>	<u>1,831,675</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 USD48,113,503 (2023: USD20,197,109). The Manager is of the opinion that all transactions with the related companies have been entered into in the normal course of business at agreed terms between the related parties.

15. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 20 May 2024.

DIRECTORY

Head Office of the Manager

Principal Asset Management Berhad (Company No.: 199401018399 (304078-K))
Level 32, Exchange 106,
Lingkaran TRX,
55188 Tun Razak Exchange, Kuala Lumpur
MALAYSIA.
Tel: Tel: (03) 8680 8000

Website

www.principal.com.my

E-mail address

myservice@principal.com

Customer Care Centre

(03) 7723 7260

Chat with us via WhatsApp:

(6016) 299 9792

Trustee for the Principal Asia Pacific Dynamic Income Fund

HSBC (Malaysia) Trustee Berhad (Company No.: 193701000084 (1281-T))
19th Floor, Menara IQ, Lingkaran TRX,
55188 Tun Razak Exchange, Kuala Lumpur, MALAYSIA.
Tel: (03) 2075 7800
Fax: (03) 8894 2611
Web: www.hsbc.com.my

Auditors of the Fund and of the Manager

Ernst & Young PLT 202006000003 (LLP0022760-LCA) & AF 0039
Level 23A, Menara Milenium
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50490 Kuala Lumpur
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List of Amendment
First Supplemental Prospectus of Principal Asia Pacific **Dynamic Income Fund (“APDI”)**

Appendix 1

Prospectus of APDI dated 14 April 2023 (“Prospectus 1”)					First Supplemental Prospectus of APDI (“Prospectus 2”) dated 13 July 2023				
Section / Page	Description				Description				
“Definitions”/ page ii	Nil				AUD	-	Australian Dollar.		
					Class AUD	-	The Class issued by the Fund denominated in AUD.		
Section 1.1/ Page 1	Base Currency and Classes				Base Currency and Classes				
	Name of Class	Launch date	Initial offer period	Initial offer price per unit	Name of Class	Launch date	Initial offer period	Initial offer price per unit	
	Class MYR	25 April 2011	N/A	N/A	Class MYR	25 April 2011	N/A	N/A	
	Class SGD	9 September 2015	N/A	N/A	Class SGD	9 September 2015	N/A	N/A	
	Class USD	9 September 2015	N/A	N/A	Class USD	9 September 2015	N/A	N/A	
	Class D	28 April 2023 ^{Note1}	1 day which is on the launch date	MYR 1.0000	Class D	28 April 2023	N/A	N/A	
	<p>^{Note1} The launch date shall be the date disclosed above or such other date as may be determined by us at our discretion. Any change to the launch date will be published on the website at www.principal.com.my prior to the launch date and thereafter, a supplemental prospectus will be issued to inform investors of the revised launch date.</p>				<p>^{Note1} The launch date shall be the date disclosed above or such other date as may be determined by us at our discretion. Any change to the launch date will be published on the website at www.principal.com.my prior to the launch date and thereafter, a supplemental prospectus will be issued to inform investors of the revised launch date.</p>				
Section 3.4.2 / page 16	3.4.2 How to invest? <u>2nd paragraph, 1st bullet point</u> You may make a payment: <ul style="list-style-type: none"> ▪ by crossed cheque, banker’s draft or cashier’s order (made payable as advised by us or our Distributors as the case may be). You will have to bear the applicable bank fees and charges, if any; or 				3.4.2 How to invest? <u>2nd paragraph, 1st bullet point</u> You may make a payment: <ul style="list-style-type: none"> • by crossed cheque (made payable as advised by us or our Distributors as the case may be). You will have to bear the applicable bank fees and charges, if any; or 				
Section 8.2/ page 26	8.2 Maximum Fees, Charges and Expenses permitted by the Deed <u>2nd paragraph, 2nd table</u> This table describes the maximum fees permitted by the Deed and payable indirectly by you.				8.2 Maximum Fees, Charges and Expenses permitted by the Deed <u>2nd paragraph, 2nd table</u> This table describes the maximum fees permitted by the Deed and payable indirectly by you.				

List of Amendment
 First Supplemental Prospectus of Principal Asia Pacific **Dynamic Income Fund (“APDI”)**

Prospectus of APDI dated 14 April 2023 (“Prospectus 1”)			First Supplemental Prospectus of APDI (“Prospectus 2”) dated 13 July 2023		
Section / Page	Description		Description		
	Fees	Description	Fees	Description	
	(1) Management Fee	Up to 3.00% per annum, calculated daily on the NAV of the Class.	(1) Management Fee	Up to 3.00% per annum, calculated daily on the NAV of the Class.	
	(2) Trustee Fee	Up to 0.08% per annum, calculated daily on the NAV of the Fund (including local custodian fees but excluding foreign sub-custodian fees and charges).	(2) Trustee Fee	Up to 0.05% per annum, calculated daily on the NAV of the Fund (including local custodian fees but excluding foreign sub-custodian fees and charges).	
Annexure – Class AUD	Nil		Annexure – Class AUD Please refer to appendix 1 below.		

List of Amendment
First Supplemental Prospectus of Principal **Asia Pacific Dynamic Income Fund (“APDI”)**

APPENDIX 1

The following annexure containing the key data for Class AUD has been added immediately after Annexure – Class D.

Annexure – Class AUD

This section is only a summary of the salient information about Class AUD. You should read and understand the entire Prospectus before investing and keep the Prospectus for your records. In determining which investment is right for you, we recommend you speak to professional advisers. Principal Malaysia, member companies of PFG, CIMB Group and the Trustee do not guarantee the repayment of your capital.

The Fund is a multi-class fund and is allowed to establish new Class(es) from time to time without your prior consent. As this Fund is a Qualifying CIS under the ASEAN CIS Framework, there are Classes of the Fund that may be offered to investors in other countries that participate in the ASEAN CIS Framework.

CLASS INFORMATION

Class AUD		Page
Currency denomination	AUD	
Distribution policy	Depending on the level of income (if any) the Class generates, the Class aims to distribute part or all of its distributable income on a quarterly basis.	19

FEES & CHARGES

This table describes the charges that you may directly incur when you buy or withdraw units of the Class.

Charges	Class AUD	Page
Application Fee	Principal Distributors : Up to 6.50% of the NAV per unit. IUTAs : Up to 5.50% of the NAV per unit.	8
Withdrawal Fee	Nil.	8
Switching Fee	You may be charged a Switching Fee of up to 1.00% of the NAV per unit. We have the discretion to waive the Switching Fee.	8
Transfer Fee	A maximum of AUD15 may be charged for each transfer.	8
Other charges payable directly by you when purchasing or withdrawing the units	Any applicable bank charges and other bank fees incurred as a result of an investment or withdrawal will be borne by you.	

List of Amendment
First Supplemental Prospectus of Principal **Asia Pacific Dynamic Income Fund (“APDI”)**

This table describes the fees that you may indirectly incur when you invest in the Class.

Fees	Class AUD	Page
Management Fee	Up to 1.50% per annum of the NAV of the Class in Malaysia.	9
Trustee Fee	Up to 0.05% per annum (including local custodian fees and charges but excluding foreign sub-custodian fee and charges) on the NAV of the Fund. The foreign sub-custodian fee is dependent on the country invested and is charged monthly in arrears.	9
Expenses directly related to Fund or Class	Only expenses that are directly related to the Fund or Class can be charged to the Fund or Class respectively. Examples of relevant expenses are audit fee and tax agent’s fee.	9
Other fees payable indirectly by you when investing in the Fund	Nil.	

Note: Subject always to the provisions of the Deed and GUTF, we reserve our sole and absolute discretion without providing any reason whatsoever and at any time to amend, vary, waive and/or reduce the fees and charges (except for Trustee Fee), whether payable by the Fund or Class, payable by you to the Fund or payable by any other investors to the Fund.

TRANSACTION INFORMATION

	Class AUD	Page
Minimum initial investment	AUD1,000 or such other amount as we may decide from time to time.	17
Minimum additional investment	AUD100 or such other amount as we may decide from time to time.	17
Minimum withdrawal	100 units or such other number of units as we may decide from time to time.	17
Minimum balance	1,000 units or such other number of units as we may decide from time to time.	17
RSP	Currently not available.	16
Cooling-off period	Six (6) Business Days from the date the complete application is received and accepted by us or our Distributors from the first time individual investor investing with us or our Distributors. However, Principal Malaysia’s staff and person(s) registered with a body approved by the SC to deal in unit trust funds are not entitled to the cooling-off right.	17

List of Amendment
First Supplemental Prospectus of Principal **Asia Pacific Dynamic Income Fund (“APDI”)**

Class AUD	Page
Switching	18
Transfer	18

Note: We reserve our sole and absolute discretion without providing any reason whatsoever and at any time to accept, reject, amend, vary, waive and/or reduce (as the case maybe): (i) your request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units; and/or (ii) the minimum balance. For increase in the number of units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes prior to effecting the increase in the number of units for minimum withdrawal and minimum balance.

We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you to the Fund; and/or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.

There are fees and charges involved and you are advised to consider them before investing in the Fund.

All fees and charges payable by you and/or the Fund are subject to any applicable taxes and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by you and/or the Fund as disclosed or illustrated in the Prospectus.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees, charges and/or transaction information from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee, communicate to you and/or seek your approval on the amendments to the fees, charges and/or transaction information.

Principal Asset Management Berhad
199401018399 (304078-K)

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