

# Principal DALI Opportunities Fund

Annual Report

For the Financial Year Ended 30 November 2020

**PRINCIPAL DALI OPPORTUNITIES FUND**

**ANNUAL REPORT**

**FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2020**

<b>CONTENTS</b>	<b>PAGE(S)</b>
INVESTORS' LETTER	1
MANAGER'S REPORT	2- 11
Fund Objective and Policy	
Performance Data	
Market Review	
Fund Performance	
Portfolio Structure	
Market Outlook	
Investment Strategy	
Unit Holdings Statistics	
Soft Commissions and Rebates	
STATEMENT BY MANAGER	12
TRUSTEE'S REPORT	13
SHARIAH ADVISER'S REPORT	14
INDEPENDENT AUDITORS' REPORT	15 - 18
STATEMENT OF COMPREHENSIVE INCOME	19
STATEMENT OF FINANCIAL POSITION	20 - 21
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	22
STATEMENT OF CASH FLOWS	23
NOTES TO THE FINANCIAL STATEMENTS	24 - 52
DIRECTORY	53 - 54

## INVESTORS' LETTER

Dear Valued Investor,

Firstly, allow me to wish you a very Happy New Year! Every year is a new beginning, for us to look back at our achievements and set new goals. My guess is all of us will remember 2020 as one of the most interesting, if not most challenging periods of our lives. Families, businesses and communities are all adjusting as we face new challenges and opportunities.

Here at Principal, it means a renewed commitment to helping our customers. In 2021, we will continue to deliver exciting new investment opportunities and digital innovations for our customers. We are grateful for the opportunity to serve you and for the trust you place in us.

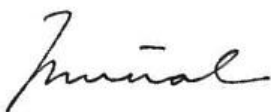
Amid a global pandemic, it might be tempting to think about delaying your investment goals. But, in reality “now” is always a better time than “later” for pursuing your goals and dreams. At Principal, customers are a top priority. We will always work to help you reach your goals, as we did last year throughout the pandemic. We will continue to focus on finding ways to make it easier for you to do investments with us, by offering new solutions around digital payments, digital submissions and digital onboarding to name a few. And, we’re just getting started.

We continue to prefer equities over fixed income and remain positive on Asian equities favouring China and more developed Asian economies on a 12-month basis. We’ve also added more ASEAN names in anticipation of a broader economic recovery which would be strengthened by the greater availability of Coronavirus 2019 (“COVID-19”) vaccines by mid-2021.

As we look towards this year, the team is excited to bring you more insights, tips and innovative solutions to help you manage your investments and reach your long-term financial goals. Visit our website ([www.principal.com.my](http://www.principal.com.my)) and follow our Facebook page (@PrincipalAssetMY) in order not to miss these updates and promotions.

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

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



**Munirah Khairuddin**  
Chief Executive Officer

**MANAGER’S REPORT**

**FUND OBJECTIVE AND POLICY**

**What is the investment objective of the Fund?**

The Fund aims to provide investors with medium to long-term capital appreciation through investments in securities of Malaysian companies that will benefit from prevailing investment themes and that conform with Shariah principles.

**Has the Fund achieved its objective?**

For the financial year under review, the Fund registered a gain. Despite the underperformance compared to its benchmark, the Fund has achieved its objectives as stated under the Fund investment policy.

**What are the Fund investment policy and principal investment strategy?**

The strategy of the Fund is to invest in sectors that are related to the prevailing domestic and/or global investment themes.

The Fund’s sector allocation will be actively managed by Manager, where Manager have the option to aggressively overweight preferred sectors to take advantage of our market outlook. Sector analysis is done through quantitative and qualitative approaches. In determining the sector allocation and stock selection, the Manager will focus on the following:

- identify the potential sector(s) in light of the prevailing domestic and/or global investment themes;
- study impact of the prevailing economic and political conditions;
- select particular sectors based on the growth prospects and valuation of that sector. The most promising sectors will be chosen according to their rating levels as per the sector analysis;
- invest in stocks of Malaysian companies in the chosen sectors based on the stocks’ potential for appreciation relative to the outlook for that sector. However, the Manager may, at its discretion, overweight or underweight at stock level if it is beneficial to the Fund; and
- review sector and stock picks monthly. Depending on prevailing market conditions, the Manager may revise the sector allocation and maintain, add or omit certain stocks during its monthly review.

The Manager will only select securities that conform with Shariah principles and may opt to invest in these Shariah-compliant securities either directly or via islamic collective investment schemes.

The asset allocation strategy for this Fund is as follows:

- at least 70% of the Fund’s Net Asset Value (“NAV”) will be invested in equities that conform with Shariah principles;
- up to 28% of the Fund's NAV may be invested in other permissible Shariah-compliant investments; and
- and at least 2% of the Fund's NAV will be invested in Islamic liquid assets for liquidity purposes.

**Fund category/type**

Equity (Shariah-compliant)/Growth

**When was the Fund launched?**

<b>Name of Class</b>	<b>Launch Date</b>
Class MYR	28 February 2008
Class SGD*	18 February 2016

\*only offered in Singapore

**What was the size of the Fund as at 30 November 2020?**

RM507.85 million (1,722.43 million units)

**FUND OBJECTIVE AND POLICY (CONTINUED)**

**What is the Fund's benchmark?**

Financial Times Stock Exchange ("FTSE") Bursa Malaysia ("FBM") EMAS Shariah ("FBMS") Index

Note: The Fund's benchmark is for performance comparison purpose only. You should note that the risk profile of the Fund is not the same as the risk profile of the benchmark. Information on the benchmark can be obtained from [www.bursamalaysia.com](http://www.bursamalaysia.com).

**What is the Fund distribution policy?**

Given the Fund's investment objective, the Fund is not expected to pay any distribution. Distributions, if any, will be incidental and will vary from period to period depending on market conditions and performance of the Fund.

**What was the net income distribution for the financial year ended 30 November 2020?**

There is no distribution to unit holders for the financial year ended 30 November 2020.

**PERFORMANCE DATA**

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

	<b>30.11.2020</b>	<b>30.11.2019</b>	<b>30.11.2018</b>
	%	%	%
Shariah-compliant quoted securities			
- Construction	4.88	4.86	3.69
- Consumer Products & Services	6.86	14.82	14.99
- Energy	8.74	6.94	3.69
- Financial Services	2.31	1.40	2.72
- Health Care	13.19	6.07	7.26
- Industrial Products & Services	11.53	14.15	15.37
- Plantation	12.95	5.84	5.51
- Property	1.02	1.11	2.14
- Real Estate Investment Trusts ("REITs")	1.26	3.64	0.78
- Technology	7.92	4.47	4.58
- Telecommunications & Media	9.14	10.43	7.19
- Transportation & Logistics	2.35	5.12	4.29
- Utilities	11.49	13.66	14.32
Cash and other net assets	6.36	7.49	13.47
	<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:

	<b>30.11.2020</b>	<b>30.11.2019</b>	<b>30.11.2018</b>
NAV (RM Million)			
- Class MYR	507.63	617.66	718.55
- Class SGD	0.22	0.10	0.06
Units in circulation (Million)			
- Class MYR	1,722.34	2,193.61	2,633.72
- Class SGD	0.08	0.04	0.02
NAV per unit (RM)			
- Class MYR	0.2947	0.2815	0.2728
- Class SGD	2.6101	2.4937	2.4165
Highest NAV per unit (RM)			
- Class MYR	0.3024	0.2972	0.3478
- Class SGD	2.6787	2.6324	2.9997
Lowest NAV per unit (RM)			
- Class MYR	0.2195	0.2619	0.2728
- Class SGD	1.9440	2.3201	2.4165
Total return (%)			
- Class MYR	4.65	3.19	(10.61)
- Class SGD	4.52	3.33	(11.40)
Capital growth (%)			
- Class MYR	4.65	3.19	(16.30)
- Class SGD	4.52	3.33	(14.78)
Income distribution (%)			
- Class MYR	-	-	6.78
- Class SGD	-	-	3.96
Management Expense Ratio ("MER") (%) ^	1.56	1.56	1.62
Portfolio Turnover Ratio ("PTR") (times) #	0.55	0.38	0.75

# For the financial year under review, the Fund's PTR increased to 0.55 from 0.38 times as there were more trading activities during the year.

	<b>30.11.2020</b>	<b>30.11.2019</b>	<b>30.11.2018</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Distribution on 24 July 2018</b>			
Gross/Net distribution per unit (sen)			
- Class MYR	-	-	2.00
- Class SGD	-	-	10.36

**PERFORMANCE DATA (CONTINUED)**

	30.11.2020	30.11.2019	30.11.2018	30.11.2017	30.11.2016
	%	%	%	%	%
Annual total return					
- Class MYR	4.65	3.19	(10.61)	5.42	(4.21)

(Launch date: 28 February 2008)

	30.11.2020	30.11.2019	30.11.2018	Since inception to 30.11.2017
		%	%	%
Annual total return				
- Class SGD	4.52	3.33	(11.40)	(4.22)

(Launch date: 18 February 2016)

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 DECEMBER 2019 TO 30 NOVEMBER 2020)**

**Local Equity**

For the financial year under review, the FBMS Index gained by 13.41% from 11,592.50 points to 13,147.37 points.

FBMS Index ended year 2019 gaining 3.85% on a full year basis, recording a much better performance as compared to the FBMKLCI. In the month of December 2019 alone, FBMS Index gained 3.06% as the continued surge in Crude Palm Oil (“CPO”) prices led to a 9.4% surge in the plantation index. Besides this, market sentiment was also buoyed by the phase 1 trade deal between US and China. Top three contributors towards the FBMKLCI’s gains were Sime Darby Plantation Bhd (+9.4%), Petronas Gas Bhd (+8.5%) and IOI Plantation Bhd (+6.0%). Externally, the rebound in Purchasing Managers’ Index (“PMI”) to 50 in December 2019 after hitting a low of 46.8 in Dec 18 bodes well for exports outlook particularly in the Electronics and Electrical (“E&E”) segment.

The FBMS Index started the year positively before succumbing to sell-down as fears of COVID-19 outbreak dampens investors sentiment. The FBMS Index declined 3.3% in January 2020 with notable gainers were gloves and healthcare stocks such as Top Glove Corporation Bhd (+24.5%), Hartalega Holdings Bhd (+8.0%), and IHH Healthcare Bhd (+4.2%) which are beneficiaries of the novel COVID-19 outbreak. Given the widespread travel curtailment imposed by various Governments since the COVID-19 outbreak in Wuhan, global tourism has taken a hit. This dampens the prospect of Malaysia achieving its 30 million tourist arrival targets during Visit Malaysia Year 2020 as China accounts for 2.94 million or 12% of arrivals in 2018 versus 0.7 million or 6% in 2002 prior to Severe Acute Respiratory Syndrome (“SARS”). On another note, Bank Negara Malaysia (“BNM”) has surprised the market in January 2020 by cutting the Overnight Policy Rate (“OPR”) by 25 basis point (“bps”) to 2.75% as the Central Bank took pre-emptive measure to support the economic growth trajectory amid benign inflationary pressure and still uncertain geopolitical tensions and policy uncertainties in a number of countries.



**MARKET REVIEW (1 DECEMBER 2019 TO 30 NOVEMBER 2020) (CONTINUED)**

The FBMS Index declined 3.7% in February 2020 amid concerns over uncertainty in domestic politics, COVID-19 outbreak and the poor set of lacklustre corporate results. Political uncertainty engulfed Malaysia again following the shocked resignation of Tun Dr Mahathir as prime minister after losing a majority support in the parliament. However, the uncertainty of not having a functioning Federal Government was short-lived as the King has appointed Tan Sri Muhyiddin Yasin as the 8<sup>th</sup> Prime Minister after determining that the latter is likely to get a majority support in the parliament. In his last act as interim Prime Minister, Tun Dr Mahathir unveiled a RM20 billion stimulus package to mitigate the adverse economic impact from the COVID-19 outbreak. He further lowered Malaysia Gross Domestic Product (“GDP”) growth forecast in 2020 from 4.8% to 3.2% to 4.2% while raising the fiscal deficit target from 3.2% to 3.4%. Against the backdrop of a disappointing fourth quarter of 2019 GDP growth of 3.6% (versus 4.1% street expectation) and a weaker PMI reading of 48.5 in February 2020, BNM has followed through with its second interest rate cut this year as it lowers the OPR by 25 bps to 2.50% in its March 2020 Monetary Policy Committee (“MPC”) meeting.

The FBMS Index declined further by 8.29% in March 2020, as concerns over the COVID-19 outbreak intensified which was further exacerbated by the sharp 47% fall in Brent crude oil price following the breakdown in talks between Saudi Arabia and Russia to extend the Organization of the Petroleum Exporting Countries (“OPEC”) production cut agreement. The Malaysian government has enforced an initial 2-week movement control order (“MCO”) since 18 March 2020 which was extended until 14 April 2020 as the number of new COVID-19 infections spiked.

A liquidity driven relief rally lifted the FBMS Index by 7.80% in April 2020, trimming year-to-date (“YTD”) loss to 8.80%. Small and mid-cap stocks, led mainly by technology stocks, staged a much stronger rebound as the FBMS Index surged 20.2% in April 2020. The sharp turnaround in investors’ sentiment was driven by coordinated fiscal and monetary responses globally following the Covid-19 outbreak which led to a sharp recession as economic activities came to a halt.

The FBMS Index gained 10.4% in May 2020, outperforming the FBMKLCI and markets in the region (versus MSCI) the Association of Southeast Asian Nations (“ASEAN”) +1.3%). The positive performance was driven entirely by glove stocks as Hartalega Holdings Bhd and Top Glove Corporation Bhd gained 65% and 83% respectively during the month on the back of rising Average Selling Price (“ASP”) amid tight global supply of medical gloves. Excluding the glove stocks, the benchmark index would have been flat in May.

Subsequent to the rally in the month of May 2020, FBMS Index was facing some profit-taking activities after the strong surge since late March 2020 as there are concern of second wave of COVID-19 new infections after MCO is being lifted gradually. Over the course of June 2020, the Government has announced further RM35 billion stimulus under National Economic Recovery Plan (“PENJANA”) which consists of RM10 billion in direct fiscal injections, RM8 billion in tax incentives and the rest via measures by public sector entities. The government also announced that it is offering up to 100% sales tax exemption for Completely Knocked Down (“CKD”) and Completely Built-Up (“CBU”) vehicles from 15 June 2020 till 31 December 2020 while property sector will be boosted by reintroduction of the Home Ownership Campaign (“HOC”), exemption of individuals’ Real Property Gain Tax (“RPGT”) and the lifting of the maximum loan-to-value ratio (“LTV”) to 70%.

In July 2020, Malaysia equity market continued to have a strong rally, outperforming its regional peers. The healthcare sector was again the star of the month as the continued rise in global COVID-19 new cases underpinned the spike in demand for personal protective equipment (“PPE”) including gloves. This led to a 68.0% month-on-month (“m-o-m”) gain in Bursa Malaysia Healthcare Index. Besides healthcare, technology (+24.4% m-o-m) and plantation (+6.5% m-o-m) are the two other notable sectors which also contributed to the broad rally.

**MARKET REVIEW (1 DECEMBER 2019 TO 30 NOVEMBER 2020) (CONTINUED)**

Nonetheless, the rally was not sustained into the month of August 2020 as market sentiment dented by subdued second quarter of 2020 corporate earnings results despite earlier expectation of severe earnings contraction due to the full impact of MCO. The earnings disappointment was further compounded by the absence of any interim dividends by the banks to preserve capital against potential losses as the end of loan moratorium loomed.

The market continued to slide in September affected by selling pressure on the Healthcare sector, due to the correction in glove stocks on vaccine development news flow, as well as the sell-down of some blue-chip stocks amid continued net outflow by foreign institutional investors. Politics was another dampener the equity market (especially for the foreign investors). Given slim majority of the current government, there was concern of snap general election may be called soon. Any potential change in government could lead to policy uncertainty, thus negatively impacting the markets in the short term.

**FUND PERFORMANCE**

<b>Class MYR</b>	<b>1 year to 30.11.2020</b>	<b>3 years to 30.11.2020</b>	<b>5 years to 30.11.2020</b>	<b>Since inception to 30.11.2020</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Income Distribution	-	6.78	17.05	40.23
Capital Growth	4.65	(9.61)	(16.63)	17.99
Total Return	4.65	(3.47)	(2.53)	65.30
Benchmark	13.41	1.76	5.12	31.74
Average Total Return	4.65	(1.17)	(0.51)	4.18

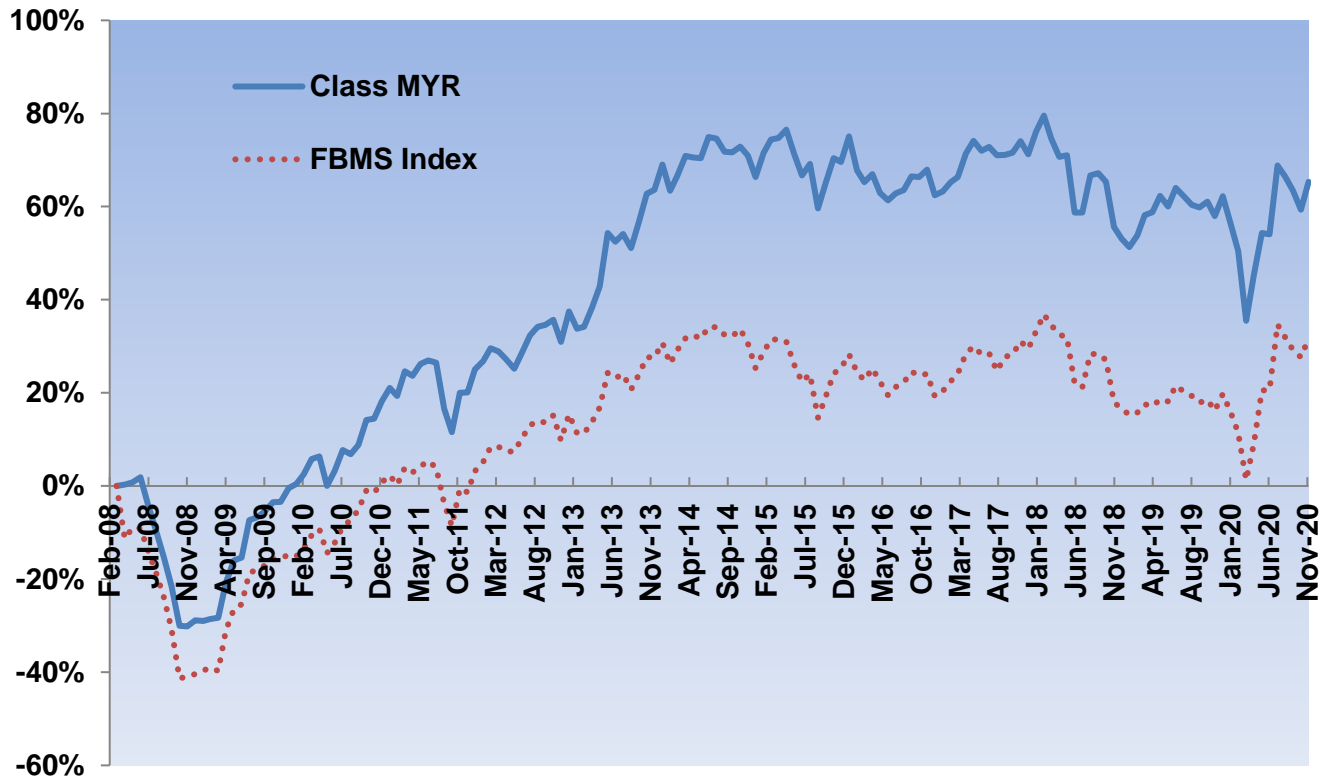
For the financial year under review, Class MYR recorded an increase of 4.65% while the benchmark gained 13.41%.

<b>Class SGD</b>	<b>1 year to 30.11.2020</b>	<b>3 years to 30.11.2020</b>	<b>Since inception to 30.11.2020</b>
	<b>%</b>	<b>%</b>	<b>%</b>
Income Distribution	-	3.96	7.26
Capital Growth	4.52	(7.53)	(9.97)
Total Return	4.52	(3.88)	(3.46)
Benchmark	13.41	1.76	4.83
Average Total Return	4.52	(1.31)	(0.82)

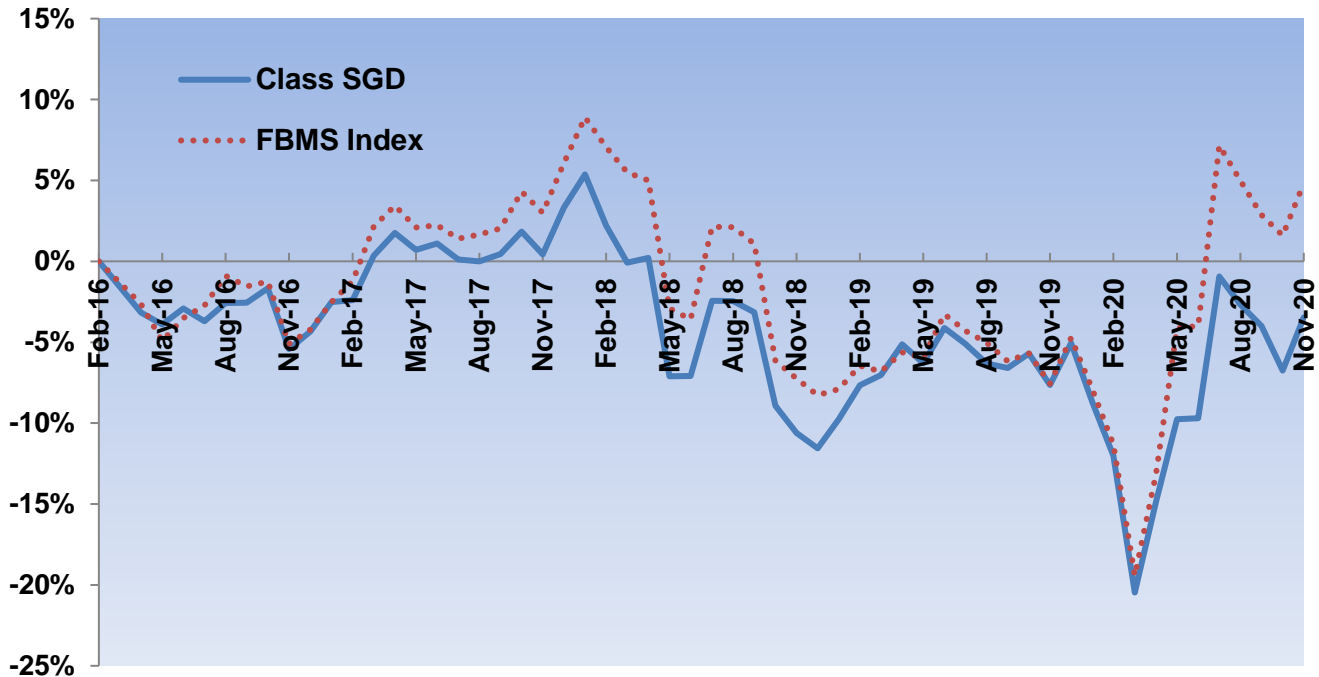
For the financial year under review, Class SGD recorded a decrease of 3.46% while the benchmark increased by 4.83%. increase

FUND PERFORMANCE (CONTINUED)

CLASS MYR



CLASS SGD



**FUND PERFORMANCE (CONTINUED)**

**Changes in NAV**

	<b>30.11.2020</b>	<b>30.11.2019</b>	<b>Changes %</b>
<b>Class MYR</b>			
NAV (RM Million)	507.63	617.66	(17.81)
NAV/Unit (RM)	0.2947	0.2815	4.69
<b>Class SGD</b>			
NAV (RM Million)	0.22	0.10	>100.00
NAV/Unit (RM)	2.6101	2.4937	4.67

During the financial year under review, Class MYR saw outflows from redemptions causing a decrease in NAV by 17.81%. Meanwhile, the NAV for Class SGD increased by more than 100% due to positive inflows from unit creations

The NAV per unit for both classes increased mainly due to the positive investment performance recorded during the 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**

<b>(% of NAV)</b>	<b>30.11.2020</b>	<b>30.11.2019</b>
Shariah-compliant quoted securities	93.64	92.51
Cash and other net assets	6.36	7.49
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>

Asset allocation was increased from 92.51% as at 30 November 2019 to 93.64% as at 30 November 2020 to reflect our constructive view on the equity market.

## MARKET OUTLOOK\*

After a challenging year, all signs are signalling a buoyant 2021 as COVID-19 vaccine progress continues and policy remains extremely supportive. Construction was one of the beneficiaries seen out of the budget. After all, mega-infra projects now seem to be back in the limelight with mentions of the The Metro Rail Transit 3 (“MRT3”) and High-speed Rail (“HSR”) by Finance Minister. Other than MRT3, the Government will also continue with the Kuala Lumpur–Singapore HSR, subject to negotiations with Singapore. The Government has also decided to relax the Employees Provident Fund (“EPF”) withdrawal process for the needy and decided not to give a blanket approval for loan moratorium. This has sparked the rebound for Financial stocks post-budget voting.

The global oil market surged on vaccine hopes but a return to pre-crisis oil market fundamentals is some time away. The pandemic meanwhile accelerates the energy transition aided by a wide set of policy support and stimulus measures. Crude oil climbed to its highest level since early-March 2020 on optimism surrounding the vaccine announcements, with sentiment also boosted by US election results. Oil futures turned into backwardation to reflect tighter conditions. Vaccines improve the economic outlook and future oil demand over the 2-year to 3-year horizon but are unlikely to boost demand significantly in the near-term. Rising commodity prices, particularly oil and gas and palm oil, will bode well for Malaysia as these sectors are the major exports and consumption pillars for the country. On COVID-19 front, the Malaysian Government said it has signed an agreement with China and Pfizer to cooperate on the development of a safe and efficacious vaccine, as part of efforts to combat the COVID-19 pandemic. Continuous positive development on the vaccines will instil consumer confidence and sentiment.

\*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 Bhd (“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

The approval of 2021 Budget by the Parliament was the biggest short-term positive development that would help to alleviate political risk in Malaysia. Despite noises of a possible no confidence vote against the Prime Minister and the Budget 2021, it was passed smoothly and all measures will be implemented in 2021. With major headwinds such as US Presidential Election and Malaysia Budget 2021 are now being addressed and cheap valuations, we are now cautiously optimistic for 1H2021. Earlier hope for rapid recovery in fourth quarter of 2020 may be dented (due to resurgence of COVID-19 globally) but we are now confident of a sustainable economic recovery in first half of 2020. As a result, we will continue with our high asset allocation focusing on post COVID-19 recovery theme. Sector in focus for will be on Financial Services, Consumer, Technology and Commodity-related, whilst at the same time reducing our position on the Healthcare and REIT sectors.

**UNIT HOLDINGS STATISTICS**

Breakdown of unit holdings by size as at 30 November 2020 are as follows:

**CLASS MYR**

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	4,125	13.98	0.81
5,001-10,000	8,000	58.91	3.42
10,001-50,000	22,280	532.88	30.94
50,001-500,000	8,628	942.13	54.70
500,001 and above	132	174.44	10.13
<b>Total</b>	<b>43,165</b>	<b>1,722.34</b>	<b>100.00</b>

**CLASS SGD**

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	1	0.00	0.00
5,001-10,000	1	0.01	11.11
10,001-50,000	2	0.07	88.89
50,001-500,000	-	-	-
500,001 and above	-	-	-
<b>Total</b>	<b>4</b>	<b>0.08</b>	<b>100.00</b>

**SOFT COMMISSIONS AND REBATES**

Principal Asset Management Berhad (the “Manager”) and the Trustee will not retain any form of rebate or soft commission from, or otherwise share in any commission with, any broker in consideration for directing dealings in the investments of the Principal Malaysia Funds (“Funds”) unless the soft commission received is retained in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Funds. All dealings with brokers are executed on best available terms.

During the financial 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.

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF  
PRINCIPAL DALI OPPORTUNITIES 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 19 to 52 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 November 2020 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/Executive Director

**JUAN IGNACIO EYZAGUIRRE BARAONA**  
Director

Kuala Lumpur  
14 January 2021

**TRUSTEE'S REPORT TO THE UNIT HOLDERS OF  
PRINCIPAL DALI OPPORTUNITIES FUND**

We have acted as Trustee of Principal DALI Opportunities Fund ("the Fund") for the financial year ended 30 November 2020. To the best of our knowledge, Principal Asset Management Berhad ("the Manager"), has operated and managed the Fund in accordance with the following:

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

For HSBC (Malaysia) Trustee Berhad

Tan Bee Nie  
Senior Manager, Investment Compliance Monitoring

Kuala Lumpur  
13 January 2021



**SHARIAH ADVISER'S REPORT**

**To the Unit Holders of Principal DALI Opportunities Fund ("Fund")**

**For the Financial Year Ended 30 November 2020**

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 period 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 ("SC") pertaining to Shariah matters; and
2. The asset of the Fund comprises of instruments that have been classified as Shariah compliant.

**For Amanie Advisors Sdn Bhd**

**Datuk Dr Mohd Daud Bakar**  
Executive Chairman

Kuala Lumpur  
13 January 2021

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF  
PRINCIPAL DALI OPPORTUNITIES FUND**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

Our opinion

In our opinion, the financial statements of Principal DALI Opportunities Fund (the "Fund") give a true and fair view of the financial position of the Fund as at 30 November 2020, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 November 2020, and the statement of comprehensive income, statement of changes in net assets attributable to unit holders and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 19 to 52.

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 opinion.

Independence and other ethical responsibilities

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF  
PRINCIPAL DALI OPPORTUNITIES FUND (CONTINUED)**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)**

Information other than the financial statements and auditors' report thereon

The Manager of the Fund is responsible for the other information. The other information comprises Manager's Report but does not include the financial statements of the Fund and our auditor's report thereon.

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

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

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

Responsibilities of the Manager for the financial statements

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

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF  
PRINCIPAL DALI OPPORTUNITIES FUND (CONTINUED)**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF  
PRINCIPAL DALI OPPORTUNITIES FUND (CONTINUED)**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements (continued)

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

**OTHER MATTERS**

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

**PRICEWATERHOUSECOOPERS PLT**  
LLP0014401-LCA & AF 1146  
Chartered Accountants

Kuala Lumpur  
14 January 2021

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2020**

	Note	2020 RM	2019 RM
<b>INCOME</b>			
Dividend income		14,600,242	19,902,875
Profit income from Shariah-compliant deposits with licensed Islamic financial institutions at amortised cost		933,823	1,847,482
Net gain on financial assets at fair value through profit or loss	7	12,525,007	14,579,428
Net foreign exchange (loss)/gain		<u>(357)</u>	<u>743</u>
		<u>28,058,715</u>	<u>36,330,528</u>
<b>EXPENSES</b>			
Management fee	4	8,164,469	10,451,089
Trustee fee	5	272,149	348,370
Transaction costs		1,328,402	1,059,795
Audit fee		16,200	16,200
Tax agent's fee		4,000	3,600
Other expenses		<u>76,637</u>	<u>114,709</u>
		<u>9,861,857</u>	<u>11,993,763</u>
<b>PROFIT BEFORE TAXATION</b>		18,196,858	24,336,765
Taxation	6	-	186,032
<b>INCREASE IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>18,196,858</u>	<u>24,522,797</u>
Increase in net assets attributable to unit holders are made up as follows:			
Realised amount		(17,229,812)	10,421,572
Unrealised amount		<u>35,426,670</u>	<u>14,101,225</u>
		<u>18,196,858</u>	<u>24,522,797</u>

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

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 NOVEMBER 2020**

	Note	2020 RM	2019 RM
<b>ASSETS</b>			
Cash and cash equivalents (Shariah-compliant)	8	34,948,397	41,798,744
Financial assets at fair value through profit or loss (Shariah-compliant)	7	475,540,749	571,487,130
Amount due from stockbrokers		-	5,844,757
Amount due from Manager		38,576	63,176
Dividends receivable		322,863	816,806
Tax recoverable		-	186,032
<b>TOTAL ASSETS</b>		<u>510,850,585</u>	<u>620,196,645</u>
<b>LIABILITIES</b>			
Amount due to Manager		2,323,309	1,599,765
Accrued management fee		632,746	784,556
Amount due to Trustee		21,092	26,152
Other payables and accruals		19,700	23,400
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)</b>		<u>2,996,847</u>	<u>2,433,873</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>507,853,738</u>	<u>617,762,772</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>507,853,738</u>	<u>617,762,772</u>

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

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 30 NOVEMBER 2020 (CONTINUED)**

	Note	2020 RM	2019 RM
<b>REPRESENTED BY:</b>			
<b>FAIR VALUE OF OUTSTANDING UNITS (RM)</b>			
- Class MYR		507,633,697	617,657,833
- Class SGD		<u>220,041</u>	<u>104,939</u>
		<u>507,853,738</u>	<u>617,762,772</u>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>			
- Class MYR		1,722,340,737	2,193,606,250
- Class SGD		<u>84,303</u>	<u>42,080</u>
	<b>9</b>	<u>1,722,425,040</u>	<u>2,193,648,330</u>
<b>NET ASSET VALUE PER UNIT (RM)</b>			
- Class MYR		0.2947	0.2815
- Class SGD		<u>2.6101</u>	<u>2.4937</u>
<b>NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES</b>			
- Class MYR		MYR0.2947	MYR0.2815
- Class SGD		<u>SGD0.8570</u>	<u>SGD0.8162</u>

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



**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS  
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2020**

	<b>2020</b>	<b>2019</b>
	<b>RM</b>	<b>RM</b>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	617,762,772	718,609,592
Movement due to units created and cancelled during the financial year:		
- Creation of units from applications		
- Class MYR	1,692,503	4,935,731
- Class SGD	184,715	66,470
	<u>1,877,218</u>	<u>5,002,201</u>
- Cancellation of units		
- Class MYR	(129,919,429)	(130,353,569)
- Class SGD	(63,681)	(18,249)
	<u>(129,983,110)</u>	<u>(130,371,818)</u>
Increase in net assets attributable to unit holders during the financial year	<u>18,196,858</u>	<u>24,522,797</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL YEAR</b>	<u>507,853,738</u>	<u>617,762,772</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 30 NOVEMBER 2020**

	Note	2020 RM	2019 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Proceeds from disposal of Shariah-compliant quoted securities		361,005,717	301,672,076
Purchases of Shariah-compliant quoted securities		(247,813,942)	(233,127,105)
Dividend income received		14,851,731	19,892,489
Profit income received from Shariah-compliant deposits with licensed Islamic financial institutions		933,823	1,847,482
Management fee paid		(8,316,279)	(10,579,080)
Trustee fee paid		(277,209)	(352,636)
Payments for other fees and expenses		(62,115)	(81,709)
Tax refund received		186,032	-
<b>Net cash generated from operating activities</b>		<u>120,507,758</u>	<u>79,271,517</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash proceeds from units created		1,901,348	5,207,237
Payments for cancellation of units		(129,259,082)	(129,456,719)
<b>Net cash used in financing activities</b>		<u>(127,357,734)</u>	<u>(124,249,482)</u>
Net decrease in cash and cash equivalents		(6,849,976)	(44,977,965)
Effects of foreign exchange differences		(371)	785
Cash and cash equivalents at the beginning of the financial year		<u>41,798,744</u>	<u>86,775,924</u>
Cash and cash equivalents at the end of the financial year	<b>8</b>	<u>34,948,397</u>	<u>41,798,744</u>
<u>Cash and cash equivalents comprised of:</u>			
Bank balances		276,844	231,246
Shariah-compliant deposits with licensed Islamic financial institutions		<u>34,671,553</u>	<u>41,567,498</u>
Cash and cash equivalents at the end of the financial year	<b>8</b>	<u>34,948,397</u>	<u>41,798,744</u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2020****1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES**

Principal DALI Opportunities Fund (the “Fund”) is governed by a Principal Master Deed dated 10 April 2015 and a First Supplemental Master Deed dated 31 May 2019 (collectively referred to as the “Deeds”) between Principal Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”).

The strategy of the Fund is to invest in sectors that are related to the prevailing domestic and/or global investment themes. In identifying the investment themes, we will consider prevailing and potential macroeconomic factors and trends, social and political developments as well as technological advances that may reveal specific thematic investment opportunities. We may revise our outlook on the investment themes during its monthly reviews. You will be informed of the prevailing investment themes that the Fund is focusing on via the Fund’s monthly fact sheet which is available on our website at <http://www.principal.com.my>.

The Fund’s sector allocation will be actively managed by the Manager, where we have the option to aggressively overweight preferred sectors to take advantage of our market outlook. Sector analysis is done through quantitative and qualitative approaches. In determining the sector allocation and stock selection, we will focus on the following:

- identify the potential sector(s) in light of the prevailing domestic and/or global investment themes;
- study impact of the prevailing economic and political conditions;
- select particular sectors based on the growth prospects and valuation of that sector. The most promising sectors will be chosen according to their rating levels as per the sector analysis;
- invest in stocks of Malaysian companies in the chosen sectors based on the stocks’ potential for appreciation relative to the outlook for that sector. However, we may, at its discretion, overweight or underweight at stock level if it is beneficial to the Fund; and
- review sector and stock picks monthly. Depending on prevailing market conditions, we may revise the sector allocation and maintain, add or omit certain stocks during its monthly review.

We will only select securities that conform with Shariah principles and may opt to invest in these Shariah-compliant securities either directly or via Islamic collective investment scheme.

The asset allocation strategy for this Fund is as follows:

- at least 70% of the Fund’s NAV will be invested in equities that conform with Shariah principles;
- up to 28% of the Fund’s NAV may be invested in other permissible Shariah-compliant investments; and
- at least 2% of the Fund’s NAV will be invested in Islamic liquid assets for liquidity purposes.

All investments will be subjected to the SC Guidelines on Unit Trust Funds, 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

### (a) Basis of preparation

The financial statements have been prepared in accordance with the provisions of the MFRS and IFRS.

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(k).

#### Standards, amendments to published standards or interpretation that are effective and relevant:

The Fund has applied the following amendments to published standards for the first time for the financial year beginning 1 December 2019:

- Amendments to MFRS 112 'Income Taxes' (effective from 1 January 2019) clarify that where income tax consequences of dividends on financial instruments classified as equity is recognised (either in profit or loss, other comprehensive income ("OCI") or equity) depends on where the past transactions that generated distributable profits were recognised.

Accordingly, the tax consequences are recognised in profit or loss when an entity determines payments on such instruments are distribution of profits (that is, dividends). Tax on dividend should not be recognised in equity merely on the basis that it is related to a distribution to owners.

There are no standards, amendments to standards or interpretations that are effective for financial year beginning on 1 December 2019 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 December 2020 that are applicable to the financial statements of the Fund.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(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.

The contractual cash flows of the Fund's debt securities are solely payment of principal and interest<sup>1</sup> ("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 stockbrokers, amount due from Manager and dividends receivable as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

The Fund classifies amount due to Manager, accrued management fee, amount due to Trustee, and other payables and accruals as financial liabilities 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. Shariah-compliant investments are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income.

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

Financial assets are derecognised when the rights to receive cash flows from the 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.

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

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

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

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 costs

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

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

**(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 are accounted for as the difference between the net disposal proceeds and the carrying amount of Shariah-compliant quoted securities, determined on a weighted average cost basis.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(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 Malaysian Ringgit (“MYR”), 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 primarily due to the following factors:

- i) Significant portion of the units of the Fund are denominated in MYR;
- ii) Fund’s expenses are denominated in MYR;
- iii) Significant portion of the Fund’s Shariah-compliant investments are denominated in MYR; and
- iv) Significant portion of the NAV is invested in the form of cash denominated in MYR for the purpose of making settlement of the foreign trades.

Transactions and balances

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

**(d) 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.

**(e) Unit holders’ contributions**

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

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



**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(e) Unit holders' contributions (continued)**

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

**(f) 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.

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.

**(g) Transaction costs**

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

**(h) Increase/decrease in net asset attributable to unit holders**

Income not distributed is included in net asset attributable to unit holders.

**(i) Amount due from/to stockbrokers**

Amounts due to stockbrokers represent payables for Shariah-compliant quoted securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

These amounts are measured at amortised cost. At each reporting date, the Fund measures the loss allowance on amounts due from stockbrokers/dealers at an amount equal to the lifetime ECL if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month ECL. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

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

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(j) Realised and unrealised portions of increase/decrease in net assets attributable to unit holders**

The analysis of realised and unrealised portions of increase/decrease in net assets attributable to unit holders as presented on the statement of comprehensive income is prepared in accordance with SC Guidelines on Unit Trust Funds.

**(k) 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 Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgements 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 Shariah-compliant 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 SC Guidelines on Unit Trust Funds.

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 are as follows:

	<b>Financial assets at fair value through profit or loss RM</b>	<b>Financial assets at amortised cost RM</b>	<b>Total RM</b>
<b>2020</b>			
Cash and cash equivalents (Note 8)	-	34,948,397	34,948,397
Shariah-compliant quoted securities (Note 7)	475,540,749	-	475,540,749
Amount due from Manager	-	38,576	38,576
Dividends receivable	-	322,863	322,863
	<u>475,540,749</u>	<u>35,309,836</u>	<u>510,850,585</u>
<b>2019</b>			
Cash and cash equivalents (Note 8)	-	41,798,744	41,798,744
Shariah-compliant quoted securities (Note 7)	571,487,130	-	571,487,130
Amount due from stockbrokers	-	5,844,757	5,844,757
Amount due from Manager	-	63,176	63,176
Dividends receivable	-	816,806	816,806
	<u>571,487,130</u>	<u>48,523,483</u>	<u>620,010,613</u>

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

The Fund aims to provide investors with medium to long-term capital appreciation through investments in securities of Malaysian companies that will benefit from prevailing investment themes and that conform to Shariah principles.

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

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

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

(a) Market risk

(i) Price risk

This is the risk that the fair value of an investment in Shariah-compliant quoted securities will fluctuate because of changes in market prices (other than those arising from interest rate risk). The value of Shariah-compliant quoted securities 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 quoted securities and other financial instruments within specified limits according to the Deeds.

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

	2020 RM	2019 RM
Financial assets at fair value through profit or loss:		
- Shariah-compliant quoted securities	<u>475,540,749</u>	<u>571,487,130</u>

The table below summarises the sensitivity of the Fund's profit or loss and NAV to movements in prices of Shariah-compliant quoted securities at the end of each financial year. The analysis is based on the assumptions that the price of the 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 quoted securities, having regard to the historical volatility of the prices.

% Change in price of Shariah-compliant quoted securities	Market Value RM	Impact on profit or loss/NAV RM
<b>2020</b>		
-5%	451,763,712	(23,777,037)
0%	475,540,749	-
+5%	<u>499,317,786</u>	<u>23,777,037</u>
<b>2019</b>		
-5%	542,912,773	(28,574,357)
0%	571,487,130	-
+5%	<u>600,061,487</u>	<u>28,574,357</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 interest 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 deposits with licensed financial institutions. 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.

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

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

	<b>2020</b>	<b>2019</b>
	%	%
Shariah-compliant deposits with licensed Islamic financial institutions	<u>1.64</u>	<u>3.04</u>

(iii) Currency risk

Foreign currency risk is the risk that the value of Shariah-compliant 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 interest rate differentials, balance of payments position, debt levels, and technical chart considerations.

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

(a) Market risk (continued)

(iii) Currency risk (continued)

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

	<b>Cash and cash equivalents RM</b>
<b><u>Financial assets</u></b>	
<b>2020</b>	
SGD	<u>230,663</u>
<b>2019</b>	
SGD	<u>110,137</u>
	<b>Net assets attributable to unit holders RM</b>
<b><u>Financial liabilities</u></b>	
<b>2020</b>	
SGD	<u>220,041</u>
<b>2019</b>	
SGD	<u>104,939</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 held constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate.

	<b>Change in foreign exchange rate %</b>	<b>Impact on profit or loss/NAV RM</b>
<b>2020</b>		
SGD	+/-5	<u>+/-531</u>
<b>2019</b>		
SGD	+/-5	<u>+/-260</u>

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

(b) Credit risk

Credit risk refers to the risk that a 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 exchange. The credit risk is minimal as all transactions in Shariah-compliant quoted securities are settled/paid upon delivery using approved stockbrokers.

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

	Cash and cash equivalents RM	Amount due from stockbrokers RM	Amount due from Manager RM	Dividends receivable RM	Total RM
<b>2020</b>					
- AAA	34,948,397	-	-	-	34,948,397
- Not Rated	-	-	38,576	322,863	361,439
	<u>34,948,397</u>	<u>-</u>	<u>38,576</u>	<u>322,863</u>	<u>35,309,836</u>
<b>2019</b>					
- AAA	41,798,744	-	-	-	41,798,744
- Not Rated	-	5,844,757	63,176	816,806	6,724,739
	<u>41,798,744</u>	<u>5,844,757</u>	<u>63,176</u>	<u>816,806</u>	<u>48,523,483</u>

Shariah-compliant deposits with licensed Islamic financial institutions of the Fund have an average maturity of 1 day (2019: 4 days).

All financial assets of the Fund as at the end of each financial year are neither past due nor impairment.

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

(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. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

Generally, all investments are subject to a certain degree of liquidity risk depending on the nature of the investment instruments, market, sector and other factors. For the purpose of the Fund, the Manager will attempt to balance the entire portfolio by investing in a mix of assets with satisfactory trading volume and those that occasionally could encounter poor liquidity. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

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

	Less than 1 month RM	Between 1 month to 1 year RM	Total RM
<b>2020</b>			
Amount due to Manager	2,323,309	-	2,323,309
Accrued management fee	632,746	-	632,746
Amount due to Trustee	21,092	-	21,092
Other payables and accruals	-	19,700	19,700
Net assets attributable to unit holders*	<u>507,853,738</u>	<u>-</u>	<u>507,853,738</u>
<b>Contractual undiscounted cash flows</b>	<u><u>510,830,885</u></u>	<u><u>19,700</u></u>	<u><u>510,850,585</u></u>
<b>2019</b>			
Amount due to Manager	1,599,765	-	1,599,765
Accrued management fee	784,556	-	784,556
Amount due to Trustee	26,152	-	26,152
Other payables and accruals	-	23,400	23,400
Net assets attributable to unit holders*	<u>617,762,772</u>	<u>-</u>	<u>617,762,772</u>
<b>Contractual undiscounted cash flows</b>	<u><u>620,173,245</u></u>	<u><u>23,400</u></u>	<u><u>620,196,645</u></u>

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



**3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)****(d) Capital risk management**

The capital of the Fund is represented by net assets attributable to unit holders of RM507,853,738 (2019: RM617,762,772). 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 values of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the financial year end date. The Fund utilises the last traded market price for financial assets where the last traded market 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.

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

**(i) Fair value hierarchy**

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

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

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

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

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

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

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
<b>2020</b>				
Financial assets at fair value through profit or loss:				
- Shariah-compliant quoted securities	475,540,749	-	-	475,540,749
<b>2019</b>				
Financial assets at fair value through profit or loss:				
- Shariah-compliant quoted securities	571,487,130	-	-	571,487,130

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. The Fund does not adjust the quoted prices for these instruments. The Fund's policies on valuation of these financial assets are stated in Note 2(b).

(ii) The carrying values of cash and cash equivalents, amount due from stockbrokers, amount due from Manager, 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 up to 3.00% per annum, calculated daily based on the NAV of the Fund.

For the financial year ended 30 November 2020, the management fee is recognised at a rate of 1.50% per annum (2019: 1.50% per annum).

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

**5. TRUSTEE FEE**

In accordance with the Deeds, the Trustee is entitled to a maximum fee of up to 0.07% per annum calculated daily based on the NAV of the Fund. The Trustee fee includes local custodian fee but excludes foreign sub-custodian fees and charges.

For the financial year ended 30 November 2020, the Trustee fee is recognised at a rate of 0.05% per annum (2019: 0.05% per annum).

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

**6. TAXATION**

	<b>2020</b>	<b>2019</b>
	<b>RM</b>	<b>RM</b>
Tax charged for the financial year:		
- Overprovision of tax in prior years	<u>-</u>	<u>(186,032)</u>

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

	<b>2020</b>	<b>2019</b>
	<b>RM</b>	<b>RM</b>
Profit before finance cost and taxation	<u>18,196,858</u>	<u>24,336,765</u>
Taxation at Malaysian statutory rate of 24%	4,367,246	5,840,824
Tax effects of:		
- Investment income not subject to tax	(6,734,092)	(8,719,327)
- Expenses not deductible for tax purposes	401,891	360,569
- Restriction on tax deductible expenses for Unit Trust Funds	1,964,955	2,517,934
- Overprovision of tax in prior years	<u>-</u>	<u>(186,032)</u>
Taxation	<u>-</u>	<u>(186,032)</u>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (SHARIAH-COMPLIANT)

	2020 RM	2019 RM
At fair value through profit or loss:		
- Shariah-compliant quoted securities	<u>475,540,749</u>	<u>571,487,130</u>
Net gain on financial assets at fair value through profit or loss:		
- Realised (loss)/gain on disposals	(22,902,034)	478,988
- Unrealised fair value gain	<u>35,427,041</u>	<u>14,100,440</u>
	<u>12,525,007</u>	<u>14,579,428</u>

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>2020</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES</b>				
<b>Construction</b>				
Econpile Holdings Bhd	7,659,700	6,715,182	3,600,059	0.71
Gabungan AQRS Bhd	3,611,470	5,626,438	2,491,914	0.49
Gamuda Bhd	2,627,161	9,480,477	9,378,965	1.85
IJM Corp Bhd	3,733,040	10,563,239	6,047,525	1.19
MGB Bhd	3,097,400	4,982,139	1,858,440	0.37
Sunway Construction Group Bhd	757,700	1,778,237	1,394,168	0.27
	<u>21,486,471</u>	<u>39,145,712</u>	<u>24,771,071</u>	<u>4.88</u>
<b>Consumer Products &amp; Services</b>				
DRB-Hicom Bhd	1,302,700	2,966,501	2,592,373	0.51
Fraser & Neave Holding Bhd	48,800	1,595,639	1,584,048	0.31
Mr D.I.Y. Group (M) Bhd	550,700	881,120	1,448,341	0.29
Nestle Malaysia Bhd	94,400	13,626,399	12,649,600	2.49
Petronas Dagangan Bhd	286,000	7,177,842	5,937,360	1.16
QL Resources Bhd	239,400	1,587,991	1,522,584	0.30
Sime Darby Bhd	3,943,205	9,145,361	9,108,804	1.80
	<u>6,465,205</u>	<u>36,980,853</u>	<u>34,843,110</u>	<u>6.86</u>
<b>Energy</b>				
Dialog Group Bhd	6,309,030	21,396,754	22,712,508	4.47
Hibiscus Petroleum Bhd	5,000,000	5,000,000	5,950,000	1.17
Serba Dinamik Hldgs Bhd	7,896,560	15,447,671	12,871,393	2.54
Yinson Holdings Bhd	548,700	2,727,836	2,864,214	0.56
	<u>19,754,290</u>	<u>44,572,261</u>	<u>44,398,115</u>	<u>8.74</u>

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>2020 (CONTINUED)</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>Financial Services</b>				
BIMB Holdings Bhd	1,793,000	7,421,956	6,634,100	1.31
Bursa Malaysia Bhd	618,700	6,452,773	5,073,340	1.00
	<u>2,411,700</u>	<u>13,874,729</u>	<u>11,707,440</u>	<u>2.31</u>
<b>Health Care</b>				
Duopharma Biotech Bhd	2,813,161	4,945,687	11,393,302	2.24
Hartalega Holdings Bhd	1,441,949	20,239,252	20,764,066	4.09
IHH Healthcare Bhd	1,935,900	11,676,594	10,879,758	2.14
Top Glove Corporation Bhd	3,362,286	17,235,217	23,939,476	4.72
	<u>9,553,296</u>	<u>54,096,750</u>	<u>66,976,602</u>	<u>13.19</u>
<b>Industrial Products &amp; Services</b>				
Chemical Co. Malaysia Bhd	229,900	506,961	694,298	0.14
Cypark Resources Bhd	5,376,150	9,362,836	7,741,656	1.52
Petronas Chemicals Group Bhd	2,540,300	19,683,213	16,308,726	3.21
Press Metal Aluminium Holdings Bhd	1,689,600	9,289,708	11,827,200	2.33
SKP Resources Bhd	4,628,600	7,634,840	9,442,344	1.86
Uchi Technologies Bhd	2,554,000	6,959,608	7,023,500	1.38
UEM Edgenta Bhd	2,929,300	8,838,787	5,536,377	1.09
	<u>19,947,850</u>	<u>62,275,953</u>	<u>58,574,101</u>	<u>11.53</u>
<b>Plantation</b>				
FGV Holdings Bhd	6,676,600	9,924,088	8,078,686	1.59
Genting Plantations Bhd	521,510	5,060,190	4,954,345	0.98
IOI Corp Bhd	2,733,900	12,778,603	11,947,142	2.35
Kuala Lumpur Kepong Bhd	650,852	15,278,547	15,295,022	3.01
Sime Darby Plantation Bhd	5,202,451	27,753,115	25,492,010	5.02
	<u>15,785,313</u>	<u>70,794,543</u>	<u>65,767,205</u>	<u>12.95</u>
<b>Property</b>				
LBS Bina Group Bhd	11,089,453	9,340,567	4,324,887	0.85
SP Setia Bhd	1,086,124	3,558,008	879,760	0.17
	<u>12,175,577</u>	<u>12,898,575</u>	<u>5,204,647</u>	<u>1.02</u>
<b>REITs</b>				
Axis REIT	1,266,417	2,272,841	2,710,132	0.53
KLCCP Stapled Group	482,500	3,713,565	3,705,600	0.73
	<u>1,748,917</u>	<u>5,986,406</u>	<u>6,415,732</u>	<u>1.26</u>

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

Name of counter	Quantity Units	cost RM	value RM	of NAV %
<b>2020 (CONTINUED)</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>Technology</b>				
D&O Green Technologies Bhd	5,398,300	4,882,621	9,608,974	1.89
Frontken Corp Bhd	310,600	150,072	1,009,450	0.20
Globetronics Technology Bhd	2,552,000	5,627,239	7,604,960	1.50
Inari Amertron Bhd	4,603,900	9,368,563	12,338,452	2.43
JHM Consolidation	2,565,400	3,416,260	4,951,222	0.98
Malaysian Pacific Industries Bhd	110,500	2,408,889	2,769,130	0.55
Vitrox Corporation Bhd	124,800	947,850	1,896,960	0.37
	<u>15,665,500</u>	<u>26,801,494</u>	<u>40,179,148</u>	<u>7.92</u>
<b>Telecommunications &amp; Media</b>				
Axiata Group Bhd	3,394,654	17,575,582	12,051,022	2.37
Digi.com Bhd	3,260,000	15,452,902	13,040,000	2.57
Telekom Malaysia Bhd	2,185,900	8,016,119	11,016,936	2.17
Time Dotcom Bhd	751,920	7,189,192	10,301,304	2.03
	<u>9,592,474</u>	<u>48,233,795</u>	<u>46,409,262</u>	<u>9.14</u>
<b>Transportation &amp; Logistics</b>				
MISC Bhd - Local	<u>1,758,400</u>	<u>13,192,918</u>	<u>11,939,536</u>	<u>2.35</u>
<b>Utilities</b>				
Malakoff Corp Bhd	7,394,700	6,915,641	6,618,257	1.30
Ranhill Utilities Bhd	9,177,748	6,098,991	7,479,865	1.48
Taliworks Corp Bhd	5,333,100	4,727,863	4,239,814	0.83
Tenaga Nasional Bhd	3,969,925	54,225,053	40,016,844	7.88
	<u>25,875,473</u>	<u>71,967,548</u>	<u>58,354,780</u>	<u>11.49</u>
<b>TOTAL SHARIAH-COMPLIANT QUOTED SECURITIES</b>	<b><u>162,220,466</u></b>	<b><u>500,821,537</u></b>	<b><u>475,540,749</u></b>	<b><u>93.64</u></b>
<b>ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>(25,280,788)</u></b>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>475,540,749</u></b>		

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>2019</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES</b>				
<b>Construction</b>				
Econpile Holdings Bhd	5,455,700	5,150,979	4,146,332	0.67
Gabungan AQRS Bhd	3,611,470	5,626,438	4,369,879	0.71
Gamuda Bhd	1,346,900	4,424,668	5,064,344	0.82
IJM Corporation Bhd	4,167,840	11,793,576	8,710,786	1.41
MGB Bhd	3,705,800	5,960,745	2,390,241	0.39
Muhibbah Engineering (M) Bhd	1,317,700	3,623,797	3,109,772	0.50
Sunway Construction Group Bhd	1,232,700	2,940,704	2,243,514	0.36
	<u>20,838,110</u>	<u>39,520,907</u>	<u>30,034,868</u>	<u>4.86</u>
<b>Consumer Products &amp; Services</b>				
Bermaz Auto Bhd	1,455,900	3,258,032	3,071,949	0.50
DRB-Hicom Bhd	5,257,800	11,973,034	12,145,518	1.97
MBM Resources Bhd	1,141,500	3,463,098	4,360,530	0.71
Nestle Malaysia Bhd	92,800	13,404,819	13,298,240	2.15
Padini Holdings Bhd	951,100	4,969,074	3,281,295	0.53
Petronas Dagangan Bhd	537,600	13,492,335	12,311,040	1.99
Sime Darby Bhd	7,176,405	16,848,539	16,146,911	2.61
Sime Darby Plantation Bhd	4,162,605	23,165,411	20,729,773	3.36
UMW Holdings Bhd	1,417,200	8,702,940	6,193,164	1.00
	<u>22,192,910</u>	<u>99,277,282</u>	<u>91,538,420</u>	<u>14.82</u>
<b>Energy</b>				
Dialog Group Bhd	7,220,030	23,698,095	24,187,101	3.92
Hibiscus Petroleum Bhd	5,375,700	5,708,248	4,811,251	0.78
Serba Dinamik Holdings Bhd	1,848,600	6,962,177	8,059,896	1.30
Yinson Holdings Bhd	888,800	3,879,463	5,777,200	0.94
	<u>15,333,130</u>	<u>40,247,983</u>	<u>42,835,448</u>	<u>6.94</u>
<b>Financial Services</b>				
BIMB Holdings Bhd	2,080,400	8,680,851	8,654,464	1.40

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>2019 (CONTINUED)</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>Health Care</b>				
Duopharma Biotech Bhd	4,620,900	6,017,854	6,423,051	1.04
Hartalega Holdings Bhd	1,310,400	6,697,741	6,879,600	1.11
IHH Healthcare Bhd	1,808,500	11,066,805	9,711,645	1.57
Kossan Rubber Industries Bhd	1,055,100	4,503,356	4,410,318	0.71
Top Glove Corporation Bhd	2,247,300	10,933,712	10,112,850	1.64
	<u>11,042,200</u>	<u>39,219,468</u>	<u>37,537,464</u>	<u>6.07</u>
<b>Industrial Products &amp; Services</b>				
Cahaya Mata Sarawak Bhd	1,117,000	4,677,179	2,680,800	0.43
Chemical Company Malaysia Bhd	922,000	2,033,136	1,281,580	0.21
Cypark Resources Bhd	5,376,150	9,362,836	7,150,279	1.16
Petronas Chemicals Group Bhd	5,854,300	50,118,344	41,331,358	6.69
Press Metal Aluminium Holdings Bhd	843,600	4,034,774	3,964,920	0.64
SKP Resources Bhd	3,231,700	5,009,583	3,974,991	0.64
Sunway Bhd	4,834,920	7,816,287	8,509,459	1.38
Sunway Bhd - Warrant	1,794,600	-	708,867	0.11
Uchi Technologies Bhd	3,574,500	9,740,454	10,044,345	1.63
UEM Edgenta Bhd	2,647,200	8,100,105	7,782,768	1.26
	<u>30,195,970</u>	<u>100,892,698</u>	<u>87,429,367</u>	<u>14.15</u>
<b>Plantation</b>				
FGV Holdings Bhd	7,826,700	12,566,370	10,409,511	1.68
IOI Corporation Bhd	3,489,000	16,460,153	15,177,150	2.46
Kuala Lumpur Kepong Bhd	448,700	10,601,339	10,472,658	1.70
	<u>11,764,400</u>	<u>39,627,862</u>	<u>36,059,319</u>	<u>5.84</u>
<b>Property</b>				
LBS Bina Group Bhd	10,596,160	9,163,791	5,245,099	0.85
SP Setia Bhd	1,256,524	4,116,217	1,633,481	0.26
	<u>11,852,684</u>	<u>13,280,008</u>	<u>6,878,580</u>	<u>1.11</u>



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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>2019 (CONTINUED) SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>REITs</b>				
Axis REIT	4,724,200	8,482,411	8,409,076	1.36
KLCCP Stapled Group	1,760,700	13,551,241	14,085,600	2.28
	<u>6,484,900</u>	<u>22,033,652</u>	<u>22,494,676</u>	<u>3.64</u>
<b>Technology</b>				
D&O Green Technologies Bhd	2,622,900	1,941,464	1,901,602	0.31
Frontken Corporation Bhd	2,945,000	1,422,928	5,831,100	0.94
Globetronics Technology Bhd	3,069,100	6,407,281	6,445,110	1.04
Inari Amertron Bhd	3,805,000	7,271,870	6,925,100	1.12
JHM Consolidation Bhd	2,432,200	3,121,608	3,259,148	0.53
Vitrox Corporation Bhd	419,100	3,183,046	3,248,025	0.53
	<u>15,293,300</u>	<u>23,348,197</u>	<u>27,610,085</u>	<u>4.47</u>
<b>Telecommunications &amp; Media</b>				
Axiata Group Bhd	7,282,154	37,702,839	30,075,296	4.87
Digi.com Bhd	3,837,600	18,272,375	17,192,448	2.78
Telekom Malaysia Bhd	2,343,900	8,406,078	8,813,064	1.43
Time Dotcom Bhd	914,520	6,833,091	8,322,132	1.35
	<u>14,378,174</u>	<u>71,214,383</u>	<u>64,402,940</u>	<u>10.43</u>
<b>Transportation &amp; Logistics</b>				
Malaysian Resources Corporation Bhd	12,745,900	10,615,304	9,495,696	1.54
MISC Bhd	1,558,100	11,191,660	12,698,515	2.06
Pos Malaysia Bhd	3,530,300	17,095,425	5,013,026	0.81
Tasco Bhd	3,780,200	8,636,311	4,385,032	0.71
	<u>21,614,500</u>	<u>47,538,700</u>	<u>31,592,269</u>	<u>5.12</u>

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>2019 (CONTINUED)</b>				
<b>SHARIAH-COMPLIANT</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>Utilities</b>				
Malakoff Corporation Bhd	7,182,300	6,793,560	6,428,159	1.04
Petronas Gas Bhd	733,500	15,178,074	11,369,250	1.84
Ranhill Holdings Bhd	9,086,880	6,021,298	10,359,043	1.68
Taliworks Corporation Bhd	5,404,600	4,791,249	4,837,117	0.78
Tenaga Nasional Bhd	3,907,725	54,528,787	51,425,661	8.32
	<u>26,315,005</u>	<u>87,312,968</u>	<u>84,419,230</u>	<u>13.66</u>
<b>TOTAL SHARIAH- COMPLIANT QUOTED SECURITIES</b>	<b><u>209,385,683</u></b>	<b><u>632,194,959</u></b>	<b><u>571,487,130</u></b>	<b><u>92.51</u></b>
<b>ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>(60,707,829)</u></b>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>571,487,130</u></b>		

8. CASH AND CASH EQUIVALENTS

	<b>2020 RM</b>	<b>2019 RM</b>
Shariah-compliant deposits with licensed Islamic financial institutions	34,671,553	41,567,498
Bank balances	276,844	231,246
	<u>34,948,397</u>	<u>41,798,744</u>

9. NUMBER OF UNITS IN CIRCULATION (UNITS)

	<b>2020</b>	<b>2019</b>
	<b>No. of units</b>	<b>No. of units</b>
Class MYR (i)	1,722,340,737	2,193,606,250
Class SGD (ii)	84,303	42,080
	<u>1,722,425,040</u>	<u>2,193,648,330</u>

(i) Class MYR

	<b>2020</b>	<b>2019</b>
	<b>No. of units</b>	<b>No. of units</b>
At the beginning of the financial year	2,193,606,250	2,633,716,220
Add: Creation of units from applications	6,098,648	17,681,053
Less: Cancellation of units	(477,364,161)	(457,791,023)
At the end of the financial year	<u>1,722,340,737</u>	<u>2,193,606,250</u>

(ii) Class SGD

	<b>2020</b>	<b>2019</b>
	<b>No. of units</b>	<b>No. of units</b>
At the beginning of the financial year	42,080	23,194
Add: Creation of units from applications	72,914	26,420
Less: Cancellation of units	(30,691)	(7,534)
At the end of the financial year	<u>84,303</u>	<u>42,080</u>

10. MANAGEMENT EXPENSE RATIO (“MER”)

	2020 %	2019 %
MER	1.56	1.56

MER is derived from the following calculation:

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

A	=	Management fee
B	=	Trustee fee
C	=	Audit fee
D	=	Tax agent’s fee
E	=	Other expenses excluding 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 RM544,326,614 (2019: RM696,671,518).

11. PORTFOLIO TURNOVER RATIO (“PTR”)

Under SC Guidelines

	2020	2019
PTR (times)	0.55	0.38

PTR is derived based on 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	=	RM247,512,179 (2019: RM232,508,127)
total disposal for the financial year	=	RM355,983,568 (2019: RM297,432,310)

Under Monetary Authority of Singapore (“MAS”) Guidelines

	2020	2019
PTR (times)	0.45	0.33

PTR is derived from the following calculation:

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

where:

total acquisition for the financial year	=	RM247,512,179 (2019: RM232,508,127)
total disposal for the financial year	=	RM355,983,568 (2019: RM297,432,310)

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

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

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

Units held by the Manager and parties related to the Manager

	<u>2020</u>		<u>2019</u>	
	<u>No. of units</u>	<u>RM</u>	<u>No. of units</u>	<u>RM</u>
<b>Manager</b>				
Principal Asset Management Berhad				
- Class MYR	280,206	82,577	532,830	149,992
- Class SGD	513	1,339	513	1,279

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.

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

	2020 RM	2019 RM
<u>Significant related party transactions</u>		
Profit income from Shariah-compliant deposits with licensed Islamic financial institution:		
- CIMB Islamic Bank Bhd	<u>279,024</u>	<u>510,586</u>
Shariah-compliant deposits with licensed Islamic financial institution:		
- CIMB Islamic Bank Bhd	<u>930,590,000</u>	<u>567,083,000</u>
<u>Significant related party balances</u>		
Shariah-compliant deposits with licensed Islamic financial institution:		
- CIMB Islamic Bank Bhd	<u>5,000,219</u>	<u>7,874,235</u>

13. TRANSACTIONS WITH BROKERS

Details of transactions with the top 10 brokers for the financial year ended 30 November 2020 are as follows:

Brokers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
UBS Securities (Malaysia) Sdn Bhd	102,044,493	16.93	118,375	12.06
Macquarie Capital Securities (Malaysia) Sdn Bhd	100,596,511	16.69	164,159	16.73
KAF Equities Sdn Bhd	92,639,798	15.37	200,348	20.42
Maybank Investment Bank Bhd	64,382,115	10.68	101,093	10.30
CLSA Securities (Malaysia) Sdn Bhd	54,023,621	8.96	73,899	7.53
CGS-CIMB Securities Sdn Bhd #	50,292,241	8.34	75,635	7.71
RHB Investment Bank Bhd	44,670,900	7.41	97,992	9.99
JP Morgan Securities (Malaysia) Sdn Bhd	28,754,623	4.77	27,934	2.85
Affin Hwang Investment Bank Bhd	22,041,481	3.66	49,593	5.05
Credit Suisse (Malaysia) Sdn Bhd	20,934,083	3.47	23,268	2.37
Others	22,330,667	3.72	49,077	4.99
	<u>602,710,533</u>	<u>100.00</u>	<u>981,373</u>	<u>100.00</u>

**13. TRANSACTIONS WITH BROKERS (CONTINUED)**

Details of transactions with the top 10 brokers for the financial year ended 30 November 2019 are as follows:

<b>Brokers</b>	<b>Value of trades RM</b>	<b>Percentage of total trades %</b>	<b>Brokerage fees RM</b>	<b>Percentage of total brokerage fees %</b>
UBS Securities (Malaysia) Sdn Bhd	83,908,480	16.17	72,253	9.25
Macquarie Capital Securities (Malaysia) Sdn Bhd	72,973,871	14.06	97,866	12.52
CLSA Securities (Malaysia) Sdn Bhd	63,160,901	12.17	66,115	8.46
KAF-Seagroatt & Campbell Securities Sdn Bhd	59,563,224	11.48	130,386	16.69
Credit Suisse (Malaysia) Sdn Bhd	42,538,061	8.20	70,518	9.02
Maybank Investment Bank Bhd	42,101,582	8.11	71,344	9.13
RHB Investment Bank Bhd	38,908,583	7.50	86,067	11.01
JP Morgan Securities (Malaysia) Sdn Bhd	35,498,627	6.84	37,029	4.74
CGS-CIMB Securities Sdn Bhd #	22,966,093	4.43	26,449	3.38
Affin Hwang Investment Bank Bhd	17,739,478	3.42	39,944	5.11
Others	39,530,142	7.62	83,420	10.69
	<u>518,889,042</u>	<u>100.00</u>	<u>781,391</u>	<u>100.00</u>

# Included in transactions are trades conducted with CGS-CIMB Securities Sdn Bhd, fellow related party of the Manager amounting to RM50,292,241 (2019: RM22,966,093) respectively. The Manager is of the opinion that all transactions with related companies have been entered into in the normal course of business at agreed terms between the related parties.

**14. SIGNIFICANT EVENT DURING THE YEAR**

The worsening macro-economic outlook as a result of COVID-19, both domestically and globally, has impacted the fund performance during the financial year.

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

**15. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements have been approved for issue by the Manager on 14 January 2021.

## DIRECTORY

### Head Office of the Manager

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

### Website

[www.principal.com.my](http://www.principal.com.my)

### E-mail address

[service@principal.com.my](mailto:service@principal.com.my)

### Customer Care Centre

(03) 7718 3000

### Trustee for the Principal DALI Opportunities Fund

HSBC (Malaysia) Trustee Berhad (Company No. 193701000084 (1281-T))  
13<sup>th</sup> Floor, HSBC South Tower,  
No. 2, Lebu Ampang,  
50100 Kuala Lumpur, MALAYSIA.  
Tel: (03) 2075 7800  
Fax: (03) 2179 6511

### Shariah Adviser of the Principal DALI Opportunities Fund

Amanie Advisors Sdn. Bhd. (Company No.:0684050-H)  
Level 13A-2, Menara Tokio Marine Life,  
No 189, Jalan Tun Razak,  
50400 Kuala Lumpur, MALAYSIA.  
Tel: (03) 2161 0260  
Fax: (03) 2161 0262

### Auditors of the Fund

PricewaterhouseCoopers (No. AF: 1146)  
Level 10, 1 Sentral,  
Jalan Rakyat, Kuala Lumpur Sentral,  
PO Box 10192, 50706 Kuala Lumpur, MALAYSIA.  
Tel: (03) 2173 1188  
Fax: (03) 2173 1288

### Auditors of the Manager

#### For the financial year ended 31 December 2019

PricewaterhouseCoopers (Company No.: LLP0014401-LCA & AF 1146)  
Level 10, 1 Sentral,  
Jalan Rakyat, Kuala Lumpur Sentral,  
PO Box 10192, 50706 Kuala Lumpur, MALAYSIA.  
Tel: (03) 2173 1188  
Fax: (03) 2173 1288



**DIRECTORY (CONTINUED)**

**Auditors of the Manager**

**For the financial year ended 31 December 2020**

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

Level 23A, Menara Millennium

Jalan Damanlela

Pusat Bandar Damansara

50490 Kuala Lumpur

Tel: +603 7495 8000

Fax: +603 2095 5332

**Principal Asset Management Berhad**  
**199401018399 (304078-K)**

Enquiries:

Customer Care Centre  
(603)7718 3000

Email  
[service@principal.com.my](mailto:service@principal.com.my)

Website  
[www.principal.com.my](http://www.principal.com.my)