

Principal FTSE ASEAN 40

(Constituted under a Trust Deed in the Republic of Singapore)

Semi Annual Report (Unaudited) For the six months ended 30 June 2023

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MANAGER'S INVESTMENT REPORT

About the Principal FTSE ASEAN 40 (the "Fund")

The Fund is an exchange traded fund, designed to track the performance of the FTSE/ASEAN 40 Index. Units of the Fund have been listed and traded on SGX-ST since 21 September 2006.

Details of the Fund

Fund Base Currency	US Dollar (USD)
Trading Currencies	USD, Singapore Dollar (SGD)
Listing Date of US Dollar counter on SGX-ST	21 September 2006
Listing Date of Singapore Dollar counter on SGX-ST	15 June 2012
Stock Codes on SGX-ST	M62 (USD counter) QS0 (SGD counter)
Board Lot	100 units
Number of units as at 30 June 2023	0.87 million
NAV per unit as at 30 June 2023	USD 8.329
Management Fee	0.65% per annum

Performance

Cumulative Performance (%) as at 30 June 2023

	Period	Fund's Performance	Index's Performance
3 Months	31/03/2023 – 30/06/2023	(1.6%)	(1.3%)
6 Months	31/12/2022 – 30/06/2023	(1.1%)	(0.3%)
1 Year	30/06/2022 – 30/06/2023	9.2%	10.9%
3 Years	30/06/2020 – 30/06/2023	25.2%	31.0%
5 Years	30/06/2018 – 30/06/2023	7.9%	15.7%
Since Inception	21/09/2006 – 30/06/2023	127.4%	130.9%

The Fund's performance is calculated on a NAV-to-NAV basis on the assumption that all dividend distributions made by the Fund are re-invested.

The Fund aims to mirror the performance of FTSE/ASEAN 40 Index (the "Index"), using full replication strategy, that involves investing in all index securities in substantially the same proportion or weighting as the Index.

The Index is a tradable index launched by FTSE in conjunction with 5 ASEAN Exchanges - PT Bursa Efek Jakarta (Jakarta Stock Exchange), Bursa Malaysia Berhad, The Philippine Stock Exchange, Inc., Singapore Exchange Securities Trading Limited ("SGX-ST") and The Stock Exchange of Thailand ("SET"), The Index is the first collaborative effort amongst the 5 Exchanges under the ASEAN umbrella. The Index represents the performance of the 40 largest stocks of the 5 Exchanges and is subject to rigorous ground rules such as free float adjustment and freely available index rules are governed and maintained by an independent committee of leading market professionals.

From 1 January 2023 to 30 June 2023, the NAV of the Fund decreased by 1.1% (inclusive of the dividend paid in May 2023), while the value of the Index decreased by 0.3%.

The top 10 holdings of the Fund as at 30 June 2023 represented US\$ 4,079,385 (56.30% of the Fund's NAV), while it was US\$3,738,929 as at 30 June 2022 (54.18% of the Fund's NAV).

MANAGER'S INVESTMENT REPORT (continued)

Investments at market value and as a percentage of NAV classified by:

i) Country

	Market Value (US\$)	% of NAV
Indonesia	1,848,278	25.51
Malaysia	963,829	13.30
Philippines	221,348	3.05
Singapore	2,617,881	36.13
Thailand	<u>1,562,741</u>	<u>21.57</u>
Portfolio of investments	7,214,077	99.56
Other net assets	<u>31,777</u>	<u>0.44</u>
Total	<u>7,245,854</u>	<u>100.00</u>

ii) Industry

	Market Value (US\$)	% of NAV
Communication Services	592,748	8.18
Consumer Discretionary	164,218	2.27
Consumer Staples	361,267	4.98
Energy	347,751	4.80
Financials	4,160,952	57.42
Health Care	220,082	3.04
Industrials	401,465	5.54
Information Technology	130,261	1.80
Materials	247,916	3.42
Real Estate	353,613	4.88
Utilities	<u>233,804</u>	<u>3.23</u>
Portfolio of investments	7,214,077	99.56
Other net assets	<u>31,777</u>	<u>0.44</u>
Total	<u>7,245,854</u>	<u>100.00</u>

iii) Asset Class

	Market Value (US\$)	% of NAV
Quoted equities	7,214,077	99.56
Other net assets	<u>31,777</u>	<u>0.44</u>
Total	<u>7,245,854</u>	<u>100.00</u>

MANAGER'S INVESTMENT REPORT (continued)

Details of Top 10 Holdings of the Fund

As at 30 June 2023

	Cost (US\$)	Market Value (US\$)	Percentage of total net assets %
DBS Group Holdings Limited	457,333	757,680	10.46
PT Bank Central Asia Tbk	279,982	607,925	8.39
Oversea-Chinese Banking Corporation Limited	441,547	571,244	7.88
PT Bank Rakyat Indonesia (Persero) Tbk	235,089	456,460	6.30
United Overseas Bank Limited	338,962	450,167	6.21
PT Bank Mandiri (Persero) Tbk	178,841	276,258	3.81
Singapore Telecommunications Limited	305,465	249,077	3.44
Malayan Banking Berhad	287,130	245,394	3.39
PTT Public Company Limited (NVDR)	289,844	242,829	3.35
PT Telekomunikasi Indonesia Tbk	186,715	222,351	3.07
	<u>3,000,908</u>	<u>4,079,385</u>	<u>56.30</u>

As at 30 June 2022

	Cost (US\$)	Market Value (US\$)	Percentage of total net assets %
DBS Group Holdings Limited	470,308	717,081	10.39
Oversea-Chinese Banking Corporation Limited	456,938	535,362	7.76
United Overseas Bank Limited	376,705	458,594	6.65
PT Bank Central Asia Tbk	208,642	435,122	6.31
PT Bank Rakyat Indonesia (Persero) Tbk	213,370	335,585	4.86
Public Bank Berhad	273,521	261,109	3.78
Malayan Banking Berhad	286,802	256,517	3.72
PTT Public Company Limited (NVDR)	299,257	254,940	3.70
Singapore Telecommunications Limited	315,722	253,735	3.68
PT Telekomunikasi Indonesia Tbk	192,350	230,884	3.34
	<u>3,093,615</u>	<u>3,738,929</u>	<u>54.18</u>

Exposure to derivatives

The Fund had no exposure to derivatives during the financial period under review.

MANAGER'S INVESTMENT REPORT (continued)

Index constituent weights

Constituent Name	As at	As at
	06/30/2023	06/30/2022
	%	%
Singapore Telecommunications Limited	3.44	3.68
Oversea-Chinese Banking Corporation Limited	7.88	7.76
DBS Group Holdings Limited	10.46	10.39
United Overseas Bank Limited	6.21	6.65
Malayan Banking Berhad	3.39	3.72
PT Astra International Tbk	2.27	2.41
CIMB Group Holdings Berhad	2.13	2.01
PT Bank Central Asia Tbk	8.39	6.31
PT Telekomunikasi Indonesia Tbk	3.07	3.34
Advanced Info Service Public Company Limited (NVDR)	1.67	1.68
PTT Public Company Limited (NVDR)	3.35	3.70
PT Bank Mandiri (Persero) Tbk	3.81	2.64
PT Bank Rakyat Indonesia (Persero) Tbk	6.30	4.86
IHH Healthcare Berhad	0.92	1.04
Kasikornbank PCL (NVDR)	1.48	1.73
PTT Exploration & Production Public Company Limited (NVDR)	1.45	1.67
SM Prime Holdings, Inc.	1.57	1.11
Petronas Chemicals Group Berhad	0.90	1.55
Public Bank Berhad	2.90	3.78
CP ALL Public Company Limited (NVDR)	2.60	2.72
Wilmar International Limited	1.45	1.67
Airports of Thailand Public Company Limited (NVDR)	2.16	2.35
The Siam Cement Public Company Limited (NVDR)	1.64	2.39
Tenaga Nasional Berhad	1.56	1.57
Unilever Indonesia	0.40	0.49
Ayala Land, Inc.	-	0.99
PT HM Sampoerna Tbk	0.14	0.15
Ayala Corporation	-	0.95
Bangkok Dusit Medical Services (NVDR)	2.12	1.69
BDO Unibank, Inc.	1.46	1.06
Gulf Energy Development (NVDR)	0.98	1.50
Delta Electronics Thailand (NVDR)	1.80	0.71
CapitaLand Integrated Commercial Trust	1.77	2.12
Singapore Airlines Limited	1.67	1.26
AC Energy Corporation	0.03	0.04
CapitaLand Investment Limited	1.54	1.88
Energy Absolute Public Company Limited	0.66	1.03
Press Metal Aluminium Holdings Berhad	0.88	0.90
PT Bank Negara Indonesia (Persero) Tbk	1.13	1.05
PTT Oil and Retail Business Public Company Limited (NVDR)	-	0.54
SCB X Public Company Limited (NVDR)	1.26	1.34
CP Axtra Public Company Limited (NVDR)	0.39	-
Hong Leong Bank Berhad	0.62	-
Keppel Corporation Limited	1.71	-

MANAGER'S INVESTMENT REPORT (continued)

Creations/redemptions for the six months ended 30 June 2023

There were no creations or redemptions during the financial period.

Other Information

During the financial period under review, the Fund had no exposure to other unit trusts, mutual funds and collective investment schemes and had no borrowings. There is no other material information that will adversely impact the valuation of the Fund.

Expense ratios

	2023 US\$	2022 US\$
Total operating expenses	89,269	113,903
Average daily net asset value	<u>7,402,846</u>	<u>8,390,806</u>
Expense ratio	<u>1.21%</u>	<u>1.36%</u>

Note: The expense ratio is computed in accordance with the revised IMAS guidelines on disclosure of expense ratios dated 25 May 2005 and does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses and tax deducted at source or arising out of income received.

Turnover ratios

	2023 US\$	2022 US\$
Lower of total value of purchases or sales	298,693	680,815
Average daily net assets value	<u>7,609,422</u>	<u>8,318,798</u>
Turnover ratio	<u>3.93%</u>	<u>8.18%</u>

Note: The portfolio turnover ratio is calculated in accordance with the formula stated in the "Code on Collective Investment Schemes".

Change in investment personnel

There were no changes in investment personnel during the financial period under review.

Soft dollar commissions

During the financial period under review, no soft dollar commissions were received from brokers.

Related party transactions

The Fund is managed by Principal Asset Management (S) Pte. Ltd. (the "Manager"), which is incorporated in Singapore. The Manager is a wholly-owned subsidiary of Principal Asset Management Berhad ("Principal Malaysia"), which is incorporated in Malaysia. The Trustee of the Fund is DBS Trustee Limited, incorporated in Singapore and a wholly-owned subsidiary of DBS Group Holdings Ltd.

The Trustee has appointed State Street Bank and Trust Company ("SSBT") as a custodian of the Fund. SSBT is a subsidiary of State Street Corporation, which is incorporated in the United States of America.

MANAGER'S INVESTMENT REPORT (continued)

Related party transactions (continued)

Management fees paid or payable by the Fund are shown in the Statement of total return and on terms set out in the Trust Deed and Prospectus.

Information on the Manager

The Manager of the Fund is Principal Asset Management (S) Pte. Ltd. (Company Registration Number 200607208K), a private limited company, incorporated in Singapore on 18 May 2006. The Manager is wholly-owned by Principal Malaysia, which has been managing discretionary and mutual funds in Malaysia for more than 20 years.

The Manager obtained its capital markets services licence on 24th April 2007 and presently manages the Fund and several other discretionary accounts, with total assets under management of about SGD\$ 4.13 billion as at 30 June 2023.

Directors of the Manager

(a) Christopher Leow

Mr Leow, of 50 Raffles Place, #22-03 A&B Singapore Land Tower, Singapore 048623, is the Chief Executive Officer and a Director of the Manager, and is responsible for leading the International Investment team based in Singapore. He joined Principal Malaysia in December 2003 and was transferred to the Manager in May 2007. He has more than 20 years of experience in the equities and fund management industry. Mr Leow is a CFA and a Certified Financial Planner. He has been registered with the Monetary Authority of Singapore under the Securities and Futures Act as a Representative of the Manager in fund management since September 2007. Mr Leow holds a Bachelor of Commerce in Accounting and Finance (Hons) from the University of Western Australia.

(b) Chong Chooi Wan

Ms Chong, of 10th Floor, Bangunan CIMB, Jalan Semantan, 50490 Damansara Heights, Kuala Lumpur, Malaysia, is a Director of the Manager and has more than 20 years of experience in strategic planning and investment, corporate developments, mergers and acquisitions in various industries ranging from the financial sector to the energy sector. In 2020, she joined CIMB as the Director of Group Ventures and Partnerships where she is tasked to oversee business optimisation projects as well as portfolio management for CIMB. Ms Chong graduated with a Bachelor Degree in Finance, a Summa Cum Laude honours, from the University of Tennessee, Knoxville, U.S.A.

Appointed Portfolio Managers of the Fund

The appointed individual/principal portfolio manager of the Fund who will be primarily performing the investment management functions for the Fund is Mr Christopher Leow who is also one of the directors of the Manager. Please see his write-up above for more information on his qualification, experience and employment history. Mr Leow is assisted by Ms Zhang Yuzheng, Mr. Kwan Yi Yan, and Ms. Seng Jing Xin.

Yuzheng joined the Manager in 2017 and focuses primarily on asset allocation models. Yuzheng holds a Masters of Economics from Columbia University and is a CFA charter holder.

Jing Xin joined the Manager in 2019 and focuses primarily on quantitative strategy. Jing Xin holds a Bachelor of Business Administration (Hons) from the University of Malaya.

Yi Yan joined the Manager in 2021 and focuses primarily on analysing companies listed on the China, India and Singapore equities markets. Yi Yan holds a Bachelor of Business with Honours (Distinction) from Nanyang Technological University.

STATEMENT BY THE MANAGER

For the six months ended 30 June 2023

In the opinion of the directors of Principal Asset Management (S) Pte. Ltd., the accompanying financial statements, comprising the statement of total return, statement of financial position, statement of movements of unitholders' funds and statement of portfolio are drawn up so as to present fairly, in all material respects, the financial position and the portfolio holdings of Principal FTSE ASEAN 40 (the "Fund") as at 30 June 2023, and the financial performance and movements in unitholders' funds for the financial period then ended, in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Fund will be able to meet its financial obligations as and when they materialise.

For and on behalf of the directors of Principal Asset Management (S) Pte. Ltd.:



Christopher Leow
Director/Chief Executive Officer
Singapore
28 August 2023

STATEMENT OF TOTAL RETURN

For the six months ended 30 June 2023 (Unaudited)

	30 June 2023 US\$	30 June 2022 US\$
Investment income		
Dividends	210,068	163,006
Total	<u>210,068</u>	<u>163,006</u>
Less: Expenses		
Management fee	(26,244)	(28,690)
Transaction costs	(5,852)	(9,459)
Other expenses	(16,122)	(38,911)
Total	<u>(48,218)</u>	<u>(77,060)</u>
Net investment income	<u>161,850</u>	<u>85,946</u>
Net gains or losses on value of investments		
Net losses on investments	(217,551)	(409,058)
Net foreign exchange losses	(1,045)	(2,319)
	<u>(218,596)</u>	<u>(411,377)</u>
Total deficit for the period before income tax	<u>(56,746)</u>	<u>(325,431)</u>
Less: Income tax	(19,326)	(13,773)
Total deficit for the period	<u>(76,072)</u>	<u>(339,204)</u>

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023 (Unaudited)

	As at	
	30 June	31 December
	2023	2022
	US\$	US\$
Assets		
Portfolio of investments	7,214,077	7,568,293
Net dividend receivable	7,462	242
Cash and cash equivalents	<u>52,626</u>	<u>76,956</u>
Total assets	<u>7,274,165</u>	<u>7,645,491</u>
Liabilities		
Due to the manager	26,389	25,243
Other payables	<u>1,922</u>	<u>2,522</u>
Total liabilities	<u>28,311</u>	<u>27,765</u>
Equity		
Net assets attributable to unitholders	<u>7,245,854</u>	<u>7,617,726</u>

STATEMENT OF MOVEMENT OF UNITHOLDERS' FUNDS

For the six months ended 30 June 2023 (Unaudited)

	30 June 2023 US\$	31 December 2022 US\$
Net assets attributable to unitholders at the beginning of the financial period/year	7,617,726	8,705,224
Operations		
Change in net assets attributable to unitholders resulting from operations	(76,072)	377,632
Unitholders' contributions/(withdrawals)		
Cancellation of units	-	(1,186,130)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	-	(1,186,130)
Distributions	(295,800)	(279,000)
Total decrease in net assets attributable to unitholders	(371,872)	(1,087,498)
Net assets attributable to unitholders at the end of the financial period/year	7,245,854	7,617,726

STATEMENT OF PORTFOLIO
As at 30 June 2023 (Unaudited)

	Holdings at 30 June 2023	Fair value at 30 June 2023 US\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Primary - by Industry			
Quoted equities			
COMMUNICATION SERVICES			
Advanced Info Service Public Company Limited (NVDR)*	20,100	121,320	1.67
PT Telekomunikasi Indonesia Tbk	833,400	222,351	3.07
Singapore Telecommunications Limited	135,149	<u>249,077</u>	<u>3.44</u>
TOTAL COMMUNICATION SERVICES		<u>592,748</u>	<u>8.18</u>
CONSUMER DISCRETIONARY			
PT Astra International Tbk	363,400	<u>164,218</u>	<u>2.27</u>
TOTAL CONSUMER DISCRETIONARY		<u>164,218</u>	<u>2.27</u>
CONSUMER STAPLES			
CP ALL Public Company Limited (NVDR)*	107,000	188,619	2.60
CP Axa Public Company Limited (NVDR)*	28,600	28,435	0.39
PT HM Sampoerna Tbk	157,000	9,896	0.14
Unilever Indonesia	103,000	29,267	0.40
Wilmar International Limited	37,500	<u>105,050</u>	<u>1.45</u>
TOTAL CONSUMER STAPLES		<u>361,267</u>	<u>4.98</u>
ENERGY			
PTT Exploration & Production Public Company Limited (NVDR)*	24,800	104,922	1.45
PTT Public Company Limited (NVDR)*	257,000	<u>242,829</u>	<u>3.35</u>
TOTAL ENERGY		<u>347,751</u>	<u>4.80</u>
FINANCIALS			
BDO Unibank, Inc.	42,344	105,631	1.46
CIMB Group Holdings Berhad	142,369	154,341	2.13
DBS Group Holdings Limited	32,618	757,680	10.46
Hong Leong Bank Berhad	11,100	45,090	0.62
Kasikornbank PCL (NVDR)*	29,400	107,384	1.48
Malayan Banking Berhad	132,720	245,393	3.39
Oversea-Chinese Banking Corporation Limited	63,102	571,244	7.88
PT Bank Central Asia Tbk	996,100	607,925	8.39

STATEMENT OF PORTFOLIO (continued)
As at 30 June 2023 (Unaudited)

	Holdings at 30 June 2023	Fair value at 30 June 2023 US\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Primary - by Industry (continued)			
Quoted equities			
FINANCIALS (continued)			
PT Bank Mandiri (Persero) Tbk	796,500	276,258	3.81
PT Bank Negara Indonesia (Persero) Tbk	134,200	81,903	1.13
PT Bank Rakyat Indonesia (Persero) Tbk	1,261,471	456,460	6.30
Public Bank Berhad	255,150	210,461	2.90
SCB X Public Company Limited (NVDR)*	30,300	91,015	1.26
United Overseas Bank Limited	21,809	450,167	6.21
TOTAL FINANCIALS		4,160,952	57.42
HEALTH CARE			
Bangkok Dusit Medical Services (NVDR)*	195,900	153,327	2.12
IHH Healthcare Berhad	52,900	66,755	0.92
TOTAL HEALTH CARE		220,082	3.04
INDUSTRIALS			
Airports of Thailand Public Company Limited (NVDR)*	77,100	156,570	2.16
Keppel Corporation Limited	25,000	123,664	1.71
Singapore Airlines Limited	23,000	121,231	1.67
TOTAL INDUSTRIALS		401,465	5.54
INFORMATION TECHNOLOGY			
Delta Electronics Thailand (NVDR)*	50,200	130,261	1.80
TOTAL INFORMATION TECHNOLOGY		130,261	1.80
MATERIALS			
Petronas Chemicals Group Berhad	50,800	65,303	0.90
Press Metal Aluminium Holdings Berhad	63,200	63,640	0.88
The Siam Cement Public Company Limited (NVDR)*	13,100	118,973	1.64
TOTAL MATERIALS		247,916	3.42

STATEMENT OF PORTFOLIO (continued)

As at 30 June 2023 (Unaudited)

	Holdings at 30 June 2023	Fair value at 30 June 2023 US\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Primary - by Industry (continued)			
Quoted equities			
REAL ESTATE			
CapitaLand Integrated Commercial Trust	91,261	128,499	1.77
CapitaLand Investment Limited	45,600	111,269	1.54
SM Prime Holdings, Inc.	191,300	<u>113,845</u>	<u>1.57</u>
TOTAL REAL ESTATE		<u>353,613</u>	<u>4.88</u>
UTILITIES			
AC Energy Corporation	19,170	1,872	0.03
Energy Absolute Public Company Limited	29,800	47,909	0.66
Gulf Energy Development (NVDR)*	53,980	71,177	0.98
Tenaga Nasional Berhad	58,200	<u>112,846</u>	<u>1.56</u>
TOTAL UTILITIES		<u>233,804</u>	<u>3.23</u>
Total Equities		<u>7,214,077</u>	<u>99.56</u>
Portfolio of investments		<u>7,214,077</u>	<u>99.56</u>
Other net assets		<u>31,777</u>	<u>0.44</u>
Net assets attributable to unitholders		<u>7,245,854</u>	<u>100.00</u>

* Non-Voting Depository Receipts

STATEMENT OF PORTFOLIO (continued)

As at 30 June 2023 (Unaudited)

	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Primary - by Industry (Summary)		
Quoted equities		
Communication Services	8.18	7.74
Consumer Discretionary	2.27	2.26
Consumer Staples	4.98	4.97
Energy	4.80	5.03
Financials	57.42	56.07
Health Care	3.04	2.53
Industrials	5.54	4.38
Information Technology	1.80	1.64
Materials	3.42	4.02
Real Estate	4.88	6.20
Utilities	3.23	4.51
Portfolio of investments	99.56	99.35
Other net assets	0.44	0.65
Net assets attributable to unitholders	100.00	100.00

STATEMENT OF PORTFOLIO (continued)

As at 30 June 2023 (Unaudited)

	Fair value at 30 June 2023 US\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Secondary - By Geography			
Quoted equities			
Indonesia	1,848,278	25.51	22.23
Malaysia	963,829	13.30	13.65
Philippines	221,348	3.05	4.60
Singapore	2,617,881	36.13	35.95
Thailand	<u>1,562,741</u>	<u>21.57</u>	<u>22.92</u>
Portfolio of investments	7,214,077	99.56	99.35
Other net assets	<u>31,777</u>	<u>0.44</u>	<u>0.65</u>
Net assets attributable to unitholders	<u>7,245,854</u>	<u>100.00</u>	<u>100.00</u>