

Principal Global Technology Fund

Annual Report

For The Financial Year Ended 31 July 2024

PRINCIPAL GLOBAL TECHNOLOGY FUND
ANNUAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 JULY 2024

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INVESTORS' LETTER

Dear Valued Investor,

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

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

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

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

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

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

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

Munirah Khairuddin

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

MANAGER'S REPORT

FUND OBJECTIVE AND POLICY

What is the investment objective of the Fund?

The Fund aims to provide capital appreciation through investments in one collective investment scheme, which invests primarily in a diversified portfolio of technology related companies.

Has the Fund achieved its objective?

The Fund is in line to achieve its long-term objective of providing capital appreciation as stated under the Fund Objective section.

What are the Fund investment policy and principal investment strategy?

The Fund is a feeder fund and it invests in a single collective investment scheme, i.e. Franklin Technology Fund ("Target Fund"). The Fund may also invest in liquid asset for liquidity purpose.

In order to achieve its investment objective, the Fund will invest at least 95% of its Net Asset Value ("NAV") in the Target Fund; a portfolio established on 4 March 2000 under the Franklin Templeton Investment Funds. The Fund will also maintain up to 5% of its NAV in liquid assets for liquidity purposes.

The asset allocation strategy for this Fund is as follows:

- At least 95% of the Fund's NAV will be invested in the Target Fund; and
- Up to 5% of the Fund's NAV will be invested in liquid assets for liquidity purposes.

Information on the Target Fund

Company: Franklin Templeton Investment Funds

Management Company: Franklin Templeton International Services S.à r.l.

Investment Manager: Franklin Advisers, Inc.

Regulatory authority: Commission de Surveillance du Secteur Financier

Base Currency

US Dollar ("USD")

Fund category/type

Feeder Fund/Growth

When was the Fund launched?

Name of Class	Launch Date
Class AUD-Hedged ("AUD-H")	17 May 2018
Class GBP-Hedged ("GBP-H")	17 May 2018
Class MYR-Hedged ("MYR-H")	17 May 2018
Class SGD-Hedged ("SGD-H")	17 May 2018
Class USD	17 May 2018

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

USD351.69 million (1,008.92 million units)

What is the Fund's benchmark?

The Fund adheres to the benchmark of the Target Fund for performance comparison. The benchmark of the Target Fund is MSCI World Information Technology Index.

FUND OBJECTIVE AND POLICY (CONTINUED)

What is the Fund distribution policy?

Given the Fund's investment objective, the Fund is not expected to pay any distribution. Distributions, if any, are at the Manager discretion and will vary from period to period depending on the availability of realised income for distribution and performance of the Fund.

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

There was no income distribution for the financial year ended 31 July 2024.

PERFORMANCE DATA

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

	31.07.2024	31.07.2023	31.07.2022
	%	%	%
Collective investment scheme	96.04	95.12	97.76
Cash and other assets	5.29	7.09	3.58
Liabilities	(1.33)	(2.21)	(1.34)
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

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

	31.07.2024	31.07.2023	31.07.2022
NAV (USD Million)			
- Class AUD-H	29.52	21.94	21.83
- Class GBP-H	11.61	10.86	10.06
- Class MYR-H	252.42	253.22	221.77
- Class SGD-H	21.40	20.01	14.87
- Class USD	36.74	39.00	37.03
Units in circulation (Million)			
- Class AUD-H	34.63	29.60	30.72
- Class GBP-H	6.70	7.49	7.97
- Class MYR-H	919.72	1,061.44	998.07
- Class SGD-H	20.61	22.65	19.29
- Class USD	27.26	35.05	37.54
NAV per unit (USD)			
- Class AUD-H	0.8524	0.7412	0.7107
- Class GBP-H	1.7337	1.4498	1.2623
- Class MYR-H	0.2745	0.2386	0.2222
- Class SGD-H	1.0382	0.8836	0.7707
- Class USD	1.3479	1.1126	0.9867
Highest NAV per unit (USD)			
- Class AUD-H	0.9456	0.7746	1.2238
- Class GBP-H	1.8679	1.4974	2.2673
- Class MYR-H	0.2886	0.2404	0.3800
- Class SGD-H	1.1066	0.9000	1.2709
- Class USD	1.4475	1.1268	1.5734
Lowest NAV per unit (USD)			
- Class AUD-H	0.5900	0.4762	0.6024
- Class GBP-H	1.1616	0.8659	1.0668
- Class MYR-H	0.1904	0.1573	0.1901
- Class SGD-H	0.7270	0.5599	0.6502
- Class USD	0.9508	0.7442	0.8341

PERFORMANCE DATA (CONTINUED)

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

	31.07.2024	31.07.2023	31.07.2022
Total return (%)			
- Class AUD-H	18.65	13.01	(29.80)
- Class GBP-H	19.75	13.95	(29.10)
- Class MYR-H	17.22	13.68	(27.78)
- Class SGD-H	18.36	15.02	(28.67)
- Class USD	21.15	17.60	(27.67)
Capital growth (%)			
- Class AUD-H	18.65	7.95	(31.48)
- Class GBP-H	19.75	8.61	(30.82)
- Class MYR-H	17.22	8.78	(29.48)
- Class SGD-H	18.36	10.07	(30.36)
- Class USD	21.15	12.75	(29.38)
Income distribution (%)			
- Class AUD-H	-	4.69	2.45
- Class GBP-H	-	4.92	2.47
- Class MYR-H	-	4.50	2.40
- Class SGD-H	-	4.50	2.42
- Class USD	-	4.30	2.42
Total Expense Ratio ("TER") (%)	1.16	1.16	1.16
Portfolio Turnover Ratio ("PTR") (times) #	0.34	0.23	0.43

The Fund's PTR increased from 0.23 times to 0.34 times during the financial year under review. As a feeder fund, the turnover reflects the investments and withdrawals in the target fund.

Distribution on 27 September 2022

- Class AUD-H	-	2.38	-
- Class GBP-H	-	4.19	-
- Class MYR-H	-	0.74	-
- Class SGD-H	-	2.58	-
- Class USD	-	3.31	-

Distribution on 23 September 2021

- Class AUD-H	-	-	2.74
- Class GBP-H	-	-	5.18
- Class MYR-H	-	-	0.84
- Class SGD-H	-	-	2.93
- Class USD	-	-	3.52

PERFORMANCE DATA (CONTINUED)

	31.07.2024	31.07.2023	31.07.2022	31.07.2021	31.07.2020
	%	%	%	%	%
Annual total return					
- Class AUD-H	18.65	13.01	(29.80)	37.02	34.85
- Class GBP-H	19.75	13.95	(29.10)	37.61	34.85
- Class MYR-H	17.22	13.68	(27.78)	39.53	36.65
- Class SGD-H	18.36	15.02	(28.67)	37.75	36.04
- Class USD	21.15	17.60	(27.67)	39.04	38.01

(Launch date: 17 May 2018)

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 AUGUST 2023 TO 31 JULY 2024)

Global equities experienced significant fluctuations in 2023 and the first half of 2024, largely driven by evolving economic conditions and the increasing impact of technology, particularly Artificial Intelligence (“AI”). In November 2023, equities rallied strongly after a three-month decline, spurred by cooling inflation and signs of economic moderation in several developed regions. Investor optimism was further fueled by the rapid adoption of generative AI, leading to a surge in AI-related technology stocks, which outperformed other sectors throughout 2023. The growing influence of technology on various sectors of the economy was a major theme, with companies striving to adapt to the faster pace of change brought about by technological advancements.

In the first quarter of 2024, global equities continued to rise, driven by strong corporate earnings from late 2023, growing enthusiasm for AI, and expectations of an economic soft landing in key regions like the US. Despite some volatility, particularly in April 2024 due to higher-than-expected inflation and resilient consumer demand in the US, the overall trend remained positive. Information Technology (“IT”) stocks, after a sharp decline in April 2024, rebounded strongly in May 2024, supported by operational improvements in tech companies and ongoing excitement about AI’s potential. This resurgence in IT stocks, particularly in semiconductors and tech hardware, helped lift global equity markets, although some sectors like software and IT services lagged.

By mid-2024, despite political challenges in Europe, global equities continued to benefit from AI-related optimism and expectations for interest rate cuts in major economies. The second quarter of 2024 saw strong performance in the IT and communication services sectors, though these gains were followed by a notable pullback in July 2024. The rotation away from large-cap technology stocks, driven by underwhelming earnings and concerns about the sustainability of AI investments, led to a shift in investor focus toward small-cap and rate-sensitive equities. While the market remained volatile, the overall narrative was shaped by the dynamic interplay between economic expectations, AI-driven opportunities, and investor sentiment.

FUND PERFORMANCE

	1 year	3 years	5 years	Since
	to 31.07.2024	to 31.07.2024	to 31.07.2024	inception
	%	%	%	to 31.07.2024
				%
Income Distribution				
- Class AUD-H	-	7.26	10.33	10.33
- Class GBP-H	-	7.51	8.75	8.75
- Class MYR-H	-	7.01	8.53	8.53
- Class SGD-H	-	7.03	8.56	8.56
- Class USD	-	6.83	9.95	9.95

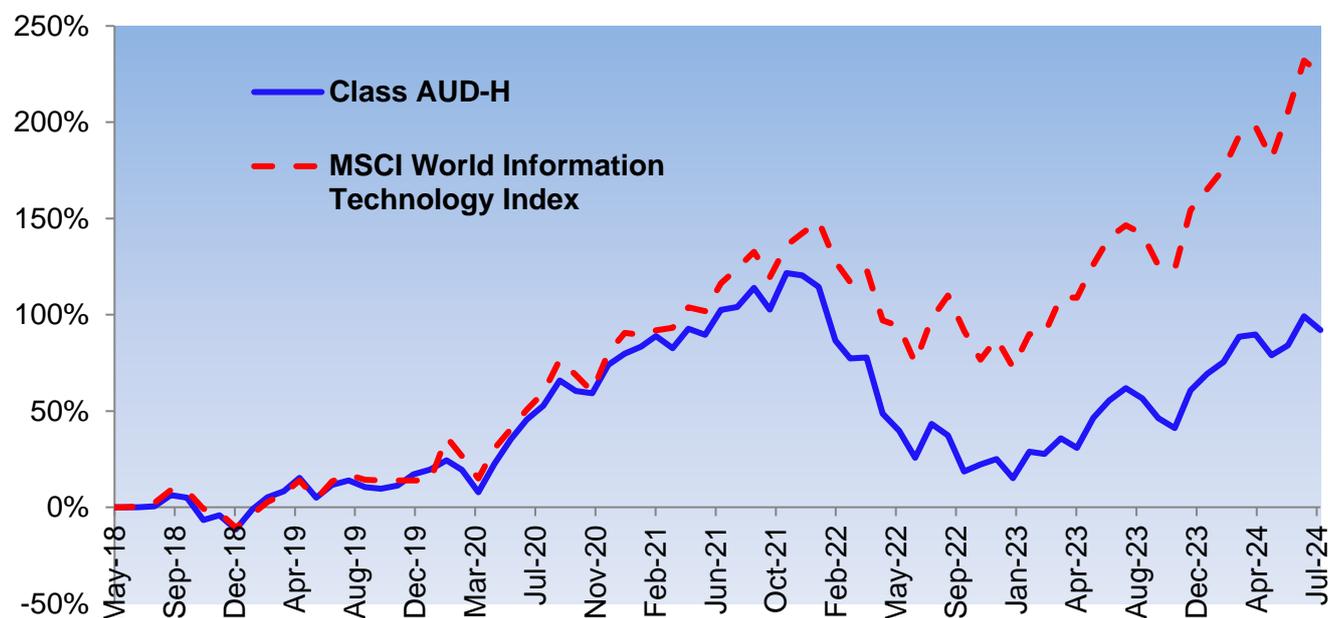
FUND PERFORMANCE (CONTINUED)

	1 year to 31.07.2024 %	3 years to 31.07.2024 %	5 years to 31.07.2024 %	Since inception to 31.07.2024 %
Capital Growth				
- Class AUD-H	18.65	(12.24)	56.78	74.05
- Class GBP-H	19.75	(10.02)	65.08	79.99
- Class MYR-H	17.22	(10.07)	69.05	89.05
- Class SGD-H	18.36	(9.27)	67.63	85.13
- Class USD	21.15	(3.54)	79.85	102.19
Total Return				
- Class AUD-H	18.65	(5.87)	72.97	92.03
- Class GBP-H	19.75	(3.26)	79.52	95.73
- Class MYR-H	17.22	(3.77)	83.47	105.18
- Class SGD-H	18.36	(2.89)	81.98	100.98
- Class USD	21.15	3.05	97.75	122.31
Benchmark				
- Class AUD-H	31.93	45.18	178.68	225.22
- Class GBP-H	31.93	45.18	178.68	225.22
- Class MYR-H	31.93	45.18	178.68	225.22
- Class SGD-H	31.93	45.18	178.68	225.22
- Class USD	31.93	45.18	178.68	225.22
Average Total Return				
- Class AUD-H	18.65	(1.99)	11.57	11.08
- Class GBP-H	19.75	(1.10)	12.40	11.42
- Class MYR-H	17.22	(1.27)	12.89	12.27
- Class SGD-H	18.36	(0.97)	12.71	11.89
- Class USD	21.15	1.01	14.59	13.73

The fund returned positively during the financial year under review, Class AUD-H, Class GBP-H, Class MYR-H, Class SGD-H, and Class USD increased by 18.65%, 19.75%, 17.22%, 18.36%, and 21.15% respectively. The relative benchmark increases by 31.93% during the same period.

Since inception

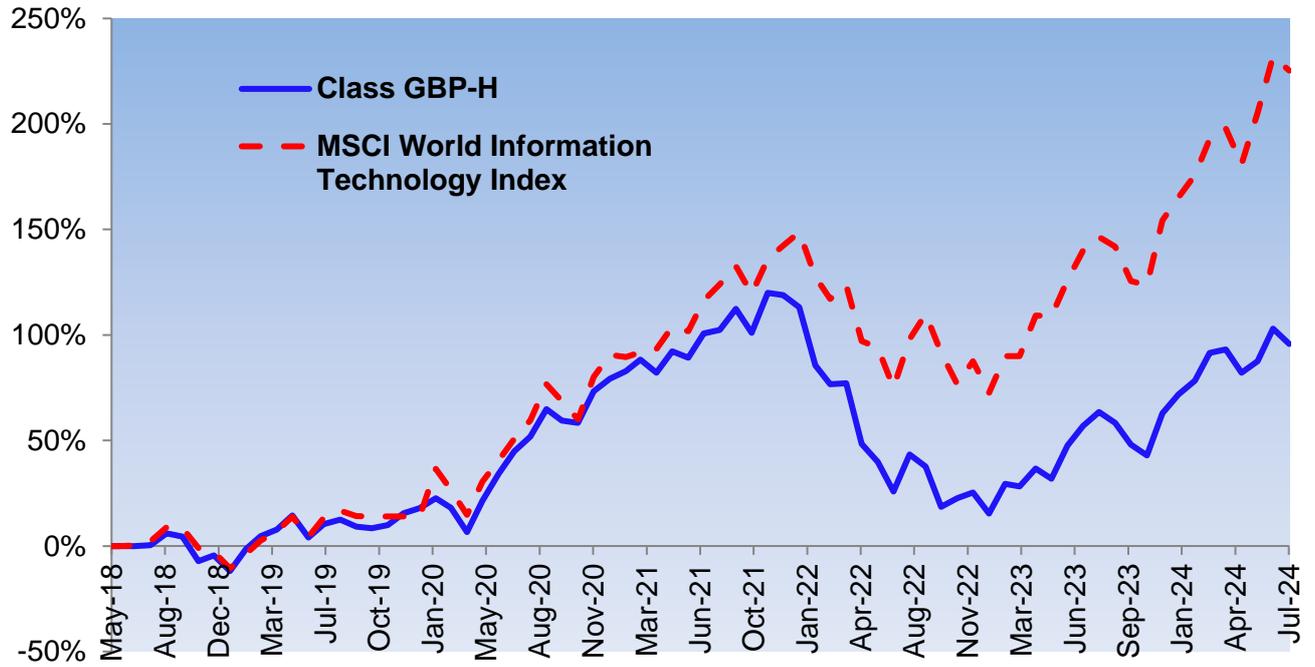
Class AUD-H



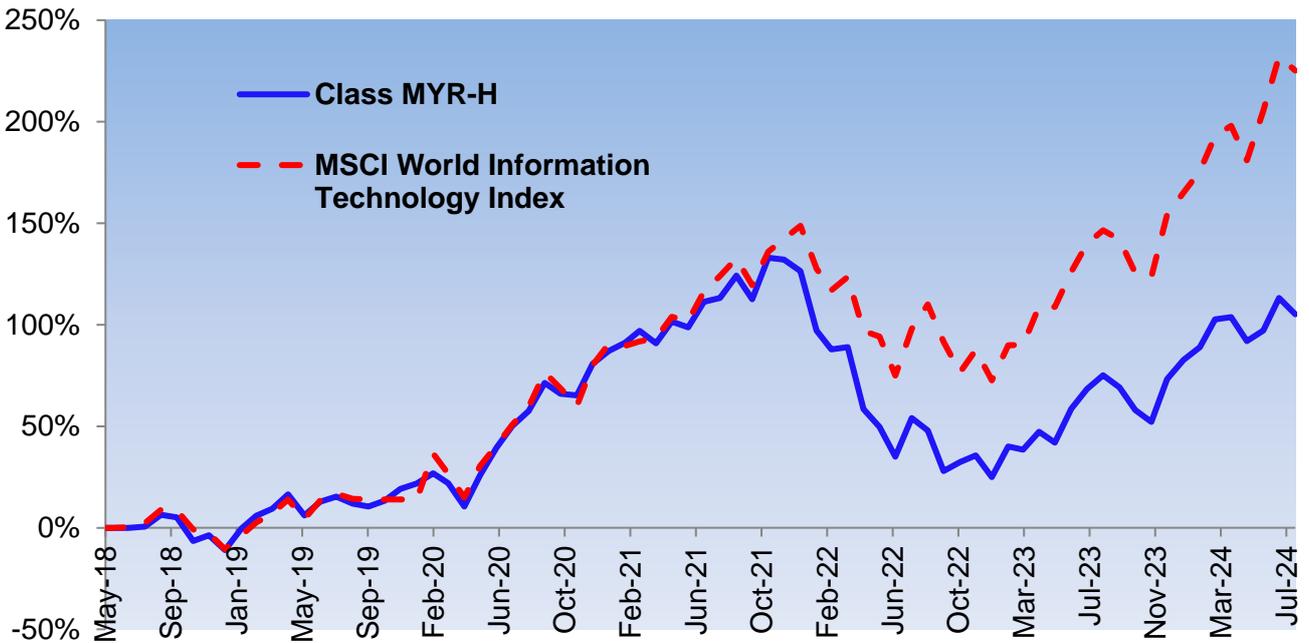
FUND PERFORMANCE (CONTINUED)

Since inception (continued)

Class GBP-H



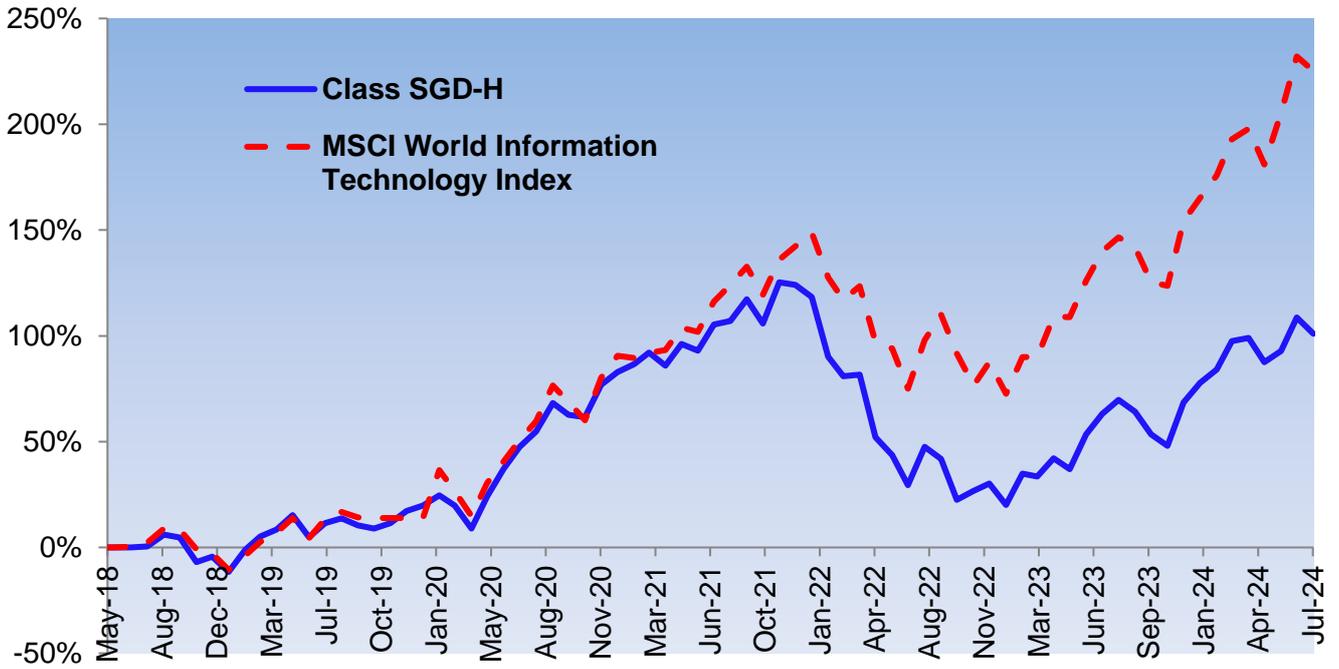
Class MYR-H



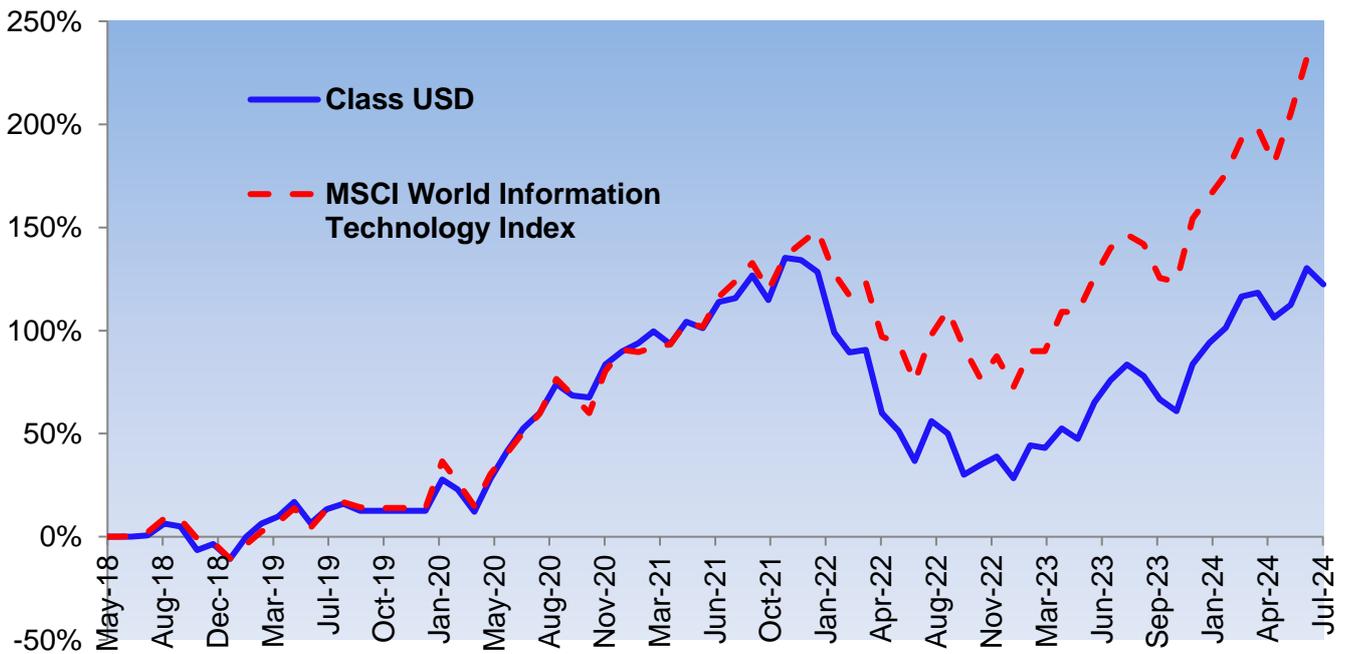
FUND PERFORMANCE (CONTINUED)

Since inception (continued)

Class SGD-H



Class USD



FUND PERFORMANCE (CONTINUED)

Changes in NAV

	31.07.2024	31.07.2023	Changes %
CLASS AUD-H			
NAV (USD Million)	29.52	21.94	34.49
NAV/Unit (USD)	0.8524	0.7412	15.00
CLASS GBP-H			
NAV (USD Million)	11.61	10.86	6.91
NAV/Unit (USD)	1.7337	1.4498	19.58
CLASS MYR-H			
NAV (USD Million)	252.42	253.22	(0.32)
NAV/Unit (USD)	0.2745	0.2386	15.05
CLASS SGD-H			
NAV (USD Million)	21.40	20.01	6.95
NAV/Unit (USD)	1.0382	0.8836	17.50
CLASS USD			
NAV (USD Million)	36.74	39.00	(5.79)
NAV/Unit (USD)	1.3479	1.1126	21.15

During the financial year under review, the fund's NAV for Class AUD-H, Class GBP-H, Class SGD-H, increased by 34.49%, 6.91%, and 6.95%, while Class MYR-H and Class USD decreased by 0.32% and 5.79% respectively.

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

PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	31.07.2024	31.07.2023
Collective investment scheme	96.04	95.12
Cash and other assets	5.28	7.09
Liabilities	(1.33)	(2.21)
TOTAL	100.00	100.00

The fund was fully invested during the financial year under review. A minimal level of liquid assets was maintained primarily for liquidation purposes.

PORTFOLIO STRUCTURE (CONTINUED)

Asset allocation (continued)

Top 10 holdings of the Target Fund for the financial year ended:

	% of NAV
Top 10 holdings*	31.07.2024
NVIDIA Corp	8.73
Microsoft Corp	7.90
Amazon.com Inc	6.59
Apple Inc	4.71
Broadcom Inc	4.08
ASML Holding NV	3.24
Synopsys Inc	3.13
ServiceNow Inc	2.87
Taiwan Semiconductor Manufacturing	2.77
Alphabet Inc	2.61

	% of NAV
Top 10 holdings*	31.07.2023
NVIDIA Corp	8.00
Microsoft Corp	6.86
Amazon.com Inc	5.27
Apple Inc	4.99
Mastercard Inc	3.10
ServiceNow Inc	2.83
ASML Holding NV	2.79
Synopsys Inc	2.57
Salesforce Inc	2.54
Analog Devices Inc	2.15

* As disclosed in the Fund Fact Sheet.

MARKET OUTLOOK*

The IT sector is expected to continue benefiting from strong secular trends, particularly as businesses prioritize Digital Transformation (“DT”) to enhance efficiency and growth. The adoption of Generative AI (“GenAI”) as the next computing paradigm is likely to drive significant productivity gains, enabling new business models and innovations across various fields. These trends, along with a more stable inflation and interest-rate environment, and reasonable equity valuations, are poised to support above-market earnings growth for the IT sector in the coming quarters.

The ongoing development of AI and cloud computing, along with other DT sub-themes such as fintech, digital media, and cybersecurity, is anticipated to drive robust long-term growth in the IT sector. Large technology companies are increasingly investing in AI infrastructure, which is expected to benefit firms involved in the AI build-out. As AI adoption gradually increases within enterprises, software companies are likely to emerge as key beneficiaries of this trend, despite current mixed results due to cautious IT spending.

However, there are several risks to consider, including the timing and scale of GenAI demand, which may not immediately meet elevated market expectations. Geopolitical tensions, particularly regarding technology export restrictions to China, could also impact the sector. Additionally, regulatory risks, such as antitrust scrutiny, remain a concern for tech companies. Despite these challenges, the overall outlook for the IT sector remains positive, supported by disinflation and a stable interest-rate environment that favors growth-oriented valuations.

MARKET OUTLOOK* (CONTINUED)

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

INVESTMENT STRATEGY

The Fund will continue to remain fully invested in the target fund with minimal cash kept for redemption purposes.

SOFT COMMISSIONS AND REBATES

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

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

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

SECURITIES FINANCING TRANSACTIONS

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

STATE OF AFFAIR OF THE FUND

The Fund has issued the First Supplemental Information Memorandum dated 26 February 2024.

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

CIRCUMSTANCES THAT MATERIALLY AFFECT ANY INTEREST OF UNIT HOLDERS

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

CROSS TRADE

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

UNIT SPLIT

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

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF
PRINCIPAL GLOBAL TECHNOLOGY FUND**

We, being the Directors of Principal Asset Management Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying audited financial statements set out on pages 7 to 32 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 July 2024 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 Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

For and on behalf of the Manager

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

MUNIRAH KHAIRUDDIN

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

UDAY JAYARAM

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

Kuala Lumpur
13 September 2024

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF PRINCIPAL GLOBAL TECHNOLOGY FUND ("Fund")

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

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

For Deutsche Trustees Malaysia Berhad

Ng Hon Leong
Head, Fund Operations

Sylvia Beh
Chief Executive Officer

Kuala Lumpur
13 September 2024

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL GLOBAL TECHNOLOGY FUND**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Principal Global Technology Fund (the "Fund"), which comprise the statement of financial position of the Fund as at 31 July 2024, and statement of comprehensive income, statement of changes in net assets attributable to unit holders and statement of cash flows of the Fund for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 7 to 32.

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

Basis for opinion

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

Independence and other ethical responsibilities

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL GLOBAL TECHNOLOGY FUND (CONT'D.)**

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

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the Manager and the Trustee for the financial statements

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL GLOBAL TECHNOLOGY FUND (CONT'D.)**

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL GLOBAL TECHNOLOGY FUND (CONT'D.)**

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

Other matters

This report is made solely to the unit holders of the Fund, as a body, in accordance with the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the Securities Commission Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

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

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

Kuala Lumpur, Malaysia
13 September 2024

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

	Note	2024 USD	2023 USD
INCOME/(LOSS)			
Net gain on financial assets at fair value through profit or loss	8	74,445,301	54,564,067
Net loss on derivatives at fair value through profit or loss	10	(13,857,230)	(9,487,814)
Net foreign exchange (loss)/gain		(77,218)	154,034
		<u>60,510,853</u>	<u>45,230,287</u>
EXPENSES			
Management fee	4	6,153,898	5,133,227
Trustee fee	5	136,753	114,072
Audit fee		2,226	2,226
Tax agent's fee		1,183	1,183
Other expenses		16,673	16,741
		<u>6,310,733</u>	<u>5,267,449</u>
PROFIT BEFORE DISTRIBUTION AND TAXATION		54,200,120	39,962,838
Distribution:			
- Class AUD-H		-	788,042
- Class GBP-H		-	381,219
- Class MYR-H		-	8,088,791
- Class SGD-H		-	541,741
- Class USD		-	1,358,775
	7	<u>-</u>	<u>11,158,568</u>
PROFIT BEFORE TAXATION		54,200,120	28,804,270
Taxation	6	<u>-</u>	<u>-</u>
PROFIT AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		<u>54,200,120</u>	<u>28,804,270</u>
Profit after taxation is made up as follows:			
Realised amount		3,364,445	(36,558,310)
Unrealised amount		50,835,675	65,362,580
		<u>54,200,120</u>	<u>28,804,270</u>

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

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

	Note	2024 USD	2023 USD
ASSETS			
Cash and cash equivalents	9	5,738,064	9,572,060
Financial assets at fair value through profit or loss	8	337,774,590	328,186,573
Derivative assets at fair value through profit or loss	10	4,019,435	1,595,193
Amount due from Manager		8,613,191	13,096,343
Amount due from Manager of collective investment scheme			
- Management fee rebates		218,901	199,703
TOTAL ASSETS		<u>356,364,181</u>	<u>352,649,872</u>
LIABILITIES			
Amount due to Manager of collective investment scheme			
- Purchase of collective investment scheme		2,600,000	500,000
Amount due to Manager		1,512,237	6,597,169
Accrued management fee		541,550	499,004
Amount due to Trustee		12,034	11,089
Other payables and accruals		4,978	3,856
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)		<u>4,670,799</u>	<u>7,611,118</u>
NET ASSET VALUE OF THE FUND		<u>351,693,382</u>	<u>345,038,754</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>351,693,382</u>	<u>345,038,754</u>
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS (USD)			
- Class AUD-H		29,519,859	21,940,615
- Class GBP-H		11,608,427	10,862,023
- Class MYR-H		252,419,661	253,220,170
- Class SGD-H		21,401,888	20,014,036
- Class USD		36,743,547	39,001,910
		<u>351,693,382</u>	<u>345,038,754</u>

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 JULY 2024 (CONTINUED)

	Note	2024 USD	2023 USD
REPRESENTED BY:			
NUMBER OF UNITS IN CIRCULATION (UNITS)			
- Class AUD-H		34,631,051	29,602,053
- Class GBP-H		6,695,795	7,492,019
- Class MYR-H		919,720,564	1,061,444,488
- Class SGD-H		20,614,880	22,649,792
- Class USD		27,260,308	35,053,421
	11	<u>1,008,922,598</u>	<u>1,156,241,773</u>
NET ASSET VALUE PER UNIT (USD)			
- Class AUD-H		0.8524	0.7412
- Class GBP-H		1.7337	1.4498
- Class MYR-H		0.2745	0.2386
- Class SGD-H		1.0382	0.8836
- Class USD		<u>1.3479</u>	<u>1.1126</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
- Class AUD-H		AUD1.3054	AUD1.1002
- Class GBP-H		GBP1.3499	GBP1.1273
- Class MYR-H		RM1.2603	RM1.0752
- Class SGD-H		SGD1.3885	SGD1.1731
- Class USD		<u>USD1.3479</u>	<u>USD1.1126</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 31 JULY 2024**

	2024 USD	2023 USD
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR	<u>345,038,754</u>	<u>305,564,541</u>
Movement due to units created and cancelled during the financial year:		
Creation of units from applications		
- Class AUD-H	19,579,211	5,284,042
- Class GBP-H	4,894,636	2,932,726
- Class MYR-H	203,372,950	121,249,297
- Class SGD-H	12,033,046	5,381,044
- Class USD	13,158,706	10,447,108
	<u>253,038,549</u>	<u>145,294,217</u>
Creation of units from distribution		
- Class AUD-H	-	770,600
- Class GBP-H	-	379,572
- Class MYR-H	-	8,061,609
- Class SGD-H	-	541,741
- Class USD	-	1,350,733
	<u>-</u>	<u>11,104,255</u>
Cancellation of units		
- Class AUD-H	(15,997,243)	(6,781,975)
- Class GBP-H	(5,946,134)	(4,034,866)
- Class MYR-H	(241,473,640)	(117,262,197)
- Class SGD-H	(14,394,127)	(3,427,519)
- Class USD	(22,772,897)	(14,221,972)
	<u>(300,584,041)</u>	<u>(145,728,529)</u>
Total comprehensive income for the financial year	<u>54,200,120</u>	<u>28,804,270</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL YEAR	<u><u>351,693,382</u></u>	<u><u>345,038,754</u></u>

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

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

	Note	2024 USD	2023 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from disposal of collective investment scheme		146,950,000	76,030,000
Purchase of collective investment scheme		(82,350,000)	(54,240,000)
Management fee paid		(6,111,351)	(5,062,789)
Management fee rebates received		2,338,087	1,939,222
Trustee fee paid		(135,808)	(112,507)
Payments for other fees and expenses		(18,960)	(20,309)
(Payment)/receipt of other foreign exchange (loss)/gain		(89,090)	138,758
Net realised loss on forward foreign currency contracts		(16,281,473)	(10,579,700)
Net cash generated from operating activities		<u>44,301,405</u>	<u>8,092,675</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		257,478,677	138,134,995
Payments for cancellation of units		(305,614,078)	(141,015,575)
Distribution paid		-	(54,313)
Net cash used in financing activities		<u>(48,135,401)</u>	<u>(2,934,893)</u>
Net (decrease)/increase in cash and cash equivalents		(3,833,996)	5,157,782
Cash and cash equivalents at the beginning of the financial year		<u>9,572,060</u>	<u>4,414,278</u>
Cash and cash equivalents at the end of the financial year	9	<u><u>5,738,064</u></u>	<u><u>9,572,060</u></u>
<u>Cash and cash equivalents comprised:</u>			
Bank balances		<u>5,738,064</u>	<u>9,572,060</u>
Cash and cash equivalents at the end of the financial year	9	<u><u>5,738,064</u></u>	<u><u>9,572,060</u></u>

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

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

1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES

Principal Global Technology Fund (the “Fund”) was constituted pursuant to the execution of a Deed dated 8 May 2018, a First Supplemental Deed dated 31 December 2019 and a Second Supplemental Deed dated 26 February 2024 (collectively referred to as the “Deeds”) between Principal Asset Management Berhad and Deutsche Trustees Malaysia Berhad (the “Trustee”).

The Fund is a feeder fund and it invests in a single collective investment scheme, i.e. Franklin Technology Fund. The Fund may also invest in liquid asset for liquidity purpose.

In order to achieve its investment objective, the Fund will invest at least 95% of its NAV in the Target Fund; a portfolio established on 4 March 2000 under the Franklin Templeton Investment Funds. The Fund will also maintain up to 5% of its NAV in liquid assets for liquidity purposes.

The asset allocation strategy for this Fund is as follows:

- At least 95% of the Fund’s NAV will be invested in the Target Fund; and
- Up to 5% of the Fund’s NAV will be invested in liquid assets for liquidity purposes.

Information on the Target Fund

Company: Franklin Templeton Investment Funds

Management Company: Franklin Templeton International Services S.à r.l.

Investment Manager: Franklin Advisers, Inc.

Regulatory authority: Commission de Surveillance du Secteur Financier

All investments are subjected to the Securities Commission Malaysia (“SC”) Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework, 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 Fund has issued the First Supplemental Information Memorandum dated 26 February 2024.

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

2. MATERIAL ACCOUNTING POLICIES

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

(a) Basis of preparation

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

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

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)**(a) Basis of preparation (continued)**

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

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

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

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

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

(b) Financial assets and financial liabilities**Classification**

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

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

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

Investments in collective investment scheme are debt instruments with contractual cash flows that do not represent solely payment of principal and interest ("SPPI"), and therefore are classified as fair value through profit or loss.

Derivatives are financial assets/liabilities at fair value through profit or loss unless they are designated hedges (Note 2(i)).

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

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

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets and financial liabilities (continued)

Recognition and measurement

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

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

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

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

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

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

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

Impairment for assets carried at amortised costs

The Fund measures credit risk and expected credit losses (“ECL”) using probability of default, exposure at default and loss given default. The Manager considers both historical analysis and forward looking information in determining any ECL. The Manager consider 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.

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.

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

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

(d) Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents comprise bank balances which are subject to an insignificant risk of changes in value.

(e) Foreign currencyFunctional 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 United States Dollar ("USD"), 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 USD primarily due to the following factors:

- i) Significant portion of the Fund's expenses are denominated in USD.
- ii) Significant portion of the cash is denominated in USD for the purpose of making settlement of foreign trades.
- iii) Significant portions of the Fund's investments are denominated in USD.

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.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)**(f) Taxation**

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

Tax on income from foreign collective investment scheme are based on the tax regime of the respective countries that the Fund invests in.

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

(g) Management fee rebate

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

(h) Unit holders' contributions

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

The Fund issues cancellable units, in five classes of units, known respectively as the Class AUD-H, Class GBP-H, Class MYR-H, Class SGD-H and Class USD, 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 Unlisted Capital Market Products under the Lodge and Launch Framework. 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.

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.

(i) Derivative financial instruments

A derivative financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavorable.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)**(i) Derivative financial instruments (continued)**

The Fund's derivative financial instruments comprise forward foreign exchange contracts. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value.

The fair value of forward foreign exchange contracts is determined using forward exchange rates at the date of statements of financial position, with the resulting value discounted back to present value.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. Derivatives that do not qualify for hedge accounting are classified as held-for-trading and accounted for in accordance with the accounting policy set out in Note 2(b).

(j) Distribution

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

(k) Amount due to Manager of collective investment scheme (purchase of investment)

Amount due to Manager of collective investment scheme represent payables for collective investment scheme purchased that have been contracted for but not yet settled or delivered on the reporting date respectively.

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

The analysis of realised and unrealised portions of profit or loss after tax as presented on the statement of comprehensive income is prepared in accordance with SC Guidelines on Unit Trust Funds¹.

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

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

Estimates and 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.

¹ The presentation of 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 provided as per the SC Guidelines on Unit Trust Funds. However, the Fund is not guided by the SC Guidelines on Unit Trust Funds.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

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

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the SC Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

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:

	Financial assets at fair value through profit or loss USD	Financial assets at amortised cost USD	Total USD
2024			
Cash and cash equivalents (Note 9)	-	5,738,064	5,738,064
Collective investment scheme (Note 8)	337,774,590	-	337,774,590
Amount due from Manager of collective investment scheme			
- Management fee rebates	-	218,901	218,901
Derivative assets at fair value through profit or loss (Note 10)	4,019,435	-	4,019,435
Amount due from Manager	-	8,613,191	8,613,191
	<u>341,794,025</u>	<u>14,570,156</u>	<u>356,364,181</u>
2023			
Cash and cash equivalents (Note 9)	-	9,572,060	9,572,060
Collective investment scheme (Note 8)	328,186,573	-	328,186,573
Amount due from Manager of collective investment scheme			
- Management fee rebates	-	199,703	199,703
Derivative assets at fair value through profit or loss (Note 10)	1,595,193	-	1,595,193
Amount due from Manager	-	13,096,343	13,096,343
	<u>329,781,766</u>	<u>22,868,106</u>	<u>352,649,872</u>

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

The Fund aims to provide capital appreciation through investments in one collective investment scheme, which invests primarily in a diversified portfolio of technology related companies.

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

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

Financial risk management is carried out through internal control process adopted by the Manager and adherence to the investment restrictions as stipulated in the Deed and SC Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

(a) Market risk

(i) Price risk

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

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

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

	2024 USD	2023 USD
Financial assets at fair value through profit or loss:		
- Collective investment scheme	<u>337,774,590</u>	<u>328,186,573</u>

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

% Change in price of collective investment scheme	Market value USD	Impact on profit or loss/NAV USD
2024		
-5%	320,885,860	(16,888,730)
0%	337,774,590	-
5%	<u>354,663,320</u>	<u>16,888,730</u>
2023		
-5%	311,777,244	(16,409,329)
0%	328,186,573	-
5%	<u>344,595,902</u>	<u>16,409,329</u>

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

(a) Market risk (continued)

(ii) Currency risk

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

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

Financial assets	Cash and cash equivalents USD	Amount due from Manager USD	Derivative assets at fair value through profit or loss USD	Total USD
2024				
AUD	139,569	994,214	(606,998)	526,785
GBP	821,178	31,510	(75,903)	776,785
MYR	1,504,937	6,685,810	4,608,263	12,799,010
SGD	307,980	174,115	94,073	576,168
	<u>2,773,664</u>	<u>7,885,649</u>	<u>4,019,435</u>	<u>14,678,748</u>
2023				
AUD	126,367	771,499	(276,158)	621,708
GBP	824,271	88,092	(50,705)	861,658
MYR	995,249	11,159,998	1,978,146	14,133,393
SGD	193,403	775,202	(56,090)	912,515
	<u>2,139,290</u>	<u>12,794,791</u>	<u>1,595,193</u>	<u>16,529,274</u>
Financial liabilities		Amount due to Manager USD	Net assets attributable to unit holders USD	Total USD
2024				
AUD		41,907	29,519,859	29,561,766
GBP		92,158	11,608,427	11,700,585
MYR		1,209,665	252,419,661	253,629,326
SGD		89,068	21,401,888	21,490,956
		<u>1,432,798</u>	<u>314,949,835</u>	<u>316,382,633</u>
2023				
AUD		159,374	21,940,615	22,099,989
GBP		71,015	10,862,023	10,933,038
MYR		5,923,617	253,220,170	259,143,787
SGD		131,184	20,014,036	20,145,220
		<u>6,285,190</u>	<u>306,036,844</u>	<u>312,322,034</u>

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

(a) Market risk (continued)

(ii) Currency risk (continued)

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

	Change in foreign exchange rate %	Impact on profit or loss/NAV	
		2024 USD	2023 USD
AUD	+/-5	-/+1,451,749	-/+1,073,914
GBP	+/-5	-/+546,190	-/+503,569
MYR	+/-5	-/+12,041,516	-/+12,250,520
SGD	+/-5	-/+1,045,739	-/+961,635
		<u>-/+15,085,194</u>	<u>-/+14,789,638</u>

(b) Credit risk

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

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 Unlisted Capital Market Products under the Lodge and Launch Framework.

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

	Cash and cash equivalents USD	Derivatives assets at fair value through profit or loss USD	Amount due from Manager USD	Amount due from Manager of collective investment scheme - management fee rebates USD	Total USD
2024					
- AAA	5,738,064	-	-	-	5,738,064
- Not Rated	-	4,019,435	8,613,191	218,901	12,851,527
	<u>5,738,064</u>	<u>4,019,435</u>	<u>8,613,191</u>	<u>218,901</u>	<u>18,589,591</u>
2023					
- AAA	9,572,060	-	-	-	9,572,060
- Not Rated	-	1,595,193	13,096,343	199,703	14,891,239
	<u>9,572,060</u>	<u>1,595,193</u>	<u>13,096,343</u>	<u>199,703</u>	<u>24,463,299</u>

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 other instruments, which are capable of being converted into cash within 7 business days. The Fund's investments in collective investment scheme are realisable which are capable of being converted into cash within 10 business days. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

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

	Less than 1 month USD	Between 1 month to 1 year USD	Total USD
2024			
Amount due to Manager	1,512,237	-	1,512,237
Amount due to Manager of collective investment - Purchase of collective investment scheme	2,600,000	-	2,600,000
Accrued management fee	541,550	-	541,550
Amount due to Trustee	12,034	-	12,034
Other payables and accruals	-	4,978	4,978
Net assets attributable to unit holders*	<u>351,693,382</u>	<u>-</u>	<u>351,693,382</u>
Contractual undiscounted cash flows	<u>356,359,203</u>	<u>4,978</u>	<u>356,364,181</u>
2023			
Amount due to Manager	6,597,169	-	6,597,169
Amount due to Manager of collective investment - Purchase of collective investment scheme	500,000	-	500,000
Accrued management fee	499,004	-	499,004
Amount due to Trustee	11,089	-	11,089
Other payables and accruals	-	3,856	3,856
Net assets attributable to unit holders*	<u>345,038,754</u>	<u>-</u>	<u>345,038,754</u>
Contractual undiscounted cash flows	<u>352,646,016</u>	<u>3,856</u>	<u>352,649,872</u>

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

(c) Liquidity risk (continued)

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

(d) Capital risk management

The capital of the Fund is represented by net asset attributable to unit holders of USD351,693,382 (2023: USD345,038,754). The amount of capital can change significantly on a daily basis as the Fund is subjected 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 holder 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 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 and liabilities 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.

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

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

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

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

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

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
2024				
Financial assets at fair value through profit or loss:				
- Collective investment scheme	<u>337,774,590</u>	<u>-</u>	<u>-</u>	<u>337,774,590</u>
Derivative assets at fair value through profit or loss:				
- Forward foreign currency contracts	<u>-</u>	<u>4,019,435</u>	<u>-</u>	<u>4,019,435</u>
2023				
Financial assets at fair value through profit or loss:				
- Collective investment scheme	<u>328,186,573</u>	<u>-</u>	<u>-</u>	<u>328,186,573</u>
Derivative assets at fair value through profit or loss:				
- Forward foreign currency contracts	<u>-</u>	<u>1,595,193</u>	<u>-</u>	<u>1,595,193</u>

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include collective investments scheme. 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).

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

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

Financial instruments that trade in markets that are considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. This includes forward foreign currency contracts. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

(ii) The carrying values of cash and cash equivalents, amount due from Manager, amount due from Manager of collective investment scheme – Management fee rebates 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 fee of up to 3.00% per annum, calculated and accrued daily based on the NAV of the Fund.

For the financial year ended 31 July 2024, the management fee for the respective classes was recognised at the following rates (2023: 1.80% per annum for each class):

Class AUD-H	CLASS GBP-H	Class MYR-H	Class SGD-H	Class USD
1.80%	1.80%	1.80%	1.80%	1.80%

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

5. TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to a fee up to 0.20% per annum, calculated and accrued daily based on the NAV of the Fund. The Trustee fee includes local custodian fees and charges but excludes foreign sub-custodian fees and charges.

For the financial year ended 31 July 2024, the Trustee fee was recognised at a rate of 0.04% per annum (2023: 0.04% per annum) for each unit class.

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

6. TAXATION

	2024	2023
	USD	USD
Tax charged for the financial year:		
- Current taxation	-	-

6. TAXATION (CONTINUED)

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

	2024	2023
	USD	USD
Profit before taxation	<u>54,200,120</u>	<u>28,804,270</u>
Taxation at Malaysian statutory rate of 24% (2023: 24%)	13,008,029	6,913,025
Tax effects of:		
- Income not subject to tax	(13,956,856)	(10,384,270)
- Expenses not deductible for tax purposes	37,106	2,709,735
- Restriction on tax deductible expenses for Unit Trust Funds	<u>911,721</u>	<u>761,510</u>
Taxation	<u>-</u>	<u>-</u>

7. DISTRIBUTION

Breakdown of distribution were as follows:

	2024		2023	
	USD	%	USD	%
Source of distribution				
Distribution out of current year's income	-	-	11,158,568	100.00
Distribution out of prior year's income/capital*	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>11,158,568</u>	<u>100.00</u>

	2024	2023
	USD	USD
Gross/Net distribution per unit		
Distribution on 28 September 2022		
- Class AUD-H	-	2.38
- Class GBP-H	-	4.19
- Class MYR-H	-	0.74
- Class SGD-H	-	2.58
- Class USD	-	3.31

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

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

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

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 USD	2023 USD
At fair value through profit or loss at inception:		
- Collective investment scheme - foreign	<u>337,774,590</u>	<u>328,186,573</u>
Net gain on financial assets at fair value through profit or loss:		
- Realised gain/(loss) on disposals	23,688,455	(11,653,845)
- Unrealised fair value gain	48,399,561	64,255,418
- Management fee rebate #	<u>2,357,285</u>	<u>1,962,494</u>
	<u>74,445,301</u>	<u>54,564,067</u>

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

For the financial year ended 31 July 2024, other income is recognised at a rate of 0.70% per annum (2023: 0.70% per annum) calculated and accrued daily based on the NAV of the collective investment scheme.

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2024				
COLLECTIVE INVESTMENT SCHEME				
Franklin Technology I ACC USD	<u>4,945,455</u>	<u>263,682,531</u>	<u>337,774,590</u>	<u>96.04</u>
TOTAL COLLECTIVE INVESTMENT SCHEME	<u>4,945,455</u>	<u>263,682,531</u>	<u>337,774,590</u>	<u>96.04</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>74,092,059</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>337,774,590</u>		
2023				
COLLECTIVE INVESTMENT SCHEME				
Franklin Technology I ACC USD	<u>5,921,808</u>	<u>302,494,075</u>	<u>328,186,573</u>	<u>95.12</u>

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2023 (CONTINUED) COLLECTIVE INVESTMENT SCHEME (CONTINUED)				
TOTAL COLLECTIVE INVESTMENT SCHEME	<u>5,921,808</u>	<u>302,494,075</u>	<u>328,186,573</u>	<u>95.12</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>25,692,498</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>328,186,573</u>		

9. CASH AND CASH EQUIVALENTS

	2024 USD	2023 USD
Bank balances	<u>5,738,064</u>	<u>9,572,060</u>

10. DERIVATIVE ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 USD	2023 USD
Forward foreign currency contracts	<u>4,019,435</u>	<u>1,595,193</u>
Net loss on derivatives at fair value through profit or loss:		
- Net realised loss on forward foreign currency contracts	(16,281,473)	(10,579,699)
- Net unrealised gain on forward foreign currency contracts	<u>2,424,243</u>	<u>1,091,885</u>
	<u>(13,857,230)</u>	<u>(9,487,814)</u>

As at 31 July 2024, there are total of 14 (2023: 8) outstanding USD/Australian Dollar ("AUD"), USD/Great Britain Pound ("GBP"), USD/Malaysian Ringgit ("MYR") and USD/Singapore Dollar ("SGD") forward foreign currency contracts. The notional principal amount of the outstanding forward foreign currency contracts amounted to USD358,514,375 (2023: USD330,551,113).

The forward foreign currency contracts are entered into during the financial year to minimise the risk of foreign currency exposure between the USD and the AUD, GBP, MYR, and SGD for the Fund.

As the Fund has not adopted hedge accounting during the financial year, any changes in the fair value of the forward foreign currency contracts are recognised immediately in the statement of comprehensive income during the financial year.

11. NUMBER OF UNITS IN CIRCULATION (UNITS)

	2024	2023
	No. of units	No. of units
Class AUD-H (i)	34,631,051	29,602,053
Class GBP-H (ii)	6,695,795	7,492,019
Class MYR-H (iii)	919,720,564	1,061,444,488
Class SGD-H (iv)	20,614,880	22,649,792
Class USD (v)	27,260,308	35,053,421
	<u>1,008,922,598</u>	<u>1,156,241,773</u>
(i) Class AUD-H		
At the beginning of the financial year	29,602,053	30,721,877
Add : Creation of units from applications	25,263,719	8,305,050
Add : Creation of units from distribution	-	1,455,524
Less: Cancellation of units	(20,234,721)	(10,880,398)
At the end of the financial year	<u>34,631,051</u>	<u>29,602,053</u>
(ii) Class GBP-H		
At the beginning of the financial year	7,492,019	7,973,077
Add : Creation of units from applications	3,054,001	2,782,086
Add : Creation of units from distribution	-	423,403
Less: Cancellation of units	(3,850,225)	(3,686,547)
At the end of the financial year	<u>6,695,795</u>	<u>7,492,019</u>
(iii) Class MYR-H		
At the beginning of the financial year	1,061,444,488	998,071,793
Add : Creation of units from applications	827,407,464	589,909,695
Add : Creation of units from distribution	-	46,683,091
Less: Cancellation of units	(969,131,388)	(573,220,091)
At the end of the financial year	<u>919,720,564</u>	<u>1,061,444,488</u>
(iv) Class SGD-H		
At the beginning of the financial year	22,649,792	19,288,012
Add : Creation of units from applications	13,065,750	7,135,401
Add : Creation of units from distribution	-	905,271
Less: Cancellation of units	(15,100,662)	(4,678,892)
At the end of the financial year	<u>20,614,880</u>	<u>22,649,792</u>
(v) Class USD		
At the beginning of the financial year	35,053,421	37,532,488
Add : Creation of units from applications	10,899,474	11,065,999
Add : Creation of units from distribution	-	1,683,786
Less: Cancellation of units	(18,692,587)	(15,228,852)
At the end of the financial year	<u>27,260,308</u>	<u>35,053,421</u>

12. TOTAL EXPENSE RATIO (“TER”)

	2024	2023
	%	%
TER	<u>1.16</u>	<u>1.16</u>

TER was derived based on the following calculation:

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

A = Management fee (exclude management fee rebates)
 B = Trustee fee
 C = Audit fee
 D = Tax Agent’s fee
 E = Other expenses
 F = Average NAV of the Fund calculation on a daily basis

The average NAV of the Fund for the financial year calculated on a daily basis was USD341,862,099 (2023: USD285,160,647).

13. PORTFOLIO TURNOVER RATIO (“PTR”)

	2024	2023
PTR (times)	<u>0.34</u>	<u>0.23</u>

PTR was derived from the following calculation:

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

where:

total acquisition for the financial year = USD84,450,000 (2023: USD52,890,000)
 total disposal for the financial year = USD146,950,000 (2023: USD76,030,000)

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

The related parties and their relationship with the Fund 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

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

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

<u>Related parties</u>	<u>Relationship</u>
CIMB Group Sdn Bhd	Shareholder of the Manager
CIMB Investment Bank Bhd	Fellow related party to the Manager
Subsidiaries and associates of CIMB Group Holdings Bhd, other than above, as disclosed in its financial statements	Fellow subsidiary and associated companies of the ultimate holding company of shareholder of the Manager

Units held by the Manager and parties related to the Manager

	2024		2023	
	No. of units	USD	No. of units	USD
Manager				
Principal Asset				
Management Berhad				
- Class AUD-H	35	30	82	61
- Class GBP-H	5	9	4	6
- Class MYR-H	5,854	1,607	444	106
- Class SGD-H	8	8	7	6
- Class USD	7	9	5	6

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.

Other than those disclosed elsewhere in the financial statements, there are no significant related party transactions and balances for the financial year.

15. TRANSACTIONS WITH BROKERS

Details of transactions with the broker for the financial year ended 31 July 2024 were as follows:

Brokers	Value of trades USD	Percentage of total trades %	Brokerage fees USD	Percentage of brokerage fees %
Franklin Templeton Investments	<u>231,400,000</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

15. TRANSACTIONS WITH BROKERS (CONTINUED)

Details of transactions with the broker for the financial year ended 31 July 2023 were as follows:

Brokers	Value of trades USD	Percentage of total trades %	Brokerage fees USD	Percentage of brokerage fees %
Franklin Templeton Investments	<u>128,920,000</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

16. APPROVAL OF FINANCIAL STATEMENTS

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

DIRECTORY

Head Office of the Manager

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