

PRINCIPAL ISLAMIC AGGRESSIVE WHOLESALE FUND-OF-FUNDS
QUARTERLY REPORT
FOR THE QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 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 Quarterly Fund Report of the Principal Islamic Aggressive Wholesale Fund of Fund for the financial period ended 30 September 2024. You may also download this report from our website at www.principal.com.my.

We are happy to share that Principal Malaysia won two honours at the Asia Asset Management 2024 Best of the Best Awards. The awards were for Best of the Best Performance Awards: China A-Share Equity (3 years) for the Principal China Direct Opportunities Fund (Class MYR) and Best of the Best Country Awards: Best Institutional House – Malaysia. We also won another two awards at the 2024 Global Banking & Finance Awards® for Asset Management CEO of the Year Malaysia 2024 - Munirah Khairuddin and Asset Management Company of the Year Malaysia 2024. The World Business Outlook magazine also awarded us with the Best Investment Management and Solutions Provider Malaysia 2024, Best Institutional House Malaysia 2024, and Asset Management CEO (Munirah Khairuddin) of the Year Malaysia 2024 awards at its 2024 Annual Awards. We also won three awards at iFast Awards 2024 and another 7 awards at the LSEG Lipper Fund Awards 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 achieve capital growth by investing in a portfolio of Shariah-compliant collective investment schemes that invest primarily in Shariah-compliant equities.

Has the Fund achieved its objective?

The Fund is in line to achieve its long-term objectives as stated in the Fund investment policy prior to the Fund closure.

What are the Fund investment policy and principal investment strategy?

In order to achieve its objective, the Fund will invest up to 100% of its Net Asset Value ("NAV") in at least three (3) Islamic collective investment schemes investing predominantly in Shariah-compliant equities. The Fund may also invest up to 5% of its NAV in Islamic liquid assets such as Islamic money market instruments and/or Islamic deposits for liquidity purposes.

The allocation between the Islamic collective investment schemes is done through a combination of macroeconomic data, liquidity trends and the outlook to overweight or underweight a particular Islamic collective investment schemes. The Fund may invest in Islamic collective investment schemes that focus its investment in the Asia Pacific ex Japan region, i.e. companies that are domiciled in, listed in, and/or have operations or businesses that focus in the Asia Pacific ex Japan region, where the regulatory authority is an ordinary or associate member of the International Organization of Securities Commissions ("IOSCO") which include but not limited to Australia, the People's Republic of China, Hong Kong special administrative region ("SAR"), India, Indonesia, South Korea, Malaysia, New Zealand, the Philippines, Singapore, Taiwan, Thailand and Sri Lanka. As an aggressive fund, this enables the Fund to exploit the investment opportunities provided by foreign markets. When deemed necessary, the Manager may also focus in local investments to safeguard the investment portfolio of the Fund or when the Manager see opportunities in local markets.

Fund category/type

Wholesale Fund (Fund-of-funds - Shariah-compliant)/ Growth

When was the Fund launched?

24 November 2017

What was the size of the Fund as at 30 September 2024?

NIL

What is the Fund's benchmark?

As a fund-of-funds, the Fund is benchmark unconstrained, i.e. it will be managed without reference to any specific benchmark. However, for performance comparison purpose, the Fund can be compared to the 50% MSCI All Country ("AC") Asia ex Japan Islamic ("MIASJ") Index + 50% FTSE Bursa Malaysia ("FBM") EMAS Shariah ("FBMS") Index.

Note: Investors are cautioned that the risk profile of the Fund is different from the benchmark.

What is the Fund distribution policy?

The Fund is not expected to pay any distribution. However, the Manager has the discretion to make income distribution on an ad-hoc basis, depending on the availability of realised income and/or realised gains, as well as the performance of the Fund.

What was the net income distribution for the financial period from 1 July 2024 to 30 September 2024?

There was no distribution made for the financial period from 1 July 2024 to 30 September 2024.

PRINCIPAL ISLAMIC AGGRESSIVE WHOLESALE FUND-OF-FUNDS

PERFORMANCE DATA

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

	30.09.2024 %	30.09.2023 %	30.09.2022 %
Shariah-compliant collective investment schemes	-	98.27	97.47
Cash and other assets	-	1.99	2.93
Liabilities	-	(0.26)	(0.40)
	<u>-</u>	<u>100.00</u>	<u>100.00</u>

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

	30.09.2024	30.09.2023	30.09.2022
NAV (RM Million)	-	11.70	8.57
Units in circulation (Million)	-	11.57	9.22
NAV per unit (RM)	-	1.0113	0.9296
	01.07.2024 to 30.09.2024	01.07.2023 to 30.09.2023	01.07.2022 to 30.09.2022
Highest NAV per unit (RM)	1.3166	1.0341	1.0100
Lowest NAV per unit (RM)	1.0974	1.0025	0.9296
Total return (%)	(8.62)	0.46	(4.98)
- Capital growth (%)	(8.62)	0.46	(4.98)
- Income distribution (%)	-	-	-
Total Expense Ratio ("TER") (%) ^	0.18	0.07	0.50
Portfolio Turnover Ratio ("PTR") (times) #	0.05	0.03	0.05

^ The Fund's TER increased from 0.07% to 0.18% due to increase in expenses during the financial period under review.

During the financial period under review, the PTR for the Fund increased from 0.03 times to 0.05 times as there were more trading activities.

	30.09.2024 %	30.09.2023 %	30.09.2022 %	30.09.2021 %	30.09.2020 %
Annual total return	12.96	8.78	(19.28)	11.22	13.97

(Launch date: 24 November 2017)

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 period have been extracted from Lipper.

MARKET REVIEW (1 JULY 2024 TO 30 SEPTEMBER 2024)

Local Equity

During the third quarter of 2024, the FTSE Bursa Malaysia Shariah Index ("FBMS") experienced moderate volatility amid global economic uncertainties and rising interest rates. In July 2024, the index saw some gains driven by optimism around stabilizing commodity prices and economic recovery hopes, though cautious prevailed due to mixed global indicators.

August 2024 and September 2024 brought added pressure from interest rate concerns, affecting sectors sensitive to financing costs. Defensive sectors, such as healthcare and consumer goods, showed resilience. By the end of September 2024, the FBMS saw a slight decline, reflecting cautious sentiment amidst continued economic challenges.

MARKET REVIEW (1 JULY 2024 TO 30 SEPTEMBER 2024) (CONTINUED)

Asian Equity

During the third quarter of 2024, the MSCI AC Asia ex Japan Islamic Index showed mixed performance, reflecting global economic pressures and regional market volatility. In July 2024, optimism around easing inflationary pressures and improved trade relation lifted the index slightly, with energy and technology sectors seeing some gains. However, the overall sentiment remained mixed due to lingering concerns over economic stability in major Asian economies.

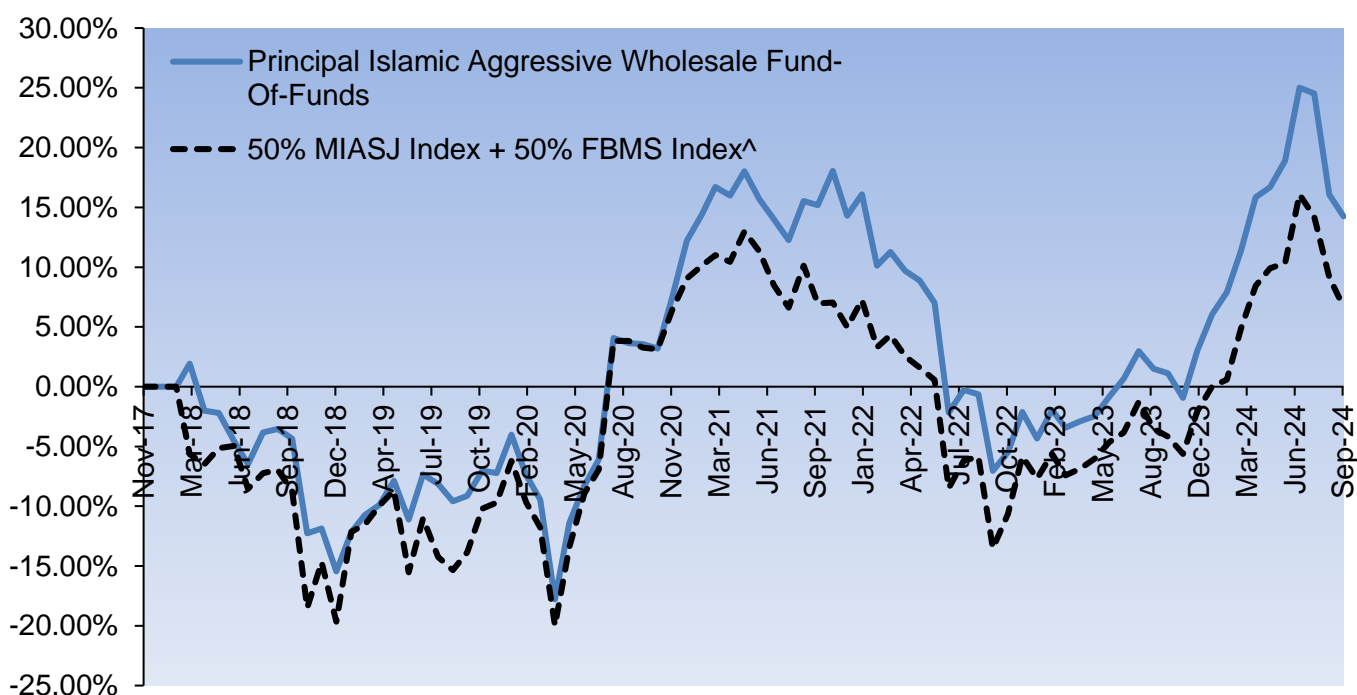
By August 2024 and September 2024, the index faced increased headwinds as slower-than-expected growth data emerged from China and other key Asian markets, raising concerns over regional demand and trade. Investors turned more cautious, favoring high quality, resilient sectors like utilities and healthcare. By the end of September 2024, the index declined moderately as investors assessed a mix economic challenges and potential policy responses across the region.

FUND PERFORMANCE

	3 months to 30.09.2024 %	6 months to 30.09.2024 %	1 year to 30.09.2024 %	3 years to 30.09.2024 %	5 years to 30.09.2024 %	Since inception to 30.09.2024 %
Income Distribution	-	-	-	-	-	-
Capital Growth	(8.62)	(1.39)	12.96	(0.82)	25.72	14.24
Total Return	(8.62)	(1.39)	12.96	(0.82)	25.72	14.24
Benchmark	(8.10)	(1.62)	11.34	(0.27)	20.00	6.68
Average Total Return	(30.05)	(2.75)	12.96	(0.27)	4.68	1.96

During the financial period under review, the Fund fell by 8.62% underperforming the relative benchmark which decreased by 8.10%.

Since Inception



FUND PERFORMANCE (CONTINUED)

^ As a Fund-of-Funds, the Fund is benchmark unconstrained. However, for performance comparison purpose, the Fund can be compared to the MIASJ Index +50% FBMS Index.

Changes in NAV

	30.09.2024	31.12.2023 Audited	Changes
			%
NAV (RM Million)	-	12.80	-
NAV/Unit (RM)	-	1.0606	-

For the financial period under review, the Fund’s NAV and NAV per unit reduced to 0 due to Fund closure.

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 period have been extracted from Lipper.

PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	30.09.2024	31.12.2023 Audited
Shariah-compliant collective investment schemes	-	96.45
Cash and other assets	-	3.79
Liabilities	-	(0.24)
TOTAL	-	100.00

The Fund was fully invested during the financial period under review where a minimal level of liquid assets was kept for redemption purpose prior to the Fund closure.

MARKET OUTLOOK*

Local Equity

Sustained market volatility is expected in the coming months, driven by global economic developments and external news flow. Investment focus will likely remain on strategic themes such as the National Energy Transition Roadmap (“NETR”) and the Johor State Special Economic Zone (“JS-SEZ”), which are projected to hold long-term relevance. However, key risks include the possibility of slower-than-expected macroeconomic recovery and corporate earnings growth in Malaysia, due to inflationary pressure, subdued global economic growth, and elevated geopolitical tensions.

Asian Equity

The outlook for Asian equities near term remain mixed, with ongoing volatility driven by global economic factors and regional developments. While growth in key market like India and China is expected to continue, challenges such as inflationary pressures, geopolitical tension, and slower global growth could pose headwinds. The technology sector, particularly in areas like internet and IT services, is likely to see continued demand, though regulatory risks may affect performance.

* 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 was fully invested during its lifecycle into Shariah-compliant collective investment schemes with minimal cash kept for liquidity prior to the Fund closure.

SOFT COMMISSIONS AND REBATES

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

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

During the financial period 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 period under review.

STATE OF AFFAIR OF THE FUND

There were no significant changes in the state of affairs of the Fund during the period 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 period under review.

CROSS TRADE

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

UNIT SPLIT

No unit split exercise have been carried out during the financial period under review.

Shariah Adviser's Report

To the Unit Holders of Principal Islamic Aggressive Wholesale Fund-of-Funds ("Fund")

For the Financial Period from 1 July 2024 to 30 September 2024

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Principal Asset Management Berhad has operated and managed the Fund during the 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 instruments that have been classified as Shariah compliant.

For Amanie Advisors Sdn Bhd

Tan Sri Dr Mohd Daud Bakar
Executive Chairman

Kuala Lumpur
15 November 2024

PRINCIPAL ISLAMIC AGGRESSIVE WHOLESALE FUND-OF-FUNDS

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 TO 30 SEPTEMBER 2024**

	01.07.2024 to 30.09.2024 RM	01.07.2023 to 30.09.2023 RM
INCOME/(LOSS)		
Hibah	-	55
Net (loss)/gain on financial assets at fair value through profit or loss	(1,314,270)	107,693
	<u>(1,314,270)</u>	<u>107,748</u>
EXPENSES		
Management fee	71,100	53,162
Trustee	1,185	1,034
Audit fee	8,348	1,765
Tax agent's fee	8,857	1,260
Other expenses	5,495	62
	<u>94,985</u>	<u>57,283</u>
(LOSS)/PROFIT BEFORE TAXATION	(1,409,255)	50,465
Taxation	-	-
(LOSS)/PROFIT AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL PERIOD	<u>(1,409,255)</u>	<u>50,465</u>
(Loss)/Profit after taxation is made up as follows:		
Realised amount	111,785	(8,147)
Unrealised amount	(1,521,040)	58,612
	<u>(1,409,255)</u>	<u>50,465</u>

PRINCIPAL ISLAMIC AGGRESSIVE WHOLESALE FUND-OF-FUNDS

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024**

	30.09.2024	31.12.2023
	RM	Audited RM
ASSETS		
Cash and cash equivalents	303,733	341,392
Financial assets at fair value through profit or loss	14,744,726	12,457,575
Amount due from Manager		
- creation of units	-	34,481
- management fee rebate	20,832	17,245
TOTAL ASSETS	15,069,291	12,850,693
LIABILITIES		
Amount due to Manager		
- purchase of collective investment scheme	-	15,000
- cancellation of units	15,008,917	-
Accrued management fee	22,220	19,147
Amount due to Trustee	370	319
Other payables and accruals	37,784	19,580
TOTAL LIABILITIES	15,069,291	54,046
NET ASSET VALUE OF THE FUND	-	12,796,647
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	-	12,796,647
NUMBER OF UNITS IN CIRCULATION (UNITS)	-	12,065,403
NET ASSET VALUE PER UNIT (RM)	-	1.0606

PRINCIPAL ISLAMIC AGGRESSIVE WHOLESALE FUND-OF-FUNDS

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS
FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 TO 30 SEPTEMBER 2024**

	01.07.2024 to 30.09.2024 RM	01.07.2023 to 30.09.2023 RM
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>16,265,628</u>	<u>11,431,844</u>
Movement due to units created and cancelled during the financial period:		
- Creation of units from applications	234,338	361,638
- Cancellation of units	<u>(15,090,711)</u>	<u>(139,235)</u>
	<u>(14,856,373)</u>	<u>222,403</u>
Total comprehensive (loss)/income for the financial period	<u>(1,409,255)</u>	<u>50,465</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL PERIOD	<u>-</u>	<u>11,704,712</u>

PRINCIPAL ISLAMIC AGGRESSIVE WHOLESALE FUND-OF-FUNDS

**UNAUDITED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 TO 30 SEPTEMBER 2024**

	01.07.2024 to 30.09.2024 RM	01.07.2023 to 30.09.2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Purchase of Shariah-compliant collective investment schemes	(1,189,000)	(691,000)
Proceeds from sale Shariah-compliant collective investment schemes	521,000	-
Hibah	-	55
Management fee paid	(72,256)	(52,019)
Management fee rebate received	67,211	48,320
Trustee fee paid	(1,205)	(1,012)
Payments for other fees and expenses	(1,781)	(64)
Net cash used in operating activities	<u>(676,031)</u>	<u>(695,720)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash proceeds from units created	245,966	402,254
Distribution paid	(81,794)	(139,235)
Net cash generated from financing activities	<u>164,172</u>	<u>263,019</u>
Net decrease in cash and cash equivalents	(511,859)	(432,701)
Cash and cash equivalents at the beginning of the financial period	<u>815,592</u>	<u>644,195</u>
Cash and cash equivalents at the end of the financial period	<u><u>303,733</u></u>	<u><u>211,494</u></u>
<u>Cash and cash equivalents comprised:</u>		
Bank balances	<u>303,733</u>	<u>211,494</u>
Cash and cash equivalents at the end of the financial period	<u><u>303,733</u></u>	<u><u>211,494</u></u>

DIRECTORY

Head Office of the Manager

Principal Asset Management Berhad (Company No.: 199401018399 (304078-K))
Level 32, Exchange 106,
Lingkaran TRX,
55188 Tun Razak Exchange, Kuala Lumpur,
MALAYSIA.
Tel: (03) 8680 8000

Website

www.principal.com.my

E-mail address

mymyservice@principal.com

Customer Care Centre

(03) 7723 7260

Chat with us via WhatsApp:

(6016) 299 9792

Trustee for the Principal Islamic Aggressive Wholesale Fund-of-Funds

HSBC (Malaysia) Trustee Berhad (Company No.: 193701000084 (1281-T))
Level 19, Menara IQ, Lingkaran TRX, Tun Razak Exchange,
55188 Kuala Lumpur, Malaysia
Tel: (03) 2075 7800
Fax: (03) 8894 2611

Shariah Adviser of the Principal Islamic Aggressive Wholesale Fund-of-Funds

Amanie Advisors Sdn. Bhd. (Company No.: 200501007003 (684050-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