

Principal DALI Asia Pacific Equity Growth Fund

Annual Report

For The Financial Year Ended 31 October 2024

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND
ANNUAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2024

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INVESTORS' LETTER

Dear Valued Investor,

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

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

We are proud to announce that Principal Malaysia has received numerous accolades in 2024. At the Asia Asset Management 2024 Best of the Best Awards, we won the Best of the Best Performance Award: China A-Share Equity (3 years) and Best Institutional House – Malaysia. At the 2024 Global Banking & Finance Awards, our CEO, Munirah Khairuddin, was named Asset Management CEO of the Year Malaysia, and we were recognized as Asset Management Company of the Year Malaysia. We also received the Best International Equity Fund Manager for MSCI EM Latin America 2023 at the EPF External Fund Managers Awards 2023.

At the Alpha Southeast Asia Fund Management Awards 2024, we won three awards: Best Absolute Return Strategy, Best Online & Mobile Platform (Asset Manager), and Best Asset Manager (Income Oriented, Money Market & Alternative Investment Funds). At the Triple A Sustainable Investing Awards 2024, we secured the Asset Management Company of the Year (Malaysia) award. The World Business Outlook magazine awarded us Best Investment Management and Solutions Provider Malaysia, Best Institutional House Malaysia, and Asset Management CEO (Munirah Khairuddin) of the Year Malaysia. Additionally, we received three awards at the iFast Awards 2024, seven at the LSEG Lipper Fund Awards 2024, and ten at the FSMOne Recommended Funds 2023/2024.

Digital innovation is central to our strategy, as we use data and technology to develop the right solutions for you. We will continue to advance our digital capabilities to provide easy access to your investment portfolio and enable you to carry out transactions seamlessly. Please continue to check out our website, like our Facebook page (@PrincipalMalaysia), follow us on our Instagram account (@principalmalaysia), and LinkedIn page (Principal Malaysia) for the latest updates, market insights and investment articles.

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

Yours faithfully,

for **Principal Asset Management Berhad**

Munirah Khairuddin

Chief Executive Officer,
Malaysia & Global Shariah & Managing Director,
Strategic Distribution & Institutional Client Relations
(Southeast Asia & Global Shariah)
Non-Independent Executive Director

MANAGER'S REPORT

FUND OBJECTIVE AND POLICY

What is the investment objective of the Fund?

The Fund aims to provide investors with long-term capital growth by investing principally in equities. The Fund also seeks to outperform the benchmark.

Has the Fund achieved its objective?

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

What are the Fund investment policy and principal investment strategy?

The Fund will invest a minimum of 70% and up to a maximum of 98% of its Net Asset Value ("NAV") in Shariah-compliant equities in order to gain long-term capital growth and up to 28% of its NAV in other permissible Shariah-compliant investments. The Fund may opt to invest in foreign Shariah-compliant equities up to a maximum of 70% of its NAV. Such foreign Shariah-compliant equities must be securities of companies domiciled in, listed in, and/or have significant operations in countries in Asia Pacific ex Japan. 'Significant operations' means major businesses of the company. For example, the Fund can invest in a company with significant business and/or operations in Thailand but listed on the New York Stock Exchange ("NYSE"). The threshold for 'significant operations' would be if more than 25% of total group revenue derives from countries in Asia Pacific ex Japan. The calculation would be based on the most recent financial reports released by the companies (e.g. interim and annual reports). Notwithstanding, up to 20% of the Fund's investment in foreign Shariah-compliant equities may be from companies that are listed globally with some operations or businesses within the Asia Pacific ex Japan region to capture growth opportunities with effect from 16 August 2021. The Fund may also opt to seek investment exposure via Islamic collective investment scheme that is in line with the Fund's objective, subject to the requirements of the Guidelines on Unit Trust Funds ("GUTF") issued by the SC. In addition, Islamic liquid assets may be strategically used if the Manager feel that the market downside risk is high in the short-term. In line with its objective, the investment strategy and policy of the Fund is to have a diversified portfolio of the Shariah-compliant stocks that aims to outperform the market at different cycles of the market.

The asset allocation strategy for this Fund is as follows:

- between 70% to 98% (both inclusive) of the Fund's NAV will be invested in Shariah-compliant equities;
- up to 28% of the Fund's NAV in other permissible Shariah-compliant investments; and
- at least 2% of the Fund's NAV in Islamic liquid assets.

Base Currency

Malaysian Ringgit ("MYR")

Fund category/type

Equity (Shariah-compliant)/Growth

When was the Fund launched?

8 October 2004

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

RM1,254.94 million (2,173.23 million units)

What is the Fund's benchmark?

30% FTSE Bursa Malaysia ("FBM") EMAS Shariah ("FBMS") Index + 70% Morgan Stanley Capital International ("MSCI") All Country ("MSCI AC") Asia ex Japan Islamic Index.

Note: The benchmark is for performance comparison purpose only. The benchmark is customised as such to align it closer to the structure of the portfolio and to reflect the composition of the portfolio in line with the markets they operate in and its objectives. Investors are cautioned that the risk profile of the Fund is higher than the benchmark.

FUND OBJECTIVE AND POLICY (CONTINUED)

What is the Fund distribution policy?

The Manager has the discretion to distribute a part or all of the Fund's distributable income. The distribution (if any) may vary from period to period depending on the investment objective and the performance of the Fund.

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

The Fund distributed a total net income of RM19.26 million to unit holders for the financial year ended 31 April 2024.

The Fund's NAV per unit were as follows:

Date	NAV per unit (before distribution) RM	NAV per unit (after distribution) RM
Distribution on 17 October 2024	0.5876	0.5786

Breakdown of distribution were as follows:

Source of distribution	RM	2024 %	RM	2023 %
Distribution out of current year's income	19,257,648	100.00	-	-
Distribution out of prior year's income/capital	-	-	-	-
Total	<u>19,257,648</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

PERFORMANCE DATA

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

	31.10.2024 %	31.10.2023 %	31.10.2022 %
Shariah-compliant collective investment scheme	2.60	2.46	2.17
Shariah-compliant quoted securities			
- Communication Services	3.91	3.94	7.09
- Consumer Discretionary	10.44	10.33	6.39
- Consumer Staples	4.95	8.85	8.77
- Energy	10.07	9.59	10.63
- Financials	-	-	1.22
- Health Care	9.78	3.22	6.38
- Industrials	8.47	4.16	10.67
- Information Technology	24.69	33.28	23.64
- Materials	1.04	11.08	11.36
- Real Estate	12.76	6.38	1.70
- Utilities	6.61	2.06	1.32
Cash and other assets	4.95	5.42	9.02
Liabilities	(0.27)	(0.77)	(0.36)
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

PERFORMANCE DATA (CONTINUED)

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

	31.10.2024	31.10.2023	31.10.2022
NAV (RM Million)	1,254.94	1,259.28	1,281.48
Units in circulation (Million)	2,173.23	2,371.96	2,504.21
NAV per unit (RM)	0.5774	0.5309	0.5117
Highest NAV per unit (RM)	0.6939	0.5686	0.6625
Lowest NAV per unit (RM)	0.5327	0.5103	0.4993
Total return (%)	10.37	3.73	(19.32)
- Capital growth (%)	8.68	3.73	(21.87)
- Income distribution (%)	1.56	-	3.27
Total Expense Ratio ("TER") (%) ^	1.56	1.59	1.55
Portfolio Turnover Ratio ("PTR") (times) #	1.00	0.62	0.64

^ The Fund's TER declined slightly from 1.59% to 1.56% during the financial year under review.

For the financial year under review, the Fund's PTR has increased compared to the prior year.

	31.10.2024	31.10.2023	31.10.2022
Gross/Net distribution per unit (sen)			
Distribution on 17 October 2024	0.90	-	-
Distribution on 07 October 2022	-	-	1.68

	31.10.2024	31.10.2023	31.10.2022	31.10.2021	31.10.2020
	%	%	%	%	%
Annual total return	10.37	3.73	(19.32)	15.58	16.92

(Launch date: 8 October 2004)

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

MARKET REVIEW (1 NOVEMBER 2024 TO 31 OCTOBER 2024)

Local Equity

The FBMS Index rose by 12.05% in Malaysian Ringgit ("RM/MYR") terms during the financial year under review.

The FBMS Index gained 88 points ("pts") to 10,929 pts or 0.8% in November 2023. Overall sentiment was lifted by expectations that the US Federal Reserve (the "Fed") (may be done with rate hikes given the cooling inflation and recent economic data out of the US. The pullback in US treasury yields and the weaker US Dollar ("USD") lifted interest in EM markets.

The FBMS Index gained 59 pts to 10,989 pts or 0.5% in December 2023. Investors rejoiced at Fed's decision to hold rates and signaling the end of hikes given the cooling inflation data and recent economic data out of the USD, coupled with the weaker USD and falling treasury yields. Utilities, Healthcare and select Telcos saw gains, while select commodities and Consumer-related names were sold off. Within the broader market, Technology and Gloves did well, the latter spurred by recent surge in Coronavirus Disease 2019 ("COVID-19") cases.

MARKET REVIEW (1 NOVEMBER 2024 TO 31 OCTOBER 2024) (CONTINUED)

Local Equity (continued)

FBMS Index was up 2.6% or 289.4 pts in January 2024, closing the month at 11,278.09 pts. Sentiment was lifted by Fed's communication on interest rates given the recent cooling inflation and economic data out of the USD. The weaker USD and lower treasury yield that ensued favored EM. Utilities, Commodities, and Telecommunication topped the gainers list. Within the broader market, Energy, Construction and Property did well, while Technology languished despite the sentiment on Fed rates.

FBMS Index's rally extended into February 2024, up 2.2% to close the month at 11,527.99 pts. This marked the 4th consecutive month of gains, with Malaysia outperforming most the Association of Southeast Asian Nations ("ASEAN") markets. This was also despite the stronger USD following stronger-than-expected inflation and economic data out of the US, and bets on rate cuts by the Fed pushed back. Utilities, Commodities and Telcos topped the gainers list. Within the broader market, Energy did well, and Technology rebounded strongly.

FBMS Index's rally extended into March 2024, up 1.0% to close the month at 11,643.52 pts. This marked the 4th consecutive month of gains, with Malaysia outperforming most ASEAN markets. Bets on rate cuts by the Fed were pushed back given the persistent strong data out of the US, and there was an absence of fresh catalysts domestically. During the month, there were also distortions caused by FTSE rebalancing (as well as MSCI rebalancing in February 2024) and many index stocks going ex-dividends. Transport, Utilities and Commodities topped the gainers list while Telcos languished. Within the broader market, Property, Construction, Technology, Healthcare and Energy did well.

FBMS Index's rally extended into April 2024, up 3.9% to close the month at 11,085.94 pts. This marked the 5th consecutive month of gains, with Malaysia outperforming most ASEAN markets. Bets on rate cuts by the Fed were pushed back given the persistent strong data out of the USD. The rally was broad-based but Utilities, Industrial (mainly PMAH), Healthcare and Transport led gains while Energy eased. Within the broader market, Property and Consumer did well.

FBMS Index's rally extended into May 2024, up 2.54% to close the month at 12,392.36 pts. Investors stayed upbeat despite bets on rate cuts by the Fed pushed back given the persistent strong economic data out of the US and sticky inflation. Utilities, Consumer and Industrial led gains while Telecommunications and Commodities lagged. Within the broader market, Construction, Property and Technology did well.

FBMS Index was up 1.3% in June 2024 as investors remained relatively upbeat considering the recent weakness in USD economic data and inflation moderating. Utilities and Healthcare rose while Consumer eased. Within the broader market, Construction and Technology posted strong gains, while other sectors were mixed.

FBMS Index was up 0.8% in July 2024 alongside regional markets and rebounding off the previous month's sell-off, spurred by Federal Open Market Committee ("FOMC") Fed cut bets considering the recent weakness in USD economic data and inflation moderating. Gainers were led by Utilities, Telecommunications, and Consumer, while Materials languished. Within the broader market, Construction and Property posted strong gains, while Technology and Healthcare yielded.

FBMS Index contracted 3.7% in August 2024. The sharp sell-off at the start of the month was due to the massive unwinding of the Yen carry trade. Sentiment was helped by waning USD recession fears given the more 'upbeat' economic data, and greater conviction on Fed cuts, coupled with the 5% appreciation in the Ringgit during the month. MSCI rebalancing also helped. Gains were largely concentrated on Plantations.

MARKET REVIEW (1 NOVEMBER 2024 TO 31 OCTOBER 2024) (CONTINUED)

Local Equity (continued)

FBMS Index was -0.34% in September 2024. This was in stark contrast to the stronger USD market which recorded new highs following Fed's 50 basis points (“bps”) cut during the month and greater confidence of a soft landing scenario for the USD economy. Most sectors were down except for Construction, Property and Healthcare, with Energy and Technology sold off the most.

FBMS Index was -1.39% in October 2024. This is likely because of investors' risk-off move ahead of the US elections, despite the Fed very likely to cut another 25bps in the November 2024 FOMC meeting given the recent inflation print and weak jobs data. Utilities and Telcos were sold off the most, while Construction, REITs and Healthcare posted modest gains.

Foreign Equities

At the beginning of the period under review, we saw an uneven recovery in China's economy. A sustained recovery was needed, supported by an improvement in labor conditions as well as the housing market. Amidst increasing expectations, the government has announced several measures to support the economy but we are still waiting for a clear signal on a firm turnaround in consumer/business confidence.

In the third quarter, the Fed has revised upwards its estimates for 2024/ 2025 median fed funds rate by 50bps to 5.1% and 3.9% respectively from 4.6% and 3.4% while keeping the 2023 median rate unchanged - implying one more rate hike to a median of 5.6% in 2023. In addition, the US 10-year treasury bond yield is undergoing a price discovery. With increased treasury issuance in the second half of 2023 (“2H23”), we expected US monetary policy to remain relatively hawkish for the next few months. Global stocks reacted negatively to the rising bond yields.

However, by October-November 2024 with inflation now showing consecutive months of sustained decline, the Fed went from raising rates and tackling inflation in 2023 to calibrating how many rate cuts to implement from 2024 onwards to avoid being overly restrictive on the economy. This was supportive for equities in terms of multiple expansion, provided earnings do not get marked down significantly. The magnitude of rate cuts would highly depend on the inflation and economic growth trajectory, whereby a soft landing is currently expected.

During this time, although we were seeing incrementally more stimulative measures being taken in China, e.g. expectations of Chinese Yuan renminbi (“CNY”) 1trillion ($\sim 0.8\%$ of Gross domestic product (“GDP”)) sovereign debt issuance to fund water conservancy and flood prevention projects, it remains to be seen whether private sector and consumer confidence can improve meaningfully.

During the second quarter of 2024, we started to see more forceful measures in China as witnessed by several moves including a 25bps cut in the five-year loan prime rate which affects mortgages, sovereign entities buying more exchange traded funds (“ETFs”) and some green shoots in the economy with better tourism spending during the Spring Festival. While we have turned incrementally more positive on China, we are mindful that its policies are a work-in-progress and efficacies remain to be seen. Meanwhile, in South Korea, the government's efforts to promote shareholder returns known as ‘Corporate Value-up Program’ akin to what happened in Japan could result in a re-rating in the stock market in the longer run.

Towards the end of the period, in India, the initial jitters regarding the BJP's seat tally proved to be short lived as it was able to form the government with its coalition members. In Asia, we are positive on the durability of the technology hardware cycle in South Korea and Taiwan and broad-based growth in India. Chinese policymakers announced a series of monetary easing measures and the establishment of a swap facility to support the equity market. The liquidity injection facility of CNY 800 billion for the domestic Chinese equity market is noteworthy. The People's Bank of China (“PBOC”) governor also mentioned that a market stabilization fund was being studied.

MARKET REVIEW (1 NOVEMBER 2024 TO 31 OCTOBER 2024) (CONTINUED)

Foreign Equities (continued)

While the market has reacted positively in the near term, implementation and expansion of the supportive measures remain key for longer term sustainability of the rally. Our view is that the government needs to roll out more measures on both fiscal and monetary front to improve business and household confidence.

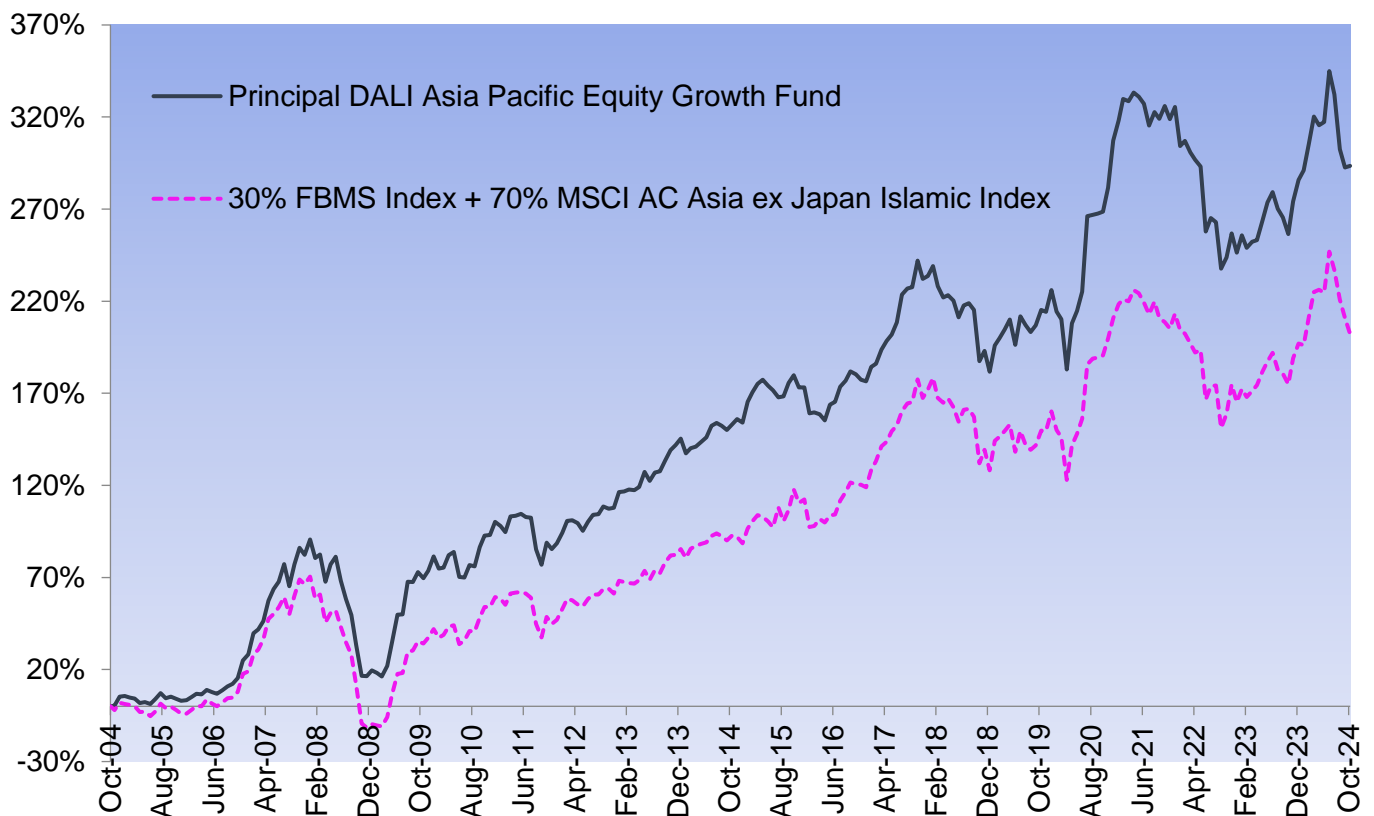
The US monetary policy has now shifted towards a rate cut environment with the US Fed cutting rates by 50bps in September. This should allow central banks in Asia the leeway to reduce rates without worrying about their currencies in the foreseeable future. The US Fed’s dot plot is projecting another 150 bps rate cut to 3.1% to 3.6% by end 2025. The outcome of the upcoming US elections have profound implications for Asian economies in terms of trade dynamics and geopolitical relations. India and ASEAN countries are more insulated and stand to benefit from supply chain shifts.

FUND PERFORMANCE

	1 year to 31.10.2024 %	3 years to 31.10.2024 %	5 years to 31.10.2024 %	Since inception to 31.10.2024 %
Income Distribution	1.56	4.88	11.66	77.88
Capital Growth	8.68	(11.92)	11.80	121.21
Total Return	10.37	(7.62)	24.83	293.51
Benchmark	9.95	(2.05)	21.09	202.29
Average Total Return	10.37	(2.61)	4.53	7.06

The fund has outperformed its benchmark in the 1 year and 5 year performance under financial year under review.

Since inception



FUND PERFORMANCE (CONTINUED)

Changes in NAV

	31.10.2024	31.10.2023	Changes %
NAV (RM Million)	1,254.94	1,259.28	(0.34)
NAV/Unit (RM)	0.5774	0.5309	8.76

NAV per Unit has increased due to positive fund performance but was offset by some net outflow as shown by a flat NAV year on year.

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

PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	31.10.2024	31.10.2023
Shariah-compliant collective investment scheme	2.60	2.46
Shariah-compliant quoted securities - local	31.01	28.16
Shariah-compliant quoted securities – foreign	61.71	64.73
Cash and other assets	4.95	5.42
Liabilities	(0.27)	(0.77)
TOTAL	100.00	100.00

Asset allocation into local Shariah-compliant quoted securities increased to 31.01% as at 31 October 2024 compared to 28.16% as at 31 October 2023 due to our positive stance on the local equity market.

MARKET OUTLOOK*

Local Equities

Malaysia’s manufacturing sector conditions remain somewhat muted in October 2024 with a Purchasing Managers Index (“PMI”) reading of 49.5 pts, unchanged from the previous month. The latest PMI data suggests third quarter of 2024 GDP growth momentum could sustain at a similar pace as the preceding quarter, which was at 5.9%. To recap, Bank Negara Malaysia (“BNM”) now projects GDP to grow 4.8% to 5.3% in 2024, revised up from 4% to 5% previously, and the economy to expand by 4.5% to 5.5% in 2025.

We expect BNM to maintain OPR at 3.00% for the rest of the year given muted inflation and modest economic growth. Inflation eased further to 1.8% in September from 1.9% in August. There appears to be sufficient headroom to central bank’s latest 2.0% to 3.5% Consumer Price Index (“CPI”) forecast for 2025 with the impending subsidy rationalization plans.

MARKET OUTLOOK* (CONTINUED)

Foreign Equities

The policy shift in China to stimulate growth is positive for Asia's outlook. Lower rates in US and Europe, easing financial conditions and a potentially softer USD are supportive of Asian equities and currencies. We are looking for idiosyncratic ideas where the return drivers are not major macro factors. Our ideas include Chinese domestic consumption, technology (beneficiaries of AI, internet platforms), industrial names with exposure to grid capex, high dividend yielders, strong consumer and banking franchises in Southeast Asia, and selective Indian companies that benefit from strong domestic demand and capex spend.

*This market outlook does not constitute an offer, invitation, commitment, advice or recommendation to make a purchase of any investment. The information given in this article represents the views of Principal Asset Management Berhad ("Principal Malaysia") or based on data obtained from sources believed to be reliable by Principal Malaysia. Whilst every care has been taken in preparing this, Principal Malaysia makes no guarantee, representation or warranty and is under no circumstances liable for any loss or damage caused by reliance on, any opinion, advice or statement made in this market outlook.

INVESTMENT STRATEGY

Local Equities

On current market volatility, we are actively deploying cash that were raised earlier selectively into more domestic driven sectors. We believe improved political stability, stronger earnings growth prospects and higher domestic investments would keep the market afloat. Key risks are the derailment of Malaysia's macroeconomic recovery and corporate earnings growth due to the larger-than-expected impact of rising inflation, slower global economic growth, and heightened geopolitical risk.

Foreign Equities

We remain fully invested and well positioned in the areas of a) broad-based exposure across India in consumption, industrials, healthcare, property b) select technology names across foundry, IT services, software, internet c) ideas where return drivers are not major macro factors, e.g. ASEAN and global energy transmission, pharmaceuticals.

SOFT COMMISSIONS AND REBATES

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

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

During the financial year under review, the Manager and the Trustee did not receive any rebates from the brokers or dealers, but the Manager has retained soft commission in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Funds. The Manager confirms that the goods and services received were for the benefit of the Fund, the trades were made on a best execution basis and there was no churning of trades.

SECURITIES FINANCING TRANSACTIONS

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

STATE OF AFFAIR OF THE FUND

There is neither any significant change to the state affairs of the Fund nor any circumstances that materially affect any interest of the unit holders during the financial year under review.

CIRCUMSTANCES THAT MATERIALLY AFFECT ANY INTEREST OF UNIT HOLDERS

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

CROSS TRADE

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

UNIT SPLIT

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

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF
PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND**

We, being the Directors of Principal Asset Management Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying audited financial statements set out on pages 9 to 50 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 October 2024 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial year then ended in accordance with the provisions of the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

For and on behalf of the Manager

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

MUNIRAH KHAIRUDDIN

Chief Executive Officer
Malaysia & Global Shariah & Managing Director,
Strategic Distribution & Institutional Client Relations
(Southeast Asia & Global Shariah)
Non-Independent Executive Director

UDAY JAYARAM

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

Kuala Lumpur
13 December 2024

TRUSTEE'S REPORT

To The Unit Holders of **PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND** ("Fund"),

We have acted as Trustee of the Fund for financial period ended 1 November 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, **PRINCIPAL ASSET MANAGEMENT BERHAD** has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

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

For **AMANAHRAYA TRUSTEES BERHAD**

ZAINUDIN BIN SUHAIMI

Chief Executive Officer

Kuala Lumpur, Malaysia

13 June 2024

TRUSTEE'S REPORT

**TO THE UNIT HOLDERS OF
PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND ("Fund")**

We have acted as Trustee of the Fund for the financial period from 2 November 2023 to 31 October 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Principal Asset Management Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the following:

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

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

For HSBC (Malaysia) Trustee Berhad

Lee Cincee
Senior Manager, Trustee and Fiduciary Services

Kuala Lumpur
13 December 2024

Shariah Adviser's Report

To the Unit Holders of Principal DALI Asia Pacific Equity Growth Fund ("Fund")

For the Financial Year Ended 31 October 2024

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Principal Asset Management Berhad has operated and managed the Fund during the financial year covered by these financial statements in accordance with the Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The assets of the Fund comprise instruments that have been classified as Shariah compliant.

For **Amanie Advisors Sdn Bhd**

Tan Sri Dr. Mohd Daud Bakar
Executive Chairman

Kuala Lumpur
13 December 2024

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Principal DALI Asia Pacific Equity Growth Fund (the "Fund"), which comprise the statement of financial position as at 31 October 2024, and statement of comprehensive income, statement of changes in net assets attributable to unit holders and statement of cash flows of the Fund for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 9 to 50.

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

Basis for opinion

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

Independence and other ethical responsibilities

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND (CONTINUED)**

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

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the Manager for the financial statements

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND (CONTINUED)**

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND (CONTINUED)**

Other matters

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

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

Yeo Beng Yean
No. 03013/10/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
13 December 2024

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

	Note	2024 RM	2023 RM
INCOME/(LOSS)			
Dividend income		22,933,848	27,004,107
Profit income from Shariah-compliant deposits with licensed Islamic financial institutions at amortised cost and Hibah earned		254,872	383,728
Net gain on financial assets at fair value through profit or loss	8	161,521,384	56,869,529
Net foreign exchange loss		<u>(9,694,607)</u>	<u>(3,048,836)</u>
		<u>175,015,497</u>	<u>81,208,528</u>
EXPENSES			
Management fee	4	20,221,801	19,740,118
Trustee and custodian fees	5	986,336	1,526,571
Audit fee		11,500	14,859
Tax agent's fee		74,884	27,580
Transaction costs		5,960,518	3,872,876
Other expenses		<u>2,446,982</u>	<u>1,968,397</u>
		<u>29,702,021</u>	<u>27,150,401</u>
PROFIT BEFORE TAXATION		145,313,476	54,058,127
Taxation	7	<u>(8,555,675)</u>	<u>(4,766,605)</u>
PROFIT AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		<u>136,757,801</u>	<u>49,291,522</u>
Profit after taxation is made up as follows:			
Realised amount		(6,518,214)	(45,042,602)
Unrealised amount		<u>143,276,015</u>	<u>94,334,124</u>
		<u>136,757,801</u>	<u>49,291,522</u>

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

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

	Note	2024 RM	2023 RM
ASSETS			
Cash and cash equivalents	9	57,925,018	65,154,699
Financial assets at fair value through profit or loss (Shariah-compliant)	8	1,196,293,950	1,200,725,127
Amount due from Manager		2,641,852	1,736,717
Amount due from Manager of collective investment scheme			
- Management fee rebate		392,452	377,012
Dividends receivable		317,063	501,888
Tax recoverable		819,666	515,025
TOTAL ASSETS		<u>1,258,390,001</u>	<u>1,269,010,468</u>
LIABILITIES			
Amount due to stockbrokers		-	4,471,215
Amount due to Manager		1,770,817	3,427,364
Accrued management fee		1,586,034	1,623,293
Amount due to Trustee		48,075	65,646
Distribution payable		21,129	-
Other payables and accruals		25,591	52,172
Deferred tax liabilities		-	91,480
TOTAL LIABILITIES		<u>3,451,646</u>	<u>9,731,170</u>
NET ASSET VALUE OF THE FUND		<u>1,254,938,355</u>	<u>1,259,279,298</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	10	<u>1,254,938,355</u>	<u>1,259,279,298</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)	11	<u>2,173,233,449</u>	<u>2,371,958,154</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.5774</u>	<u>0.5309</u>

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

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

	Note	2024 RM	2023 RM
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR		<u>1,259,279,298</u>	<u>1,281,483,051</u>
Movement due to units created and cancelled during the financial year:			
- Creation of units from applications		187,104,550	120,498,992
- Creation of units from distributions		19,236,520	-
- Cancellation of units		<u>(328,182,166)</u>	<u>(191,994,267)</u>
		<u>(121,841,096)</u>	<u>(71,495,275)</u>
Total comprehensive income for the financial year		136,757,801	49,291,522
Distribution	6	<u>(19,257,648)</u>	-
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL YEAR	10	<u><u>1,254,938,355</u></u>	<u><u>1,259,279,298</u></u>

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

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

	Note	2024 RM	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from disposal of Shariah-compliant quoted securities		1,426,643,536	830,642,051
Purchase of Shariah-compliant quoted securities		(1,269,719,770)	(802,991,748)
Dividend income received		20,276,674	24,654,303
Profit income received from Shariah-compliant deposits with licensed Islamic financial institutions and Hibah earned		254,872	383,728
Management fee paid		(20,260,473)	(19,717,779)
Management fee rebates received		347,680	220,413
Trustee and custodian fees paid		(1,003,907)	(1,525,682)
Payments for other fees and expenses		(147,831)	(53,663)
Tax paid		(8,951,796)	(6,102,449)
Payment of other foreign exchange loss		(4,224,463)	(980,155)
Net cash generated from operating activities		143,214,522	24,529,019
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		186,199,415	120,831,214
Payments for cancellation of units		(329,838,713)	(191,059,282)
Net cash used in financing activities		(143,639,298)	(70,228,068)
Net decrease in cash and cash equivalents		(424,776)	(45,699,049)
Effects of foreign exchange differences		(6,804,905)	(1,236,417)
Cash and cash equivalents at the beginning of the financial year		65,154,699	112,090,165
Cash and cash equivalents at the end of the financial year	9	57,925,018	65,154,699
<u>Cash and cash equivalents comprised:</u>			
Shariah-compliant deposits with licensed Islamic financial institutions		17,244,930	11,171,919
Bank balances		40,680,088	53,982,780
Cash and cash equivalents at the end of the financial year	9	57,925,018	65,154,699

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2024**

1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES

Principal DALI Asia Pacific Equity Growth (the “Fund”) is governed pursuant to a Master Deed dated 15 May 2008, a Fourth Supplemental Master Deed dated 25 June 2008, a Fifth Supplemental Master Deed dated 25 June 2008, a Sixth Supplemental Master Deed dated 14 July 2008, a Seventh Supplemental Master Deed dated 19 November 2008, a Fourteenth Supplemental Master Deed dated 26 June 2012, a Seventeenth Supplemental Master Deed dated 25 March 2015, an Eighteenth Supplemental Master Deed dated 29 April 2015, a Nineteenth Supplemental Master Deed dated 18 June 2019, a Twentythird Supplemental Master Deed dated 27 June 2022, a Twentyfourth Supplemental Master Deed dated 20 September 2022 (collectively referred to as the “Deeds”) made between Principal Asset Management Berhad (the “Manager”) and AmanahRaya Trustees Berhad (the “Previous Trustee”) and a Twentyfifth Supplemental Master Deed dated 26 May 2023 (collectively referred to as the “Deeds”) made between Principal Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”).

The Fund will invest a minimum of 70% and up to a maximum of 98% of its Net Asset Value (“NAV”) in Shariah-compliant equities in order to gain long-term capital growth and up to 28% of its NAV in other permissible Shariah-compliant investments. The Fund may opt to invest in foreign Shariah-compliant equities up to a maximum of 70% of its NAV. Such foreign Shariah-compliant equities must be securities of companies domiciled in, listed in, and/or have significant operations in countries in Asia Pacific ex Japan. ‘Significant operations’ means major businesses of the company. For example, the Fund can invest in a company with significant business and/or operations in Thailand but listed on the New York Stock Exchange (“NYSE”). The threshold for ‘significant operations’ would be if more than 25% of total group revenue derives from countries in Asia Pacific ex Japan. The calculation would be based on the most recent financial reports released by the companies (e.g. interim and annual reports). Notwithstanding, up to 20% of the Fund’s investment in foreign Shariah-compliant equities may be from companies that are listed globally with some operations or businesses within the Asia Pacific ex Japan region to capture growth opportunities with effect from 16 August 2021. The Fund may also opt to seek investment exposure via Islamic collective investment scheme that is in line with the Fund’s objective, subject to the requirements of the GUTF by SC. In addition, Islamic liquid assets may be strategically used if the Manager feel that the market downside risk is high in the short-term. In line with its objective, the investment strategy and policy of the Fund is to have a diversified portfolio of the Shariah-compliant stocks that aims to outperform the market at different cycles of the market.

The asset allocation strategy for this Fund is as follows:

- between 70% to 98% (both inclusive) of the Fund’s NAV will be invested in Shariah-compliant equities;
- up to 28% of the Fund’s NAV in other permissible Shariah-compliant investments; and
- at least 2% of the Fund’s NAV in Islamic liquid assets.

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

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

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

(a) Basis of preparation

The financial statements have been prepared in accordance with the provisions of the MFRS as issued by the Malaysian Accounting Standards Board (“MASB”) and IFRS as issued by the International Accounting Standards Board (“IASB”). The financial statements have been prepared under the historical cost convention, as modified by financial assets at fair value through profit or loss.

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

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

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

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

There are no new applicable standards, amendments to standards or interpretations that are effective for financial year beginning on/after 1 November 2024 that are applicable to the financial statements of the Fund.

(b) Financial assets and financial liabilities

Classification

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

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

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

Investment in Shariah-compliant collective investment schemes have contractual cash flow that do not represent solely payment of principal and interest¹ (“SPPI”) and therefore are classified as fair value through profit or loss.

¹For the purposes of this Fund, interest refers to profits earned from Shariah-compliant investments.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(b) Financial assets and financial liabilities (continued)

Classification (continued)

The contractual cash flows of the Fund's debt securities are SPPI. 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 stockbroker, amount due from Manager, amount due from Manager of Shariah-compliant collective investment scheme - management fee rebate and dividends receivable as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

All of the Fund's financial liabilities (excluding the Net Assets Attributable to Unit Holders) are measured at amortised cost.

Recognition and measurement

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

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

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

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

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

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

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

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(b) Financial assets and financial liabilities (continued)

Recognition and measurement (continued)

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

If a valuation based on the market price does not represent the fair value of the Shariah-compliant 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 Shariah-compliant quoted securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the Shariah-compliant quoted securities are valued as determined in good faith by the Manager, based on the methods or basis approved by the Trustee after appropriate technical consultation.

Shariah-compliant deposits with licensed Islamic financial institutions are stated at cost plus accrued profit calculated on the effective profit rate method over the period from the date of placement to the date of maturity of the respective deposits.

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

Impairment for assets carried at amortised cost

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

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Write-off

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(c) Income recognition

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

Profit income from Shariah-compliant deposits with licensed Islamic financial institutions is recognised on a time proportionate basis using the effective profit method on an accrual basis.

Profit income is calculated by applying the effective profit 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 profit rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

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

(d) Foreign currency

Functional and presentation currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). The financial statements are presented in MYR/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 MYR/RM primarily due to the following factors:

- i) Units of the Fund are denominated in MYR/RM;
- ii) Significant portion of the Fund’s expenses are denominated in MYR/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.

(e) Cash and cash equivalents

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(f) Taxation

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

Tax on income from foreign Shariah-compliant investments is based on the tax regime of the respective countries that the Fund invests in.

Withholding taxes on investment income from investment are based on tax regime of the respective countries that the Fund invests in. Such withholding taxes are not "income tax" in nature and are recognised and measured based on the requirements of MFRS 137. They are presented within other expenses line in the statement of comprehensive income.

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

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

(g) Distribution

A distribution to the Fund's unit holders is accounted for as a deduction from realised reserve. Distribution is reinvested into the Fund on the ex-date. Reinvestment of units is based on the NAV per unit on the ex-date, which is also the time of creation. A proposed distribution is recognised as a liability in the financial year in which it is approved by the Trustee.

(h) Amount due from/to stockbrokers

Amounts due from and amount due from/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.

(i) Transaction costs

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

(j) Management fee rebate

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

(k) Realised and unrealized portions of profit or loss after tax

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

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(l) Unit holders' contributions

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 NAV;
- the units are the most subordinated class and class features are identical;
- there are 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 its life 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 a unit holder exercises the right to put the unit back to the Fund.

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

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

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

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

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

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

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments of the Fund were as follows:

	Financial assets at fair value through profit or loss RM	Financial assets at amortised cost RM	Total RM
2024			
Cash and cash equivalents (Note 9)	-	57,925,018	57,925,018
Shariah-compliant collective investment scheme (Note 8)	32,672,398	-	32,672,398
Shariah-compliant quoted securities (Note 8)	1,163,621,552	-	1,163,621,552
Amount due from Manager	-	2,641,852	2,641,852
Amount due from Manager of collective investment scheme			
- Management fee rebate	-	392,452	392,452
Dividends receivable	-	317,063	317,063
	<u>1,196,293,950</u>	<u>61,276,385</u>	<u>1,257,570,335</u>
2023			
Cash and cash equivalents (Note 9)	-	65,154,699	65,154,699
Shariah-compliant collective investment scheme (Note 8)	30,970,434	-	30,970,434
Shariah-compliant quoted securities (Note 8)	1,169,754,693	-	1,169,754,693
Amount due from Manager	-	1,736,717	1,736,717
Amount due from Manager of collective investment scheme			
- Management fee rebate	-	377,012	377,012
Dividends receivable	-	501,888	501,888
	<u>1,200,725,127</u>	<u>67,770,316</u>	<u>1,268,495,443</u>

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

The Fund aims to provide investors with long-term capital growth by investing principally in Shariah-compliant equities. The Fund also seeks to outperform the benchmark.

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

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

(a) Market risk

(i) Price risk

Price risk is the risk that the fair value of investment in Shariah-compliant collective investment scheme and Shariah-compliant quoted securities will fluctuate because of changes in market prices (other than those arising from interest rate risk and currency risk).

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

(a) Market risk (continued)

(i) Price risk (continued)

The value of Shariah-compliant investments may fluctuate according to the activities of individual companies, sector and overall political and economic conditions. Such fluctuation may cause the Fund's NAV and prices of units to fall as well as rise, and income produced by the Fund may also fluctuate.

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

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

	2024	2023
	RM	RM
Financial assets at fair value through profit or loss:		
- Shariah-compliant collective investment schemes	32,672,398	30,970,434
- Shariah-compliant quoted securities - local	389,164,466	354,672,479
- Shariah-compliant quoted securities - foreign	774,457,086	815,082,214
	<u>1,196,293,950</u>	<u>1,200,725,127</u>

The table below summarises the sensitivity of the Fund's profit or loss and NAV to movements in prices of Shariah-compliant collective investment schemes and Shariah-compliant quoted securities at the end of each reporting year. The analysis is based on the assumptions that the price of the Shariah-compliant collective investment schemes and Shariah-compliant quoted securities fluctuates by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the Shariah-compliant collective investment schemes and Shariah-compliant quoted securities, having regard to the historical volatility of the prices.

% Change in price of Shariah-compliant collective investment schemes and Shariah-compliant quoted securities	Market value	Impact on profit or loss/NAV
	RM	RM
2024		
-5%	1,136,479,253	(59,814,697)
0%	1,196,293,950	-
5%	<u>1,256,108,647</u>	<u>59,814,697</u>
2023		
-5%	1,140,688,871	(60,036,256)
0%	1,200,725,127	-
5%	<u>1,260,761,383</u>	<u>60,036,256</u>

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

(a) Market risk (continued)

(ii) Interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market profit rates. Interest rate is a general economic indicator that will have an impact on the management of the Fund. It does not in any way suggest that this Fund will invest in conventional financial instruments. All investment carried out for the Fund including placements and deposits are in accordance with Shariah.

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

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

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

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

The Fund's exposure to interest rate risk associated with Shariah-compliant deposits with licensed Islamic financial institutions is expected to be minimal as the deposits are held on short-term basis. The weighted average effective interest rate per annum is as follows:

The weighted average effective profit rate per annum was as follows:

	2024	2023
	%	%
Shariah-compliant deposits with licensed Islamic financial institutions	1.00	1.00

(iii) Currency risk

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

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

(a) Market risk (continued)

(ii) Currency risk (continued)

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

Financial assets	Cash and cash equivalents RM	Financial assets at fair value through profit or loss RM	Dividends receivable RM	Total RM
2024				
AUD	-	20,358,949	-	20,358,949
CHF	-	18,222,025	-	18,222,025
CNY	-	25,487,490	-	25,487,490
EUR	971	8,781,988	-	8,782,959
HKD	-	126,885,772	-	126,885,772
IDR	-	3,658,476	-	3,658,476
INR	2,848,163	270,101,131	57,297	273,006,591
JPY	-	21,947,658	-	21,947,658
KRW	5,538	121,169,443	-	121,174,981
SGD	-	22,777,177	-	22,777,177
THB	-	18,969,136	-	18,969,136
TWD	-	93,579,196	-	93,579,196
USD	9,252,730	55,191,043	-	64,443,773
	<u>12,107,402</u>	<u>807,129,484</u>	<u>57,297</u>	<u>819,294,183</u>
2023				
AUD	-	19,342,619	-	19,342,619
CNY	3,407	22,251,132	-	22,254,539
EUR	-	33,321,494	-	33,321,494
GBP	-	26,123,777	-	26,123,777
HKD	-	70,849,414	-	70,849,414
IDR	-	7,670,717	-	7,670,717
INR	-	237,565,904	308,425	237,874,329
JPY	-	22,825,110	115,968	22,941,078
KRW	-	265,072,279	-	265,072,279
THB	-	26,971,909	-	26,971,909
TWD	-	36,889,821	-	36,889,821
USD	11,332,634	77,168,472	-	88,501,106
	<u>11,336,041</u>	<u>846,052,648</u>	<u>424,393</u>	<u>857,813,082</u>
Financial liabilities	Amount due to stockbrokers RM	Total RM		
2023				
JPY	<u>4,471,215</u>	<u>4,471,215</u>		

The table below summarises the sensitivity of the Fund's profit or loss and NAV to changes in foreign exchange movements at the end of each reporting year. The analysis is based on the assumption that the foreign exchange rate fluctuates by 5%, with all other variables remain constant.

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

(a) Market risk (continued)

(iii) Currency risk (continued)

This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change in foreign exchange rate	Impact on profit or loss/NAV	
		2024	2023
	%	RM	RM
AUD	+/- 5	+/-1,017,947	+/-967,131
CHF	+/- 5	+/-911,101	-
CNY	+/- 5	+/-1,274,375	+/-1,112,727
EUR	+/- 5	+/-439,148	+/- 1,666,075
GBP	+/- 5	-	+/-1,306,189
HKD	+/- 5	+/-6,344,289	+/-3,542,471
IDR	+/- 5	+/-182,924	+/-383,536
INR	+/- 5	+/-13,650,330	+/-11,893,716
JPY	+/- 5	+/-1,097,383	+/-923,493
KRW	+/- 5	+/-6,058,749	+/-13,253,614
SGD	+/- 5	+/-1,138,859	-
THB	+/- 5	+/-948,457	+/-1,348,595
TWD	+/- 5	+/-4,678,960	+/-1,844,491
USD	+/- 5	+/-3,222,189	+/-4,425,055
		<u>+/-40,964,711</u>	<u>+/-42,667,093</u>

(b) Credit risk

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

The credit risk arising from placements of Shariah-compliant deposits in licensed Islamic financial institutions is managed by ensuring that the Fund will only place Shariah-compliant deposits in reputable licensed Islamic financial institutions.

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

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

For amount due from Manager of collective investment schemes, the Fund will invest with an investment management company of the collective investment schemes which is authorised or approved by the relevant regulatory authority in its home jurisdiction.

The following table sets out the credit risk concentration of the Fund at the end of each reporting year:

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

(b) Credit risk (continued)

	Cash and cash equivalents RM	Amount due from Manager RM	Amount due from Manager of collective investment scheme – management fee rebate RM	Dividends receivable RM	Total RM
2024					
AAA	57,925,018	-	-	-	57,925,018
NR	-	2,641,852	392,452	317,063	3,351,367
	<u>57,925,018</u>	<u>2,641,852</u>	<u>392,452</u>	<u>317,063</u>	<u>61,276,385</u>
2023					
AAA	65,154,699	-	-	-	65,154,699
NR	-	1,736,717	377,012	501,888	2,615,617
	<u>65,154,699</u>	<u>1,736,717</u>	<u>377,012</u>	<u>501,888</u>	<u>67,770,316</u>

Shariah-compliant deposits with licensed Islamic financial institutions have an average maturity of 1 day (2023: 1 day).

(c) Liquidity risk

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

The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unit holders.

Liquid assets comprise bank balances and Shariah-compliant deposits with licensed Islamic financial institutions and other instruments, which are capable of being converted into cash within 7 business days. Generally, all investments are subject to a certain degree of liquidity risk depending on the nature of the investment instruments, market, sector and other factors.

For the purpose of the Fund, the Manager will attempt to balance the entire portfolio by investing in a mix of assets with satisfactory trading volume and those that occasionally could encounter poor liquidity. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

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

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

(c) Liquidity risk (continued)

	Less than 1 month RM	Between 1 month to 1 year RM	Total RM
2024			
Amount due to Manager	1,770,817	-	1,770,817
Accrued management fee	1,586,034	-	1,586,034
Amount due to Trustee	48,075	-	48,075
Distribution payable	21,129	-	21,129
Other payables and accruals	-	25,591	25,591
Contractual undiscounted cash Flows	<u>3,426,055</u>	<u>25,591</u>	<u>3,451,646</u>
2023			
Amount due to stockbrokers	4,471,215	-	4,471,215
Amount due to Manager	3,427,364	-	3,427,364
Accrued management fee	1,623,293	-	1,623,293
Amount due to Trustee	65,646	-	65,646
Other payables and accruals	-	52,172	52,172
Contractual undiscounted cash Flows	<u>9,587,518</u>	<u>52,172</u>	<u>9,639,690</u>

(d) Capital risk management

The capital of the Fund is represented by net assets attributable to unit holders of RM1,254,938,355 (2023: RM1,259,279,298). The amount of capital can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns to unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund

(e) Fair value estimation

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

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

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

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

(e) Fair value estimation

(i) Fair value hierarchy

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

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

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

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

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

The determination of what constitutes 'observable' requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2024				
Financial assets at fair value through profit or loss:				
- Shariah-compliant collective investment scheme	32,672,398	-	-	32,672,398
- Shariah-compliant quoted securities - local	389,164,466	-	-	389,164,466
- Shariah-compliant quoted securities foreign	774,457,086	-	-	774,457,086
	<u>1,196,293,950</u>	<u>-</u>	<u>-</u>	<u>1,196,293,950</u>

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

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2023				
Financial assets at fair value through profit or loss:				
- Shariah-compliant collective investment scheme	30,970,434	-	-	30,970,434
- Shariah-compliant quoted securities local	354,672,479	-	-	354,672,479
- Shariah-compliant quoted securities foreign	815,082,214	-	-	815,082,214
	<u>1,200,725,127</u>	<u>-</u>	<u>-</u>	<u>1,200,725,127</u>

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

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

4. MANAGEMENT FEE

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

For the financial year ended 31 October 2024, the management fee is recognised at a rate of 1.50% per annum (2023: 1.50% per annum).

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

5. TRUSTEE AND CUSTODIAN FEES

In accordance with the Deeds, the Trustee is entitled to a maximum fee of 0.06% per annum calculated daily based on the NAV of the Fund. The foreign sub-custodian fee is dependent on the country invested and is charged monthly.

For the financial period 1 November 2023, the Trustee fee is recognised at the rate of 0.06%. Effective 2 November 2023, the Trustee fee is recognised at the rate of 0.045% per annum. (2023: 0.06% per annum). The foreign custodian fee is recognised at RM379,163 (2023: RM736,966).

5. TRUSTEE AND CUSTODIAN FEES (CONTINUED)

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

6. DISTRIBUTION

Distributions to unit holders were derived from the following sources (assessed up to distributions declaration date):

Breakdown of distribution were as follows:

	2024		2023	
	RM	%	RM	%
Source of distribution				
Distribution out of current year's income	19,257,648	100.00	-	-
Distribution out of prior year's income/capital*			-	-
Total	19,257,648	100.00	-	-
Gross/Net distribution per unit (sen)				
Distribution on 17 October 2024		0.90		-

* Distribution income has been accrued as at the end of the prior financial year but is not declared and paid as distribution.

Gross distribution is derived using total income less total expenses. Net distribution above is sourced from current and prior financial years' realised income.

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

7. TAXATION

	2024	2023
	RM	RM
Tax charged for the financial year:		
- Capital gain tax	7,041,466	1,691,200
- Tax on foreign source income	1,041,430	2,216,208
- Overprovision of prior year taxation	472,779	859,197
Current taxation	8,555,675	4,766,605

7. TAXATION (CONTINUED)

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

	2024	2023
	RM	RM
Profit before taxation	<u>145,313,476</u>	<u>54,058,127</u>
Taxation at Malaysian statutory rate of 24% (2023: 24%)	34,875,234	12,973,950
Tax effects of:		
- Investment income not subject to tax	(42,003,719)	(19,490,047)
- Expenses not deductible for tax purposes	2,266,903	1,769,950
- Restriction on tax deductible expenses for Unit Trust Funds	4,861,582	4,746,147
Capital gain tax	7,041,466	1,691,200
Tax on foreign source income	1,041,430	2,216,208
Overprovision of prior year taxation	<u>472,779</u>	<u>859,197</u>
Taxation	<u><u>8,555,675</u></u>	<u><u>4,766,605</u></u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024	2023
	RM	RM
At fair value through profit or loss at inception:		
- Shariah-compliant collective investment schemes	32,672,398	30,970,434
- Shariah-compliant quoted securities - local	389,164,466	354,672,479
- Shariah-compliant quoted securities - foreign	<u>774,457,086</u>	<u>815,082,214</u>
	<u><u>1,196,293,950</u></u>	<u><u>1,200,725,127</u></u>
Net gain on financial assets at fair value through profit or loss:		
- Realised gain/(loss) on disposals	11,149,976	(39,222,973)
- Unrealised fair value gain	150,009,701	95,638,588
- Management fees rebate #	<u>361,707</u>	<u>453,914</u>
	<u><u>161,521,384</u></u>	<u><u>56,869,529</u></u>

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

For the financial year ended 31 October 2024, For the financial year ended 31 October 2024 and 31 October 2023, the management fee rebates are recognised at a rate as per table below, calculated and accrued daily based on the NAV of the collective investment schemes.

	2024	2023
RD Principal Islamic ASEAN Equity Syariah -USD	2.50	2.50
RD Principal Islamic Equity Growth Syariah	1.00	1.00
Principal Islamic Asia Pacific Dynamic Income & Growth Fund	2.00	2.00
Principal Islamic Global Responsible Equity Fund	0.80	0.80

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2024				
SHARIAH-COMPLIANT COLLECTIVE INVESTMENT SCHEMES				
INDONESIA				
RD Principal Islamic ASEAN Equity Syariah - USD	590,000	2,599,835	2,483,291	0.20
RD Principal Islamic Equity Growth Syariah	10,803,963	5,004,452	3,658,476	0.29
	<u>11,393,963</u>	<u>7,604,287</u>	<u>6,141,767</u>	<u>0.49</u>
TOTAL INDONESIA	<u>11,393,963</u>	<u>7,604,287</u>	<u>6,141,767</u>	<u>0.49</u>
IRELAND				
Principal Islamic Asia Pacific Dynamic Income & Growth Fund	460,440	19,837,151	19,280,252	1.54
Principal Islamic Global Responsible Equity Fund	154,000	6,498,030	7,250,379	0.57
	<u>614,440</u>	<u>26,335,181</u>	<u>26,530,631</u>	<u>2.14</u>
TOTAL IRELAND	<u>614,440</u>	<u>26,335,181</u>	<u>26,530,631</u>	<u>2.11</u>
TOTAL SHARIAH- COMPLIANT COLLECTIVE INVESTMENT SCHEMES	<u>12,008,403</u>	<u>33,939,468</u>	<u>32,672,398</u>	<u>2.60</u>
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>(1,267,070)</u>		
TOTAL FINANCIAL ASSETS AT FAIR THROUGH PROFIT OR LOSS				
		<u>32,672,398</u>		
2024				
SHARIAH-COMPLIANT QUOTED SECURITIES - LOCAL				
Communication Services				
Celcomdigi Bhd	1,000,000	3,780,823	3,410,000	0.27
Telekom Malaysia Bhd	2,000,000	10,325,291	12,980,000	1.03
	<u>3,000,000</u>	<u>14,106,114</u>	<u>16,390,000</u>	<u>1.30</u>

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2024 (CONTINUED) SHARIAH-COMPLIANT QUOTED SECURITIES – LOCAL (CONTINUED)				
Consumer Discretionary				
Aeon Co. M Bhd	1,000,000	1,458,858	1,460,000	0.12
Mr D.I.Y. Group (M) Bhd	9,500,050	16,286,264	20,805,109	1.66
	<u>10,500,050</u>	<u>17,745,122</u>	<u>22,265,109</u>	<u>1.78</u>
Consumer Staples				
Johor Plantations Group	3,187,000	2,752,918	3,346,350	0.27
SD Guthrie Bhd	4,000,000	18,266,586	18,400,000	1.47
	<u>7,187,000</u>	<u>21,019,504</u>	<u>21,746,350</u>	<u>1.74</u>
Energy				
Dayang Enterprise Holding Bhd	8,900,000	14,385,687	18,957,000	1.51
Dialog Group Bhd	3,022,400	6,526,835	6,256,368	0.50
Perdana Petroleum Bhd	8,000,002	2,912,083	2,200,001	0.18
Uzma Bhd	541,400	648,866	441,241	0.03
	<u>20,463,802</u>	<u>24,473,471</u>	<u>27,854,610</u>	<u>2.22</u>
Health Care				
Hartalega Holding Bhd	7,800,000	12,209,607	24,804,000	1.98
Kossan Rubber Industries	4,705,700	5,810,375	9,881,970	0.79
Top Glove Corporation Bhd	3,500,000	4,056,700	3,745,000	0.30
	<u>16,005,700</u>	<u>22,076,682</u>	<u>38,430,970</u>	<u>3.07</u>
Industrials				
Frontken Corporation Bhd	2,168,700	8,064,250	8,349,495	0.67
Gamuda Bhd	4,056,093	19,089,200	34,639,034	2.76
MISC Bhd	800,000	6,464,000	6,016,000	0.48
Westports Holdings Bhd	1,000,000	4,409,885	4,210,000	0.33
	<u>8,024,793</u>	<u>38,027,335</u>	<u>53,214,529</u>	<u>4.24</u>
Information Technology				
Genetec Technology Bhd	2,359,500	5,826,446	1,628,055	0.13
MI Technovation Bhd	1,800,000	7,020,000	3,438,000	0.27
Nationgate Holdings Bhd	13,000,000	18,456,258	27,430,000	2.19
V.S. Industry Bhd	10,000,000	9,801,195	9,750,000	0.77
	<u>27,159,500</u>	<u>41,103,899</u>	<u>42,246,055</u>	<u>3.36</u>

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2024 (CONTINUED)				
SHARIAH-COMPLIANT QUOTED SECURITIES – LOCAL (CONTINUED)				
Real Estate				
Eastern and Oriental Bhd	16,500,600	9,789,362	14,355,522	1.14
Sime Darby Property Bhd	6,000,000	6,313,393	8,580,000	0.68
Skyworld Development Bhd	2,515,800	2,012,640	1,245,321	0.10
SP Setia Bhd	14,000,000	16,194,993	19,880,000	1.58
Sunway Bhd	14,000,000	29,256,434	61,180,000	4.88
	<u>53,016,400</u>	<u>63,566,822</u>	<u>105,240,843</u>	<u>8.38</u>
Utilities				
Tenaga Nasional Bhd	<u>4,400,000</u>	<u>44,464,959</u>	<u>61,776,000</u>	<u>4.92</u>
TOTAL SHARIAH- COMPLIANT QUOTED SECURITIES – LOCAL	<u>149,757,245</u>	<u>286,583,908</u>	<u>389,164,466</u>	<u>31.01</u>
SHARIAH-COMPLIANT QUOTED SECURITIES – FOREIGN				
AUSTRALIA				
Real Estate				
Goodman Group	<u>193,148</u>	<u>18,774,917</u>	<u>20,358,949</u>	<u>1.62</u>
TOTAL AUSTRALIA	<u>193,148</u>	<u>18,774,917</u>	<u>20,358,949</u>	<u>1.62</u>
CAYMAN ISLANDS				
Consumer Discretionary				
Alibaba Group Holding Ltd	<u>508,900</u>	<u>24,433,072</u>	<u>27,089,587</u>	<u>2.16</u>
TOTAL CAYMAN ISLANDS	<u>508,900</u>	<u>24,433,072</u>	<u>27,089,587</u>	<u>2.16</u>
CHINA				
Energy				
PetroChina Co. Ltd	<u>3,796,000</u>	<u>18,134,401</u>	<u>12,480,944</u>	<u>0.99</u>
Industrials				
Contemporary Ampere Technology	<u>84,442</u>	<u>11,396,499</u>	<u>12,759,029</u>	<u>1.03</u>

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2024 (CONTINUED) SHARIAH-COMPLIANT QUOTED SECURITIES – FOREIGN (CONTINUED)				
CHINA (CONTINUED)				
Information Technology				
Luxshare Precision Industry Co	490,793	13,122,672	12,728,461	1.01
TOTAL CHINA	4,371,235	42,653,572	37,968,434	3.03
FRANCE				
Consumer Discretionary				
Hermes International	892	9,062,908	8,781,988	0.70
TOTAL FRANCE	892	9,062,908	8,781,988	0.70
HONG KONG SAR CHINA				
Consumer Discretionary				
Meituan	289,020	21,834,114	29,696,082	2.37
Consumer Staples				
China Mengniu Dairy Co. Ltd	1,298,000	13,375,421	12,715,468	1.01
Industrials				
Techtronic Industries Co	156,500	9,302,352	9,885,886	0.79
Real Estate				
China Overseas Land & Investment	1,097,000	9,204,523	9,177,699	0.73
China Resources Land Ltd	855,500	12,904,995	12,450,562	1.00
	1,952,500	22,109,518	21,628,261	1.73
Utilities				
China Resources Gas Group Ltd	274,900	5,188,663	4,650,799	0.37
CLP Holdings Ltd	235,000	9,012,362	8,738,745	0.70
	509,900	14,201,025	13,389,544	1.07
TOTAL HONG KONG SAR CHINA	4,205,920	80,822,430	87,315,241	6.97

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2024 (CONTINUED) SHARIAH-COMPLIANT QUOTED SECURITIES – FOREIGN (CONTINUED)				
INDIA				
Consumer Discretionary				
Maruti Suzuki India Ltd	10,666	6,337,135	6,143,354	0.49
Trent Ltd	25,160	9,372,855	9,326,163	0.74
Bajaj Auto Ltd	38,119	19,395,365	19,497,396	1.55
	<u>73,945</u>	<u>35,105,355</u>	<u>34,966,913</u>	<u>2.78</u>
Consumer Staples				
Hindustan Unilever Ltd	51,670	7,609,387	6,793,003	0.54
Varun Beverages Ltd	409,760	8,389,023	12,736,570	1.01
Dabur India Ltd	152,455	4,881,359	4,280,936	0.34
Avenue Supermarts Ltd	19,110	4,902,008	3,906,015	0.31
	<u>632,995</u>	<u>25,781,777</u>	<u>27,716,524</u>	<u>2.20</u>
Energy				
Reliance Industries Ltd	1,084,032	60,640,570	75,087,211	5.98
Oil & Natural Gas Corporation Ltd	791,666	12,979,469	10,956,499	0.87
	<u>1,875,698</u>	<u>73,620,039</u>	<u>86,043,710</u>	<u>6.85</u>
Health Care				
Sun Pharma Industries Ltd	191,790	18,042,646	18,439,228	1.47
Fortis Healthcare Ltd	653,877	18,375,679	21,240,802	1.69
Max Healthcare Institute Ltd	166,122	8,859,053	8,790,379	0.70
	<u>1,011,789</u>	<u>45,277,378</u>	<u>48,470,409</u>	<u>3.86</u>
Industrials				
Adani Ports and Special Econ	244,010	17,716,314	17,458,769	1.39
Havells India Ltd	45,115	4,682,031	3,843,654	0.31
Siemens India Ltd	24,703	9,065,005	8,961,448	0.71
	<u>313,828</u>	<u>31,463,350</u>	<u>30,263,871</u>	<u>2.41</u>
Information Technology				
Tata Consultancy Services Ltd	42,006	9,978,002	8,668,333	0.69
Materials				
Ultra Tech Cement Ltd	22,775	11,806,620	13,105,049	1.04

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2024 (CONTINUED) SHARIAH-COMPLIANT QUOTED SECURITIES – FOREIGN (CONTINUED)				
INDIA (CONTINUED)				
Real Estate				
Macrotech Developers Ltd	<u>208,528</u>	<u>9,369,675</u>	<u>13,079,919</u>	<u>1.04</u>
Utilities				
Gail India Ltd	<u>748,730</u>	<u>9,174,241</u>	<u>7,786,403</u>	<u>0.62</u>
TOTAL INDIA	<u>4,930,294</u>	<u>251,576,437</u>	<u>270,101,131</u>	<u>21.49</u>
JAPAN				
Information Technology				
Hitachi Ltd	<u>195,000</u>	<u>18,195,056</u>	<u>21,947,658</u>	<u>1.75</u>
TOTAL JAPAN	<u>195,000</u>	<u>18,195,056</u>	<u>21,947,658</u>	<u>1.75</u>
SINGAPORE				
Communication Services				
Singapore Telecommunications	<u>2,200,500</u>	<u>13,472,254</u>	<u>22,777,177</u>	<u>1.82</u>
TOTAL SINGAPORE	<u>2,200,500</u>	<u>13,472,254</u>	<u>22,777,177</u>	<u>1.82</u>
SOUTH KOREA				
Consumer Discretionary				
KIA Corporation	<u>28,203</u>	<u>8,512,365</u>	<u>8,215,405</u>	<u>0.65</u>
Health Care				
Samsung Biologics Co Ltd	<u>2,706</u>	<u>9,164,187</u>	<u>8,594,363</u>	<u>0.68</u>
Information Technology				
Samsung Electronics Co. Ltd	<u>335,617</u>	<u>83,095,723</u>	<u>62,977,268</u>	<u>5.02</u>
Samsung Electronics-PFD	<u>160,352</u>	<u>32,802,702</u>	<u>24,371,438</u>	<u>1.94</u>
SK Hynix Inc	<u>28,807</u>	<u>17,657,598</u>	<u>17,010,969</u>	<u>1.36</u>
	<u>524,776</u>	<u>133,556,023</u>	<u>104,359,675</u>	<u>8.32</u>
TOTAL SOUTH KOREA	<u>555,685</u>	<u>151,232,575</u>	<u>121,169,443</u>	<u>9.65</u>

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2024 (CONTINUED) SHARIAH-COMPLIANT QUOTED SECURITIES – FOREIGN (CONTINUED)				
SWITZERLAND				
Health Care				
Lonza Group AG	6,763	19,254,987	18,222,025	1.45
TOTAL SWITZERLAND	6,763	19,254,987	18,222,025	1.45
TAIWAN				
Information Technology				
E Ink Holding Inc	459,000	11,498,624	19,186,016	1.53
Taiwan Semiconductor Manufacture	454,000	43,286,075	63,876,892	5.09
Hon Hai Precision Industry Co.	364,000	9,216,106	10,516,288	0.84
	1,277,000	64,000,805	93,579,196	7.46
TOTAL TAIWAN	1,277,000	64,000,805	93,579,196	7.46
THAILAND				
Communication Services				
Advanced Info Service PCL	280,300	9,504,924	9,984,727	0.80
Health Care				
Bumrungrad Hospital PCL	255,000	8,394,699	8,984,409	0.72
TOTAL THAILAND	535,300	17,899,623	18,969,136	1.52
UNITED STATES				
Information Technology				
Apple Inc.	11,929	9,733,606	11,791,449	0.94
Microsoft Corporation	8,091	15,012,294	14,385,672	1.15
	20,020	24,745,900	26,177,121	2.09
TOTAL UNITED STATES	20,020	24,745,900	26,177,121	2.09
TOTAL SHARIAH- COMPLIANT QUOTED SECURITIES – FOREIGN	19,000,657	736,124,536	774,457,086	61.71

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2024 (CONTINUED)				
TOTAL SHARIAH- COMPLIANT QUOTED SECURITIES	<u>168,757,902</u>	<u>1,022,708,444</u>	<u>1,163,621,552</u>	<u>92.72</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>140,913,108</u>		
TOTAL FINANCIAL ASSETS AT FAIR THROUGH PROFIT OR LOSS		<u>1,163,621,552</u>		
2023				
SHARIAH-COMPLIANT COLLECTIVE INVESTMENT SCHEMES				
INDONESIA				
RD Principal Islamic ASEAN Equity Syariah - USD	590,000	2,599,835	2,421,930	0.19
RD Principal Islamic Equity Growth Syariah	<u>21,712,831</u>	<u>10,057,496</u>	<u>7,670,717</u>	<u>0.61</u>
	<u>22,302,831</u>	<u>12,657,331</u>	<u>10,092,647</u>	<u>0.80</u>
TOTAL INDONESIA	<u>22,302,831</u>	<u>12,657,331</u>	<u>10,092,647</u>	<u>0.80</u>
IRELAND				
Principal Islamic Asia Pacific Dynamic Income & Growth Fund	346,900	14,363,395	14,073,032	1.12
Principal Islamic Global Responsible Equity Fund	<u>154,000</u>	<u>6,498,030</u>	<u>6,804,755</u>	<u>0.54</u>
TOTAL IRELAND	<u>500,900</u>	<u>20,861,425</u>	<u>20,877,787</u>	<u>1.66</u>

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2023 (CONTINUED)				
TOTAL SHARIAH-COMPLIANT COLLECTIVE INVESTMENT SCHEMES	22,803,731	33,518,756	30,970,434	2.46
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		(2,548,322)		
TOTAL FINANCIAL ASSETS AT FAIR THROUGH PROFIT OR LOSS		30,970,434		
2023 SHARIAH-COMPLIANT QUOTED SECURITIES - LOCAL				
Communication Services				
Telekom Malaysia Bhd	1,561,400	7,877,655	7,916,298	0.63
Consumer Discretionary				
Mr D.I.Y. Group (M) Bhd	14,732,350	24,652,484	21,803,878	1.73
Consumer Staples				
Genting Plantations Bhd	1,297,800	10,920,592	7,034,076	0.56
Karex Bhd	2,745,100	1,980,729	1,578,433	0.13
Kuala Lumpur Kepong Bhd	629,300	15,079,416	13,832,014	1.10
Sime Darby Plantation Bhd	4,517,100	20,640,871	19,604,214	1.56
	9,189,300	48,621,608	42,048,737	3.35
Energy				
Dayang Enterprise Holding Bhd	6,421,000	8,420,748	11,943,060	0.95
Health Care				
Hartalega Holdings Bhd	9,050,400	14,166,901	18,734,328	1.49
Kossan Rubber Industries Bhd	4,705,700	5,810,375	6,352,695	0.50
	13,756,100	19,977,276	25,087,023	1.99

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2023 (CONTINUED) SHARIAH-COMPLIANT QUOTED SECURITIES – LOCAL (CONTINUED)				
Industrials				
Frontken Corporation Bhd	4,524,200	16,818,148	14,386,956	1.14
Gamuda Bhd	1,431,570	5,306,888	6,642,485	0.53
Mst Golf Group Bhd	1,567,000	1,106,948	752,160	0.06
	<u>7,522,770</u>	<u>23,231,984</u>	<u>21,781,601</u>	<u>1.73</u>
Information Technology				
Eca Integrated Solution Bhd	9,000,300	8,119,106	6,300,210	0.50
Genetec Technology Bhd	7,417,900	18,442,706	17,506,244	1.39
Inari Amertron Bhd	13,748,500	42,526,519	39,183,225	3.11
Infomina Bhd	4,620,000	6,540,399	7,068,600	0.56
MI Technovation Bhd	2,282,000	8,899,800	3,902,220	0.31
My E.G Services Bhd	28,156,917	28,098,870	21,962,395	1.74
Nationgate Holdings Bhd	14,003,200	19,967,499	16,103,680	1.28
V.S. Industry Bhd	17,627,700	18,590,855	15,688,652	1.24
	<u>96,856,517</u>	<u>151,185,754</u>	<u>127,715,226</u>	<u>10.13</u>
Materials				
Ancom Nylex Bhd	10,293,000	9,660,755	12,351,600	0.98
Press Metal Aluminum Holding Bhd	2,066,200	11,377,800	10,165,704	0.81
	<u>12,359,200</u>	<u>21,038,555</u>	<u>22,517,304</u>	<u>1.79</u>
Real Estate				
Eastern and Oriental Bhd	16,856,700	10,000,626	9,355,469	0.74
Sime Darby Property Bhd	3,421,800	2,537,949	2,104,407	0.17
Skyworld Development Bhd	8,202,200	6,561,760	4,593,232	0.36
SP Setia Bhd	7,492,100	6,706,725	6,293,364	0.50
Sunway Bhd	13,806,600	25,911,481	25,542,210	2.03
	<u>49,779,400</u>	<u>51,718,541</u>	<u>47,888,682</u>	<u>3.80</u>
Utilities				
Tenaga Nasional Bhd	2,623,300	24,595,714	25,970,670	2.06

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2023 (CONTINUED)				
SHARIAH-COMPLIANT QUOTED SECURITIES – FOREIGN				
AUSTRALIA				
Materials				
BHP Group Ltd	143,331	17,670,013	19,342,619	1.54
TOTAL AUSTRALIA	143,331	17,670,013	19,342,619	1.54
CAYMAN ISLANDS				
Consumer Discretionary				
Alibaba Group Holding Ltd	292,800	28,879,949	14,262,412	1.13
TOTAL CAYMAN ISLANDS	292,800	28,879,949	14,262,412	1.13
CHINA				
Consumer Discretionary				
BYD Company LTD	74,500	10,463,935	10,762,114	0.85
Midea Group Co Ltd	254,986	9,244,577	8,780,049	0.70
	329,486	19,708,512	19,542,163	1.55
Industrials				
NARI Tech Dev Co Ltd A	918,111	14,181,672	13,471,083	1.07
TOTAL CHINA	1,247,597	33,890,184	33,013,246	2.62
FRANCE				
Consumer Discretionary				
Hermes International	1,510	13,457,446	13,496,477	1.07
Consumer Staples				
L'Oreal	9,852	20,524,818	19,825,017	1.57
TOTAL FRANCE	11,362	33,982,264	33,321,494	2.64
HONG KONG, CHINA				
Communication Services				
Tencent Holdings Ltd	133,200	35,638,630	23,440,296	1.86

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2023 (CONTINUED) SHARIAH-COMPLIANT QUOTED SECURITIES – FOREIGN (CONTINUED)				
HONG KONG, CHINA (CONTINUED)				
Consumer Discretionary				
Meituan	13,320	1,862,059	896,437	0.07
Real Estate				
China Overseas Land & Investment Ltd	954,000	11,355,944	8,579,923	0.68
China Resources Land Ltd	724,000	14,052,566	12,908,232	1.03
	<u>1,678,000</u>	<u>25,408,510</u>	<u>21,488,155</u>	<u>1.71</u>
TOTAL HONG KONG, CHINA	<u>1,824,520</u>	<u>62,909,199</u>	<u>45,824,888</u>	<u>3.64</u>
INDIA				
Consumer Discretionary				
Devyani International Ltd	882,302	10,285,220	9,074,088	0.72
Maruti Suzuki India Ltd	21,243	9,982,024	12,627,680	1.00
Titan Co Ltd	130,001	10,050,944	23,718,421	1.88
	<u>1,033,546</u>	<u>30,318,188</u>	<u>45,420,189</u>	<u>3.60</u>
Consumer Staples				
Hindustan Unilever Ltd	108,477	15,763,318	15,412,933	1.22
Varun Beverages Ltd	297,373	13,684,683	15,458,449	1.24
	<u>405,850</u>	<u>29,448,001</u>	<u>30,871,382</u>	<u>2.46</u>
Energy				
Reliance Industries Ltd	563,606	55,400,737	73,757,922	5.86
Health Care				
Sun Pharma Industries Ltd	249,076	13,454,966	15,509,444	1.23
Information Technology				
Tata Consultancy Services Ltd	48,489	9,302,129	9,343,467	0.74
Materials				
Asian Paints Ltd	137,160	23,866,109	23,502,920	1.87
Ultra Tech Cement Ltd	58,656	23,757,279	28,257,687	2.24
	<u>195,816</u>	<u>47,623,388</u>	<u>51,760,607</u>	<u>4.11</u>

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2023 (CONTINUED) SHARIAH-COMPLIANT QUOTED SECURITIES – FOREIGN (CONTINUED)				
INDIA (CONTINUED)				
Real Estate				
Macrotech Developers Ltd	<u>241,983</u>	<u>9,807,801</u>	<u>10,902,893</u>	<u>0.87</u>
TOTAL INDIA	<u>2,738,366</u>	<u>195,355,210</u>	<u>237,565,904</u>	<u>18.87</u>
JAPAN				
Consumer Discretionary				
Fast Retailing Co Ltd	<u>4,200</u>	<u>4,403,280</u>	<u>4,365,911</u>	<u>0.35</u>
Consumer Staples				
Ajinomoto Co Inc	<u>107,000</u>	<u>20,285,803</u>	<u>18,459,199</u>	<u>1.47</u>
TOTAL JAPAN	<u>111,200</u>	<u>24,689,083</u>	<u>22,825,110</u>	<u>1.82</u>
NETHERLANDS				
Information Technology				
ASML Holding N.V.	<u>2,934</u>	<u>8,557,740</u>	<u>8,365,520</u>	<u>0.66</u>
TOTAL NETHERLANDS	<u>2,934</u>	<u>8,557,740</u>	<u>8,365,520</u>	<u>0.66</u>
SOUTH KOREA				
Consumer Discretionary				
KIA Corporation	<u>38,456</u>	<u>9,410,425</u>	<u>10,422,885</u>	<u>0.83</u>
Industrials				
LG Energy Solution	<u>6,195</u>	<u>12,103,837</u>	<u>8,417,114</u>	<u>0.67</u>
Information Technology				
Samsung Electro- mechanics	<u>38,924</u>	<u>18,314,084</u>	<u>17,052,423</u>	<u>1.35</u>
Samsung Electronics Co. Ltd	<u>491,334</u>	<u>121,289,885</u>	<u>115,851,177</u>	<u>9.20</u>
Samsung Electronics-PFD	<u>286,141</u>	<u>58,534,961</u>	<u>54,055,812</u>	<u>4.29</u>
Samsung SDI Co Ltd	<u>3,660</u>	<u>9,125,878</u>	<u>5,488,810</u>	<u>0.44</u>
SK Hynix Inc	<u>76,710</u>	<u>32,320,796</u>	<u>31,443,379</u>	<u>2.50</u>
	<u>896,769</u>	<u>239,585,604</u>	<u>223,891,601</u>	<u>17.78</u>

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

Name of counter	Quantity	Aggregate cost	Market value	Percentage of NAV
	Units	RM	RM	%
2023 (CONTINUED)				
SHARIAH-COMPLIANT				
QUOTED SECURITIES –				
FOREIGN (CONTINUED)				
SOUTH KOREA				
(CONTINUED)				
Materials				
LG Chem Ltd	4,748	10,657,155	7,363,103	0.58
POSCO Holdings Inc	10,327	10,094,025	14,977,576	1.19
	<u>15,075</u>	<u>20,751,180</u>	<u>22,340,679</u>	<u>1.77</u>
TOTAL SOUTH KOREA	<u>956,495</u>	<u>281,851,046</u>	<u>265,072,279</u>	<u>21.05</u>
TAIWAN				
Information Technology				
E Ink Holding Incorporation	632,000	9,711,586	15,597,254	1.24
Taiwan Semiconductor Manufacturing Co Ltd	274,000	13,517,642	21,292,567	1.69
	<u>906,000</u>	<u>23,229,228</u>	<u>36,889,821</u>	<u>2.93</u>
TOTAL TAIWAN	<u>906,000</u>	<u>23,229,228</u>	<u>36,889,821</u>	<u>2.93</u>
THAILAND				
Communication Services				
Advanced Info Service PCL - NVDR ¹	630,100	17,641,519	18,320,422	1.45
Industrials				
Airports Of Thailand	980,700	8,337,380	8,651,487	0.69
TOTAL THAILAND	<u>1,610,800</u>	<u>25,978,899</u>	<u>26,971,909</u>	<u>2.14</u>
UNITED KINGDOM				
Energy				
Shell PLC	170,053	20,159,892	26,123,777	2.07
TOTAL UNITED KINGDOM	<u>170,053</u>	<u>20,159,892</u>	<u>26,123,777</u>	<u>2.07</u>

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

Name of counter	Quantity	Aggregate cost	Market value	Percentage of NAV
	Units	RM	RM	%
2023 (CONTINUED)				
SHARIAH-COMPLIANT QUOTED SECURITIES – FOREIGN (CONTINUED)				
UNITED STATES				
Energy				
ConocoPhillips	15,742	9,184,959	8,904,717	0.71
Information Technology				
Apple Inc.	16,043	13,090,472	13,044,906	1.04
Materials				
Linde PLC	12,944	16,821,577	23,553,612	1.87
TOTAL UNITED STATES	44,729	39,097,008	45,503,235	3.62
TOTAL SHARIAH-COMPLIANT QUOTED SECURITIES	224,861,524	1,177,570,034	1,169,754,693	92.89
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		(7,815,341)		
TOTAL FINANCIAL ASSETS AT FAIR THROUGH PROFIT OR LOSS		1,169,754,693		

¹ NVDR, or non-voting depository receipt, is a trading instrument issued by Thai NVDR Company Limited, a subsidiary wholly owned by the Stock Exchange of Thailand (“SET”). It is a valid security as specified by the United States Securities and Exchange Commission (“SEC”) and is automatically regarded as a listed security by the SET. The underlying security is a listed security in the SET.

9. CASH AND CASH EQUIVALENTS

	2024 RM	2023 RM
Shariah-compliant deposits with licensed Islamic financial institutions	17,244,930	11,171,919
Bank balances	40,680,088	53,982,780
	<u>57,925,018</u>	<u>65,154,699</u>

10. NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

Net assets attributable to unit holders as at the reporting date comprises of:

	2024	2023
	RM	RM
Unit holders' capital	1,039,090,434	1,160,931,530
Retained earnings	215,847,921	98,347,768
	1,254,938,355	1,259,279,298

The movement in the components of net assets attributable to unit holders for the financial year were as follows:

	Note	Unit holders' capital	Retained earnings	Total
		RM	RM	RM
Balance as at 1 November 2023		1,160,931,530	98,347,768	1,259,279,298
Movement in unit holders' contributions:				
- Creation of units from applications		187,104,550	-	187,104,550
- Creation of units from distributions		19,236,520	-	19,236,520
- Cancellation of units		(328,182,166)	-	(328,182,166)
Total comprehensive gain for the financial year		-	136,757,801	136,757,801
Distribution for the financial year		-	(19,257,648)	(19,257,648)
Balance as at 31 October 2024		1,039,090,434	215,847,921	1,254,938,355
Balance as at 1 November 2022		1,232,426,805	49,056,246	1,281,483,051
Movement in unit holders' contributions:				
- Creation of units from applications		120,498,992	-	120,498,992
- Cancellation of units		(191,994,267)	-	(191,994,267)
Total comprehensive gain for the financial year		-	49,291,522	49,291,522
Balance as at 31 October 2023		1,160,931,530	98,347,768	1,259,279,298

11. NUMBER OF UNITS IN CIRCULATION (UNITS)

	2024	2023
	No of units	No of units
At the beginning of the financial year	2,371,958,154	2,504,207,467
Add : Creation of units from applications	306,244,127	222,924,431
Add : Creation of units from distribution	33,246,664	-
Less : Cancellation of units	(538,215,496)	(355,173,744)
At the end of the financial year	2,173,233,449	2,371,958,154

12. TOTAL EXPENSE RATIO (“TER”)

	2024	2023
	%	%
TER	1.56	1.59

TER is derived based on the following calculation:

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

- A = Management fee (exclude management fee rebates)
- B = Trustee and custodian fees
- C = Audit fee
- D = Tax agent’s fee
- E = Other expenses excluding CDS transfer fee and withholding tax
- F = Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial year calculated on a daily basis is RM1,346,812,739 (2023: RM1,315,840,736).

13. PORTFOLIO TURNOVER RATIO (“PTR”)

	2024	2023
PTR (times)	1.00	0.62

PTR is derived from the following calculation:

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

where:

- total acquisition for the financial year = RM1,263,062,163 (2023: RM804,961,725)
- total disposal for the financial year = RM1,428,653,016 (2023: RM831,615,332)

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

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

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

Units held by the Manager and parties related to the Manager

	<u>2024</u>		<u>2023</u>	
	<u>No. of units</u>	<u>RM</u>	<u>No. of units</u>	<u>RM</u>
Manager				
Principal Asset Management Berhad	383,229	221,276	344,281	182,779

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

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

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

PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND

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

	2024	2023
	RM	RM
<u>Significant related party transactions</u>		
Profit income from Shariah-compliant deposits with licensed Islamic financial institution:		
- CIMB Islamic Bank Bhd	-	9,836
Management fee rebate:		
- PT Principal Asset Management	204,134	274,782
- Principal Asset Management Berhad	157,573	179,132
	<u>361,707</u>	<u>453,914</u>
<u>Shariah-compliant collective investment schemes</u>		
- RD Principal Islamic Equity Growth Syariah	3,658,476	7,670,717
- RD Principal Islamic ASEAN Equity Syariah	2,483,291	2,421,930
- Principal Islamic Asia Pacific Dynamic Income & Growth Fund	19,280,252	14,073,032
- Principal Islamic Global Responsible Equity Fund	7,250,379	6,804,755
	<u>32,672,398</u>	<u>30,970,434</u>

Other than those disclosed elsewhere in the financial statements, there were no significant related party balances during the financial year.

15. TRANSACTIONS WITH BROKERS

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

Brokers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
Citigroup Global Markets Ltd	777,054,704	28.88	505,114	13.78
CLSA Ltd	281,473,194	10.46	599,007	16.35
Jefferies International Ltd	252,921,782	9.40	298,219	8.14
J.P. Morgan Securities LLC	238,057,035	8.85	71,417	1.95
Macquarie Securities AU Ltd	161,824,717	6.01	262,127	7.15
JP Morgan Securities (Asia Pac)	140,342,700	5.22	322,903	8.81
Sanford C Bernstein Ltd	128,563,369	4.78	234,856	6.41
UBS Securities Asia Ltd	128,469,378	4.77	174,652	4.77
Instinet Pacific Limited	74,456,772	2.77	189,223	5.16
Nomura Securities Malaysia Sdn Bhd	63,561,162	2.36	133,276	3.64
Others #	443,937,816	16.50	873,463	23.84
	<u>2,690,662,629</u>	<u>100.00</u>	<u>3,664,257</u>	<u>100.00</u>

15. TRANSACTIONS WITH BROKERS (CONTINUED)

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

Brokers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
Citigroup Global Markets Ltd	307,978,402	18.87	335,662	13.29
J.P. Morgan Securities LLC	161,920,969	9.92	61,929	2.45
Jefferies International Ltd	141,579,690	8.67	191,195	7.57
Macquarie Capital Securities (M) Sdn Bhd	97,738,759	5.99	201,327	7.97
Macquarie Securities AU Ltd	86,333,264	5.29	166,769	6.60
RHB Investment Bank Bhd	75,494,231	4.62	164,842	6.52
CLSA Ltd	63,946,630	3.92	190,285	7.53
Sanford C Bernstein & Co LLC	63,333,132	3.88	95,973	3.80
J.P. Morgan Securities (M) Sdn Bhd	63,218,279	3.87	87,104	3.45
JP Morgan Securities (Asia Pacific)	45,117,471	2.76	117,654	4.66
Others #	525,707,518	32.21	913,755	36.16
	<u>1,632,368,345</u>	<u>100.00</u>	<u>2,526,495</u>	<u>100.00</u>

Included in the transactions are trades conducted with CGS-CIMB Securities Sdn Bhd, fellow related parties to the Manager amounting to RM23,579,083 (2023: RM40,775,313) and CGS-CIMB Securities (Singapore) Pte Ltd RM23,871,191 (2023: RM21,481,855). The Manager is of the opinion that all transactions with the related companies have been entered into in the normal course of business at agreed terms between the related parties.

16. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 13 December 2024.

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