

Manulife
Investment
Asia-Pacific
ex Japan Fund

Annual Report

for the financial year ended 30 September 2021

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

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MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

1 GENERAL INFORMATION

1.1 THE TRUST

The Fund commenced operations on 23 June 2005 and will continue its operations until terminated as provided under Clause 48.2 of the Deed.

1.2 FUND TYPE / CATEGORY

Growth / Equity

1.3 BASE CURRENCY

Ringgit Malaysia (RM)

1.4 OBJECTIVE OF THE FUND

The Fund's investment objective is to provide long-term capital appreciation through investment mainly in equities and equity-related securities of companies in the Asia-Pacific ex-Japan region.

Note: Any material change to the Fund's investment objective would require Unit Holders' approval.

1.5 DISTRIBUTION POLICY

Distribution of income, if any, is incidental.

1.6 PERFORMANCE BENCHMARK

MSCI AC Asia Pacific ex-Japan Index. Prior to 1 December 2018, it was the MSCI AC Far East Ex-Japan Index. The change in performance benchmark is to better reflect the Fund's broader investable universe.

The performance benchmark above is only used as a reference for investment performance comparison purpose. The risk profile of the Fund is not the same as the risk profile of this performance benchmark. The performance benchmark information is available on www.manulifeinvestment.com.my.

1.7 INVESTMENT STYLE AND STRATEGY

The Fund invests 70% to 98% of its net asset value (NAV) in a diversified portfolio of equities and equity-related securities of companies domiciled in/ listed in/ or have significant operations* in the APxJ region, including but not limited to Australia, China, Hong Kong, India, Indonesia, Malaysia, New Zealand, the Philippines, Singapore, South Korea, Taiwan, Thailand and Vietnam. Money market such as commercial papers, repurchase agreements and deposits (excluding structured deposits) with financial institutions are only used to maintain liquidity position and as a short-term alternative should the equity market become extremely volatile. The Fund may invest in these equities and equity-related securities directly or via Collective Investment Schemes (CISs).

*Significant operations mean the revenue, earnings, production facilities, assets and/ or investments of a company are based in/ derived from the APxJ region. The level of significance will be determined by the Manager on a case-by-case basis based on his/ her research and judgment.

The Fund's investment strategy aims at achieving long term risk-adjusted returns by exploiting potential inefficiencies in the capital markets through intensive, disciplined and consistent research. The Fund adopts a combination of top-down and bottom-up approaches. The top-down approach examines global and local macro-economic factors such as interest rate trends, inflation rates, supply demand trends, commodities trends, industry outlook and trends, competitiveness as well as country risk. As for the bottom-up approach, the Manager evaluates securities of companies based on those companies' individual attributes such as earnings/cash generation capabilities, growth drivers/ opportunities, scalability of business models, management's strengths/track records and valuation gaps. Emphasis is also given to portfolio diversification and using proper risk management to maximise long term risk adjusted returns.

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Under adverse market conditions (due to economic, political or any other negative conditions for investments), the Manager may take temporary defensive positions that may be inconsistent with the Fund's principal strategy in attempting to respond to such conditions. Under such situations, the investment in foreign equities and equity-related instruments may be lower than 70% of the Fund's NAV, and temporarily be invested in deposits and/or money market instruments.

During the financial year under review, the Fund remained guided by its investment objective as it kept a close tab on investment opportunities in the APxJ region, including but not limited to Australia, China, Hong Kong, India, Indonesia, Malaysia, New Zealand, the Philippines, Singapore, South Korea, Taiwan, Thailand and Vietnam. This was based on its assessment on the individual market, sector and stock fundamentals, while taking into account the outlook of respective currencies.

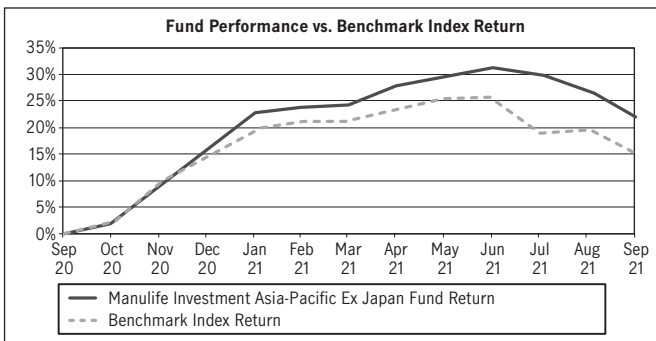
MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

2 MANAGER'S REPORT

2.1 FUND PERFORMANCE

For the financial year ended 30 September 2021, the Fund generated a return of 22.01%. The Fund outperformed its benchmark return, which increased by 15.11%. The outperformance was mainly due to a combination of allocation and stock selection in China, South Korea and Taiwan. This was however offset by allocation and stock selection in India and stock selection in Hong Kong and Singapore. From sector perspective, overweight position and stock selection in technology and material sectors contribute to the outperformance of the Fund. This was however partially offset by our underweight position in financial sector.

The graph below compares the 12-month performance of the Fund against its benchmark return:



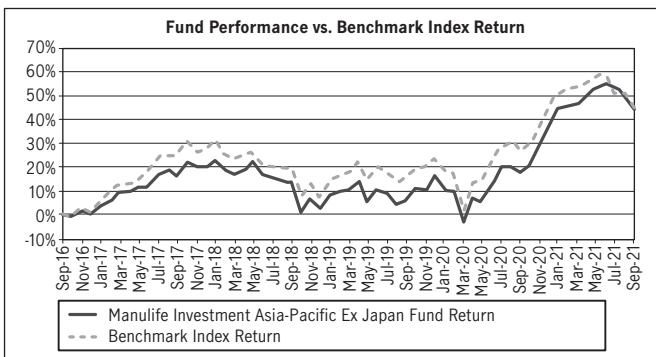
Source: Lipper, Morningstar & RIMES

Fund Size

The Fund's total NAV increased to RM247.38mil from RM147.27mil during the financial year under review.

Fund Returns

- (a) The graph below compares the 5-year performance of the Fund against its benchmark return:



Source: Lipper, Morningstar & RIMES

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(b) Average Total Return of the Fund:

For the financial year ended 30 September 2021	Fund (% p.a.)	Benchmark (% p.a.)
1 year	22.01	15.11
3 years	8.31	6.73
5 years	7.64	7.83
Investment Commencement date: 14 July 2005		

Source: Lipper, Morningstar & RIMES

(c) Annual Total Return of the Fund:

For the financial year ended:	Fund (% p.a.)	Benchmark (% p.a.)
30 September 2021	22.01	15.11
30 September 2020	11.25	10.14
30 September 2019	(6.38)	(4.10)
30 September 2018	(2.29)	(2.85)
30 September 2017	16.38	23.43
Investment Commencement date: 14 July 2005		

Source: Lipper, Morningstar & RIMES

The Fund has achieved its objective of providing long-term capital appreciation through investment in equities within the Asia Pacific region, with a 5-year average total return of 7.64% p.a.

BASES OF CALCULATION

1. Net Asset Value (NAV)

Net Asset Value of the Fund is determined by deducting the value of all the Fund's liabilities from the value of all the Fund's assets, at the valuation point.

2. Net Asset Value per unit

Net Asset Value per unit is the Net Asset Value of the Fund divided by the total number of units in circulation, at the valuation point.

3. Fund's Return

Fund's return can be calculated based on the computation methods as follows:

Daily Total Fund's Return = $\frac{\{[\text{End NAV (Ex-distribution)} - \text{Beginning NAV} + \text{Dividend Distribution}] / \text{Beginning NAV}\} \times 100\%}{}$

Total Fund's Return = Total fund's return for the period is derived from geometrically linking together the daily total fund's returns.

The linking formula is $= [(1 + R_1) \times (1 + R_2) \times \dots (1 + R_n)] - 1$

where: R_1 is the first daily return for the period,
 R_2 is the second daily return for the period, and
 R_n is the last daily return for the period.

Average Total Return = Annualised Total Return
 $\frac{[(1 + \text{Total fund's return for the period})^{\frac{\text{Actual number of days in a year}}{\text{number of days during the period}}} - 1] \times 100\%}{}$

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The following table shows other financial and performance data of the Fund for the past three financial years:

Fund Data	30 September 2021	30 September 2020	30 September 2019
NAV (RM)	247,383,247	147,273,965	130,570,329
Units in Circulation ('000)	648,632	471,121	464,698
NAV (RM per unit)	0.3814	0.3126	0.2810
Highest / Lowest NAV (RM per unit)	0.4181 / 0.3131	0.3219 / 0.2311	0.3151 / 0.2700
Total Fund Return (%)	22.01	11.25	(6.38)
NAV Return (%)	22.01	11.25	(9.18)
Income Return (%)	-	-	3.09
Final Distribution			
Gross (RM per unit)	-	-	0.0087
Net (RM per unit)	-	-	0.0087
Ex-date	-	-	26.09.2019
Management Expenses Ratio (%)	1.78	1.67	1.66
Portfolio Turnover Ratio (times)	0.78	0.49	0.58

NOTES

(i) Management Expenses Ratio (MER)

MER 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.

$$\frac{\text{Fees of the fund} + \text{Recovered expenses of the fund}}{\text{Average value of the fund calculated on a daily basis}} \times 100$$

Where:

Fees = All ongoing fees deducted / deductible directly from the unit trust fund in respect of the period covered by the management expenses ratio, expressed as a fixed amount, calculated on a daily basis. This would include the management fee, the annual trustee fee and any other fees deducted / deductible directly from the unit trust fund;

Recovered expenses = All expenses recovered from/ charged to the unit trust fund, as a result of the expenses incurred by the operation of the unit trust fund, expressed as a fixed amount. This should not include expenses that would otherwise be incurred by an individual investor (e.g. brokerage, taxes and levies); and

Average value of the unit trust fund = The NAV of the unit trust fund, including net income value of the unit trust fund, less expenses on an accrued basis, in respect of the period covered by the management expenses ratio, calculated on a daily basis.

The MER for the financial year is higher as compared to the previous financial year mainly due to the increase in expenses incurred.

(ii) Portfolio Turnover Ratio (PTR)

PTR can be calculated based on the ratio of the average sum of acquisitions and disposals of the unit trust fund for the financial year to the average value of the unit trust fund for the financial year calculated on a daily basis.

$$\frac{[\text{Total acquisitions of the fund for the year} + \text{Total disposals of the fund for the year}]}{\text{Average value of the fund for the year calculated on a daily basis}}$$

Average value of the fund for the year calculated on a daily basis

The PTR for the financial year is higher as compared to the previous financial year mainly due to the increase in trading activities.

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Impact On NAV Arising From Distribution Distributed For The Past Three Financial Years:

EX-DATE	CUM DISTRIBUTION NAV (RM)	GROSS DISTRIBUTION (RM)	EX DISTRIBUTION NAV (RM)
28.09.2021	-	-	-
28.09.2020	-	-	-
26.09.2019	0.2896	(0.0087)	0.2809

The Manager wishes to highlight that past performance of the Fund is not an indication of its future performance.

The price of units and the investment returns may go down, as well as up.

2.2 ASSET ALLOCATION

Asset allocation for the past three financial years:

Sector Allocation	% of Net Asset Value		
	30 September 2021	30 September 2020	30 September 2019
Healthcare	-	2.75	-
Plantation	-	0.69	-
Utilities	-	-	1.13
Consumer Products & Services	-	-	0.85
Financial Services	-	-	0.68
Technology	-	-	-
Quoted Investments -Local	-	3.44	2.66
Quoted Investment -Foreign	94.33	87.25	90.07
Collective Investments Schemes	-	3.62	4.08
Total Quoted Investments	94.33	94.31	96.81
Deposits With Licensed Financial Institutions	1.57	0.88	0.66
Other Assets & Liabilities	4.10	4.81	2.53

Country Allocation	% of Net Asset Value		
	30 September 2021	30 September 2020	30 September 2019
Hong Kong/China	34.09	40.50	32.81
Taiwan	19.33	17.04	12.73
South Korea	13.63	17.87	17.69
India	9.45	-	-
Australia	8.20	5.57	13.22
Indonesia	3.70	1.40	4.69
Singapore	2.85	4.02	5.32
Philippines	2.09	-	1.39
Thailand	0.99	0.85	2.22
Malaysia	-	7.06	6.74
Total Quoted Investments	94.33	94.31	96.81

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As at 30 September 2021, the Fund was 94.33% invested in equities and 5.67% in deposits and other assets & liabilities. From country perspective, the Fund saw a notable increase in weighting in India, Taiwan, Australia, Indonesia and the Philippines, while there were a decrease in weighting in Hong Kong/China, South Korea, Singapore and Malaysia.

2.3 MARKET REVIEW

During the financial year under review (1st October 2020 to 30th September 2021), Asia Pacific ex-Japan markets were higher. Asia-Pacific ex-Japan equity markets posted strong gains in the fourth quarter of 2020. In October, global markets seesawed on the back of optimism over a potential “blue wave” (Democratic President and Congress) in the US presidential election, potentially unlocking stimulus and a weaker US dollar, and a pronounced spike in COVID-19 cases in the US and Europe. The US presidential election took centre stage in November with the election of Joe Biden as US President and a split US Congress pending run-off elections in January. The result triggered risk-on sentiment that spurred capital inflows to emerging markets and Asia, with many lagging ASEAN markets posting banner months. In December, markets rose on the back of numerous positive catalysts such as the beginning of the COVID-19 vaccination rollout in many countries, as the US Congress passed a US\$900 billion stimulus bill, and the United Kingdom reached a last-minute Brexit deal with the EU.

In the first quarter of 2021, global markets gained on news of the Democrats winning the US Congress and hopes over greater fiscal stimulus in the US amid increased COVID-19 vaccination rates. In February and March, yields surged in the US as President Biden signed into law a US\$1.9 billion fiscal package and proposed an additional US\$3 billion in infrastructure spending. As a result, investors rotated into value names from growth as markets priced in a post-Covid-19 pandemic macroeconomic environment of increased economic growth and inflation.

Asia-Pacific equity markets moved higher in the second quarter. Global markets were influenced by two developments: 1) Investor optimism over economic reopening and improving vaccination rates in developed economies, while outbreaks continued in markets with lower vaccination rates; 2) debate over whether above-trend inflationary pressures in some markets may be transitory in nature. In June, the US Federal Reserve (Fed) gave an unexpectedly hawkish statement, as a majority of the Federal Open Market Committee members believed two rate hikes would occur in 2023 - earlier than market consensus. Regionally, these developments resulted in divergent responses: all Northeast Asian markets were positive, while most ASEAN markets (except Philippines and Singapore) posted losses, particularly as the spread of COVID-19 led to new restrictions in Indonesia, Malaysia and Thailand.

The third quarter of 2021 was driven by three main catalysts. The US Federal Reserve gave several policy announcements over the quarter, concluding with a statement after the September meeting, that a tapering of bond purchases would happen “soon”, leading Treasury yields higher and strengthening the US dollar in August. Secondly, the Chinese government released a raft of new regulations, unexpected by investors, during July and August that affected significant economic sectors, such as, e-commerce, education, internet, and real estate. Meanwhile, a potential default by a prominent property developer in China roiled equity and credit markets in August, raising the spectre of financial contagion and slower economic growth. Finally, volatility in commodity prices intensified in August. Base metals plunged on expectations over lower use in China’s real estate sector, and energy commodities spiked, partially contributing to blackouts in China and India.

2.4 MARKET OUTLOOK AND INVESTMENT STRATEGY

Despite positive equity market performance in 2020 and so far this year, Asian equity markets are still trading at reasonable valuation multiples compared with global markets. Asian equities have experienced fewer earnings downgrades compared to global markets and are expected to generate a strong turn around in earnings for 2021 with earnings per share (EPS) to grow way over 30% after declining by 20% in 2020.

While global equity markets look expensive relative to history, this is predicated on depressed earnings and low global interest rates which make equity valuations look attractive compared to other asset classes. We do not anticipate monetary policy to normalise this year as central banks view the spike in inflation as being transitory. This should continue to be supportive for equities.

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Vaccination rates are increasing across the region but the highly transmissible Delta variant of the virus may mean that many sectors that would have been seen as beneficiaries from the re-opening of economies may see earnings recovery pushed back further.

In China, our positioning continues to focus on domestic demand and domestic cyclical within the industrial sector. We took advantage of the market weakness in recent regulatory crackdown to increase exposure on some internet companies as we see strong valuation support and growth over the long term. We have also added exposures to companies in China that take advantage of the highly supported new energy initiatives.

The severity of the regulatory crackdown in the education sector in China has caused many investors to question which other sectors are likely face regulatory pressure. While it is difficult to speculate, the somewhat socialistic motives of the Chinese government seem to imply that risks are present within some areas of the healthcare sector, the real estate sector as well as other sectors, such as online gaming or internet giants that seek to leverage and monetise customer data. We take these risks into account when determining which sectors and stocks to have exposure to.

Within the technology space, we continue to like battery suppliers in South Korea that will benefit from the global shift to electric vehicles. In addition, the global roll out of 5G should continue to be supportive for companies involved within the cloud storage and semi-conductor supply chains.

Within India, we are positioned for the economy recovery from the COVID-19 pandemic via financial and industrial sectors.

Given the backdrop of a global recovery, we have a preference for North Asia over ASEAN while we continue to see good value in Indonesia and Philippines from an ASEAN context.

Our positioning within Australia is largely predicated on exposure to the materials sector where we see a positive outlook for global demand amid the COVID recovery while supply for certain metals is constrained.

2.5 BREAKDOWN OF UNIT HOLDINGS BY SIZE AS AT 30 SEPTEMBER 2021

The following table presents the distribution of the Fund's unit holders according to size of unit holdings:

Size of Holdings	No. of Unit Holders	%	No. of Units Held ('000)	%
5,000 and below	5,456	47.29	137,952	21.27
5,001 to 10,000	1,347	11.68	3,894	0.60
10,001 to 50,000	1,418	12.29	10,478	1.62
50,001 to 500,000	3,252	28.19	392,893	60.57
Above 500,001	63	0.55	103,415	15.94
Manager's stock	-	-	-	-
Total	11,536	100.00	648,632	100.00

2.6 STATE OF AFFAIRS

NOTIFICATION OF CHANGES

A new Fourth Supplemental Master Prospectus dated 13 September 2021 was issued to make the following general and administrative updates:

- an update to the contact information of the Manager and the Trustee;
- an update to the board of directors of the Manager;
- an update to the particulars of the Trustee's delegate;
- inclusion of a disclosure that the Manager reserves the right to request for additional documentation before an application for investment is made; and
- change of the designated fund manager.

The Fourth Supplemental Master Prospectus dated 13 September 2021 is available in the company website: www.manulifeinvestment.com.my.

3 POLICY ON STOCKBROKING REBATES AND SOFT COMMISSIONS

The Management Company did not retain any rebates.

For the financial year ended 30 September 2021, the Manager and its Fund Manager did not receive any rebates or soft commissions.

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

4 STATEMENT BY THE MANAGER

We, Edmond Cheah Swee Leng and Chong Soon Min, being two of the Directors of Manulife Investment Management (M) Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying financial statements comprising the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows, summary of significant accounting policies and notes to the financial statements, 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 30 September 2021 and of its financial performance, changes in equity and cash flows of the Fund for the financial year ended 30 September 2021 in accordance with the Malaysian Financial Reporting Standards (“MFRS”) and the International Financial Reporting Standards (“IFRS”).

For and on behalf of the Manager

MANULIFE INVESTMENT MANAGEMENT (M) BERHAD

EDMOND CHEAH SWEE LENG

DIRECTOR

CHONG SOON MIN

DIRECTOR

Kuala Lumpur

24 November 2021

5 TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

We have acted as Trustee of Manulife Investment Asia-Pacific Ex Japan Fund ("the Fund") for the financial year ended 30 September 2021. To the best of our knowledge, Manulife Investment Management (M) Berhad ("the Management company"), has operated and managed the Fund in accordance with the following:-

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

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat

Manager, Investment Compliance Monitoring

Kuala Lumpur
24 November 2021

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

6 INDEPENDENT AUDITORS' REPORT

TO THE UNIT HOLDERS OF MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Manulife Investment Asia-Pacific Ex Japan Fund (the "Fund") give a true and fair view of the financial position of the Fund as at 30 September 2021, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 September 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 14 to 41.

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 Ethics Standards Board for Accountants' 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.

Information other than the financial statements and auditors' report thereon

The Manager of the Fund is responsible for the other information. The other information comprises Manager's Report 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 for the financial statements

The Manager of the Fund 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 has no realistic alternative but to do so.

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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 scepticism throughout the audit. We also:

- (a) 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.
- (b) 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.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- (d) 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.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements 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.

OTHER MATTERS

This report is made solely to the unit holders of the Fund and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
24 November 2021

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

7 STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021

	Note	2021 RM	2020 RM
INVESTMENT INCOME			
Interest income from deposits with licensed financial institutions at amortised cost		86,589	89,326
Gross dividend income		5,147,437	3,536,661
Net gain on financial assets at fair value through profit or loss	7	31,984,555	13,714,269
Net foreign currency exchange loss		(673,987)	(197,442)
		<u>36,544,594</u>	<u>17,142,814</u>
EXPENSES			
Manager's fee	3	3,341,698	2,092,280
Trustee's fee	5	133,668	83,691
Auditors' remuneration		7,000	7,000
Tax agent's fee		(3,019)	17,819
Other expenses		1,049,124	537,677
Transaction costs		966,290	402,277
		<u>5,494,761</u>	<u>3,140,744</u>
PROFIT BEFORE TAXATION		31,049,833	14,002,070
TAXATION	6	-	-
PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME		<u>31,049,833</u>	<u>14,002,070</u>
Profit after taxation is made up as follows:			
Realised		15,984,697	(3,560,295)
Unrealised		15,065,136	17,562,365
		<u>31,049,833</u>	<u>14,002,070</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

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8 STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2021

	Note	<u>30.09.2021</u>	<u>30.09.2020</u>
		RM	RM
ASSETS			
Cash and cash equivalents	8	15,220,795	7,331,034
Financial assets at fair value through profit or loss	7	233,344,900	138,894,340
Amount due from Manager		169,991	1,113,135
Amount due from stockbrokers		3,380,364	-
Amount due from dealer		3,221,961	-
Dividends receivable		244,528	179,992
TOTAL ASSETS		<u>255,582,539</u>	<u>147,518,501</u>
LIABILITIES			
Amount due to Manager			
- Manager's fee		313,471	172,334
- Cancellation of units		392,537	-
Amount due to stockbrokers		4,210,641	-
Amount due to Trustee		12,539	7,209
Amount due to dealer		3,224,897	-
Other payables	9	45,207	64,993
TOTAL LIABILITIES		<u>8,199,292</u>	<u>244,536</u>
NET ASSET VALUE ("NAV") OF THE FUND		<u>247,383,247</u>	<u>147,273,965</u>
EQUITY			
Unit holders' capital		198,446,449	129,387,000
Retained earnings		48,936,798	17,886,965
		<u>247,383,247</u>	<u>147,273,965</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	2	<u>247,383,247</u>	<u>147,273,965</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)	10	<u>648,632,198</u>	<u>471,121,213</u>
NAV PER UNIT (RM)		<u>0.3814</u>	<u>0.3126</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

9 STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021

	Unit holders' capital RM	Retained earnings RM	Total RM
BALANCE AS AT 1 OCTOBER 2020	129,387,000	17,886,965	147,273,965
Movement in unit holders' contribution:			
Creation of units arising from applications	101,839,979	-	101,839,979
Cancellation of units	(32,780,530)	-	(32,780,530)
Total comprehensive income	-	31,049,833	31,049,833
BALANCE AS AT 30 SEPTEMBER 2021	198,446,449	48,936,798	247,383,247

	Unit holders' capital RM	Retained earnings RM	Total RM
BALANCE AS AT 1 OCTOBER 2019	126,685,434	3,884,895	130,570,329
Movement in unit holders' contribution:			
Creation of units arising from applications	77,497,737	-	77,497,737
Cancellation of units	(74,796,171)	-	(74,796,171)
Total comprehensive income	-	14,002,070	14,002,070
BALANCE AS AT 30 SEPTEMBER 2020	129,387,000	17,886,965	147,273,965

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

10 STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021

	Note	2021 RM	2020 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Purchase of investments		(200,366,154)	(66,222,060)
Sale of investments		137,756,752	67,943,662
Net realised foreign exchange loss		(622,624)	(201,959)
Dividends received		4,524,908	3,177,571
Interest income received		86,589	89,326
Manager's fee paid		(3,193,177)	(1,989,075)
Trustee's fee paid		(128,338)	(83,261)
Audit fee paid		(7,000)	(7,000)
Tax agent's fee paid		1,516	(10,069)
Payment for other fees and expenses		(509,414)	(115,481)
Net cash (used in)/generated from operating activities		(62,456,942)	2,581,654
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		102,783,123	76,384,602
Payments for cancellation of units		(32,387,993)	(76,657,864)
Net cash generated from/(used in) financing activities		70,395,130	(273,262)
Net increase in cash and cash equivalents		7,938,188	2,308,392
Currency translation differences		(48,427)	4,388
Cash and cash equivalents at the beginning of the financial year		7,331,034	5,018,254
Cash and cash equivalents at end of the financial year	8	15,220,795	7,331,034
Cash and cash equivalents comprise:			
Bank balances in licensed banks	8	11,334,954	6,039,762
Deposits with licensed financial institutions	8	3,885,841	1,291,272
		15,220,795	7,331,034

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

11 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements. The policies have been consistently applied to all the financial years presented, unless otherwise stated.

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Fund have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") and the International Financial Reporting Standards ("IFRS"). The financial statements have been prepared under the historical cost convention, as modified by revaluation of financial assets and financial liabilities (including derivative instruments) 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 financial year. It also requires the Manager to exercise judgement in the process of applying the Fund's accounting policies. Although these estimates and judgement are based on the Manager's best knowledge of current events and actions, actual results may differ. There are no significant areas of judgement or complexity that have significant effect on the amounts recognised in the financial statements. There are no critical accounting estimates and assumptions used in the preparation of the financial statements of the Fund for the financial year ended 30 September 2021.

(i) Amendments to published standard and interpretations that are effective and relevant

The Fund has applied the following amendments and interpretations for the first time for the financial year beginning on 1 October 2020:

- Amendments to the definition of material (Amendments to MFRS 101 and MFRS 108) effective 1 January 2020

The amendments clarify the definition of materiality and use a consistent definition throughout MFRSs and the Conceptual Framework for Financial Reporting.

The definition of 'material' has been revised as "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The amendments also:

- Clarify that an entity assess materiality in the context of the financial statements as a whole.
- Explain the concept of obscuring information in the new definition. Information is obscured if it have the effect similar as omitting or misstating of that information. For example, material transaction is scattered throughout the financial statements, dissimilar items are inappropriately aggregated, or material information is hidden by immaterial information.
- Clarify the meaning of 'primary users of general purpose financial statements' to whom those financial statements are directed, by defining them as 'existing and potential investors, lenders and other creditors' that must rely on general purpose financial statements for much of the financial information they need.

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

- The Conceptual Framework for Financial Reporting ("Framework") (effective 1 January 2020)

The Framework was revised with the primary purpose to assist the International Accounting Standards Board ("IASB") to develop IFRS that are based on consistent concepts and enable preparers to develop consistent accounting policies where an issue is not addressed by an IFRS.

Key changes include:

- increasing the prominence of stewardship in the objective of financial reporting;
- reinstating prudence as a component of neutrality;
- defining a reporting entity, which may be a legal entity, or a portion of an entity;
- revising the definitions of an asset and a liability;
- removing the probability threshold for recognition and adding guidance on derecognition;
- adding guidance on different measurement basis; and
- stating that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the financial statements.

The adoption of the amendments to published standards and revised Framework did not have any impact on the current year or any prior period and is not likely to affect future periods.

- (ii) Standards, amendments and interpretations that have been issued but not yet effective and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 October 2021, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

B FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

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

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate quoted equities as fair value through other comprehensive income. The contractual cash flows of the Fund's debt securities are solely principal and interest. However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale.

The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

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

The Fund classifies amount due to Manager, amount due to stockbrokers, amount due to Trustee, amount due to dealer, other payables and distribution payable as other financial liabilities measured at amortised cost.

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

(ii) Recognition and initial 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 assets. Investments are initially recognised at fair value. Transaction costs are recognised as expenses in the statement of comprehensive income.

Financial liabilities 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 they are extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or has 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 last traded market price quoted on the respective foreign stock exchanges at the close of the business day of the respective foreign stock exchanges.

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

Deposits with licensed financial institutions are stated at cost plus accrued interest calculated on the effective interest methods 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.

(iii) Impairment

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. The Manager considers both historical analysis and forward looking information in determining any expected credit loss. 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 months expected credit losses as any such impairment would be wholly insignificant to the Fund.

(iv) 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.

(v) Definition of default and credit-impaired financial assets

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

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

(vi) Write-off

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

C INCOME RECOGNITION

Interest income from deposits placed 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).

Dividend income on quoted investments is recognised on the ex-dividend date.

Realised gains or losses on disposal of quoted investments is calculated based on the difference between the net disposal proceeds and the carrying amount of the investments, determined on a weighted average cost basis.

D EXPENSES

Expenses are accounted for on an accrual basis and charged to the statement of comprehensive income. Expenses arising from disposal of investments are recognised as transaction costs (Note J to the financial statements).

E AMOUNT DUE FROM/TO STOCKBROKERS

Amounts due from and 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 statement of financial position date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund measures the loss allowance on the amount due from the stockbroker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-months expected credit losses.

Significant financial difficulties of the stockbrokers, probability that the stockbrokers will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by the Manager as any contractual payment which is more than 30 days past due.

F CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash at banks and deposits held in highly liquid investments that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value.

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

G DISTRIBUTION

A distribution to the Fund's unit holders is accounted for as a deduction from realised reserve. A proposed distribution to unit holders is recognised in the statement of changes in equity upon approval by the Trustee.

Distribution equalisation is the amount attributable to net realised income that is included in the price of units created or units cancelled by the Fund during the reporting year.

H 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"). The financial statements are presented in Ringgit Malaysia ("RM"), which is the Fund's functional and presentation currency.

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

- (i) Significant portion of the Fund's expenses are denominated in RM; and
- (ii) Units of the Fund are denominated in RM.

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 end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when deferred in OCI as qualifying cash flow hedges.

I FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants and the measurement date. The information presented herein represents the estimates of fair value as at the date of the statement of financial position.

Where available, quoted and observable market prices are used as the measure of fair values. Where such quoted and observable market prices are not available, fair values are estimated based on a range of methodologies and assumptions regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows and other factors. Changes in the uncertainties and assumptions could materially affect these estimates and the resulting fair value estimates.

A range of methodologies and assumptions has been used in deriving the fair values of the Fund's financial instruments as at the date of statement of financial position. The total fair value of each financial instrument is not materially different from the total carrying value.

The fair values are based on the following methodologies and assumptions:

- (a) Short-term deposit with financial institutions

For deposits and placements with licensed financial institutions with maturities of less than three months, the carrying value is a reasonable estimate of fair value. For deposits and placements with maturities of three months and above, the estimated fair value is based on discounted cash flows by using prevailing interbank money market interest rates at which similar deposits and placements would be made with financial institutions of similar credit risk and remaining period to maturity.

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

(b) Quoted investments

The estimated fair value is based on quoted and observable market prices.

(c) Other short-term financial instruments

Other short-term financial instruments comprise amount due from/to Manager, dividends receivable, amount due to Trustee and other payables. The carrying values of the assets and liabilities are assumed to approximate their fair values due to the short tenure of less than one year.

J TAXATION

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

K TRANSACTION COSTS

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

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

12 NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021

1 INFORMATION ON THE FUND

Manulife Investment Asia-Pacific Ex Japan Fund ("the Fund") was established pursuant to a Master Deed dated 31 January 2002, as amended and supplemented by subsequent Supplemental Deeds (hereinafter referred to as "the Deed") between Manulife Investment Management (M) Berhad ("the Manager") and HSBC (Malaysia) Trustee Berhad ("the Trustee").

The principal activity of the Fund is to invest in "Authorised Investments" as defined under Clause 1 of the Deed, which includes stocks and securities of companies listed on Bursa Malaysia Berhad and foreign securities listed on any recognised Stock Exchange(s) subject to approval by Bank Negara Malaysia and the Securities Commission, unlisted securities of a Malaysian issuer, deposits with financial institutions, quoted and unquoted fixed income securities. The Fund commenced operations on 23 June 2005 and will continue its operations until terminated as provided under Clause 48.2 of the Deed.

The Fund's investment objective is to provide long-term capital appreciation through investment mainly in equities and equity-related securities of companies in the Asia-Pacific ex Japan region.

The Manager of the Fund, a company incorporated in Malaysia, is a wholly-owned subsidiary of Manulife Holdings Berhad, a public limited liability company, incorporated and domiciled in Malaysia, and listed on the main market of Bursa Malaysia. Its principal activities are the management of unit trusts and private retirement schemes, financial planning and fund management activities.

The financial statements were authorised for issue by the Manager on 24 November 2021.

2 NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

The unit holders' contributions to the Fund meet the criteria to be classified as equity instruments under MFRS 132 "Financial Instruments: Presentation". Those criteria include:

- the units entitle the holder to a proportionate share of the Fund's net asset value;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over their lifespan are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial year if unit holders exercise the right to put the units back to the Fund.

Units are created and cancelled at prices based on the Fund's net asset value per unit at the time of creation or cancellation. The Fund's net asset value per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.

3 MANAGER'S FEE

In accordance with the Deed, the Manager is entitled to Manager's fee at a rate of 1.50% per annum (2020: 1.50% per annum) of the net asset value of the Fund before deducting Trustee's fee and Manager's fee for the day, calculated on a daily basis.

There will be no further liability to the Manager in respect of Manager's fee other than the amount recognised above.

4 MANAGEMENT FEE REBATE

As the Fund invest in a collective investment scheme, the management fee charged by the collective investment scheme is fully refunded to the Fund. In accordance with the Fund's Master Prospectus, there is no double charging of management fee to the Fund.

For the financial year ended 30 September 2021 and 30 September 2020 the management fee rebate is recognised at the following rates:

FUND NAME	2021 %	2020 %
Manulife India Equity Fund	1.80	1.80

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

5 TRUSTEE'S FEE

In accordance with the Deed, the Trustee is entitled to a fee of 0.06% per annum (2020: 0.06% per annum) of the net asset value of the Fund before deducting Trustee's fee and Manager's fee for the day, calculated on a daily basis.

There will be no further liability to the Trustee in respect of Trustee's fee other than the amount recognised above.

6 TAXATION

	2021	2020
	RM	RM
Current taxation	-	-

Numerical reconciliation between profit before taxation multiplied by the Malaysian statutory tax rate and tax expenses of the Fund is as follows:

	2021	2020
	RM	RM
Profit before taxation	31,049,833	14,002,070
Tax calculated at Malaysian tax rate of 24% (2020: 24%)	7,451,960	3,360,497
Tax effect in respect of:		
- Expenses not deductible for tax purposes	515,055	249,951
- Restriction on tax deductible expenses for unit trust funds	803,688	503,827
- Investment income not subject to tax	(8,770,703)	(4,114,275)
Tax expenses	-	-

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30.09.2021	30.09.2020
	RM	RM
Financial assets at fair value through profit or loss		
- Quoted investments - Local	-	5,059,000
- Quoted investments - Foreign	233,344,900	128,499,399
- Collective investment Scheme	-	5,335,941
	233,344,900	138,894,340

	2021	2020
	RM	RM
Net gain on financial assets at fair value through profit or loss		
- Realised	16,863,605	(3,951,332)
- Unrealised	15,113,566	17,572,894
- Management fee rebate #	7,384	92,707
	31,984,555	13,714,269

In arriving at the fair value of collective investment schemes managed by the Manager, the management fee initially paid to the manager of collection investment scheme has been considered as part of its net asset value. In order to prevent the double charging of management fee, management fee charged on the Fund's investment in collection investment scheme has been refunded to the Fund. Accordingly, any rebate of management fee received from the manager of collective investment scheme is reflected as increase in the net asset value of the collective investment scheme.

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

(a) QUOTED INVESTMENTS - FOREIGN

			Fair value as at 30.09.2021	Fair value as at 30.09.2021 expressed as percentage of value of Fund
QUOTED INVESTMENTS	Quantity	Cost of shares	Fair value as at 30.09.2021	Fair value as at 30.09.2021 expressed as percentage of value of Fund
	Units	RM	RM	%
30.09.2021				
AUSTRALIA				
FINANCIALS				
Computershare Limited	72,953	3,798,377	4,017,394	1.62
HEALTHCARE				
CSL Limited	5,500	4,641,889	4,877,258	1.97
MATERIALS				
BHP Group Limited	34,700	3,809,398	3,944,444	1.60
OZ Minerals Limited	63,000	3,053,255	4,286,166	1.73
Rio Tinto Limited	10,442	2,915,506	3,161,678	1.28
	108,142	9,778,159	11,392,288	4.61
HONG KONG/CHINA				
COMMUNICATIONS				
Tencent Holdings Limited	34,600	4,683,261	8,582,701	3.47
CONSUMER DISCRETIONARY				
Alibaba Group Holding Limited	78,300	8,174,413	5,985,931	2.42
Brilliance China Automotive Holdings Limited	332,000	1,421,899	555,097	0.22
Johnson Electric Holdings Limited	181,328	2,195,878	1,618,241	0.66
JD.com Inc	21,850	3,251,738	3,326,711	1.35
Mint Group Limited	308,000	3,986,716	4,404,561	1.78
Zhongsheng Group Holdings Limited	90,500	2,955,161	3,050,608	1.23
	1,011,978	21,985,805	18,941,149	7.66
CONSUMER STAPLES				
China Mengniu Dairy Limited	158,000	4,207,382	4,259,890	1.72
FINANCIALS				
AIA Group Limited	96,200	3,575,904	4,652,074	1.88
China Merchants Bank	128,000	3,940,594	4,269,943	1.73
Hong Kong Exchanges & Clearing Limited	19,446	3,532,582	5,016,038	2.03
	243,646	11,049,080	13,938,055	5.64
INDUSTRIALS				
China Merchants Port Holdings Co Limited	667,414	4,057,978	4,793,714	1.94
Shenzhen Expressway Company Limited	580,000	2,337,019	2,407,219	0.97
	1,247,414	6,394,997	7,200,933	2.91

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

QUOTED INVESTMENTS (CONTINUED)	Quantity Units	Cost of shares RM	Fair value as at 30.09.2021 RM	Fair value as at 30.09.2021 expressed as percentage of value of Fund %
REAL ESTATE				
Sun Hung Kai Properties Limited	53,500	2,787,599	2,801,451	1.13
TECHNOLOGY				
AAC Technologies Holdings Inc.	117,000	2,511,322	2,336,765	0.94
ASM Pacific Technology Limited	92,100	4,895,065	4,265,650	1.72
Sunny Optical Technology Group Company Limited	21,000	1,274,315	2,312,169	0.94
	230,100	8,680,702	8,914,584	3.60
INDIA				
CONSUMER DISCRETIONARY				
Minda Industries Limited	60,970	2,503,191	2,539,487	1.03
CONSUMER STAPLES				
Hindustan Unilever Limited	11,998	1,424,540	1,827,779	0.74
ENERGY				
Reliance Industries Ltd	13,027	1,418,728	1,850,450	0.75
FINANCIALS				
ICICI Bank Limited	90,671	3,681,276	3,583,068	1.45
Max Financial Services Limited	32,866	1,974,398	1,879,641	0.76
	123,537	5,655,674	5,462,709	2.21
HEALTHCARE				
Cipla Limited	58,398	2,570,613	3,238,591	1.31
Solara Active Pharma Sciences Limited	21,350	2,023,223	1,925,621	0.77
	79,748	4,593,836	5,164,212	2.08
INDUSTRIALS				
Voltas Limited	42,504	2,978,277	2,919,151	1.18
MATERIALS				
UltraTech Cement Limited	8,662	2,402,039	3,612,290	1.46
INDONESIA				
COMMUNICATIONS				
Telekomunikasi Indonesia Persero Tbk PT	2,692,500	2,889,036	2,905,614	1.17

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

				Fair value as at 30.09.2021 expressed as percentage of value of
<u>QUOTED INVESTMENTS</u> <u>(CONTINUED)</u>	<u>Quantity</u> <u>Units</u>	<u>Cost of</u> <u>shares</u> <u>RM</u>	<u>Fair value</u> <u>as at</u> <u>30.09.2021</u> <u>RM</u>	<u>of value of</u> <u>Fund</u> <u>%</u>
FINANCIALS				
Bank Mandiri Persero Tbk PT	900,600	1,733,329	1,619,806	0.66
Bank Rakyat Indonesia Persero Tbk	948,183	873,979	1,067,600	0.43
	<u>1,848,783</u>	<u>2,607,308</u>	<u>2,687,406</u>	<u>1.09</u>
HEALTHCARE				
Industri Jamu dan Farmasi Sido Muncul Tbk PT	<u>7,245,070</u>	<u>1,676,489</u>	<u>1,631,508</u>	<u>0.66</u>
MATERIALS				
PT Aneka Tambung Tbk	<u>2,894,000</u>	<u>1,983,031</u>	<u>1,938,161</u>	<u>0.78</u>
MAINLAND CHINA				
CONSUMER DISCRETIONARY				
Haier Electronics Group Company Limited	<u>295,900</u>	<u>5,584,656</u>	<u>5,017,684</u>	<u>2.03</u>
ENERGY				
Contemporary Amperex Technology Co Ltd	19,957	4,658,548	6,803,693	2.75
Sungrow Power Supply Co. Ltd	21,700	1,823,605	2,087,958	0.85
	<u>41,657</u>	<u>6,482,153</u>	<u>8,891,651</u>	<u>3.60</u>
INDUSTRIALS				
Nari Technology Development Limited Company	<u>167,000</u>	<u>3,754,724</u>	<u>3,888,826</u>	<u>1.57</u>
TECHNOLOGY				
Will Semiconductor Co. Ltd	<u>12,000</u>	<u>1,902,443</u>	<u>1,887,890</u>	<u>0.76</u>
PHILIPPINES				
COMMUNICATIONS				
PLDT Inc	<u>22,500</u>	<u>3,100,212</u>	<u>3,101,824</u>	<u>1.25</u>
CONSUMER DISCRETIONARY				
Allhome Corporation	<u>2,771,300</u>	<u>1,919,485</u>	<u>2,069,427</u>	<u>0.84</u>
SINGAPORE				
CONSUMER STAPLES				
Wilmar International Limited	<u>232,000</u>	<u>3,026,212</u>	<u>3,011,547</u>	<u>1.22</u>
INDUSTRIALS				
ComfortDelGro Corporation Limited	425,500	2,024,862	1,981,053	0.80

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

				Fair value as at 30.09.2021 expressed as percentage of value of
<u>QUOTED INVESTMENTS</u> <u>(CONTINUED)</u>	<u>Quantity</u> <u>Units</u>	<u>Cost of</u> <u>shares</u> <u>RM</u>	<u>Fair value</u> <u>as at</u> <u>30.09.2021</u> <u>RM</u>	<u>of value of</u> <u>Fund</u> <u>%</u>
REAL ESTATE				
City Developments Limited	96,000	2,488,942	2,045,356	0.83
<u>SOUTH KOREA</u>				
CONSUMER DISCRETIONARY				
Kia Corporation	8,886	2,651,075	2,552,543	1.03
CONSUMER STAPLES				
LG Household and Health Care Limited	376	1,777,236	1,778,402	0.72
FINANCIALS				
Kakaobank Corp	10,601	2,524,938	2,565,155	1.04
TECHNOLOGY				
Samsung Electronics Company Limited	47,576	6,670,402	12,471,447	5.04
Samsung SDI Co Limited	2,248	3,319,254	5,709,939	2.31
SK Hynix Incorporated	6,963	2,201,676	2,537,140	1.02
	56,787	12,191,332	20,718,526	8.37
MATERIALS				
LG Chemical Limited	1,170	1,348,898	3,211,873	1.30
Posco Limited	2,485	2,453,364	2,901,022	1.17
	3,655	3,802,262	6,112,895	2.47
<u>TAIWAN</u>				
CONSUMER DISCRETIONARY				
Giant Manufacturing Company Limited	78,000	3,455,847	3,732,068	1.51
INDUSTRIALS				
Airtac International Group	11,000	1,622,841	1,445,927	0.59
Chroma ATE Inc.	96,000	2,621,768	2,538,221	1.03
	107,000	4,244,609	3,984,148	1.62
TECHNOLOGY				
ASE Technology Holding Company Limited	248,171	3,394,512	4,063,713	1.64
Delta Electronics Incorporated	58,000	1,209,329	2,195,705	0.89
F-Airtac Rights	510	-	12,029	-
MediaTek Inc	23,000	2,250,249	3,126,957	1.26
Realtek Semiconductor Corporation	42,000	3,238,445	3,126,356	1.26
Sinbon Electronics Company LTD	74,000	2,686,547	2,612,433	1.06
Taiwan Semiconductor Manufacturing Company Limited	215,005	6,967,783	18,733,636	7.57
Wiwynn Corporation	36,000	4,014,568	4,705,083	1.90
Yageo Corporation	23,000	1,503,014	1,528,927	0.62
	719,686	25,264,447	40,104,839	16.20

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

<u>QUOTED INVESTMENTS</u> <u>(CONTINUED)</u>	<u>Quantity</u> <u>Units</u>	<u>Cost of</u> <u>shares</u> <u>RM</u>	<u>Fair value</u> <u>as at</u> <u>30.09.2021</u> <u>RM</u>	<u>Fair value as</u> <u>at 30.09.2021</u> <u>expressed as</u> <u>percentage</u> <u>of value of</u> <u>Fund</u> <u>%</u>
<u>THAILAND</u>				
MATERIALS				
The Siam Cement Group Public Company Limited	49,000	2,463,937	2,436,596	0.99
TOTAL QUOTED INVESTMENTS - FOREIGN	<u>23,284,480</u>	<u>196,798,772</u>	<u>233,344,900</u>	<u>94.33</u>
TOTAL QUOTED INVESTMENTS	<u>23,284,480</u>	<u>196,798,772</u>	<u>233,344,900</u>	<u>94.33</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>36,546,128</u>		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>233,344,900</u>		

(a) QUOTED INVESTMENTS - LOCAL

<u>QUOTED INVESTMENTS</u> <u>30.09.2020</u>	<u>Quantity</u> <u>Units</u>	<u>Cost of</u> <u>shares</u> <u>RM</u>	<u>Fair value</u> <u>as at</u> <u>30.09.2020</u> <u>RM</u>	<u>Fair value as</u> <u>at 30.09.2020</u> <u>expressed as</u> <u>percentage</u> <u>of value of</u> <u>Fund</u> <u>%</u>
<u>MAIN MARKET</u>				
HEALTHCARE				
Hartalega Holdings Berhad	120,000	1,634,097	1,944,000	1.32
Supermax Corporation Berhad	250,000	1,597,000	2,105,000	1.43
	<u>370,000</u>	<u>3,231,097</u>	<u>4,049,000</u>	<u>2.75</u>
PLANTATION				
Sime Darby Plantation Berhad	200,000	1,104,320	1,010,000	0.69
TOTAL QUOTED INVESTMENTS - LOCAL	<u>570,000</u>	<u>4,335,417</u>	<u>5,059,000</u>	<u>3.44</u>

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

(b) QUOTED INVESTMENTS - FOREIGN

(b) QUOTED INVESTMENTS - FOREIGN				Fair value as at 30.09.2020 expressed as percentage of value of Fund
QUOTED INVESTMENTS	Quantity	Cost of shares	Fair value as at 30.09.2020	
30.09.2020	Units	RM	RM	%
AUSTRALIA				
ENERGY				
Woodside Petroleum Limited	13,226	1,331,105	691,968	0.46
HEALTHCARE				
CSL Limited	2,689	2,109,241	2,296,738	1.56
MATERIALS				
BHP Group Limited	34,700	3,809,398	3,676,361	2.50
Rio Tinto Limited	5,504	1,492,946	1,544,973	1.05
	40,204	5,302,344	5,221,334	3.55
MAINLAND CHINA				
HEALTHCARE				
Lepu Medical Technology (Beijing) Company Limited	124,641	2,761,865	2,571,351	1.75
INDUSTRIALS				
Sany Heavy Industry Company Limited	100,000	1,221,706	1,523,234	1.02
TECHNOLOGY				
BOE Technology Group Company Limited	743,100	2,298,188	2,232,905	1.52
B-Soft Company Limited	152,700	1,466,778	1,422,314	0.97
	895,800	3,764,966	3,655,219	2.49
HONG KONG/CHINA				
COMMUNICATIONS				
China Mobile Limited	46,000	1,520,036	1,218,977	0.83
Tencent Holdings Limited	37,800	5,116,395	10,361,172	7.04
	83,800	6,636,431	11,580,149	7.87
CONSUMER DISCRETIONARY				
Alibaba Group Holding Limited	67,000	8,088,416	9,895,220	6.72
Brilliance China Automotive Holding Limited	632,000	2,706,748	2,462,198	1.67
Geely Automobile Holdings Limited	216,000	1,632,780	1,782,567	1.21
MintH Group Limited	274,000	3,493,955	4,940,911	3.35
	1,189,000	15,921,899	19,080,896	12.95

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

				Fair value as at 30.09.2020 expressed as percentage of value of
<u>QUOTED INVESTMENTS</u> <u>(CONTINUED)</u>	<u>Quantity</u> <u>Units</u>	<u>Cost of</u> <u>shares</u> <u>RM</u>	<u>Fair value</u> <u>as at</u> <u>30.09.2020</u> <u>RM</u>	<u>Fund</u> <u>%</u>
FINANCIALS				
AIA Group Limited	104,400	3,160,223	4,246,330	2.88
China Construction Bank Corporation	968,000	3,243,385	2,604,057	1.77
Hong Kong Exchanges & Clearing Limited	9,746	1,049,174	1,889,585	1.28
Industrial & Commercial Bank of China Limited	322,000	894,474	693,671	0.47
	1,404,146	8,347,256	9,433,643	6.40
HEALTHCARE				
China Medical System Holdings Limited	317,000	1,560,991	1,449,038	0.98
INDUSTRIALS				
China Communication Services Corporation Limited	968,000	3,356,527	2,355,064	1.60
Shenzhen Expressway Company Limited	382,000	1,586,253	1,377,685	0.94
	1,350,000	4,942,780	3,732,749	2.54
MATERIALS				
China Resources Cement Holdings Limited	239,000	973,509	1,355,049	0.92
REAL ESTATE				
China Resources Land Limited	81,555	1,021,489	1,525,273	1.04
TECHNOLOGY				
Sunny Optical Technology Group Company Limited	32,000	1,941,813	2,028,645	1.38
UTILITIES				
China Gas Holdings Limited	145,000	1,741,069	1,714,188	1.16
INDONESIA				
COMMUNICATIONS				
Telekomunikasi Indonesia Persero Tbk	1,965,000	2,142,138	1,407,766	0.95
FINANCIALS				
Bank Rakyat Indonesia Persero Tbk	770,800	698,150	655,758	0.45
SINGAPORE				
CONSUMER STAPLES				
First Resources Limited	240,200	1,136,153	884,405	0.60
Wilmar International Limited	113,300	1,519,612	1,516,965	1.03
	353,500	2,655,765	2,401,370	1.63

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

				Fair value as at 30.09.2020 expressed as percentage of value of
<u>QUOTED INVESTMENTS</u>	<u>Quantity</u> <u>Units</u>	<u>Cost of</u> <u>shares</u> <u>RM</u>	<u>Fair value</u> <u>as at</u> <u>30.09.2020</u> <u>RM</u>	<u>Fund</u> <u>%</u>
REAL ESTATE				
City Development Limited	56,000	1,528,943	1,296,778	0.88
FINANCIALS				
DBS Group Holdings Limited	36,800	2,931,727	2,229,523	1.51
<u>SOUTH KOREA</u>				
CONSUMER STAPLES				
LG Household and Health Care Limited	750	3,545,019	3,857,144	2.62
MATERIALS				
LG Chem Limited	1,170	1,348,898	2,717,688	1.85
TECHNOLOGY				
Samsung Electronics Company Limited	59,551	8,349,359	12,309,716	8.36
Samsung SDI Company Limited	1,924	1,610,127	2,962,308	2.01
SK Hynix Incorporated	14,972	4,112,670	4,466,785	3.03
	76,447	14,072,156	19,738,809	13.40
<u>TAIWAN</u>				
TECHNOLOGY				
ASE Technology Holding Company Limited	71,171	683,485	604,210	0.41
Delta Electronics Incorporated	58,000	1,209,329	1,572,002	1.07
Land Mark Optoelectronics Corporation	25,000	1,068,178	892,694	0.61
Taiwan Semiconductor Manufacturing Company Limited	233,005	6,146,240	14,468,267	9.82
Win Semiconductors Corporation	35,000	1,418,206	1,437,991	0.98
Wiwynn Corporation	33,000	3,875,891	3,090,228	2.10
Yageo Corporation	60,000	2,741,843	3,024,405	2.05
	515,176	17,143,172	25,089,797	17.04
<u>THAILAND</u>				
REAL ESTATE				
Amata Corporation Public Company Limited	750,300	2,144,929	1,239,172	0.85
Amata Corporation Public Company Limited - Rights Issue	58,364	-	6,120	-
	808,664	2,144,929	1,245,292	0.85
TOTAL QUOTED INVESTMENTS				
- FOREIGN	10,602,768	107,789,361	128,499,399	87.25

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

(c) COLLECTIVE INVESTMENT SCHEME

QUOTED INVESTMENTS	Quantity Units	Cost of shares RM	Fair value as at 30.09.2020 RM	Fair value as at 30.09.2020 expressed as percentage of value of Fund
				%
Manulife Investment - India Equity Fund	5,296,745	5,337,000	5,335,941	3.62
TOTAL QUOTED INVESTMENT	16,469,513	117,461,778	138,894,340	94.31
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		21,432,562		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		138,894,340		

8 CASH AND CASH EQUIVALENTS

	30.09.2021 RM	30.09.2020 RM
Deposits with licensed financial institutions	3,885,841	1,291,272
Bank balances in licensed banks	11,334,954	6,039,762
	15,220,795	7,331,034

Weighted average rates of return are as follows:

	30.09.2021 %	30.09.2020 %
Short-term deposits with licensed financial institutions	1.70	1.65

The deposits have an average maturity of 2 days (30.09.2020: 2 days).

9 OTHER PAYABLES

	30.09.2021 RM	30.09.2020 RM
Auditors' remuneration	7,000	7,000
Tax agent's fee	11,824	13,327
Sundry payables and accruals	26,383	44,666
	45,207	64,993

10 UNITS IN CIRCULATION

	30.09.2021 No. of units	30.09.2020 No. of units
At beginning of the financial year	471,121,213	464,698,000
Add: Creation of units arising from applications	265,730,267	262,050,336
Less: Cancellation of units	(88,219,282)	(255,627,123)
At end of the financial year	648,632,198	471,121,213

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

11 BROKERS' TRANSACTIONS

The details of transactions with brokers by value of trades are as follows:

<u>Name of brokers</u>	<u>Value of trades</u>	<u>Percentage of total trades</u>	<u>Brokerage fees</u>	<u>Percentage of total brokerage fees</u>
	RM	%	RM	%
2021				
China International Capital Corporation				
Hong Kong Securities Limited	52,055,571	15.32	78,111	12.13
Instinet Pacific Limited	41,780,036	12.29	69,638	10.82
Credit Suisse First AG Taipei Securities	36,089,900	10.62	72,220	11.22
JP Morgan Securities				
(Asia Pacific) Limited	35,185,211	10.35	70,337	10.92
UOB Kay Hian (Hong Kong) Limited	25,614,678	7.54	43,405	6.74
CLSA India Private Limited	23,440,640	6.90	35,114	5.45
Credit Lyonnais Securities Seoul	23,003,778	6.77	57,572	8.94
Credit Suisse Securities (Europe)				
Limited Seoul	22,085,555	6.50	44,243	6.87
Credit Suisse First Boston	14,784,965	4.35	35,643	5.54
Citigroup Global Markets Limited	13,123,155	3.86	27,799	4.32
Others	52,677,140	15.50	109,760	17.05
	<u>339,840,629</u>	<u>100.00</u>	<u>643,842</u>	<u>100.00</u>
2020				
Credit Suisse First AG Taipei Securities	24,350,779	18.29	48,767	18.52
China International Capital Corporation				
Hong Kong Securities Limited	19,848,348	14.91	29,736	11.29
Instinet Pacific Limited	16,885,500	12.68	28,336	10.76
UOB Kay Hian (Hong Kong) Limited	13,702,672	10.29	24,896	9.45
Credit Lyonnais Securities Seoul	13,466,737	10.11	33,746	12.81
Citigroup Global Markets Limited	11,223,143	8.43	24,176	9.18
CLSA Limited	7,575,589	5.69	20,733	7.87
Instinet Australia Clearing Services				
Pty Limited	7,245,897	5.44	14,498	5.51
Credit Suisse Securities (Europe)				
Limited Seoul	5,899,142	4.43	11,799	4.48
JP Morgan Securities				
(Asia Pacific) Limited	4,810,689	3.61	9,643	3.66
Others	8,138,890	6.12	17,204	6.47
	<u>133,147,386</u>	<u>100.00</u>	<u>263,354</u>	<u>100.00</u>

As at the end of each financial year, there were no transactions with related parties.

12 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

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

<u>Related parties</u>	<u>Relationship</u>
Manulife Investment Management (M) Berhad	The Manager
Manulife Financial Corporation ("Manulife")	Ultimate holding company of the Manager
Manulife Holdings Berhad	Immediate holding company of the Manager
Subsidiaries and associates of Manulife as disclosed in its financial statements	Subsidiaries and associate companies of the ultimate holding company of the Manager
Directors of Manulife Investment Management (M) Berhad	Directors of the Manager
MIB - Manulife EAP Managed Fund	Fund managed by the Manager
Manulife PRS Moderate Fund	Fund managed by the Manager
Manulife PRS Growth Fund	Fund managed by the Manager

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

There were no units held by the Manager as at 30 September 2021 and 30 September 2020 respectively.

Units held by parties related to the Manager:

As at:	DIRECTOR OF THE MANAGER WONG BOON CHOY *	
	No. of units	RM
30.09.2021	142,556	54,371
30.09.2020	142,556	44,563

(ii) Units held by parties related to Manager:

As at:	MANULIFE PRS- MODERATE FUND*		MANULIFE PRS- GROWTH FUND*		MANULIFE EAP MANAGED FUND*	
	No. of units	RM	No. of units	RM	No. of units	RM
30.09.2021	5,837,112	2,226,275	22,802,410	8,696,839	11,736,112	4,476,153
30.09.2020	1,517,718	474,439	4,909,718	1,534,778	16,665,329	5,209,582

* The units are held legally

The Manager is of the opinion that all transactions with the related companies have been entered into at agreed terms between the related parties.

In addition to the related party disclosure mentioned elsewhere in the financial statements, there were no other significant related party transactions and balances.

13 MANAGEMENT EXPENSES RATIO ("MER")

	2021	2020
	%	%
MER	1.78	1.67

MER represents expenses including Manager's fee, Trustee's fee, auditors' remuneration, tax agent's fee and other expenses (excluding SST on transaction costs and withholding tax) expressed as an annual percentage of the Fund's average net asset value calculated on a daily basis.

14 PORTFOLIO TURNOVER RATIO ("PTR")

	2021	2020
PTR (times)	0.78	0.49

PTR represents the average of total acquisitions and disposals of investments in the Fund for the financial year over the Fund's average net asset value calculated on a daily basis.

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

15 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to all rules and regulations as stipulated by the Securities Commission's Guidelines on Unit Trust Funds.

Market risk

(a) Price risk

Price risk arises mainly from uncertainty about future prices of investments. It represents the potential loss the Fund may suffer through holding market positions in the face of price movements. The Manager manages the risk of unfavourable changes in prices by continuous monitoring of the performance and risk profile of the investment portfolio.

The table below shows the assets of the Fund which are exposed to price risk.

	30.09.2021	30.09.2020
	RM	RM
Financial assets at fair value through profit or loss		
- Quoted investments - Local	-	5,059,000
- Quoted investments - Foreign	233,344,900	128,499,399
- Collective investment scheme	-	5,335,941
	233,344,900	138,894,340

The table below summarises the sensitivity of the Fund's profit after taxation and net asset value to price risk movements of quoted investments as at the end of each reporting period. The analysis is based on the assumptions that the market price of quoted investments fluctuates by 5% with all other variables being held constant, and that fair value of the Fund's investments move according to the historical correlation of the index. Disclosures below are shown in absolute terms, changes and impact could be positive or negative.

As at:	Changes in price	Impact on profit after taxation	Impact on net asset value
	%	RM	RM
<u>30.09.2021</u>			
Financial asset at fair value through profit or loss			
- Quoted investments - Foreign	5	11,667,245	11,667,245
<u>30.09.2020</u>			
Financial asset at fair value through profit or loss			
- Quoted investments - Local	5	252,950	252,950
- Quoted investments - Foreign	5	6,424,970	6,424,970
- Collective investment scheme	5	266,797	266,797
		6,944,717	6,944,717

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

(b) Interest rate risk

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

The Fund's exposure to the interest rate risk is mainly confined to deposits with licensed financial institutions. The Manager overcomes this exposure by way of maintaining deposits on short-term basis. Therefore, the Fund's exposure to interest rate fluctuation is minimal.

(c) Currency risk

For investments denominated in foreign currencies, the currency risk may have a significant impact on the returns of the Fund. The Manager will evaluate the likely direction of a foreign currency versus Ringgit Malaysia based on consideration of economic fundamentals such as interest rate differentials, balance of payment position, debt level and technical consideration.

The Fund's foreign currency risk concentrations are as follows:

As at	Cash and	Financial	Amount	Amount	Dividends	Total
	equivalents	assets at	due from/(to)	due from/(to)		
	RM	fair value	stockbrokers	dealers	receivable	RM
30.09.2021		profit or loss				
AUD	26,425	20,286,940	-	-	-	20,313,365
CNH	129,755	19,686,052	-	-	-	19,815,807
HKD	-	64,638,762	(250,824)	182,843	165,220	64,736,001
IDR	29	9,162,689	-	-	-	9,162,718
INR	-	23,376,078	-	-	-	23,376,078
KRW	4	33,727,521	1,475,763	(1,475,763)	-	33,727,525
PHP	-	5,171,251	(508,244)	508,245	-	5,171,252
SGD	10,956,217	7,037,956	-	1,699,292	-	19,693,465
THB	-	2,436,596	(2,464,524)	-	-	(27,928)
TWD	144,839	47,821,055	917,552	(917,553)	79,308	48,045,201
	11,257,269	233,344,900	(830,277)	(2,936)	244,528	244,013,484

As at	Cash and	Financial	Dividends	Total
	equivalents	assets at		
	RM	fair value	receivable	RM
30.09.2020		profit or loss		
AUD	-	8,210,040	11,761	8,221,801
CNH	23,144	7,749,804	-	7,772,948
HKD	-	51,899,630	71,320	51,970,950
IDR	27	2,063,524	-	2,063,551
KRW	-	26,313,641	-	26,313,641
SGD	5,931,911	5,927,671	20,156	11,879,738
THB	-	1,245,292	-	1,245,292
TWD	-	25,089,797	76,755	25,166,552
	5,955,082	128,499,399	179,992	134,634,473

The following table summarises the sensitivity of the Fund's profit after taxation and net asset value to changes in foreign exchange movements at the end of each reporting period. The analysis is based on the assumption that the foreign exchange rate fluctuates by 5%, with all other variables remaining constant. 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 shown in absolute terms, changes and impacts could be positive or negative.

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

As at	Changes in foreign exchange	Impact on profit after taxation	Impact on net asset value
	%	RM	RM
<u>30.09.2021</u>			
AUD	5	1,015,668	1,015,668
CNH	5	990,790	990,790
HKD	5	3,236,800	3,236,800
IDR	5	458,136	458,136
INR	5	1,168,804	1,168,804
KRW	5	1,686,376	1,686,376
PHP	5	258,563	258,563
SGD	5	984,673	984,673
THB	5	(1,396)	(1,396)
TWD	5	2,402,260	2,402,260
		<u>12,200,674</u>	<u>12,200,674</u>

30.09.2020

AUD	5	411,090	411,090
CNH	5	388,647	388,647
HKD	5	2,598,548	2,598,548
IDR	5	103,178	103,178
KRW	5	1,315,682	1,315,682
SGD	5	593,987	593,987
THB	5	62,265	62,265
TWD	5	1,258,328	1,258,328
		<u>6,731,725</u>	<u>6,731,725</u>

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. The Manager manages the credit risk by undertaking credit evaluation to minimise such a risk.

Credit risk arising from placement of deposits in licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions.

For amount due from stockbrokers, the settlement terms are governed by the relevant rules and regulations as prescribed by Bursa Malaysia Berhad or respective foreign stock exchanges.

The settlement terms of the proceeds from the creation of units receivable by the Manager are governed by the Securities Commission's Guidelines on Unit Trust Funds.

The maximum exposure to credit risk before any credit enhancements in the carrying amount of the financial assets is as set out below:

As at	Neither Past Due Nor Impaired					Total
	Cash and cash equivalents	Amount due from Manager	Amount due from stockbrokers	Amount due from dealer	Dividends receivable	
	RM	RM	RM	RM	RM	RM
<u>30.09.2021</u>						
AAA	15,220,795	-	-	-	-	15,220,795
Not rated	-	169,991	3,380,364	3,221,961	244,528	7,016,844
	<u>15,220,795</u>	<u>169,991</u>	<u>3,380,364</u>	<u>3,221,961</u>	<u>244,528</u>	<u>22,237,639</u>

30.09.2020

AAA	7,331,034	-	-	-	-	7,331,034
Not rated	-	1,113,135	-	-	179,992	1,293,127
	<u>7,331,034</u>	<u>1,113,135</u>	<u>-</u>	<u>-</u>	<u>179,992</u>	<u>8,624,161</u>

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

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 a sufficient level of liquid assets to meet anticipated payments and cancellations of units by unit holders. The liquid assets comprise cash at banks, deposits with licensed financial institutions and other instruments which are capable of being converted into cash within 7 days.

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

<u>As at</u>	<u>Within one year</u>	<u>No maturity date</u>	<u>Total</u>
	<u>RM</u>	<u>RM</u>	<u>RM</u>
<u>30.09.2021</u>			
<u>Financial assets</u>			
Cash and cash equivalents	3,885,841	11,334,954	15,220,795
Financial assets at fair value through profit or loss	-	233,344,900	233,344,900
Amount due from Manager	169,991	-	169,991
Amount due from stockbrokers	3,380,364	-	3,380,364
Amount due from dealer	3,221,961	-	3,221,961
Dividends receivable	244,528	-	244,528
	<u>10,902,685</u>	<u>244,679,854</u>	<u>255,582,539</u>

Financial liabilities

Amount due to Manager			
- Manager's fee	313,471	-	313,471
- Cancellation of units	392,537	-	392,537
Amount due to stockbrokers	4,210,641	-	4,210,641
Amount due to Trustee	12,539	-	12,539
Amount due to dealer	3,224,897	-	3,224,897
Other payables	45,207	-	45,207
	<u>8,199,292</u>	<u>-</u>	<u>8,199,292</u>

<u>As at</u>	<u>Within one year</u>	<u>No maturity date</u>	<u>Total</u>
	<u>RM</u>	<u>RM</u>	<u>RM</u>
<u>30.09.2020</u>			
<u>Financial assets</u>			
Cash and cash equivalents	1,291,272	6,039,762	7,331,034
Financial assets at fair value through profit or loss	-	138,894,340	138,894,340
Amount due from Manager	1,113,135	-	1,113,135
Dividends receivable	179,992	-	179,992
	<u>2,584,399</u>	<u>144,934,102</u>	<u>147,518,501</u>

Financial liabilities

Amount due to Manager			
- Manager's fee	172,334	-	172,334
Amount due to Trustee	7,209	-	7,209
Other payables	64,993	-	64,993
	<u>244,536</u>	<u>-</u>	<u>244,536</u>

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

Capital risk

The capital of the Fund is represented by equity consisting of unit holders' capital of RM198,446,449 (30.09.2020: RM129,387,000) and retained earnings of RM48,936,798 (30.09.2020: RM17,886,965). The amount of equity 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 for 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.

Fair value estimation

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets 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).

Financial assets at fair value through profit or loss consisting of RM233,344,900 (30.09.2020: RM138,894,340) is classified within level 1 of the fair value hierarchy.

16 SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

The macro-economic outlook as a result of the Covid-19 pandemic, both domestically and globally, could result in a deterioration of the Fund's net asset value per unit in the future.

The Manager is monitoring the situation closely and will be actively managing the portfolio to achieve the Fund's objective.

MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

13 CORPORATE INFORMATION

MANAGER

Manulife Investment Management (M) Berhad
Registration No.: 200801033087 (834424-U)
13th Floor, Menara Manulife
No. 6, Jalan Gelenggang
Damansara Heights
50490 Kuala Lumpur

BOARD OF DIRECTORS

Dato' Dr Zaha Rina Binti Zahari (Independent)
Edmond Cheah Swee Leng (Independent)
Gianni Fiacco (Non-Independent)
Vibha Hamsi Coburn (Non-Independent)
Wong Boon Choy (Non-Independent)
Chong Soon Min (Jason) (Non-Independent Executive)

INVESTMENT COMMITTEE

Dato' Dr Zaha Rina Zahari (Independent)
Edmond Cheah Swee Leng (Independent)
Wong Boon Choy (Non-Independent)
Chong Soon Min (Jason) (Non-Independent)
Wan Shuhaida Binti Wan Zainal Shukri (Non-independent)

INVESTMENT MANAGER

Manulife Investment Management (M) Berhad
Registration No: 200801033087 (834424-U)
10th Floor, Menara Manulife
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50490 Kuala Lumpur

TRUSTEE OF THE FUND

HSBC (Malaysia) Trustee Berhad
Registration No: 193701000084 (1281-T)
13th Floor, Bangunan HSBC, South Tower
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AUDITORS

PricewaterhouseCoopers PLT
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50706 Kuala Lumpur

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MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

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Pusat Perdagangan Canning 2
Pusat Perdagangan Canning
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MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

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Jalan Taman Komersil Senawang 1
Taman Komersil Senawang
70450 Seremban
Negeri Sembilan
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No. 87-01 & 87-02
Jalan Melaka Raya 25
Taman Melaka Raya 1
75000 Melaka
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Fax: (06) 282-0587

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101 Commercial Centre
98000 Miri
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Parkcity Commerce Square
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MANULIFE INVESTMENT ASIA-PACIFIC EX JAPAN FUND

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