

PRINCIPAL ISLAMIC GLOBAL SELECTION AGGRESSIVE FUND

UNAUDITED SEMI-ANNUAL REPORT

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023

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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 Unaudited Semi-Annual Fund Report of the Principal Islamic Global Selection Aggressive Fund for the financial period ended 31 October 2023. You may also download this report from our website at www.principal.com.my.

We are happy to share that Principal Malaysia won two awards at the International Finance's 2023 Financial Awards and Leadership Awards. The awards were for Best Asset Management Company (Malaysia) and Best Asset Management CEO (Malaysia) – Ms. Munirah Khairuddin. We also won the Best Impact – Climate Action, Gold award for Principal Asia Pacific Renewables Fund at The Edge ESG Awards 2023.

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

Country Head and Chief Executive Officer, Malaysia
Non-Independent Executive Director

MANAGER’S REPORT

FUND OBJECTIVE AND POLICY

What is the investment objective of the Fund?

The Fund aims to provide long term capital appreciation and income through Shariah-compliant investments that invests in the global markets within the target risk range of the Fund.

Has the Fund achieved its objective?

The Fund is in line to achieve its long-term objective to provide capital growth and income as stated in the Fund Objective section.

What are the Fund investment policy and principal investment strategy?

The Fund will be actively managed with the aim of maximising the Fund’s investment return relative to its Target Risk. To achieve this, the Fund will invest in a diversified mix of asset classes such as Shariah-compliant equities, Sukuk, Islamic gold ETF and Islamic Deposit. The allocation into each asset class is determined by selecting an optimal portfolio i.e. a portfolio of asset mix that generate the highest expected return for the prescribed Target Risk. For example, the higher the Target Risk, the higher the allocation into higher risk assets such as Shariah-compliant equities and Islamic gold Exchange-Traded Fund (“ETF”) and hence higher potential returns. On the contrary, a low Target Risk will allocate its investment mainly in lower risk assets such as Islamic Deposit and Sukuk and hence generating a lower and more stable potential returns.

The Fund will be continuously monitored to ensure that its overall risk level remains align with its prescribed Target Risk range. This is facilitated through rebalancing and/or optimising the Fund if the current allocation of a particular asset deviates substantially from its optimal allocation; or if there are significant changes in valuations of the assets and market circumstances.

The Fund invests in assets that comply to Shariah rules, which includes but not limited to Shariah-compliant equities, Sukuk, Islamic gold ETFs and Islamic Deposit. The Fund may also seek investment exposure via Islamic CIS that is in line with the Fund’s objective, subject to the requirements of the Guidelines on Unit Trust Funds issued by Securities Commission Malaysia (“GUTF”).

The Fund’s investment in Sukuk will generally be restricted to Sukuk rated at least a minimum credit rating of “BBB-” by Standard & Poor’s (“S&P”) or its equivalent rating by other international rating agencies and/or at least “A3” by RAM Rating (“RAM”) or equivalent rating by Malaysian Rating Corporation Berhad (“MARC”) or by local rating agency(ies) of the country (“Investment Grade Sukuk”). Nonetheless, up to 20% of the Fund’s NAV may be invested in non-investment grade and/or unrated Sukuk.

The asset allocation for the Fund is as follows:

- Up to 80% of the Fund’s NAV may be invested in Shariah-compliant equities;
- Up to 40% of the Fund’s NAV may be invested in Sukuk, out of which;
 - up to 40% of the Fund’s NAV may be invested in Investment Grade Sukuk; and/ or
 - up to 20% of the Fund’s NAV may be invested in non-investment grade and/or unrated Sukuk;
- Up to 40% of the Fund’s NAV may be invested in Islamic gold ETF; and
- At least 2% of the Fund’s NAV will be invested in Islamic Deposit

Base Currency

United States Dollar (“USD”)

Fund category/type

Mixed Asset (Shariah-compliant) / Income & Growth.

When was the Fund launched?

Name of Class	Launch Date
Class MYR	12 July 2021
Class USD	12 July 2021
Class D	28 April 2023

FUND OBJECTIVE AND POLICY (CONTINUED)

What was the size of the Fund as at 31 October 2023?

USD4.65 million (22.35 million units)

What is the Fund's benchmark?

The Fund is actively managed and does not refer to any specific benchmark, however the Fund will be managed within the Target Risk range of 10% to 12% per annum.

What is the Fund distribution policy?

Annually depending on the availability of realised income and/or realised gains and at the discretion of the Manager.

Note: The Fund will only distribute income after the 1st anniversary of the Fund's Commencement Date

What was the net income distribution for the financial period ended 31 October 2023?

There was no distribution made for the financial period ended 31 October 2023.

PERFORMANCE DATA

Details of portfolio composition of the Fund for the last two unaudited financial period were as follows:

	31.10.2023	31.10.2022
	%	%
Shariah-compliant collective investment scheme	97.37	97.43
Cash and other net assets	3.05	3.50
Liabilities	(0.42)	(0.93)
	<u>100.00</u>	<u>100.00</u>

Performance details of the Fund for the last two unaudited financial period were as follows:

	31.10.2023	31.10.2022
NAV (USD Million)		
- Class D	0.06	-
- Class MYR	4.57	6.90
- Class USD	0.01	0.08
Units in circulation (Million)		
- Class D	0.29	-
- Class MYR	22.05	35.47
- Class USD	0.02	0.10
NAV per unit (USD)		
- Class D	0.2186	-
- Class MYR	0.2072	0.1945
- Class USD	0.8743	0.8205
Highest NAV per unit (USD)		
- Class D	0.2330	-
- Class MYR	0.2209	0.2145
- Class USD	0.9320	0.9049
Lowest NAV per unit (USD)		
- Class D	0.2181	-
- Class MYR	0.2067	0.1896
- Class USD	0.8720	0.7999
Total return (%)		
- Class D	4.07	-
- Class MYR	3.87	(1.49)
- Class USD	(2.70)	(9.31)

PERFORMANCE DATA (CONTINUED)

Performance details of the Fund for the last two unaudited financial period were as follows: (continued)

	31.10.2023	31.10.2022
Capital growth (%)		
- Class D	4.07	-
- Class MYR	3.87	(1.49)
- Class USD	(2.70)	(9.31)
Income distribution (%)		
- Class D	-	-
- Class MYR	-	-
- Class USD	-	-
Total Expense Ratio ("TER") (%) ^	0.70	0.66
Portfolio Turnover Ratio ("PTR") (times)	0.13	0.55

^ The Fund's TER increased from 0.66% to 0.70% due to decreased in average NAV during the financial period.

The Fund's PTR decreased from 0.55 times to 0.13 times during the financial period under review. The PTR reflects the fund's investment trading activities.

	31.10.2023	Since inception to 31.10.2022
	%	%
Annual total return		
- Class MYR	7.33	(8.08)
- Class USD	6.56	(17.95)
(Launch date: 12 July 2021)		

	Since inception to 31.10.2023
	%
Annual total return	
- Class D	4.09
(Launch date: 28 April 2023)	

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 MAY 2023 TO 31 OCTOBER 2023)

China's economic recovery softened in May 2023 with the manufacturing, property and industrial sectors losing steam. Manufacturing Purchasing Manager Index ("PMI") fell due to weak demand. US regional banking sector issues spread to the larger banks. Weak property market in China could hit consumer confidence. Property sales for new and existing homes has softened after first quarter of 2023 ("1Q2023"). The services sector is the bright spot, but this too has slowed. There are talks of more policy support soon, e.g., for property and electric vehicles. Urgency from the government to address the weakening confidence and momentum is needed. Expectation and sentiment have swung the other way since the re-opening hopes early this year.

Disinflationary pressures coupled with robust economic activity have created a more constructive US narrative. However, stretched valuations and restrictive monetary policy suggest further US equity upside is limited. Europe is decoupling from the broad bullish market sentiment. The positive impulse from lower gas prices is no longer compensating for the combination of weaker European activity data and negative macro surprises and concerns over headwinds from China.

MARKET REVIEW (1 MAY 2023 TO 31 OCTOBER 2023) (CONTINUED)

US Inflation continued to be sticky, printing +3.7% year-on-year in September 2023 (+3.67% year-on-year (“y-o-y”) in August 2023). And since employment conditions are still tight (high wage growth and large no of job openings vs unemployed), it is probably too early to bet on a pivot to a policy easing stance.

FUND PERFORMANCE

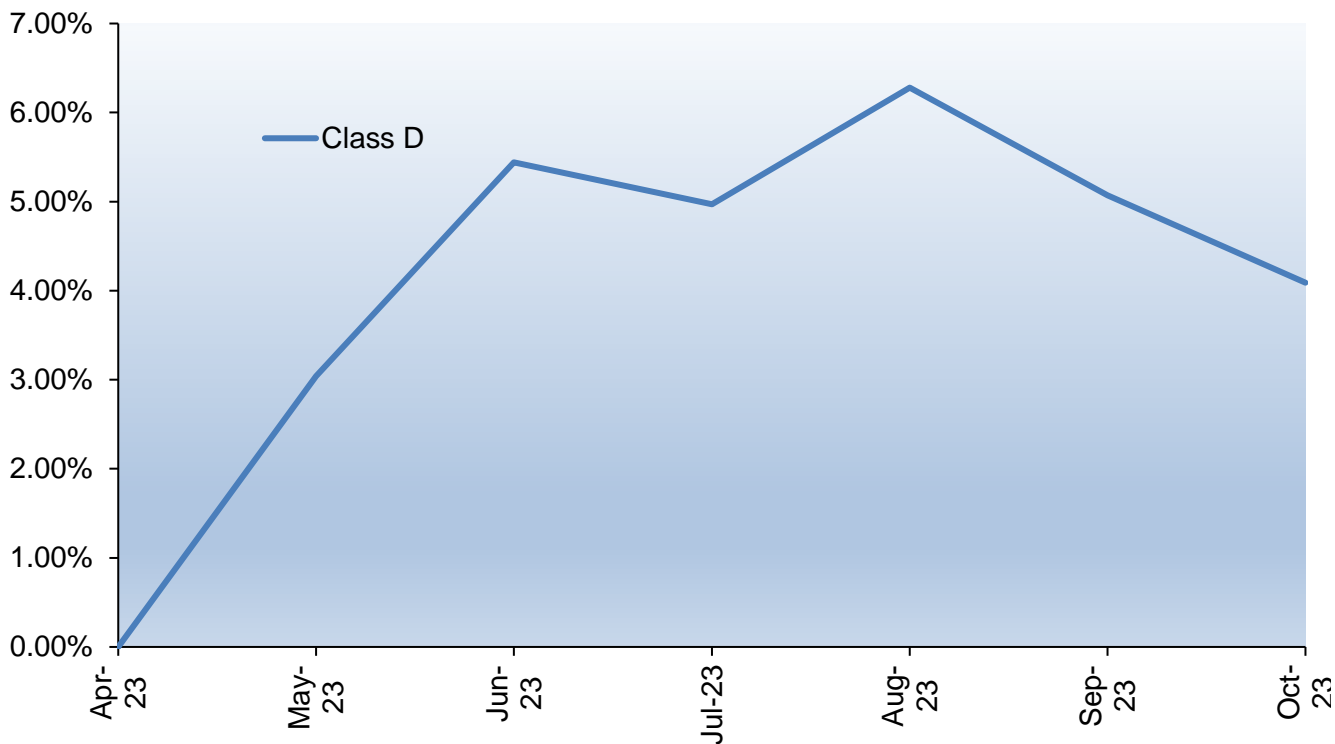
	6 months to 31.10.2023	1 year to 31.10.2023	Since inception to 31.10.2023
	%	%	%
Income Distribution			
- Class D	-	-	-
- Class MYR	-	-	-
- Class USD	-	-	-
Capital Growth			
- Class D	4.07	-	4.09
- Class MYR	3.87	7.33	(1.34)
- Class USD	(2.70)	6.56	(12.57)
Total Return			
- Class D	4.07	-	4.09
- Class MYR	3.87	7.33	(1.34)
- Class USD	(2.70)	6.56	(12.57)
Benchmark			
- Class D	-	-	-
- Class MYR	-	-	-
- Class USD	-	-	-
Average Total Return			
- Class D	8.31	-	3.91
- Class MYR	7.89	7.33	(1.28)
- Class USD	(5.33)	6.56	(12.08)

For the financial period under review, Class D and Class MYR recorded positive returns of 4.07% and 3.87% respectively. Meanwhile Class USD decreased by 2.70%. The Fund has no benchmark for performance comparison.

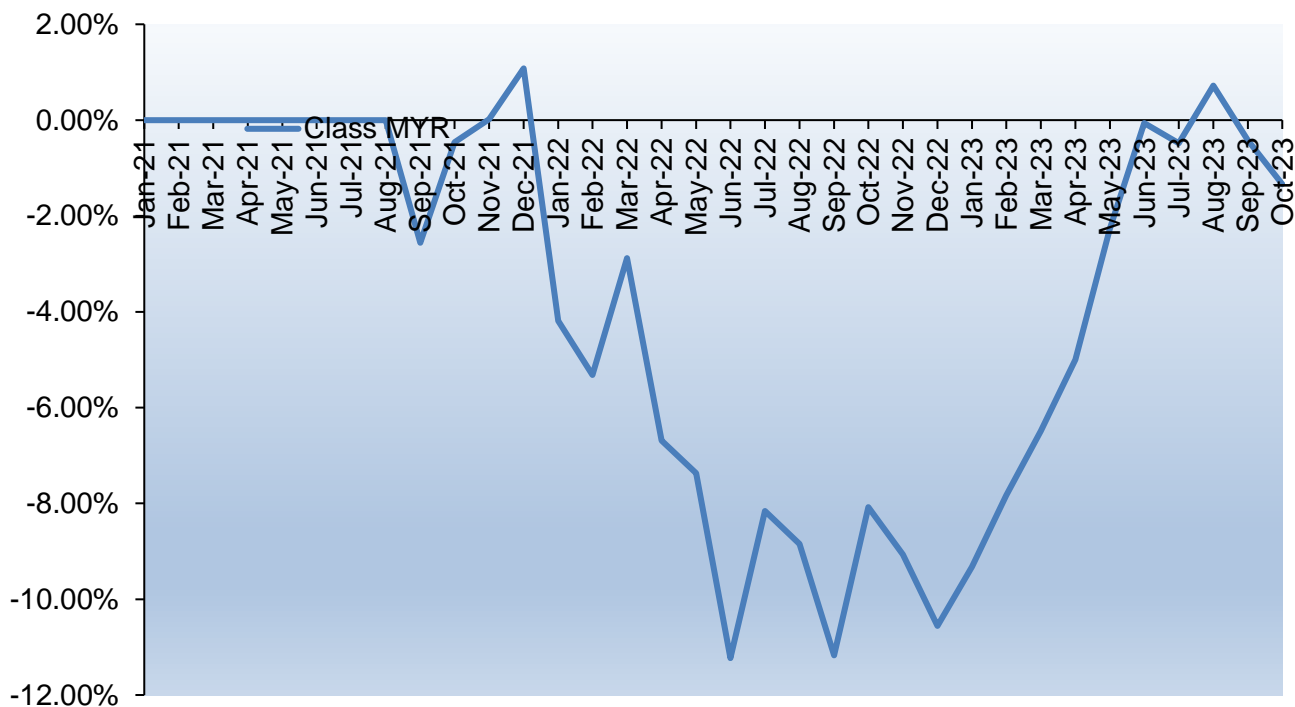
FUND PERFORMANCE (CONTINUED)

Since Inception

CLASS D



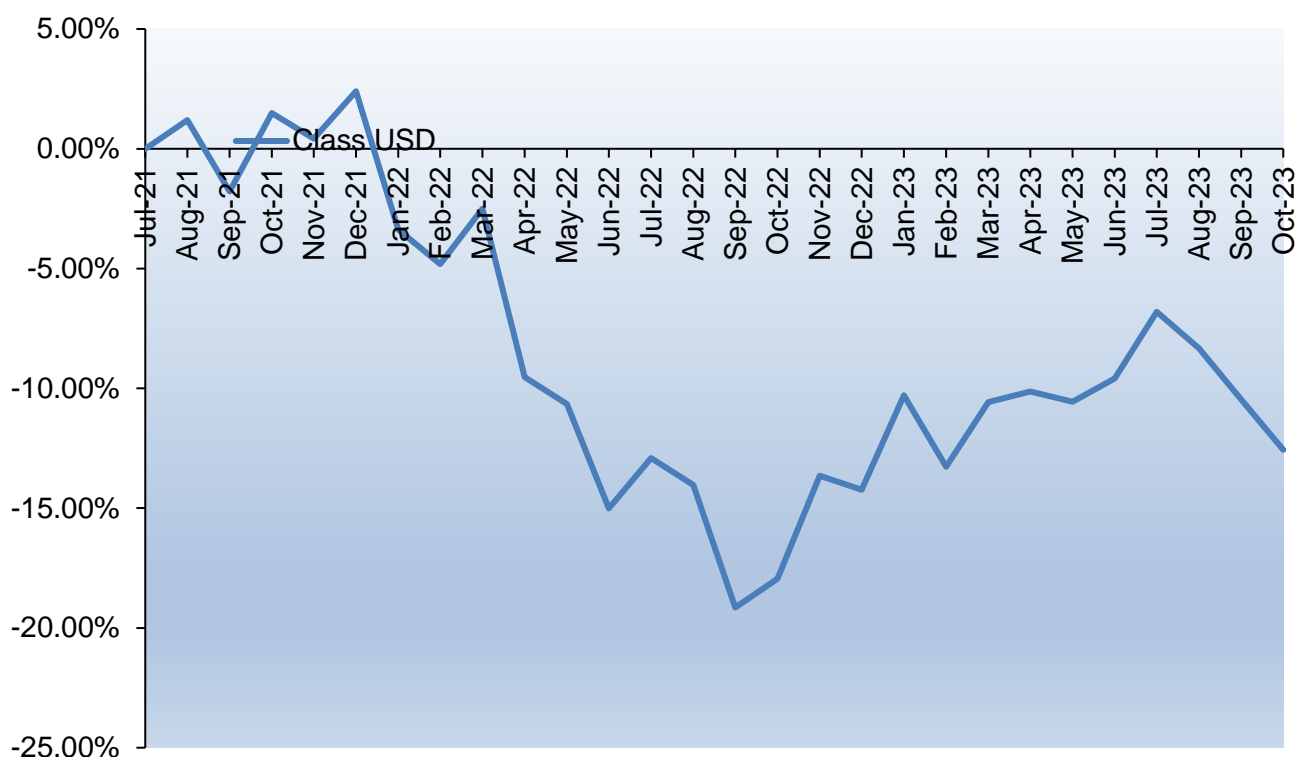
CLASS MYR



FUND PERFORMANCE (CONTINUED)

Since Inception

CLASS USD



Changes in NAV

	31.10.2023	30.04.2023	Changes
Class D		Audited	%
NAV (RM Million)	0.06	0.00*	-
NAV/Unit (RM)	0.2186	0.2243	(2.54)
Class MYR			
NAV (RM Million)	4.57	5.82	(21.48)
NAV/Unit (RM)	0.2072	0.2130	(2.72)
Class USD			
NAV (RM Million)	0.01	0.01	-
NAV/Unit (RM)	0.8743	0.8986	(2.70)

For the financial period under review, the total NAV for Class MYR decreased 21.48%. Meanwhile for Class D and Class USD remain unchanged.

In addition, the Fund's NAV per unit for Class D, Class MYR, and Class USD decreased by 2.54%, 2.72%, and 2.70% respectively during the same period under review.

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)	31.10.2023	30.04.2023 Audited
Shariah-compliant collective investment scheme	97.37	97.20
Cash and other net assets	3.05	3.69
Liabilities	(0.42)	(0.89)
TOTAL	100.00	100.00

The Fund was fully invested during the financial period under review. A minimal level of liquid assets was maintained primarily for redemption purposes.

MARKET OUTLOOK*

The US economy is expected to slow in the coming months, as consumers face multiple headwinds including elevated prices, higher borrowing costs, a resumption of student loan repayments and dwindling savings. According to the New York US Federal Reserves (the “Fed”) report on Household Debt and Credit, US credit card debt jumped by US Dollar (“USD”) 45 billion to USD 1 trillion in second quarter of 2023 (“2Q2023”), a new record high, as many consumers turn to credit cards to support spending.

Meanwhile in China, the government stepped up efforts to bolster economic recovery, and approved the issuance of additional sovereign debt totalling 1 trillion yuan (USD 137 billion) to help rebuild areas hit by floods and improve urban infrastructure to cope with future disasters. Other risks to watch include higher than expected inflation and risk-free rate, geopolitics: e.g. US-China tensions which can range from various sanctions, financial markets and military conflicts

* 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 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 Shariah-compliant investments with minimal cash kept for liquidity purposes.

SOFT COMMISSIONS AND REBATES

Principal Malaysia (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 Fund; 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 we and the fund the manager will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commission.

SOFT COMMISSIONS AND REBATES (CONTINUED)

During the financial period under review, the Manager and 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 for the benefit of the fund such as financial wire services and stock quotations system incidental to investment management of the Funds 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 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 has been carried out during the financial period under review.

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF
PRINCIPAL ISLAMIC GLOBAL SELECTION AGGRESSIVE 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 4 to 23 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 October 2023 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial period ended in accordance with the provisions of the Malaysian Financial Reporting Standards (“MFRS”) 134 - Interim Financial Reporting and International Accounting Standards (“IAS”) 34 - Interim Financial Reporting.

For and on behalf of the Manager

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

MUNIRAH KHAIRUDDIN

Country Head and Chief Executive Officer, Malaysia
Non-Independent Executive Director

UDAY JAYARAM

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

Kuala Lumpur
14 December 2023

TRUSTEE'S REPORT

**TO THE UNIT HOLDERS OF
PRINCIPAL ISLAMIC GLOBAL SELECTION AGGRESSIVE FUND (“Fund”)**

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

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

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
14 December 2023

SHARIAH ADVISER'S REPORT

To the Unit Holders of Principal Islamic Global Selection Aggressive Fund ("Fund")

For The Financial Period From 31 October 2023

We hereby confirm the following:

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

For Amanie Advisors Sdn Bhd

Tan Sri Dr Mohd Daud Bakar
Executive Chairman

Kuala Lumpur
14 December 2023

PRINCIPAL ISLAMIC GLOBAL SELECTION AGGRESSIVE FUND

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023**

	Note	31.10.2023 USD	31.10.2022 USD
INCOME/(LOSS)			
Dividend income		20,868	35,107
Interest income		31	-
Net loss on financial assets at fair value through profit or loss	7	(84,079)	(716,508)
Net foreign exchange loss		(602)	(13,622)
		<u>(63,782)</u>	<u>(695,023)</u>
EXPENSES			
Management fee	4	48,594	69,391
Trustee fee	5	1,267	1,928
Audit fee		1,244	1,288
Tax agent's fee		970	765
Other expenses		1,961	1,433
		<u>54,036</u>	<u>74,805</u>
LOSS BEFORE TAXATION		(117,818)	(769,828)
Taxation	6	(2,095)	(197)
LOSS AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD		<u>(119,913)</u>	<u>(770,025)</u>
Loss after taxation is made up as follows:			
Realised amount		23,868	(732,536)
Unrealised amount		(143,781)	(37,489)
		<u>(119,913)</u>	<u>(770,025)</u>

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

PRINCIPAL ISLAMIC GLOBAL SELECTION AGGRESSIVE FUND

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2023**

		31.10.2023	30.04.2023
	Note	USD	Audited USD
ASSETS			
Cash and cash equivalents	8	108,613	193,231
Financial assets at fair value through profit or loss (Shariah-compliant)	7	4,524,033	5,667,227
Amount due from Manager		9,235	103
Amount due from Manager of Shariah-compliant collective investment scheme			
- Management fee rebate		23,876	21,919
Dividend receivable		-	1
TOTAL ASSETS		<u>4,665,757</u>	<u>5,882,481</u>
LIABILITIES			
Amount due to Manager		5,845	36,684
Accrued management fee		7,268	8,798
Amount due to Trustee		182	244
Other payables and accruals		5,701	5,768
Tax payable		518	419
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)		<u>19,514</u>	<u>51,913</u>
NET ASSET VALUE OF THE FUND		<u>4,646,243</u>	<u>5,830,568</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>4,646,243</u>	<u>5,830,568</u>
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS (USD)			
- Class D		63,581	14
- Class MYR		4,569,653	5,816,330
- Class USD		13,009	14,224
		<u>4,646,243</u>	<u>5,830,568</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)			
- Class D		290,815	62
- Class MYR		22,053,224	27,312,381
- Class USD		14,878	15,828
	9	<u>22,358,917</u>	<u>27,328,271</u>

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

PRINCIPAL ISLAMIC GLOBAL SELECTION AGGRESSIVE FUND

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2023 (CONTINUED)**

	Note	31.10.2023 USD	30.04.2023 Audited USD
REPRESENTED BY:			
NET ASSET VALUE PER UNIT (USD)			
- Class D		0.2186	0.2243
- Class MYR		0.2072	0.2130
- Class USD		<u>0.8743</u>	<u>0.8986</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
- Class D		MYR1.0410	MYR1.0002
- Class MYR		MYR0.9866	MYR0.9497
- Class USD		<u>USD0.8743</u>	<u>USD0.8986</u>

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

PRINCIPAL ISLAMIC GLOBAL SELECTION AGGRESSIVE FUND

**UNAUDITED OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023**

	31.10.2023	31.10.2022
	USD	USD
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>5,830,568</u>	<u>8,293,874</u>
Movement due to units created and cancelled during the financial period:		
Creation of units from applications		
- Class D	80,069	-
- Class MYR	<u>238,950</u>	<u>597,477</u>
	<u>319,019</u>	<u>597,477</u>
Cancellation of units		
- Class D	(14,686)	-
- Class MYR	(1,367,895)	(1,056,845)
- Class USD	<u>(850)</u>	<u>(86,487)</u>
	<u>(1,383,431)</u>	<u>(1,143,332)</u>
Total comprehensive loss for the financial period	<u>(119,913)</u>	<u>(770,025)</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL PERIOD	<u><u>4,646,243</u></u>	<u><u>6,977,994</u></u>

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

**UNAUDITED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023**

	Note	31.10.2023 USD	31.10.2022 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from disposal of Shariah-compliant collective investment scheme		1,222,714	4,445,670
Purchases of Shariah-compliant collective investment scheme		(180,894)	(4,029,640)
Interest received		31	-
Dividend income received		20,868	35,107
Management fee paid		(50,124)	(71,224)
Management fee rebates received		15,337	22,806
Trustee fees paid		(1,329)	(1,979)
Tax paid		(1,996)	(197)
Payments for other fees and expenses		(4,240)	(1,247)
Proceed from realised forward		-	(69,109)
Payment of other foreign exchange loss		(444)	(1,904)
Net cash generated from operating activities		1,019,923	328,283
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		309,887	717,096
Payments for cancellation of units		(1,414,270)	(1,101,484)
Net cash used in financing activities		(1,104,383)	(384,388)
Net decrease in cash and cash equivalents		(84,460)	(56,105)
Effects of foreign exchange differences		(158)	(11,718)
Cash and cash equivalents at the beginning of the financial period		193,231	221,460
Cash and cash equivalents at the end of the financial period	8	108,613	153,637
<u>Cash and cash equivalents comprised of:</u>			
Bank balances		108,613	153,637
Cash and cash equivalents at the end of the financial period	8	108,613	153,637

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2023**

1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES

Principal Islamic Global Selection Aggressive Fund (the “Fund”) was constituted pursuant to the execution of a Deed dated 21 December 2020 and a First Supplemental Deed dated 23 August 2022 between Principal Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustees Malaysia Berhad (the “Trustee”).

The Fund will be actively managed with the aim of maximizing the Fund’s investment return relative to its Target Risk. To achieve this, the Fund will invest in a diversified mix of asset classes such as Shariah-compliant equities, Sukuk, Islamic gold ETF and Islamic Deposit. The allocation into each asset class is determined by selecting an optimal portfolio i.e. a portfolio of asset mix that generate the highest expected return for the prescribed Target Risk. For example, the higher the Target Risk, the higher the allocation into higher risk assets such as Shariah-compliant equities and Islamic gold ETF and hence higher potential returns. On the contrary, a low Target Risk will allocate its investment mainly in lower risk assets such as Islamic Deposit and Sukuk and hence generating a lower and more stable potential returns.

The Fund will be continuously monitored to ensure that its overall risk level remains align with its prescribed Target Risk range. This is facilitated through rebalancing and/or optimising the Fund if the current allocation of a particular asset deviates substantially from its optimal allocation; or if there are significant changes in valuations of the assets and market circumstances.

The Fund invests in assets that comply to Shariah rules, which includes but not limited to Shariah-compliant equities, Sukuk, Islamic gold ETFs and Islamic Deposit. The Fund may also seek investment exposure via Islamic CIS that is in line with the Fund’s objective, subject to the requirements of the GUTF.

The Fund’s investment in Sukuk will generally be restricted to Sukuk rated at least a minimum credit rating of “BBB-” by S&P or its equivalent rating by other international rating agencies and/or at least “A3” by RAM or equivalent rating by MARC or by local rating agency(ies) of the country (“Investment Grade Sukuk”). Nonetheless, up to 20% of the Fund’s NAV may be invested in non-investment grade and/or unrated Sukuk.

The asset allocation for the Fund is as follows:

- Up to 80% of the Fund’s NAV may be invested in Shariah-compliant equities;
- Up to 40% of the Fund’s NAV may be invested in Sukuk, out of which;
 - up to 40% of the Fund’s NAV may be invested in Investment Grade Sukuk; and/ or
 - up to 20% of the Fund’s NAV may be invested in non-investment grade and/or unrated Sukuk;
- Up to 40% of the Fund’s NAV may be invested in Islamic gold ETF; and
- At least 2% of the Fund’s NAV will be invested in Islamic Deposit

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

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

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

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

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(j).

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

None of the standards, amendments to standards or interpretations that are effective for the financial period beginning on/after 1 November 2023 are applicable to 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”).

The contractual cash flows of the Fund’s debt securities are solely principal and interest¹ (“SPPI”). However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund’s business model’s objective. Consequently, all investments are measured at fair value through profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets and financial liabilities (continued)

Classification (continued)

The Fund classifies cash and cash equivalents, amount due from stockbrokers, amount due from Manager, amount due from Manager of Shariah-compliant collective investment scheme – management fee rebate and dividend receivables 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.

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 period which they arise.

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

Foreign Shariah-compliant collective investment scheme is valued based on the most recent published NAV per unit or share of such Shariah-compliant collective investment scheme or, if unavailable, on 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 profit 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 consider 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.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets and financial liabilities (continued)

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Write-off

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

(c) Income recognition

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

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

(d) Foreign currency

Functional and presentation currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the "functional currency"). The financial statements are presented in 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) The Fund's investments are denominated in USD;
- ii) Significant portion of the cash is denominated in USD for the purpose of making settlement of the foreign trades; and
- iii) Significant portion of the Fund's expenses are denominated in USD.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Foreign currency (continued)

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 period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income.

(e) Cash and cash equivalents

For the purpose of statement of cash flow, cash and cash equivalent comprise bank balances with known amounts of cash and which are subject to an insignificant risk of changes in value.

(f) Taxation

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

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

(g) 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 GUTF.

(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 three classes of units, known respectively as the Class MYR, Class USD and Class D, which are cancelled at the unit holder's option. 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) Management fee rebate

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

3. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund aims to provide long term capital appreciation and income through Shariah-compliant investments that invests in the global markets within the target risk range of the Fund.

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.

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

(a) Market risk

(i) Price risk

Price risk is the risk that the fair value of an investment in Shariah-compliant collective investment scheme will fluctuate because of changes in market prices (other than those arising from currency risk). The value of Shariah-compliant 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 Shariah-compliant collective investment scheme and other financial instruments within specified limits according to the Deed.

(ii) Currency risk

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

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk

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

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

In derivative activities, credit risk arises when counterparties to derivative contracts, are unable or unwilling to fulfil their obligation to pay the positive fair value or receivable resulting from the execution of contract terms.

For amount due from Manager, the settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the GUTF.

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

(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 deposits with licensed financial institutions, which are capable of being converted into cash within 7 business days. The Fund's investments in Shariah-compliant 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.

(d) Capital risk management

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

(e) Fair value estimation

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

The fair value of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the financial period end date. The Fund utilises the last traded market price for financial assets where the last traded market 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.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

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

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

(i) Fair value hierarchy

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

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

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

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

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
31.10.2023				
Financial assets at fair value through profit or loss:				
- Shariah-compliant collective investment scheme	4,524,033	-	-	4,524,033
	<u>4,524,033</u>	<u>-</u>	<u>-</u>	<u>4,524,033</u>

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
30.04.2023				
Audited				
Financial assets at fair value through profit or loss:				
- Shariah-compliant collective investment scheme	5,667,227	-	-	5,667,227
	<u>5,667,227</u>	<u>-</u>	<u>-</u>	<u>5,667,227</u>

Investments whose values are based on quoted market prices in active markets and are therefore classified within Level 1, include Shariah-compliant collective investment 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).

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. These include unquoted fixed income securities, forward foreign currency contracts and interest rate swaps. 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 Shariah-compliant collective investment scheme - management fee rebate, dividend receivable and all current liabilities are a reasonable approximation of their fair values due to their short term nature.

4. MANAGEMENT FEE

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

For the financial period 31 October 2023, the management fee is recognised at a rate of 1.80% per annum for each class.

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

5. TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to a maximum fee of 0.05% per annum, calculated 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.

5. TRUSTEE FEE (CONTINUED)

For the financial period from 1 April 2023 until 31 July 2023, the trustee fee is recognised at a rate of 0.05% per annum for each class. Effective 1 August 2023, Trustee fee is recognised at a rate of 0.045% per annum for each class (31.10.2022: 0.05% per annum).

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

6. TAXATION

	31.10.2023	31.10.2022
	USD	USD
Tax charged for the financial period:		
- Tax on foreign source income	<u>2,095</u>	<u>197</u>

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

	31.10.2023	31.10.2022
	USD	USD
Loss before taxation	<u>(117,818)</u>	<u>(769,828)</u>
Taxation at Malaysian statutory rate of 24% (2022: 24%)	(28,276)	(184,759)
Tax effects of:		
- Loss not deductible for tax purpose	15,308	166,806
- Expenses not deductible for tax purposes	1,007	990
- Restriction on tax deductible expenses for Unit Trust Funds	11,961	16,963
Tax on foreign source income	<u>2,095</u>	<u>197</u>
Taxation	<u>2,095</u>	<u>197</u>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31.10.2023	30.04.2023
	USD	Audited
		USD
At fair value through profit or loss:		
- Shariah-compliant collective investment scheme	<u>4,524,033</u>	<u>5,667,227</u>
	31.10.2023	31.10.2022
	USD	USD
Net loss on financial assets at fair value through profit or loss:		
- Realised gain/(loss) on disposals	42,250	(715,181)
- Unrealised fair value loss	(143,623)	(25,771)
- Management fee rebate #	17,294	24,444
	<u>(84,079)</u>	<u>(716,508)</u>

Management fee rebate is derived from the 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 period ended 31 October 2023, the management fee rebates are recognised at a rate as per table below, calculated and accrued daily based on the NAV of the collective investment schemes.

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

	31.10.2023	30.04.2023
	%	Audited %
Franklin Global Sukuk Fund A	1.00	1.00
HSBC Islamic Global Equity Income-IC	0.38	1.80
Principal Islamic Deposit Fund	0.30	0.30
Principal Islamic Lifetime Sukuk Fund	0.95	1.85
Principal Islamic Small Cap Opportunities Fund	1.85	1.00

Name of counter	Quantity	Aggregate	Market	Percentage
	Units	cost	value	of NAV
		USD	USD	%
31.10.2023				
SHARIAH-COMPLIANT				
COLLECTIVE				
INVESTMENT SCHEME				
Ishares MSCI USA Islamic UCITS – ETF	10,229	594,317	617,422	13.29
Franklin Global Sukuk Fund A (ACC) USD	76,912	947,947	922,172	19.85
HSBC Islamic Global Equity Income-IC	42,983	854,898	888,500	19.12
Principal Islamic Deposit Fund	3,593,969	842,889	795,028	17.11
Principal Islamic Lifetime Sukuk Fund	3,461,336	1,045,767	925,034	19.91
Principal Islamic Small Cap Opportunities Fund	2,764,492	375,151	375,877	8.09
TOTAL SHARIAH-COMPLIANT COLLECTIVE INVESTMENT SCHEME	9,949,921	4,660,969	4,524,033	97.37
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		(136,936)		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		4,524,033		

PRINCIPAL ISLAMIC GLOBAL SELECTION AGGRESSIVE FUND

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
30.04.2023				
Audited				
SHARIAH-COMPLIANT				
COLLECTIVE				
INVESTMENT SCHEME				
Ishares MSCI USA Islamic UCITS - ETF	16,117	931,627	965,992	16.56
Franklin Global Sukuk Fund A (Acc) USD	91,104	1,122,872	1,136,981	19.50
HSBC Islamic Global Equity Income-IC	57,917	1,151,933	1,156,495	19.84
Principal Islamic Deposit Fund	3,512,840	828,115	815,042	13.98
Principal Islamic Lifetime Sukuk Fund	3,946,483	1,194,140	1,126,252	19.32
Principal Islamic Small Cap Opportunities Fund	3,196,239	431,852	466,465	8.00
TOTAL SHARIAH-COMPLIANT COLLECTIVE INVESTMENT SCHEME	10,820,700	5,660,539	5,667,227	97.20
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		6,688		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		5,667,227		

8. CASH AND CASH EQUIVALENTS

	31.10.2022	30.04.2023
	USD	Audited USD
Bank balances	<u>108,613</u>	<u>193,231</u>

9. NUMBER OF UNITS IN CIRCULATION (UNITS)

	31.10.2022	30.04.2023
	No. of units	Audited No. of units
Class MYR (i)	22,053,224	27,312,381
Class D (ii)	290,815	62
Class USD (iii)	14,878	15,828
	<u>22,358,917</u>	<u>27,328,271</u>

9. NUMBER OF UNITS IN CIRCULATION (UNITS)

	31.10.2023	30.04.2023
	<u>No. of units</u>	<u>Audited No. of units</u>
(i) Class MYR		
At the beginning of the financial year/period	27,312,381	37,848,097
Add: Creation of units from applications	1,108,810	4,047,774
Less: Cancellation of units	<u>(6,367,967)</u>	<u>(14,583,490)</u>
At the end of the financial year/period	<u>22,053,224</u>	<u>27,312,381</u>
(ii) Class D		
At the beginning of the financial year/period	62	-
Add: Creation of units from applications	355,885	62
Less: Cancellation of units	<u>(65,132)</u>	<u>-</u>
At the end of the financial year/period	<u>290,815</u>	<u>62</u>
(iii) Class USD		
At the beginning of the financial year/period	15,828	198,156
Add: Creation of units from applications	-	-
Less: Cancellation of units	<u>(950)</u>	<u>(182,328)</u>
At the end of the financial year/period	<u>14,878</u>	<u>15,828</u>

10. TOTAL EXPENSE RATIO (“TER”)

	31.10.2023	31.10.2022
	<u>%</u>	<u>%</u>
TER	<u>0.70</u>	<u>0.66</u>

TER is derived from the following calculation:

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

- A = Management fee (excluded rebate)
- B = Trustee fee
- C = Audit fee
- D = Tax agent’s fee
- E = Other expenses
- F = Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis is USD5,279,196 (2022: USD7,653,726)

11. PORTFOLIO TURNOVER RATIO (“PTR”)

	31.10.2023	31.10.2022
PTR (times)	<u>0.13</u>	<u>0.55</u>

PTR is derived based on the following calculation (continued):

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

11. PORTFOLIO TURNOVER RATIO (“PTR”) (CONTINUED)

where:

total acquisition for the financial period	=	USD180,894 (2022: USD4,029,640)
total disposal for the financial period	=	USD1,222,714 (2022: USD4,445,670)

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

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

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

Units held by the Manager and parties related to the Manager

	31.10.2023		30.04.2023	
	<u>No. of units</u>	<u>USD</u>	<u>No. of units</u>	<u>Audited USD</u>
Manager				
Principal Asset Management Berhad				
- Class MYR	705	154	64	14
- Class USD	50	44	1,000	899

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.

There were no significant related party transactions during the financial period, other than those already disclosed in the financial statements.

13. TRANSACTIONS WITH BROKERS

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

Broker	Value of trades USD	Percentage of total trades %
Principal Asset Management Berhad #	459,163	32.71
Macquarie Bank Ltd (Hong Kong)	435,209	31.01
HSBC Investment Funds Luxembourg SA	321,000	22.87
Templeton Franklin Investment Service Asia	175,000	12.47
Citigroup Global Markets Ltd (London)	13,236	0.94
	<u>1,403,608</u>	<u>100.00</u>

Details of transactions with the top 10 brokers for the financial period 31 October 2022 were as follows:

Broker	Value of trades USD	Percentage of total trades %
Principal Asset Management Berhad #	4,065,254	47.97
RBC Investors And Treasury Services	2,569,865	30.32
Macquarie Bank Ltd (Hong Kong)	847,730	10.00
Templeton Franklin Investment Service Asia	708,000	8.35
HSBC Investment Funds Luxembourg SA	226,000	2.67
Citigroup Global Markets Ltd (London)	56,284	0.66
BNP Paribas Securities Services Luxembourg Branch	2,177	0.03
	<u>8,475,310</u>	<u>100.00</u>

Included in the transactions are trades conducted with Principal Asset Management Berhad, fellow related parties to the Manager amounting to USD 459,163 (2022: USD4,065,254). The Manager is of the opinion that all transactions with the related companies have been entered into in the normal course of business at agreed terms between the related parties.

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